



एनटीसी  
NTC

नेशनल टेक्सटाइल कारपोरेशन लिमिटेड  
National Textile Corporation Limited

49 वां वार्षिक प्रतिवेदन  
th Annual Report

2016-17



Spinning A New Success Story



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## BOARD OF DIRECTORS

### Chairman & Managing Director

- **Shri Prem Chandra Vaish**  
Chairman & Managing Director

### Directors

- i) **Shri J. K. Dadoo**  
AS & FA, Ministry of Textiles
- ii) **Shri A. Madhukumar Reddy**  
Joint Secretary, Ministry of Textiles  
(w.e.f 01.10.2016)
- iii) **Smt. Anu Garg**  
Joint Secretary, Ministry of Textiles  
(Till 01.10.2016)
- iv) **Shri Anil B. Joshi**  
Independent Director  
(w.e.f 30.01.2017)
- v) **Smt. Anita Agarwal**  
Independent Director  
(w.e.f 30.01.2017)
- vi) **Shri Devendra Daga**  
Independent Director  
(w.e.f 30.01.2017)
- vii) **Shri R.K. Sinha**  
Director (HR)
- viii) **Shri Alokendra Banerjee**  
Director (Mktg.)  
(Till 04.05.2017)
- ix) **Dr. Anil Gupta**  
Director (Finance)

### Company Secretary

- **Shri Pankaj Agarwal**



Shri J. K. Dadoo  
AS & FA, Ministry of Textiles



Shri Prem Chandra Vaish  
Chairman & Managing Director



Shri A. Madhukumar Reddy  
Joint Secretary, Ministry of Textiles



Smt. Anu Garg  
Joint Secretary, Ministry of Textiles



Shri Anil Joshi  
Independent Director

**Board  
of  
Directors**



Ms. Anita Agarwal  
Independent Director



Shri Devendra Daga  
Independent Director



Shri R. K. Sinha  
Director (Human Resource)



Dr. Anil Gupta  
Director (Finance)



Shri Alokendra Banerjee  
Director (Mktg)



## REGISTERED OFFICE

Core-IV, SCOPE Complex,  
7, Lodhi Road  
New Delhi - 110 003

## AUDITORS

### Statutory Auditors

**M/s Tiwari & Associates,**  
Chartered Accountants,  
T-8, Green Park Extension,  
New Delhi – 110 016.

### Lead Cost Auditors

**M/s Krishnan R,**  
BA, MBA, ACMA,  
“KAILAS”, D-2 T N H U,  
Punma Kodi Street, R.S. Puram,  
Coimbatore – 641002.

### Secretarial Auditors

**M/s Nityanand Singh,**  
Company Secretaries,  
NNS Corporate Solutions P. Ltd,  
14, Second Floor, Arjun Nagar,  
Safdarjung Enclave,  
New Delhi – 110 029.

## BANKERS

- i) State Bank of Hyderabad
- ii) Corporation Bank
- iii) Punjab National Bank
- iv) State Bank of India
- v) Vijaya Bank
- vi) Bank of Baroda
- vii) Indian Bank
- viii) Oriental Bank of Commerce
- ix) Syndicate Bank
- x) State Bank of Travancore
- xi) Canara Bank
- xii) UCO Bank
- xiii) Central Bank of India
- xiv) Indian Overseas Bank
- xv) HDFC Bank Limited
- xvi) ICICI Bank Limited
- xvii) Bank Of India
- xviii) Allahabad Bank
- xix) Dena Bank
- xx) United Bank of India



Signing of Memorandum of understanding for year 2017-18 between NTC Ltd & Ministry of Textiles by **Shri Anant Kumar Singh**, IAS, Secretary (Textiles) MoT, GOI and **Shri P. C. Vaish**, CMD, NTC Ltd in the presence of **Shri A. Madhukumar Reddy**, IAS, Joint Secretary (Textiles) MoT, GOI and other Directors/Officials of NTC.



Shri Shantmanu, Development Commissioner (Handicrafts) inaugurating the NTC stall at Heimtex 2017 held from 20-22<sup>nd</sup> June, 2017 at Pragati Maidan, New Delhi in the presence of **Shri P.C. Vaish**, CMD, NTCL

## REGIONAL OFFICES

NAME	ADDRESS
1. Western Regional Office	NTC House, 15, Narottam Morarjee Marg, Ballard Estate, <b>Mumbai-400 001</b>
2. Southern Regional Office	NTC House, P.O. Box No. 2409, 35-B, Somasundram Mills Road, <b>Coimbatore-641 009</b>

## SUB OFFICES

1. NATIONAL TEXTILE CORPORATION Ltd. NEW DELHI	Core-IV, SCOPE Complex, 7, Lodhi Road New Delhi-110 003
2. NATIONAL TEXTILE CORPORATION Ltd. AHMEDABAD	1791, Ashram Road, Ahmedabad-380009
3. NATIONAL TEXTILE CORPORATION Ltd. INDORE	41, Jangampura, Malganj Square, Jawahar Marg, Indore-452002
4. NATIONAL TEXTILE CORPORATION Ltd. KANPUR	14/82, "Sylverton" Civil Lines, Kanpur-208001
5. NATIONAL TEXTILE CORPORATION Ltd. KOLKATA	7, Jawahar Lal Nehru Road (1st Floor) Kolkata-700013

**NTC MILLS IN OPERATION - AT A GLANCE**

S. No.	Name of Mills	Location	State	Status
	<b>NTC – Western Regional Office</b>	<b>Mumbai</b>	<b>Maharashtra</b>	
1	Barshi Textile Mills	Barshi	Maharashtra	Modernized
2	India United Mills No 5	Mumbai	Maharashtra	Modernized
3	Podar Mills	Mumbai	Maharashtra	Modernized
4	Tata Mills	Mumbai	Maharashtra	Modernized
5	Finlay Mill	Achalpur	Maharashtra	New Unit
	<b>NTC – Southern Regional Office</b>	<b>Coimbatore</b>	<b>Tamilnadu</b>	
6	Coimbatore Murgan Mills	Coimbatore	Tamilnadu	Modernized
7	Combodia Mills	Coimbatore	Tamilnadu	Modernized
8	Pankaja Mills	Coimbatore	Tamilnadu	Modernized
9	Sri Rangavilas Gng.Spg.&Wvg. Mill	Coimbatore	Tamilnadu	Modernized
10	Kaleeswarar Mills “B” Unit	Kalayarkoil	Tamilnadu	Modernized
11	Pioneer Spinners	Kamudakudi	Tamilnadu	Modernized
12	Coimbatore Spg. & Wvg. Mills	Coimbatore	Tamilnadu	To be Modernized
13	Tirupathi Cotton Mills	Renigunta	Andhra Pradesh	To be Modernized
14	Alagappa Textile Mills	Alagappanagar	Kerala	Modernized
15	Cannanore Spg. & Wvg. Mills	Cannanore	Kerala	Modernized
16	Kerala Laxmi Mills	Trichur	Kerala	Modernized
17	Vijaymohini Mills	Thiruvanthapuram	Kerala	Modernized
18	Cannanore Spg. & Wvg. Mills	Mahe	Pondicherry	Modernized
19	New Minerva Mills	Hassan	Karnataka	New Unit
	<b>NTC - Madhya Pradesh</b>	<b>Indore</b>	<b>Madhya Pradesh</b>	
20	New Bhopal Textile Mills	Bhopal	Madhya Pradesh	Modernized
21	Burhanpur Tapti Mills	Burhanpur	Madhya Pradesh	Modernized
	<b>NTC – Gujarat</b>	<b>Ahmedabad</b>	<b>Gujarat</b>	
22	Rajnagar Textiles Mills No.I	Ahmedabad	Gujarat	New Unit
	<b>NTC - WBAB&amp;O</b>	<b>Kolkata</b>	<b>West Bengal</b>	
23	Arati Cotton Mills	Dasnagar	West Bengal	Modernized

## MILLS OPERATIONAL UNDER JOINT VENTURES

S.No	Name of JV Company	Location	State
	<b>NTC – Western Regional Office</b>	<b>Mumbai</b>	<b>Maharastra</b>
1	Apollo Textile Mills	Mumbai	Maharastra
2	Gold Mohur Mills	Mumbai	Maharastra
3	New City of Bombay Mfg. Mills	Mumbai	Maharastra
4	Aurangabad Textile Mills	Aurangabad	Maharastra
5	India United Mills No 1	Mumbai	Maharastra

## MILLS UNDER ARBITRATION

S.No	Name of Mill	Location	State
	<b>NTC – Western Regional Office</b>	<b>Mumbai</b>	<b>Maharastra</b>
1	Chalisingaon Textile Mills	Chalisingaon	Maharastra
2	Dhule Textile Mills	Dhule	Maharastra
3	Nanded Textile Mills	Nanded	Maharastra
4	Savatram Ramprasad Mills	Akola	Maharastra
5	RBBA Spg. & Wvg. Mills	Hinganghat	Maharastra
	<b>NTC – Southern Regional Office</b>	<b>Coimbatore</b>	<b>Tamilnadu</b>
6	Sri Sarada Mills	Coimbatore	Tamilnadu
7	Parvathi Mills	Quilon	Kerala
	<b>NTC – Uttar Pradesh</b>	<b>Kanpur</b>	<b>Uttar Pradesh</b>
8	Swadeshi Cotton Mills	Maunath Bhanjan	Uttar Pradesh
	<b>NTC - WBAB&amp;O</b>	<b>Kolkata</b>	<b>West Bengal</b>
9	Orissa Cotton Mills	Bhagalpur	Orissa
10	Luxmi Narayan Cotton Mills	Rishra	West Bengal
11	Sodepur Cotton Mills	Sodepore	West Bengal

**CLOSED MILLS OF NTC- AT A GLANCE**

S. No.	Name of Mills	Location	State	Date of closure/Status
	<b>NTC - Western Regional Office</b>	<b>Mumbai</b>	<b>Maharashtra</b>	
1	Kohinoor Mills No. 2	Mumbai	Maharashtra	01.06.2002
2	Kohinoor Mills No. 3	Mumbai	Maharashtra	01.06.2002
3	India United Mills No.4	Mumbai	Maharashtra	31.10.2002
4	India United Mills No. 2}	Mumbai	Maharashtra	31.03.2004
5	India United Mills No. 3}	Mumbai	Maharashtra	31.03.2004
6	Jam Mfg. Mills	Mumbai	Maharashtra	31.03.2004
7	Shri Sitaram Mills	Mumbai	Maharashtra	31.03.2004
8	Bharat Textile Mills	Mumbai	Maharashtra	01.04.2004
9	Digvijay Textile Mills.	Mumbai	Maharashtra	01.04.2004
10	Elphinstone Spg & Wvg Mills	Mumbai	Maharashtra	01.04.2004
11	Jupiter Textile Mills	Mumbai	Maharashtra	01.04.2004
12	Mumbai Textile Mills	Mumbai	Maharashtra	01.04.2004
13	New Hind Textile Mills	Mumbai	Maharashtra	01.04.2004
14	Podar Processors	Mumbai	Maharashtra	01.04.2004
15	Shree Madhusudan Mills	Mumbai	Maharashtra	01.04.2004
16	Model Mills	Nagpur	Maharashtra	05.06.2004
17	R.S.R.G. Mills, Akola	Mumbai	Maharashtra	05.06.2004
18	Vidharbha Mills	Achalpur	Maharashtra	05.06.2004
19	Kohinoor Mills No. 1	Mumbai	Maharashtra	27.12.2006
20	India United Mills No.6	Mumbai	Maharashtra	24.01.2007
21	Finlay Mills	Mumbai	Maharashtra	October,2009
	<b>NTC - Southern Regional Office</b>	<b>Coimbatore</b>	<b>Tamilnadu</b>	
22	Mysore Mills (Merged With Minerva)	Bangalore	Karnataka	---
23	Adoni Cotton Mills	Adoni	Andhra Pradesh	06.05.2002
24	Natraj Spinning Mills	Adilabad	Andhra Pradesh	06.05.2002
25	Netha Spinning & Weaving Mills	Secunderabad	Andhra Pradesh	06.05.2002
26	M.S.K. Mills	Gulbarga	Karnataka	06.05.2002
27	Kishnaveni Textile Mills	Coimbatore	Tamil Nadu	31.05.2002
28	Om Parasakthi Mills	Coimbatore	Tamil Nadu	31.05.2002
29	Kaleeswarar Mills 'A' Unit	Coimbatore	Tamil Nadu	21.07.2002
30	Azam Jahi Mills	Warangal	Andhra Pradesh	31.10.2002
31	Somasundaram Mills	Coimbatore	Tamil Nadu	31.10.2002
32	Balaramvarma Textile Mills	Shencottah	Tamil Nadu	06.01.2003
33	Ananthapur Cotton Mills		Andhra Pradesh	Feb., 2009
34	Sree Yallamma Cotton Mills.	Davangere	Karnataka	Feb., 2009
35	Minerva Mills, Bangalore	Bangalore	Karnataka	March, 2011

S. No.	Name of Mills	Location	State	Date of closure/Status
	<b>NTC - Delhi, Punjab &amp; Rajasthan</b>	<b>New Delhi</b>	<b>Delhi</b>	
36	Edward Mills	Beawar	Rajasthan	06.05.2002
37	Dayalbagh Weaving & Spinning Mills	Amritsar	Punjab	01.09.2003
38	Panipat Woollen Mills	Kharar	Punjab	15.05.2004
39	Shree Bijay Cotton Mills	Bijaynagar	Rajasthan	Feb.,2009
40	Kharar Textile Mills	Kharar	Punjab	Feb.,2009
41	Suraj Textile Mills	Malout	Punjab	Feb.,2009
	<b>NTC -Madhya Pradesh &amp; Chattisgarh</b>	<b>Indore</b>	<b>Madhya Pradesh</b>	
42	Kalyanmal Mills	Indore	Madhya Pradesh	31.05.2002
43	Swadeshi Textile Mills	Indore	Madhya Pradesh	31.05.2002
44	Hira Mills	Ujjain	Madhya Pradesh	31.10.2002
45	Bengal Nagpur Cotton Mills	Rajnandgaon	Chattisgarh	31.10.2002
46	Indore Malwa United Mills	Indore	Madhya Pradesh	31.03.2003
	<b>NTC-Uttar Pradesh</b>	<b>Kanpur</b>	<b>Uttar Pradesh</b>	
47	Atherton Mills	Kanpur	Uttar Pradesh	11.03.2004
48	Bijli Cotton Mills	Kanpur	Uttar Pradesh	11.03.2004
49	Laxmirattan Cotton Mills	Hathras	Uttar Pradesh	11.03.2004
50	Lord Krishna Tex.Mills	Saharanpur	Uttar Pradesh	11.03.2004
51	Muir Mills	Kanpur	Uttar Pradesh	11.03.2004
52	New Victoria Mills	Kanpur	Uttar Pradesh	11.03.2004
53	Rae Bareli Tex. Mills	Rai Bareli	Uttar Pradesh	11.03.2004
54	Shri Vikram Cotton Mills	Lucknow	Uttar Pradesh	11.03.2004
55	Swadeshi Cotton Mills, Kanpur	Kanpur	Uttar Pradesh	11.03.2004
56	Swadeshi Cotton Mills, Naini	Naini	Uttar Pradesh	Feb.,2009
	<b>NTC- Gujarat</b>	<b>Ahmedabad</b>	<b>Gujarat</b>	
57	Petlad Textile Mills, Petlad	Petlad	Gujarat	06.05.2002
58	Rajkot Textile Mills	Rajkot	Gujarat	06.05.2002
59	Viramgam Textile Mills, Viramgam	Viramgam	Gujarat	31.07.2002
60	New Manekchowk Textile Mills	Ahmedabad	Gujarat	31.07.2002
61	Mahalaxmi Textile Mills	Bhavnagar	Gujarat	30.09.2002
62	Rajnagar Textile Mills 2	Ahmedabad	Gujarat	31.10.2002
63	Ahmedabad Jupiter Mills	Ahmedabad	Gujarat	31.03.2003
64	Himadari Textile Mills	Ahmedabad	Gujarat	30.09.2003
65	Jehangir Textile Mills	Ahmedabad	Gujarat	30.06.2004
66	Ahmedabad New Textile Mills	Ahmedabad	Gujarat	Feb.,2009
	<b>NTC -Wbab&amp;O</b>	<b>Kolkata</b>	<b>West Bengal</b>	
67	Bangasri Cotton Mills	Sonepore	West Bengal	06.05.2002
68	Bengal Fine S.& W.Mills No. II	Kataganj	West Bengal	06.05.2002
69	Manindra B.T.Mills	Cossim Bazar	West Bengal	06.05.2002
70	Jyoti Wvg. Factory	Patipukur	West Bengal	06.05.2002
71	Central Cotton Mills	Belur	West Bengal	06.05.2002

S. No.	Name of Mills	Location	State	Date of closure/Status
72	Shree Mahalaxmi Cotton Mills	Palta	West Bengal	06.05.2002
73	Gaya Cotton & Jute Mills	Gaya	Bihar	06.05.2002
74	Bengal Luxmi Cotton Mills	Serampore	West Bengal	25.10.2003
75	Rampooria Cotton Mills	Rishra	West Bengal	25.10.2003
76	Bengal Fine S.& W.Mills No.I	Konnagar	West Bengal	25.10.2003
77	Associated Industries	Chandrapur	Assam	Feb.,2009
78	Bihar Cooperative Mills	Mokameh	Bihar	Feb.,2009

### TRANSFERRED TO PUDUCHERY GOVT

S. No.	Name of Mills	Location	State
1	Sri Bharathi Mills	Puduchery	Puduchery
2	Swadeshi Cotton Mills	Puduchery	Puduchery

### MILLS NOT OPERATIONAL

S. No.	Name of Mills	Location	State
1	Udaipur Cotton Mills	Udaipur	Rajasthan
2	MahaLakshmi Mills	Beawar	Rajasthan

### MILL NOT RUN AFTER NATIONALIZATION

S. No.	Name of Mills	Location	State
1	Fine Knitting Mills	Ahmedabad	Gujrat
2	Kothanandam Mills	Madurai	Tamilnadu
3	Kanoria Mills	Konnagar	West Bengal
4	Bengal Textile Mills	Kasimbazar	West Bengal

### MILLS CLOSED UNDER SC ORDER

S. No.	Name of Mills	Location	State
1	Ajudhia Mills	Azadpur	Delhi

### MILLS TAKEN OVER, NOT NATIONALIZED & DENOTIFIED (BY DEFAULT ON 22.06.1988)

S. No.	Name of Mills	Location	State
1	Mohini Mills	Belgharia	West Bengal



TEXATHON is the World's First & Only Run organized for the Textile Community. The event was organized by Sasmira Alumini Foundation and sponsored by National Textile Corporation and other textile Industries in the premises of India United mills No. 6, Dadar, Mumbai on July 16, 2017



Shramdaan Sewa Diwas 17<sup>th</sup> September 2017

## NOTICE

Notice is hereby given that **49<sup>th</sup> Annual General Meeting** of National Textile Corporation Limited, will be held on **Friday, the 15<sup>th</sup> December, 2017 at 3.00PM** at the Registered Office of the Company at **SCOPE Complex, 5<sup>th</sup> Floor, Core-IV, 7, Lodhi Road, New Delhi - 110 003** to transact the following business :-

### ORDINARY BUSINESS:

1. To receive, consider and adopt the **Standalone** Audited Balance Sheet as at 31<sup>st</sup> March, 2017 and Profit & Loss Account for the year ended on that date together with the Report of the Auditors, Directors and comments of Comptroller & Auditor General of India thereon.
2. To receive, consider and adopt the **consolidated** Audited Balance Sheet as at 31<sup>st</sup> March 2017, Profit & Loss Account for the year ended on that date together with the Report of the Auditors and comments of Comptroller & Auditor General of India thereon.
3. To ratify the remuneration of Statutory Auditors appointed by Comptroller & Auditor General of India (C&AG), for the financial year ended on 31<sup>st</sup> March, 2017.

### SPECIAL BUSINESS:

4. **To ratify the remuneration of the Cost Auditors of the Company for the Financial Year 2017-18.**

To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**.

**“RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification/s or re-enactment thereof, for the time being in force) the total remuneration of ₹ 6,05,000/- plus TA/DA on actual basis as per terms of appointment of Cost Auditors, to be paid to Lead and other Cost Auditors in respect of Cost Audit of 24 Mills and consolidation and submission of report thereof to the Board of Directors (as detailed out in the Explanatory Statement) for the Financial Year 2017-18, as approved by the Board of Directors, be and is hereby ratified.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board of Directors  
Sd/-  
(Pankaj Agarwal)  
Company Secretary

Place: New Delhi  
Date : 21<sup>st</sup> November, 2017

### NOTES :

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Special Business Item No.4, set out in the Notice is annexed.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND A PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING. PROXY FORM IS ENCLOSED.**
3. The President of India or Governor of State, as the case may be, may appoint their representative under section 112(1) of the Companies Act 2013 to participate in the meeting. A person so appointed shall be deemed to be a member of the company.

**Explanatory Statement Pursuant to Section 102(1) of the Companies Act 2013.**
**Item No. 4**

Based on the recommendations of the Audit Committee, the Board of Directors through circular resolution dated 28<sup>th</sup> September 2017 has approved the names of the 14 Cost Auditor Firms for Cost Audit of 24 mills and the consolidation and submission of the report thereof to the Board of Directors, at a total fee of ₹ 6,05,000/- plus TA & DA on actual basis, as per terms of appointment, for the Financial Year 2017-18.

The Details of Cost Auditors and their remuneration are as under:-

S. No.	Name of the Cost Auditor / Firms	S. No.	Consolidation Work / Name of the Mills for Cost Audit	Cost Audit fees
1.	Krishnan, R, Coimbatore (Lead Cost Auditor)	(A) (B)	Consolidation & Submission of Report to Board Mills for Cost Audit :-	49500/-
2	Krishnan, Sundaram, Coimbatore	1.	Combodia Mills, Coimbatore (TN)	22000/-
		2.	Pankaja Mills, Coimbatore (TN)	22000/-
		3.	Pioneer, Kamudakudi (TN)	22000/-
		4.	Kaleeswarar-B, Kakayarkoil (TN)	22000/-
		5.	Sri Rangavilas Gng. Spg. & Wvg. Mills, Coimbatore (TN)	22000/-
		6.	Coimbatore Murugan Mills, Coimbatore (TN)	27500/-
		7.	Coimbatore Spg. & Wvg. Mills, Coimbatore (TN)	22000/-
3.	Kumar, Ayyappan Ajith, Thiruvananthapuram	8.	Vijay Mohini Mills, Trivandrum (Kerala)	22000/-
4.	Ajeesh & Associates, Cochin	9.	Cannaore Spg. & Wvg. Mills, Mahe (Pondicherry)	22000/-
5.	Benoy Abey & Associates, Kottayam	10.	Cannaore Spg. & Wvg. Mills, Cannanore (Kerala)	22000/-
6	Gopalakrishnan, Sasidharan, Kochi	11.	Alagappa Textiles, Algappa Nagar (Kerala)	22000/-
		12.	Kerala Laxmi Mills, Thrissur (Kerala)	22000/-
7.	Bhatia, Rajesh, Bangalore	13.	New Minerva Mills, Hassan, Karnataka	27500/-
8.	Sikha Naga Malleswara Rao & Co, Bangaluru	14.	Tirupathi Mills, Tirupathi, Andhra Pradesh	22000/-
9.	Chattopadhyay, Santiram, Mumbai	15.	Podar Mills, Mumbai (MH)	22000/-
		16.	Finlay, Mumbai (MH)	22000/-
		17.	Tata Mills, Mumbai (MH)	27500/-
		18.	Indu No. 5 Mills, Mumbai Maharashtra	22000/-
10	Chetti, Shailesh Suryakant, Solapur	19	Barshi Mills, Barshi Maharashtra	22000/-
11.	Sharma, Prabha, Bhopal	20.	New Bhopal Textile Mills, Bhopal (MP)	22000/-
		21.	Burhanpur Tapti Mills, Burhanpur (MP)	22000/-
12	Bhaskar Chakraborty, Kolkata	22.	Arati Cotton Mills, Dasnagar (WB)	22000/-
13	Gupta, Jai Prakash, Nagpur	23.	Finlay Mills, Achalpur (MH)	27500/-
14	Ashish Bhavsar & Associates, Ahmedabad	24	Raj Nagar Textile Mills, Ahmedabad (Guj.)	27500/-
<b>Total</b>				<b>6,05,000/-</b>



Pursuant to Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration, as approved by the Board of Directors of the Company on the recommendation of the Audit Committee, is required to be subsequently ratified by the Members of the Company. Accordingly, the resolution for ratification of the fee of the Cost Auditors as set out at Item No. 4 of the Notice is submitted for approval of the Shareholders.

None of the Directors and/or Key Managerial Personnel of the Company and / or their relatives are concerned or interested in the resolution.

The Board recommends the resolution for your approval.

**By Order of the Board of Directors**  
**Sd/-**  
**(Pankaj Agarwal)**  
**Company Secretary**

**Place: New Delhi**  
**Date : 21<sup>st</sup> November, 2017**

**Registered Office:** SCOPE Complex, Core-IV, 7 Lodi Road, New Delhi-110 003  
(CIN: U74899DL1968GOI004866)

To:

- (i) All Members of National Textile Corporation Limited.
- (ii) M/s Tiwari & Associates, Chartered Accountants, Statutory Auditors, T-8, Green Park Extension, New Delhi - 110 016
- (iii) All the Directors on the Board of National Textile Corporation Limited.
- (iv) Director, MAB-II, 4<sup>th</sup>-5<sup>th</sup> Floor, Annexe Building, 10, B.S. Zafar Marg, New Delhi - 110 002



**P. C. Vaish**  
Chairman & Managing Director

## DIRECTOR'S REPORT 2016-17

**Dear Shareholders,**

Your Directors take immense pleasure in presenting the 49<sup>th</sup> Annual Report on the working and achievements / events of the National Textile Corporation Limited (NTC). The report comes together with the Annual Accounts for the year 31<sup>st</sup> March, 2017 as approved by the Board and certified by the Auditors.

### TEXTILE SCENARIO

The Indian textile industry contributes about 14 percent to industrial production, 4 percent to the GDP and 15 percent to the country's export earnings. It provides direct employment to over 45 million people. The textile sector is the second largest provider of employment after agriculture.

### PLANNING AHEAD

NTC through its new marketing strategy has to reposition itself as a preferred clothier of Indian masses and a preferred supplier to yarn customers. Major Corporate houses now trust the quality of NTC and are buying yarn continuously from



us. Positioning itself to be a repository of Indian Textile Legacy, the strategy outlined is to create new brands and retail formats that deliver value for money apparel and home textiles to Indian masses and all potential customers across the globe eventually.

In keeping with the marketing mission and vision statement, NTC plans to bring various products to its customers through 92 company owned retail stores. In terms of basic operations, NTC also plans to move from selling yarn as a commodity to selling branded yarn by differentiating the yarn from those of other sellers and highlighting the USP's through appropriate brand name, design, symbol, logo and packaging. NTC has moved to value added yarn such as Melange and Slub Yarn, etc. In tandem with the changing sector scenario, NTC has plans to diversify its operations into Technical Textiles as well. NTC is roping in agencies for third party inspection of its yarn and products to ensure the quality standards as per market norms. In order to ensure competition and better price discovery, new dealers are being registered. The company is exploring new markets and has entered into the North Indian market as well. The company has also started fabric innovation in collaboration with Textile Research Organizations. NTC is also getting market research done through reputed research organizations for value maximization, product portfolio rationalization and for its new projects.

The main shifts of its focus lie in changing the company's reputation from just being a production organization to a market oriented organization and communicate the change to all the stake holders on the new philosophy through various initiatives.

In the retail segment, NTC is working aggressively and with its continuous efforts has been able to garner orders from State and Central Government under various schemes. Institutional and Export sales will be thrust sector for NTC in the coming years as they provide volume and repeat orders.

### **TECHNICAL TEXTILES, INSTITUTIONAL & EXPORTS**

"Technical Textiles" is an area where there is tremendous scope for the company to improve its turnover and profitability; hence initially Marketing Agreements have been signed to penetrate this segment. NTC has bagged orders from Indian Army, Indian Navy, UP Police etc. for Technical Textile Products. Further, we have submitted samples to the Ministry of Defence and are in final stages to finalize various orders. NTC has registered its presence in the exports market and has exported yarn and greige cloth to the tune of Rs. 91 crores in the year 2016-17. This has been achieved even with extremely sluggish export market and is up from the year 2015-16.

### **CHALLENGES BEFORE COMPANY**

The lower level of Modernization in most of the Mills is resulting in lower productivity & utilization. Mills are not able to produce high value yarn and also limiting value addition to the product for getting better margins. Higher Power cost due to non availability of captive power, Mills have to depend on State Electricity Boards for getting power at higher rates. In most of the Mills, there are permanent workers and so paying higher wages.

During the year 2016-17 there has been overall improvement in technical performance like productivity and cloth production of the mills. There has been a marginal decrease in utilization level during the year due to sluggish market conditions during second half of the year, Nov- December 2016. Otherwise, during April- Sept 2016, NTC Mills achieved utilization of 90.50% as compared to 84.04% during the corresponding period of the last year.



## CONSTITUTION OF BOARD

As on date of the Board's Report, the Board of NTC Limited consists of a Chairman & Managing Director, two Functional Directors, two Govt. Nominee Directors and three part time non-official Directors (Independent Directors).

## STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149

The President of India has appointed three part time non-official Directors (Independent Directors) namely Shri Anil B. Joshi, Smt. Anita Agarwal and Shri Devendra Daga for a period of three years with effect from 30.01.2017. The Company has received declarations from its Independent Directors stating that they have met the criteria of independence under Section 149(6) of the Companies Act, 2013.

## INTEGRITY PACT

Integrity Pact is a tool which ensures that all activities and transactions between a Company or Government Department and their Suppliers are handled in a fair, transparent and corruption-free manner. It prohibits any kind of bribing, favor or any other unethical practice, which are closely monitored by the Independent External Monitors (IEMs) nominated by CVC.

The Integrity Pact envisages an agreement between the prospective Vendors/Bidders and the Buyer, committing the officials of both sides with certain Do's and Dont's. WRO, SRO and HO submit tender details under Integrity Pact to IEMs who monitor the tendering process and review independently and objectively whether and to what extent the parties comply with the obligations under the agreement and inform the management whenever needed.

## CELEBRATION OF INCORPORATION DAY

Your company celebrated 49<sup>th</sup> Incorporation Day with great fervour. Celebration included sharing of experiences by its Directors / senior employees and display of 10 minutes Audio Visual on the journey of NTC. A Quiz competition was also organized for the employee of the Corporation, where winners were awarded. In this occasion memento was distributed to each of the employees.

## 1. HIGHLIGHTS FOR THE YEAR 2016-17:

### 1.1 FINANCIAL RESULTS:-

Against a net profit of Rs. 15.45 crores (Rs. 16.48 cr as reported for 2015-16, now reinstated on account of Ind AS implementation) generated during the previous year, during the current year, your Company registered a net profit of Rs.969.38 crore after recognizing the value of Transferable Development Right (TDR) of Rupees 1,413.48 crore in Profit & Loss statement as Income from sale of Assets under "Exceptional Items" .

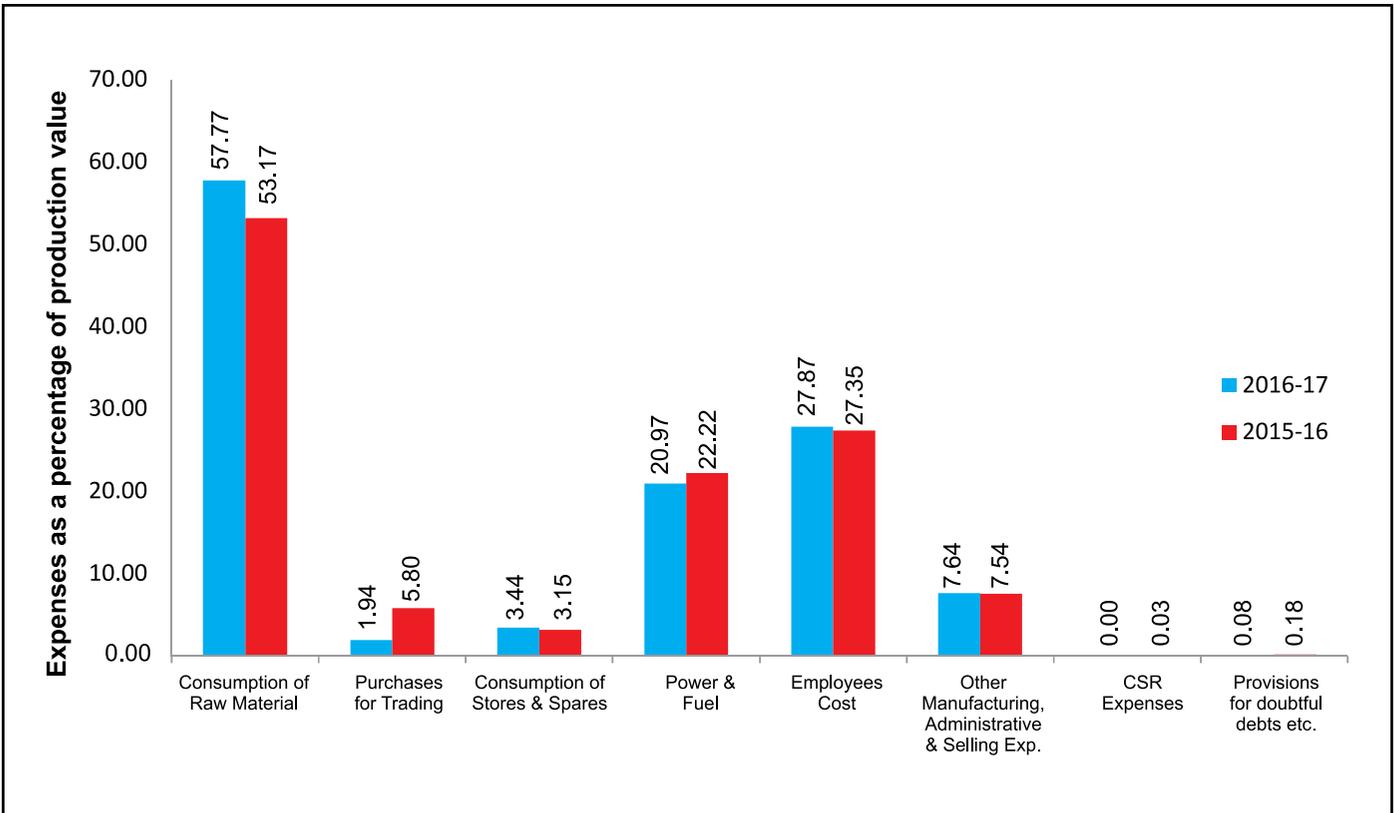
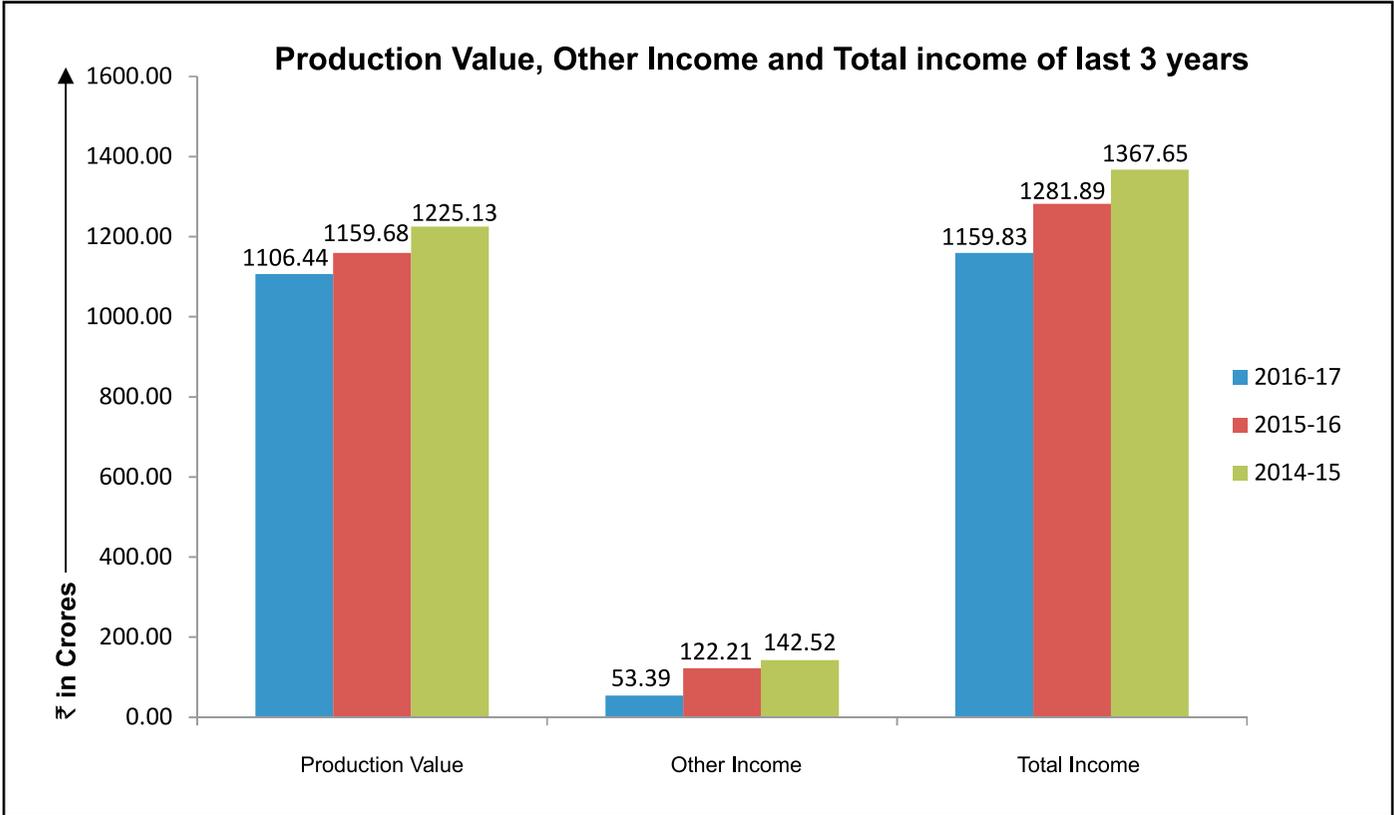
Financial results for the financial year 2016-17 are furnished below:-

(₹ in Crore)

S.No.	Particulars	Amount	Amount
I	<b>INCOME:</b>	2016-17	2015-16
	i) Gross Sale	1168.49	1129.21
	ii) Increase/ (Decrease) in Stock	(82.42)	3.71
	iii) Other Income	20.37	26.76
	<b>Total Production value</b>	<b>1106.44</b>	<b>1159.68</b>



S.No.	Particulars	Amount	Amount
	iv) Other Income from ordinary activities-		
	a) Interest income on FD and other deposits	45.37	114.43
	b) Dividend and exchange rate difference	8.02	7.78
	<b>Total Revenue – I (i to iv)</b>	<b>1159.83</b>	<b>1281.89</b>
<b>II</b>	<b>Expenditure:</b>		
	i) Consumption of Raw Material	639.23	616.63
	ii) Purchases for Trading	21.41	67.31
	iii) Consumption of Stores & Spares	38.10	36.54
	iv) Power & Fuel	232.01	257.68
	v) Employees Cost :		
	a) Wages & Salaries	287.42	285.16
	b) Gratuity, Leave Provisions etc.	20.92	32.05
	vi) Other Manufacturing, Administrative & Selling Exp.	84.54	87.49
	vii) CSR Expenses	0.01	0.29
	vii) Provisions for doubtful debts etc.	0.86	2.04
	<b>Total-II</b>	<b>1324.50</b>	<b>1385.19</b>
<b>III</b>	<b>Profit/(Loss) from Ordinary activities before Depreciation, Interest, exceptional / extraordinary items &amp; Tax (I - II)</b>	<b>(164.67)</b>	<b>(103.30)</b>
<b>IV</b>	i) Depreciation	136.57	165.42
	ii) Interest:		
	a) Interest on Government of India Loan	46.84	46.84
	b) Other Interest	83.67	12.69
	<b>Total (IV)</b>	<b>267.08</b>	<b>224.95</b>
<b>V</b>	<b>Profit or (Loss) from Ordinary activities before exceptional and extraordinary items (III-IV)</b>	<b>(431.75)</b>	<b>(328.25)</b>
<b>VI</b>	<b>Cash Profit or (Loss) from ordinary activities for the year before extraordinary items and Tax excluding depreciation, provisions, Interest on Gol Loan. [V+{II(v)(b)+II(vii)+IV(i)+IV(ii)(a)}]</b>	<b>(226.56)</b>	<b>(81.90)</b>
<b>VII</b>	<b>Extra Ordinary Items incl. exceptional items</b>		
	i) Income from Sale of Assets etc	1412.38	0.61
	ii) Expenditure on MVRS etc	(9.26)	(6.71)
	iii) Post Take over employees liabilities.	0.00	(0.88)
	iv) Provisions Written Back	1.78	340.24
	v) Debts and assets written off	0.00	0.01
	<b>Total (VII)</b>	<b>1404.90</b>	<b>333.25</b>
<b>VIII</b>	<b>Profit Before Tax (V+VII)</b>	<b>973.15</b>	<b>5.00</b>
<b>IX</b>	<b>Tax:</b>		
	i) Income Tax	0.00	0.00
	ii) Tax adjustment of previous year	0.00	0.00
	<b>Total (VIII)</b>	<b>0.00</b>	<b>0.00</b>
<b>X</b>	<b>Profit/(loss) for the period from continuing operations</b>	<b>973.15</b>	<b>5.00</b>
<b>XI</b>	<b>Other Comprehensive Income</b>	<b>(3.77)</b>	<b>10.45</b>
<b>XII</b>	<b>Total Comprehensive Income</b>	<b>969.38</b>	<b>15.45</b>



## 1.2 NET PROFIT & NET WORTH

The position of Net profit / (Loss) and Net Worth of the company at the end of last eight years is as follows:

(Rs. in Crores)

ITEM	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16*	2016-17
Net Profit / (Loss)	103.13	1304.24	130.15	85.12	(175.71)	(316.25)	15.45	969.38
Net-worth	258.74	1562.98	1693.13	1778.25	1602.54	1284.52	1298.50	2268.11

\* Reinstated on account of Ind AS implementation.

## 1.3 CHANGES IN THE NATURE OF BUSINESS

During the year 2016-17, the company has the same business pattern as of 2015-16.

## 2. DIVIDEND

No Dividend was declared for the current financial year due to carry forwarded losses.

## 3. MATERIAL CHANGES AND COMMITMENTS IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There is no Material changes and commitments that affected the financial position of the company occurred between the end of the financial year 31.03.2017 to which this financial statements relate and the date of the report.

### 4.1 WAIVER OF LOAN AND INTEREST

As per the approved scheme of BIFR, a proposal with regard to the write off of Govt. of India loan of Rs.62.50 crore received in 2006-07 and waiver of interest outstanding thereon is under consideration before the Ministry of Textiles. NTC has also proposed that interest accrued on Govt. of India loan of Rs.207.50 crore, received during 2007-08 & 2008-09, be waived off and conversion of loan into interest free loan.

### 4.2 STATUTORY DUES

There has been no default in the payment of regular PF/ESIC dues during the year. However, PF/ESI authorities have been requested to consider waiver of damages in accordance with the Revival Scheme (MS-08) approved by Hon'ble BIFR and also the dues/damages pertaining to pre-takeover period which is not the liability of your company as per the provisions of STUNA. Issue of payment of dues has been taken up with the respective authorities and opinion of Ministry of Law & Justice has supported the contention of NTC.

## 5. EXPENDITURE ON FOREIGN TOURS AND GUEST HOUSE

**5.1** During the year 2016-17, a sum of Rs.31.86 lakh was incurred on foreign tours against Rs. 33.18 lakh in the previous year.

**5.2** NTC Ltd. does not maintain any Guest House.



## 6. PRODUCTION & SALES

### 6.1 PRODUCTION:

During the year under review the 23 working mills of your company produced 52.20 million kgs. of yarn as against the production of 56.20 million kgs. in the previous year. These mills also produced 20.18 million mtrs. of cloth during the current year as against the production of 19.03 million mtrs. in the previous year. Thus, your company registered a decrease in yarn production by 7.12% and increase in cloth production by 6.04% over the previous year.

### 6.2 SALES

The total turnover of the company during the year remained higher at Rs. 1168.49 crores as against Rs.1129.21 crores in the previous year.

## 7. NEW INITIATIVES

### 7.1 ISO CERTIFICATION:

Out of 23 Mills, 21 NTC mills where modernization to a certain extent has been made and both the Regional Offices of your company have obtained ISO 9001:2008 certification.

### 7.2 E-PROCUREMENT OF COTTON

The cotton is being purchased through e-procurement route wherein the cotton specifications are put online and all registered vendors bid for the orders. It is an open and transparent system which has helped NTC in procuring the desired quality of cotton at reasonable lowest price. The major quantity of cotton is procured from Cotton Corporation of India.

### 7.3 STEPS TAKEN FOR REDUCTION IN POWER COST

NTC entered into an agreement with NTPC VIDYUT VYAPAR NIGAM LIMITED (NVVN) (A subsidiary of NTPC – A Govt. of India Undertaking) for providing consultation services for purchase of power through open access.

For the mills based in Tamilnadu, power is being purchased through group captive mode, for Kerala and Gujarat, through open access from power exchange and in respect of mills located in Maharashtra, the power is purchased through bilateral agreements. The above measures have resulted in considerable savings in power cost.

### 7.4 SOLAR POWER

To contribute to Solar Mission of India under National Action Plan on Climate Change (NAPCC), your company has already implemented setting up of Two Nos. Solar Roof Top plants with capacity of around 780 KWH and the solar generation is being utilised by the mills itself. Your company is also planning to install approximate 6 to 7 MW Roof Top Solar Plant in our WRO and SRO Mills in future.

### 7.5 TO COUNTER LABOUR SHORTAGE

To improve manhours required to produce 100 kg of yarn (HOK) of NTC, workload agreements are signed with labour unions on regular intervals as and when the existing one expired.





**7.6 ENERGY CONSERVATION**

Energy cost being one of the major component of cost of production, necessary care is being taken towards Energy Conservation. Your Corporation has now taken up energy conservation and re-engineering studies with help of consultants. By implementing the recommendations, company would save a sufficient quantum of energy.

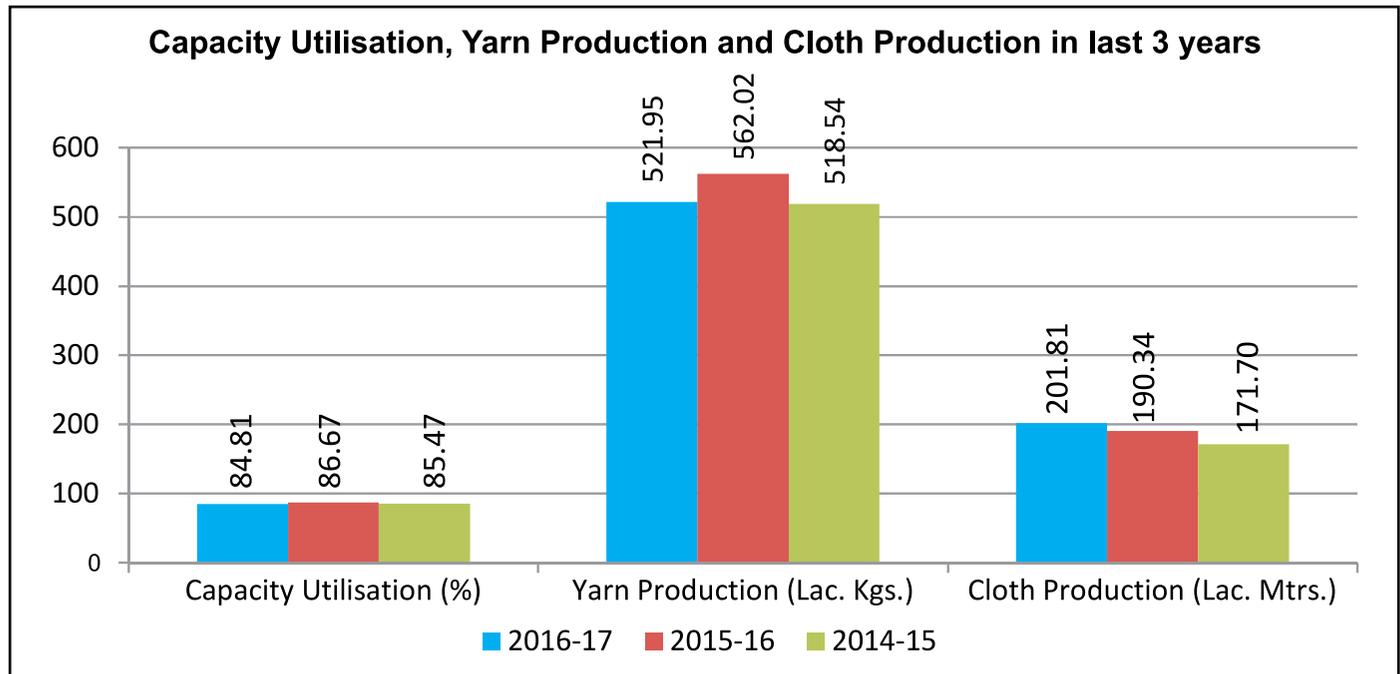
Further, in the units, high rated motors have been replaced with appropriate small size motors wherever possible and provision of inverters made for optimum start up and running of motors. Again, the maximum demand of the units has been suitably revised and the action has been taken to reduce the sanctioned contract demand in the units wherever necessary. This action would save money in electricity bill especially those are lying closed since long in different states.

In closed mills, further efforts are on to take domestic connection for residential colony to take advantage of tariff difference between industrial and domestic.

During 2016-17, the company has saved Rs 1566 Lakhs by providing Energy Conservation measures and Private Power Purchase under SRO and WRO region.

**7.7 In accordance with the requirement of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the desired statement is given below:-**

PARTICULARS	2016-17	2015-16	2014-15
Physical Production (Lakh Kgs.)	521.95	562.02	518.54
Cloth (Lakh Mtrs.)	201.81	190.34	171.70
Capacity Utilization (%age)	84.81	86.67	85.47
Consumption of Energy per unit of prod. In 40s conversion (Unit/kg.)	4.45	4.50	4.36





## 7.8 PERSONS WITH DISABILITIES (PWD) EMPLOYMENT:

As on 31.07.2017, 46 employees are with disability, Details are as under:-

S.No.	Persons With Disabilities	Employees No.
1.	Managerial/Executive	4
2.	Supervisory	7
3.	Workers	35
	Total	46

## 8. SIGNING OF MOU WITH MINISTRY OF TEXTILES

The MOU for the year 2017-18 has been signed between Ministry of Textiles and Company on 20.06.2017. As per the MOU the company proposes to achieve new financial targets of Rs. 1230 crores as turnover and improved technical performance by taking Spinning Utilization percentage to the level of 90%.

## 9. THE STATUS OF REHABILITATION SCHEME: BIFR / AAIFR ORDER

In terms of BIFR Order dated 20.10.2014, your company is ceased to be a sick industrial company on the ground of its net worth becoming positive. The unimplemented portion of sanctioned rehabilitation scheme will however be implemented by all concerned.

Appeals were filed against BIFR order dated 20.10.2014 by your company and Rashtriya Mill Mazdoor Sangh, Mumbai before the Appellate Authority for Industrial and Financial Reconstruction (AAIFR) on 19.01.2015.

AAIFR vide its order dated 17.12.2015 disposed of both the appeals and directed as under:

“The unimplemented portion of the scheme, as modified from time to time, will continue to be implemented and the BIFR will continue to monitor the implementation of such unimplemented portions of the scheme notwithstanding its discharge from the purview of SICA.”

## 10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT

There was no loan, guarantees or investments made by the company under Section 186 of the Companies Act, 2013 during the year under review.

## 11. PROGRESS OF IMPLEMENTATION OF REVIVAL SCHEME

### 11.1 IMPLEMENTATION OF MVRS

Most of the workers of the mills identified for closure and the surplus employees in the viable mills, in addition to those employees who were desirous to go under MVRS in the various offices, were offered MVRS. During the year 2016-17,

only 78 employees opted for MVRS and compensation amounting to Rs. 9.26 Crore has been paid. Up to 31<sup>st</sup> March, 2017, 63651 employees have been relieved under MVRS at a cost of Rs.2390.96 crores.

### 12.1 PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

There was no contract or arrangements made with related parties as defined under section 188 of the Companies Act, 2013 during the year under review.

### 12.2 STATEMENTS ON SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES COMPANIES

The details of Subsidiaries, Joint Ventures and Associates Company is furnished in AOC 1 and enclosed at Annexure-I.

### 12.3 DEPOSITS

The Company has neither accepted nor renewed any deposits during the year.

### 13.1 Closure of unviable Mills

No mill has been closed under ID Act during the year 2016-17.

### 13.2 Modernization of Mills

NTC has in its hold 23 mills directly run by it and another 5 mills through JV partnership.

The company had MoUs in case of 11 mills to be run through JVs. As per the review by Board of NTC, the MoUs were cancelled and matter is under arbitration proceedings are also continuing before Arbitral Tribunal. The decision to revive either by JV route or by NTC itself will be taken after award by Arbitral Tribunal.

### 13.3 Future Plans

With the intention to go in for vertical integration of manufacturing finished fabric and garments so as to get the benefits of value addition in the entire production chain, the Integrated project has been planned to be set-up at Amravati, Maharashtra. NTC Board given in-principle approval on going ahead for setting-up a project at Amravati with the condition that the Company should be able to sell the products without accumulating inventory beyond the norms. NTC engaged M/s Price Water House Coopers to conduct market survey to understand end market requirements in domestic and export arena for NTC's expanded capacity.

To improve the bottom line of the company, a self funding Modernization Plan envisaging an investment of Rs 360 crores covering all 23 working mills is prepared by NTC in consultation with SITRA. The Plan involves to implement strategic technology up gradation to achieve improvement in quality and reduce cost of production and labour to withstand market competition from private players, imparting value addition to our products wherever possible to fetch better price and improve marketability to ensure sustainable growth and to achieve power saving through energy conservation.

## 14. STATUS OF 5 JV MILLS

In respect of 5 Subsidiary Companies under Joint Venture (JV) arrangement, their consolidated financial position is as under:

(Rs. in crore)

Particulars	2016-17	2015 – 16
<b>I. INCOME:</b>		
1. Sales	1,363.74	1,236.12
2. Other Income	2.05	1.13
3. Increase/ (Decrease) in Stock	0.02	1.51
<b>Total Income from Operation (1+2+3)</b>	<b>1,365.81</b>	<b>1,238.76</b>
<b>II. EXPENDITURE:</b>		
1. Cost of Material Consumed	21.71	39.37
2. Purchases for Trading	1,275.45	1,123.47
3. Employees Remuneration & Benefits	13.89	11.37
4. Administrative, Selling & Distribution Expenses and other expenses	11.16	21.46
<b>Total Expenditure on Operations (1+2+3+4)</b>	<b>1,322.21</b>	<b>1,195.67</b>
<b>III. Cash Profit/ (Loss) from Operations before Extra Ordinary Items and Non Operational Expenses</b>	<b>43.59</b>	<b>43.09</b>
<b>IV. Non Operational Expenses</b>	0.00	0.00
1. Provision written Back	0.00	(0.34)
2. Depreciation	2.79	2.67
3. Income Tax (Current)	14.37	14.55
4. Income Tax (Deferred)	(0.46)	(0.12)
<b>Total Non Operational Expenses (1+2+3+4)</b>	<b>16.70</b>	<b>16.76</b>
<b>V. Net Profit/ (Loss) after Non Operational Expenses and Taxes</b>	<b>26.88</b>	<b>26.33</b>
<b>VI. Other Comprehensive Income</b>	0.03	(0.07)
<b>VII. Total Comprehensive Income for the year</b>	<b>26.91</b>	<b>26.26</b>
<b>VIII. NTC's Investment</b>	<b>18.09</b>	<b>18.09</b>
<b>IX. Percentage of NTC shares (%)</b>	<b>51%</b>	<b>51%</b>
<b>X. NTC's share in profit</b>	<b>13.71</b>	<b>13.44</b>
<b>XI. Dividend received (NTC Share)</b>	<b>7.71</b>	<b>7.50</b>

## 15. CONSOLIDATION OF FINANCIAL STATEMENTS (CFS)

In accordance with the schedule III of the Companies Act, 2013 and applicable Accounting Standards your company has prepared the Consolidated Financial Statements (CFS) considering National Textile Corporation Limited, its 5 Subsidiary Companies and 1 Associate Company.

Consolidated Financial Results for the year 2016-17 are furnished below:-

(Rs. in Crore)

S.No.	Particulars	2016-17	2015-16
<b>I</b>	<b>INCOME:</b>		
	i) Gross Sale	2534.27	2367.09
	ii) Increase/ (Decrease) in Stock	(82.30)	5.51
	iii) Other Income	20.53	26.89
	<b>Total Production value</b>	<b>2472.50</b>	<b>2399.49</b>
	iv) Other Income from ordinary activities-		
	a) Interest income on FD and other deposits	52.92	117.60
	b) Dividend and exchange rate difference	0.30	0.28
	<b>Total Revenue (i to iv)</b>	<b>2525.72</b>	<b>2517.37</b>
<b>II</b>	<b>EXPENDITURE:</b>		
	i) Consumption of Raw Material	661.21	656.46
	ii) Purchases for Trading	1296.87	1190.78
	iii) Consumption of Stores & Spares	38.39	36.90
	iv) Power & Fuel	233.04	258.96
	v) Employees Cost :		
	a) Wages & Salaries	300.40	295.98
	b) Gratuity, Leave Provisions etc.	21.84	32.60
	vi) Other Manufacturing, Administrative & Selling Exp.	96.48	109.63
	vii) CSR Expenses	0.01	0.29
	viii) Provisions for doubtful debts etc.	0.86	2.04
	<b>Total-II</b>	<b>2649.10</b>	<b>2583.64</b>
<b>III</b>	<b>Profit/(Loss) from Ordinary activities before Depreciation, Interest, exceptional / extraordinary items &amp; Tax (I - II)</b>	<b>(123.38)</b>	<b>(66.27)</b>
<b>IV</b>	i) Depreciation	139.37	168.10
	ii) Interest:		
	a) Interest on Government of India Loan	46.84	46.84
	b) Other Interest	86.99	15.87
	<b>Total (IV)</b>	<b>273.20</b>	<b>230.81</b>
<b>V</b>	<b>Profit or (Loss) from Ordinary activities before exceptional and extraordinary items (III-IV)</b>	<b>(396.58)</b>	<b>(297.08)</b>
<b>VI</b>	<b>Cash Profit or (Loss) from ordinary activities for the year before extraordinary items and Tax excluding depreciation, provisions, Interest on Gol Loan. [V+{II(v)(b)+II(vii)+IV(i)+IV(ii)(a)}]</b>	<b>(187.67)</b>	<b>(47.50)</b>
<b>VII</b>	<b>Extra Ordinary Items incl. exceptional items</b>		
	i) Income from Sale of Assets etc	1412.38	0.60
	ii) Expenditure on MVRS etc	(9.26)	(6.71)
	iii) Post Nationalization Employees Dues	0.00	(0.88)
	iv) Provisions Written Back	1.79	340.58
	v) Debts and assets written off	0.00	0.02
	<b>Total (VII)</b>	<b>1404.91</b>	<b>333.61</b>

S.No.	Particulars	2016-17	2015-16
<b>VIII</b>	<b>Tax:</b>		
	i) Current Tax	14.69	14.55
	ii) Deferred Tax	0.19	4.97
	Total (VIII)	14.88	19.52
<b>IX</b>	<b>Profit / (Loss) for the period from continuing operations (V+VII-VIII)</b>	<b>993.45</b>	<b>17.01</b>
<b>X</b>	<b>Other Comprehensive Income</b>	<b>(3.75)</b>	<b>10.39</b>
<b>XI</b>	<b>Total Comprehensive Income for the year</b>	<b>989.70</b>	<b>27.40</b>
<b>XI</b>	<b>Minority Interest in Profit/(Loss) of Consolidated Subsidiaries</b>	<b>13.94</b>	<b>8.34</b>
<b>XI</b>	<b>Net Profit / (Loss) after Extra ordinary and Tax Items</b>	<b>975.76</b>	<b>19.06</b>

## 16. STATUS OF 11 MILLS UNDER ARBITRATION

The cancellation of Memorandum of Understanding (MoU) in respect of 11 Mills with three Strategic Partners (SP) was challenged by them before Hon'ble High Court of Delhi. The Hon'ble High Court of Delhi viewed the termination as illegal vide its order dated 14.08.2012. A review petition was filed by NTC against the said order which was disposed of with a direction to present the same before the Arbitral Tribunal where arbitration proceedings are pending. Accordingly, review petition filed by NTC is also pending before the Arbitral Tribunal.

## 17. HUMAN RESOURCES DEVELOPMENT

### 17.1 INDUSTRIAL RELATIONS:

The Industrial Relations in NTC Group remained cordial during the year.

### 17.2 WORKERS' PARTICIPATION IN MANAGEMENT:

The scheme of workers participation in management exists in all mills of NTC. The Management Committees attend to the matters relating to production, utilization of machinery, efficiency, productivity, product quality, cost reduction etc. The Scheme has been of great help in creating excellent rapport with the employees in enhancing their morale and in increasing quality consciousness amongst them. Grievance policy are already in place.

### 17.3 MODIFIED VOLUNTARY RETIREMENT SCHEME (MVRS)

At the end of March, 2017, there were 7748 employees on roll in NTC Group. Since 01.04.2002, 63651 employees have been relieved under MVRS and MVRS amount of Rs.2390.96 crores was paid to them.

### 17.4 EMPLOYMENT OF WOMEN

At the close of year 2016-17, in NTC Group, there were 1477 women employees out of the total 7748 employees. The overall percentage of women employees in NTC is 19.06%.

**18. SC/ST POSITION IN RESPECT OF NTC GROUP AS ON 31.03.2017 WAS AS UNDER**

Group	Total no. of employees	No. of SC employees	% age of SC employees	No. of ST employees	% age of ST Employees
A and B	445	100	22.47	05	1.12
C and D	7291	1306	17.91	72	0.98
D(S)	12	12	100	-	-
<b>Total</b>	<b>7748</b>	<b>1418</b>	<b>18.30%</b>	<b>77</b>	<b>0.99%</b>

**19. PROGRESS IN USE OF HINDI**

Every possible effort is being made for the continuous increase in the use of official language in the corporation and its subordinate offices. Hindi Pakhwara was organized with full enthusiasm from 14.01.2016 to 28.09.2016 for the purpose of maintaining an inspirational, favorable environment for implementing the official language of the Union. In the workforce, many workshops/seminars, various competitions etc. were held for the years to encourage employees to encourage maximum use of ease in ease. A large number of officers and employees participated in these. Cash prizes and citations were provided to the employees as encouragement and motivation. On September 29, 2016, a Hindi poet convention (poetic seminar) was organized at Head Office, New Delhi.

Under the guidance of Head Office, both the regional offices have done an excellent work in hindi. Southern Regional Office, Coimbatore has been awarded the best prize/ second prize for 9<sup>th</sup> consecutive time by Narakas, Coimbatore and Western Regional Office, Mumbai has been awarded the third prize by the Narakas, Mumbai.

**20. PARTICULARS OF EMPLOYEES**

The particulars of covered employees in pursuance of Section 134 of the Companies Act, 2013 read with Companies (Appointments & Remuneration of Managerial Personnel) Rules, 2014 are “NIL”.

**21. VIGILANCE ACTIVITIES**

The Vigilance Division of the Corporation is playing a crucial role in achieving the goal of the organisation by safeguarding and protecting the interest of the Corporation.

The Vigilance Wing of NTC Limited and its Regional/Sub Offices, situated at various places all over India have created awareness amongst the employees on issues relating to combating the menace of corruption. Full time Vigilance Officers were posted at WRO and SRO on 23.9.2016.

As a preventive step, guidelines issued by the Central Vigilance Commission from time to time, are being circulated to all the concerned officials for information and strict compliance. Further necessary action taken for the identification of sensitive jobs have been completed and as per CVC’s directions, the HR Division has prepared job rotational policy and circulated to all concerned for implementation on 19.9.2016. The Structured Meetings between CVO & CMD were held on 25.4.2016, 27.7.2016, 27.10.16 and 22.3.17.

The vigilance corner of NTC Website has regularly being upgraded, providing information about vigilance activities. The ‘Complaint Management System (CMS)’ implemented for monitoring on line complaints.

The complaints received from various sources (CVC Portal) are being looked into and processed promptly as per the guidelines issued by CVC. During 2016-17, 56 number of complaints were received. The regular/surprise visits are being made by the vigilance officials in different units/offices of the Corporation. The Annual Property Return etc. are being scrutinized on 100% basis. Agreed list and ODI lists are prepared regularly.

As per instructions of CVC, Vigilance Awareness Week, 2016 was observed from 31.10.2016 to 5.11.2016 with the theme, "Public Participation in promoting integrity and eradicating corruption". Programmes were held at Head office and also at Coimbatore, Achalpur, Patna, Barshi, Nanded, Ahmedabad, Mumbai and Kanpur. Outreach Seminars were organised at 29 schools and colleges. A new initiative called Online Integrity Pledge was started by CVC and 3810 employees of NTC took this online pledge. As part of Vigilance Awareness Week, an online self learning quiz was conducted. 85 employees participated and was awarded certificate.

Two seminars, "A talk on Public Procurement with reference to preventive vigilance" was organized on 30.08.2016 and "Orientation programme" for new recruitee was held on 06.02.2017.

## **22.1 THE CHANGES IN THE BOARD OF DIRECTORS FROM PREVIOUS ANNUAL GENERAL MEETING TILL DATE IS GIVEN BELOW**

### **(A) Directors ceased to exist :**

Smt. Anu Garg	-	01.10.2016
Shri Alokendra Banerjee	-	05.05.2017

### **(B) Directors inducted on Board :**

Shri A. Madhukumar Reddy	-	01.10.2016
Shri Anil. B. Joshi	-	30.01.2017
Shri Devendra Daga	-	30.01.2017
Smt. Anita Agarwal	-	30.01.2017

## **22.2 DETAILS OF DIRECTORS AND KMP APPOINTED AND RESIGNED DURING THE YEAR**

Sl.No.	Name of the Director	Designation	Date of Appointment	Date of Cessation
1	Smt. Anu Garg	Director (Govt. Nominee)	-	01.10.2016
2	Shri A. Madhukumar Reddy	Director (Govt. Nominee)	01.10.2016	-
3	Shri Anil. B. Joshi	Independent Director	30.01.2017	-
4	Shri Devendra Daga	Independent Director	30.01.2017	-
5	Smt. Anita Agarwal	Independent Director	30.01.2017	-

### 23. MEETINGS OF BOARD OF DIRECTORS

During the financial year 2016-17, 8 (Eight) Board Meetings were held in the Corporation as under:

No.	Meetings Nos.	Date
1	365	06.04.2016
2	366	30.05.2016
3	367	08.07.2016
4	368	29.07.2016
5	369	05.09.2016
6	370	28.09.2016
7	371	29.12.2016
8	372	06.03.2017

### 24. AUDIT COMMITTEE MEETINGS

During the financial year 2016-17, 4 (Four) meetings of Audit Committee were held:

No.	Meetings Nos.	Date
1	56	23.05.2016
2	57	08.07.2016
3	58	29.07.2016
4	59	28.09.2016

25. During the financial year 2016-17, no Subsidiary Company came in existence or ceased.

26. There is no qualified opinion given to the company by the Statutory Auditors of the Company on the Standalone Annual Account and Consolidated Financial Statements as on 31.03.2017. The Comptroller and Auditor General (CA&G) of India vide their letter No. MABII/CADI/A/c/81-2/2016-17/238 and 240 dated 20.11.2017 has given “Nil” comments on Standalone Annual Account and Consolidated Financial Statements as on 31.03.2017. The gist of the report is as under,

“on the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upto or supplement to statutory auditors report”.

27. In pursuance of Companies Act 2013, your Board of Directors have appointed M/s. G N V & Associates as lead cost auditors to consolidate the Cost Audit Report of all working units for the year 2016-17.

### 28. SECRETARIAL AUDIT FOR THE FINANCIAL YEAR 2016-17

As per the criteria defined under section 204 of the Companies Act, 2013, the Secretarial Audit is applicable compulsorily to NTC. Accordingly, M/s Nityanand Singh & Co., Practicing Company Secretaries, New Delhi were appointed as Secretarial Auditors of the Company, for the Financial Year 2016-17.

M/s Nityanand Singh & Co. have given their Secretarial Audit Report in Form No. MR-3, under Rule 9 of The Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, which is enclosed as **Annexure-II**.

### 29. Extract of Annual Return

The extract of Annual Return for the Financial Year ended on 31.03.2017, Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014, is enclosed in Form No. MGT-9, as **Annexure-III**.

### 30. INTERNAL FINANCIAL CONTROL

With respect to the adequacy of Internal financial Control over financial reporting of the company and the operating effectiveness of such controls, the reports are given by the Statutory Auditors of the company in their Auditors Report and Annexed at Annexure-‘B’ of the Independent Auditors Report.

### 31. CORPORATE GOVERNANCE

A report on compliance of Corporate Governance, as required under the guidelines on Corporate Governance for CPSEs, issued by the DPE, is enclosed as **Annexure –IV**, for perusal of the members.

A certificate issued by Shri Nityanand Singh & Company, practicing Company Secretary, New Delhi regarding compliance of Corporate Governance, as stipulated in the guidelines issued by the DPE, is attached as **Annexure-V**.

### 32. CORPORATE SOCIAL RESPONSIBILITY (CSR)

There was no fund allocation under CSR for the F.Y. 2016-17 as the Company had incurred losses during F.Y. 2014-15 and F.Y. 2013-14 of Rs. 31625 lakhs and Rs. 17571 lacs and earned profit during the F.Y. 2015-16 of Rs. 1546 lacs.

### 33. PROCUREMENT FROM MSMEs DURING 2016-17

Public Procurement Policy for Micro & Small Enterprises (MSEs) Order, 2012 mandates 20% procurement of goods and services from MSEs out of total procurement and out of this 4% to be procured from MSEs owned by SC/ST entrepreneurs. The annual procurement from (MSEs) during 2016-17 is as under:

S.No.	Particulars	Value (Rs. in Lakhs)	% of total procurement
1.	Total Annual Procurement	4792.47	100%
2.	Total value of goods & services procured from MSEs (including MSEs owned by SC/ST entrepreneurs)	1674.92	35%
3.	Total value of goods & services procured from only MSEs owned by SC/ST entrepreneurs	299.86	6.26%

### 34. RISK MANAGEMENT & MITIGATION POLICY

Your company has formulated a Risk Management and Mitigation Policy, which is in the process of implementation.

### 35. TRAINING SCHEME UNDER INTEGRATED SKILL DEVELOPMENT SCHEME (ISDS) OF GOVT. OF INDIA IN NTC

In the year 2015, the ISDS Training Scheme has been started in 10 working units of NTC to impart training to 5588 persons in MES course. Out of the target of training 5588 people, as on 31.03.2017, 3643 people have been trained.

### 36. POLICY ON SEXUAL HARASSMENT

As per the guidelines issued by Government /DPE, the Sexual Harassment Committee is constituted in NTC and the same is functioning. All employees (Permanent, Contractual, Temporary and Trainees) are covered under this policy.



### 37. RIGHT TO INFORMATION ACT, 2005

In accordance with the instructions received from the Ministry of Textiles, Government of India, New Delhi, based on the guidelines issued by the Ministry of Personnel, Public Grievances and Pensions, your Corporation has taken action regarding compilation/publishing of manuals, appointments of Central Assistant Public Information Officers, framing the rules for giving effect to the provisions of the Act and internal procedures to streamline the channel for dealing with requests received by each Central Public Information Officer.

During the period from 1<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2017, 384 requests were received from different applicants. In all the cases information was made available to the applicant. 100 applicants preferred for the First Appeal before the Appellate Authority and 52 applicants made Second Appeal with Central Information Commission (CIC) and decision in the appeal was in favour of your Corporation.

The Quarterly Report of RTI is being uploaded regularly on the website of the Corporation as well as on the website of Central Information Commission (CIC) as instructed by the Ministry of Textiles vide its letter dated 8<sup>th</sup> June, 2011.

### 38. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors hereby confirm:

- I. That in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- II. They have selected such accounting policies and applied them consistently and made judgements 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 profits of the Company for that period.
- III. They have 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.
- IV. They have prepared the annual accounts on a going concern basis.
- V. They have laid down internal financial controls for the Company and such internal financial controls are adequate and operating effectively.
- VI. They have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

### 39. ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for the cooperation and support extended by Ministry of Textiles, the State Governments, Comptroller & Auditor General of India, Internal Auditors, Branch Auditors, Cost Auditors, Bankers, Financial Institutions, Operating Agency- IDBI, BIFR, AAIFR and valued customers. Directors gratefully acknowledge valuable suggestions and guidance given by the Statutory Auditors - M/s. Tiwari & Associates, Chartered Accountants, New Delhi.

Directors also thank all the officers, employees and workers for their whole hearted support and co-operation.

For and on behalf of the Board

Place: New Delhi

Dated: 21.11.2017

Sd/-

(P.C. Vaish)

Chairman & Managing Director

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹ In Lakhs)

Name of Subsidiary	Apollo Design Apparel Parks Ltd.	Goldmohar Design & Apparel Parks Ltd.	India United Textile Mills Ltd.	New City of Bombay Mfg. Mills Ltd.	Aurangabad Textile & Apparel Parks Ltd.
Reporting period for the subsidiary concerned	31.03.2017	31.03.2017	31.03.2017	31.03.2017	31.03.2017
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	NA	NA	NA	NA	NA
Share Capital	565.00	585.00	1,271.10	917.00	208.00
Reserves & Surplus	10,196.03	9,874.99	14,772.45	6,499.34	1,468.31
Total Assets	11,678.68	11,821.02	26,239.60	12,982.92	2,951.92
Total Liabilities	11,678.68	11,821.02	26,239.60	12,982.92	2,951.92
Investment	-	-	-	-	-
Turnover	31,050.63	29,489.08	41,680.55	28,779.74	5,579.23
Profit before Taxation	1,104.86	986.38	1,239.84	667.09	81.50
Provision for Taxation	378.74	327.60	432.39	229.51	23.45
Profit after Taxation	726.12	658.78	807.45	437.58	58.05
Proposed Dividend (NTC Share)	158.48	164.09	324.13	182.39	23.87
% of shareholding	51%	51%	51%	51%	51%

Note :-

NTC is having 17,18,344 shares (97.91%) in Swadeshi Mining & Manufacturing Limited but the accounts of this subsidiary company could not be consolidated due to non finalization of accounts since 1999-2000. The company was under liquidation and the matter is still sub-judice.

**Part “B”: Associates and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures Name of Associates/Joint Ventures

(Information in respect of each Associate/Joint Venture to be presented with amounts in ₹ In Lakhs)

Name of Associates / Joint ventures	Swadeshi Polytex Limited
1. Latest audited Balance Sheet Date	31.03.2017
2. Share of Associate/Joint Ventures held by the company on the year end	
No. of Shares	13,11,750
Amount of Investment in Associates/Joint Venture	145.42
Extend of Holding %	33.63%
3. Description of how there is significant influence	33.63% shareholder
4. Reason why the associate/Joint venture is not consolidated	Not Applicable
5. Net Worth attributable to Shareholding as per latest audited Balance Sheet	Negative
6. Profit / Loss for the year	113.26
i. Considered in Consolidation	38.09
i. Not Considered in Consolidation	75.17



**NITYANAND SINGH & CO.**  
**COMPANY SECRETARIES**  
Established in 1995

Form No. MR-3

**SECRETARIAL AUDIT REPORT**

**For the Financial Year Ended 31<sup>st</sup> March 2017**

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

To,

The Members,

**National Textile Corporations Limited**

Scope Complex Core IV, 7 Lodhi Road

New Delhi-110003

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s National Textiles Corporation 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 our opinion thereon.

Based on our verification of the 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 for the year ended on March 31, 2017, 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 the Company for the financial year ended on 31st March 2017 according to the provisions of the Companies Act, 2013 (the Act) and the rules made thereunder;

We have also examined compliance with the applicable clauses of the Secretarial Standards formulated by the Institute of Company Secretaries of India and notified by the Central Government.

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HO: 14, Second Floor, Arjun Nagar, Safdarjung Enclave, New Delhi - 110 029 | T : 011-26713700/4700  
BO: 73, GF, Amberhai Extension-1, Dwarka Sector-19, New Delhi-110075 | T: 011-42430736  
E: officenns@gmail.com | Info@nnsandco.com | W: www.nnsandco.com



To,

The Members,  
National Textile Corporation Limited  
Scope Complex Core IV, 7 Lodhi Road  
New Delhi-110003, India

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

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

**For Nityanand Singh & Co.,  
Company Secretaries**

**Nityanand Singh (Prop.)  
FCS No.: 2668/ CP No. : 2388**

**Place: New Delhi  
Date: 31<sup>st</sup> August, 2017**

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31/03/2017

of

**National Textile Corporation Limited**

[Pursuant to Section 92(3) of the Companies Act, 2013

and

Rule 12(1) of the Companies (Mgt. and Administration) Rules, 2014]

**I) REGISTRATION & OTHER DETAILS**

i	CIN	U74899DL1968GOI004866
ii	Registration Date	01/04/1968
iii	Name of the Company	NATIONAL TEXTILE CORPORATION LTD.
iv	Category/Sub-category of the Company	Public / Govt. Company
v	Address of the Registered office & contact details	SCOPE COMPLEX, CORE IV, 7 LODHI ROAD, NEW DELHI - 110003 (INDIA)
vi	Whether listed company	NO
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable

**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

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Spinning, Weaving and finishing of textiles	131	100%

**III) PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES**

Sl No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of Shares Held	Applicable Section
1	Apollo Design & Apparel Parks Ltd.	U17291MH2007GOI195397	Subsidiary	51	2(87)
2	Aurangabad Textile & Apparel Parks Ltd.	U17121MH2007GOI195403	Subsidiary	51	2(87)
3	Goldmohur Design & Apparel Parks Ltd.	U17291MH2007GOI195402	Subsidiary	51	2(87)
4	India United Textile Mills Ltd.	U17291MH2007GOI195397	Subsidiary	51	2(87)
5	New City of Bombay Mfg. Mills Ltd.	U17291MH2007GOI195493	Subsidiary	51	2(87)
6	Swadeshi Mining & Manufacturing Limited	U17111UP1943PLC003932	Subsidiary	97.91	2(87)
7	Swadeshi Polytex Ltd.	L25209UP1970PLC003320	Associate	33.63	2(6)

**IV) SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)**
**(i) Category-wise Shareholding**

Category of Shareholders	No. of Shares held at the beginning of the year			% of Total Shares	No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total		Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>1. Indian</b>									
a) Individual/HUF									
b) Central Govt.	Nil	30548819	30548819	99.762	Nil	30548819	30548819	99.762	Nil
c) State Govts.	Nil	72782	72782	0.238	Nil	72782	72782	0.238	Nil
d) Bodies Corporates									
e) Bank/Fl									
f) Any other									
<b>Sub Total (A) (1)</b>									
<b>2. Foreign</b>									
a) NRI- Individuals									
b) Other Individuals									
c) Bodies Corp.									
d) Banks/Fl									
e) Any other...									
<b>Sub Total (A) (2)</b>									
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	Nil	30621601	30621601	100	Nil	30621601	30621601	100	Nil

Category of Shareholders	No. of Shares held at the beginning of the year			% of Total Shares	No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total		Demat	Physical	Total	% of Total Shares	
<b>B. Public Shareholding</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>1. Institutions</b>									
a) Mutual Funds									
b) Banks/FI									
c) Central govt									
d) State Govt.									
e) Venture Capital Fund									
f) Insurance Companies									
g) FII									
h) Foreign Venture Capital Funds									
i) Others (specify)									
<b>Sub Total (B)(1):</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>2. Non Institutions</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
a) Bodies corporates									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakhs									
ii) Individuals shareholders holding nominal share capital in excess of ₹1 lakhs									
c) Others (specify)									
<b>Sub Total (B)(2):</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	<b>Nil</b>	<b>30621601</b>	<b>30621601</b>	<b>100</b>	<b>Nil</b>	<b>30621601</b>	<b>30621601</b>	<b>100</b>	<b>Nil</b>

**ii) Shareholding of Promoters**

SN	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	The President of India	30548819	99.762	Nil	30548819	99.762	Nil	Nil
2	Shri J.K. Dadoo, AS&FA, Ministry of Textiles, New Delhi	1		Nil	1			Nil
3*	Smt. Anu Garg, Joint Secretary, Ministry of Textiles, New Delhi	1		Nil	0			0.0
4	Shri A. Madhukumar Reddy, Joint Secretary, Ministry of Textiles, New Delhi	0		Nil	1			0.0
5	Shri S.R. Gaikwad, Director, Ministry of Textiles, New Delhi	1		Nil	1			Nil
6	Shri A.K. Sharma, Dy. Secretary (IFW), Ministry of Textiles, New Delhi	1		Nil	1			Nil
7	Smt. Neelam S. Kumar, CCA, Ministry of Textiles, New Delhi	1		Nil	1			Nil
8	Shri Ram Singh, Director, Ministry of Textiles, New Delhi	1		Nil	1			Nil
9	The Governor, State Govt. of Uttar Pradesh	16928	0.055	Nil	16928	0.055		Nil
10	The Governor, State Govt. of Orissa	800	0.003	Nil	800	0.003		Nil
11	The Governor, State Govt. of West Bengal	24600	0.080	Nil	24600	0.080		Nil
12	The Governor, State Govt. of Bihar	2668	0.009	Nil	2668	0.009		Nil
13	The Governor, State Govt. of Karnataka	9450	0.030	Nil	9450	0.030		Nil
14	The Governor, Govt. of Andhra Pradesh	2397	0.008	Nil	2397	0.008		Nil
15	The Lt. Governor, Govt. of Puducherry	500	0.002	Nil	500	0.002		Nil
16	The Lt. Governor, Govt. NCT of Delhi	8348	0.027	Nil	8348	0.027		Nil
17	The Governor, Govt. of Rajasthan	4585	0.015	Nil	4585	0.015		Nil
18	The Governor, Govt. of Punjab	2500	0.008	Nil	2500	0.008		Nil
	<b>Total</b>	<b>30621601</b>	<b>100</b>	<b>Nil</b>	<b>30621601</b>	<b>100</b>		<b>Nil</b>

\*1 no. of Share was transferred from Smt. Anu Garg to Shri A. Madhukumar Reddy w.e.f. 06.03.2017.

## iii) Change in Promoters' Shareholding (please specify, if there is no change) – No Change

SN		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	Nil	Nil	Nil	Nil
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
3	At the end of the year	Nil	Nil	Nil	Nil

## iv) Shareholding Pattern of top ten Shareholders:

(other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year				
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NOT APPLICABLE			
3	At the end of the year				

## v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year				
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil			
3	At the end of the year				

**V) INDEBTEDNESS**

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

(₹ In Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	593.49	27,000.00	11,096.09	38,689.58
ii) Interest due but not paid	-	35,016.28	-	35,016.28
iii) Interest accrued but not due	-	-	-	-
<b>Total (i + ii + iii)</b>	<b>593.49</b>	<b>62,016.28</b>	<b>11,096.09</b>	<b>73,705.86</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	-	4,683.75	198.45	4,882.20
• Reduction	68.87	-	-	68.87
Net Change	<b>(68.87)</b>	<b>4,683.75</b>	<b>198.45</b>	<b>4,813.33</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	524.62	27,000.00	11,294.54	38,819.16
ii) Interest due but not paid	-	39,700.03	-	39,700.03
iii) Interest accrued but not due	-	-	-	-
<b>Total (i + ii + iii)</b>	<b>524.62</b>	<b>66,700.03</b>	<b>11,294.54</b>	<b>78,519.19</b>

**VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**
**A. Remuneration to Managing Director, Whole-time Directors and / or Manager:**
**1. Shri P.C. Vaish (CMD)**

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager Shri P.C. Vaish (CMD)				Total Amount in ₹
		----	----	----	---	
1	Gross salary					
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					21,95,763
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961					*4,53,311
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961					
2	Stock Option					
3	Sweat Equity					
4	Commission - as % of profit - others, specify...					
5	Others, please specify					
	<b>Total (A)</b>					<b>26,49,074</b>
	Ceiling as per the Act					NA

\*Over exempted Medical Reimbursement of ₹ 15,000.

2. Shri R.K. Sinha, Director (HR)

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager Shri R.K. Sinha, Director(HR)				Total Amount in ₹
		----	----	----	---	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					28,93,636
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961					*5,80,469
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961					-
2	Stock Option					-
3	Sweat Equity					-
4	Commission - as % of profit - others, specify...					-
5	Others, please specify					-
	<b>Total (A)</b>					<b>34,74,105</b>
	Ceiling as per the Act					NA

\*Over exempted Medical Reimbursement of ₹ 15,000.

3. Shri Alokendra Banerjee, Director (Mktg.)\*\*

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager Shri Alokendra Banerjee, Director (Mktg.)				Total Amount in ₹
		----	----	----	---	
1	Gross salary					
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					25,04,600
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961					*60,24,704
	c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961					-
2	Stock Option					-
3	Sweat Equity					-
4	Commission - as % of profit - others, specify...					-
5	Others, please specify					-
	<b>Total (A)</b>					<b>85,29,304</b>
	Ceiling as per the Act					NA

\*Over exempted Medical Reimbursement of ₹ 15,000.

\*\* Ceased to be Director w.e.f 05.05.2017

**4. Dr. Anil Gupta, Director (Finance)**

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager Dr. Anil Gupta, Director (Finance)				Total Amount in ₹
		----	----	----	---	
1	Gross salary					
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					19,80,599
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961					*7,14,356
	c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961					-
2	Stock Option					-
3	Sweat Equity					-
4	Commission - as % of profit - others, specify...					-
5	Others, please specify					-
	<b>Total (A)</b>					<b>26,94,955</b>
	Ceiling as per the Act					NA

\*Over exempted Medical Reimbursement of ₹ 15,000.

**B. Remuneration to other directors**

SN.	Particulars of Remuneration	Name of Directors			Total Amount in ₹
		Shri Anil B. Joshi	Shri Devendra Daga	Smt. Anita Agarwal	
1	Independent Directors				
	Fee for attending board/committee meetings	12,000	12,000	12,000	36,000
	Commission	Nil	Nil	-	-
	Others, please specify	Nil	Nil	-	-
	<b>Total (1)</b>	<b>12,000</b>	<b>12,000</b>	<b>12,000</b>	<b>36,000</b>
2	Other Non-Executive Directors	Nil	Nil	Nil	-
	Fee for attending board/committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	<b>Total (2)</b>		-	-	-
	<b>Total (B)=(1+2)</b>	-	-	-	-
	<b>Total Managerial Remuneration</b>	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	NA

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(in ₹)

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO*	Company Secretary Shri Pankaj Agarwal	CFO**	Total
1	Gross salary				
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		18,52,864	-	18,52,864
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961		***121,432		121,432
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-		
2	Stock Option		-		
3	Sweat Equity		-		
4	Commission		-		
	- as % of profit		-		
	others, specify...		-		
5	Others, please specify		-		
	<b>Total</b>		<b>19,74,296</b>		<b>19,74,296</b>

\*CMD being CEO for the whole year for the purpose of KMP, the remuneration details are not repeated in the above table as details are already given in point no. (VI)A.

\*\* Director (Finance) being CFO for the purpose of KMP, the remuneration details already given in point no. (VI)A, hence not repeated.

\*\*\*Over exempted Medical Reimbursement of Rs. 15,000.

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)
<b>A. COMPANY --- --- -- NIL</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS --- --- -- NIL</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT --- --- -- NIL</b>					
Penalty					
Punishment					
Compounding					

**REPORT ON CORPORATE GOVERNANCE**
**1. Company's Philosophy:**

Corporate Governance is for ensuring values, ethical business conduct, transparency, disclosures as per laws, rules and guidelines. National Textile Corporation Limited (NTC) is committed to observe Corporate Governance practices at different levels and to achieve its objectives.

**2. Board of Directors:**
**2.1 Size of the Board:**

National Textile Corporation is a Government Company within the meaning of section 2(45) of the Companies Act, 2013. As per Articles of Association, the power to appoint Directors vests with the President of India. The Chairman shall be appointed by the President and the terms and conditions of his appointment shall be determined by the President. However, in addition to the Chairman, the President shall also appoint Managing Director, whole time Functional Directors and other Directors in consultation with the Chairman who shall not be liable to retire by rotation. No consultation will be necessary in case of Directors representing the Government.

In terms of the Article of the Company, the number of Directors of the Company shall not be less than seven and not more than fourteen. These Directors may be either whole time functional Directors or part time Directors.

**2.2 Composition of Board:**

As on 31st March, 2017, the Board of Directors comprised of a Chairman & Managing Director, 3 other Functional Directors, 2 Non-Executive Directors (Government Nominees) and 3 Part-time Independent Directors.

**2.3 Board Meetings:**

During the year Eight (8) Board Meetings were held on 06.04.2016, 30.05.2016, 08.07.2016, 29.07.2016, 05.09.2016, 28.09.2016, 29.12.2016 and 06.03.2017.

Details of number of Board Meetings attended by Directors, attendance at the last Annual General meeting, number of other Directorships etc. during the year 2016-17 were as follows :-

Sl. No.	Name of the Directors	Category of Directorship	No. of Board Meetings Attended During 2016-17	Attended the last AGM	No. of other Directorships as on 31.03.2017 / during tenure
1	Sh.P.C. Vaish	C& MD.	8	Yes	8
2	Sh.R.K. Sinha	Dir. (HR)	8	Yes	7
3	Sh.Alokendra Banerjee	Dir. (Mktg.)	7	Yes	6
4	Dr. Anil Gupta	Dir. (Fin.)	8	Yes	6
5	Sh. J.K. Dadoo	Govt. Nominee	7	No	6

Sl. No.	Name of the Directors	Category of Directorship	No. of Board Meetings Attended During 2016-17	Attended the last AGM	No. of other Directorships as on 31.03.2017 / during tenure
6*	Smt. Anu Garg	Govt. Nominee	6	No	1
7*	Sh. A. Madhukumar Reddy	Govt. Nominee	2	NA	2
8*	Sh. Anil B. Joshi	Independent Director	1	NA	0
9*	Sh. Devendra Daga	Independent Director	1	NA	3
10*	Smt. Anita Agarwal	Independent Director	1	NA	0

Sl.No. 6(\*) Ceased to be Govt. Nominee Director w.e.f. 01.10.2016.

Sl.No. 7(\*) Appointed as Govt. Nominee Director w.e.f. 01.10.2016.

Sl.No. 8(\*),9(\*)&10(\*) Appointed as Part-time Directors (Independent) w.e.f. 30.01.2017

## 2.4 Information placed before the Board of Directors:

The Board has complete access to any information within the Company. The information regularly supplied to the Board, inter-alia includes the following:-

- Annual operating Plans, Budgets and updates.
- Capital Budget and updates.
- Annual Account, etc.
- Review of progress of ongoing projects including critical issues and areas needing management attention.
- Minutes of the meeting of Audit Committee and other Committees of the Board.
- Quarterly Financial results for the company.
- Operational activities of the Company
- Major investments, formation of subsidiaries and Joint Ventures, etc.
- Disclosure of Interest by Directors about directorship and Committee positions occupied by them in other companies.
- Any significant development in Human Resources/Industrial Relations like Revision of pay wage agreement, etc.
- Short term investment of surplus funds
- Highlights of important events from last meeting to the current meeting.

## 3. Audit Committee:

### (a) Composition:

NTC in pursuance of excellence in corporate governance, formed an Audit Committee of its Board of Directors w.e.f. 28/08/2001 and the present Audit Committee, re-constituted by the Board in its 372<sup>nd</sup> Meeting held on 6<sup>th</sup> March, 2017, consists of one Govt. Nominee Director, three Independent Directors and one Functional Director.

Shri Devendra Daga, Independent Director is the Chairman of the Audit Committee. The Audit Committee consists of following members :-

SI No.	Name of the Director	Category	Position
1.	Shri A. Madhukumar Reddy	Govt. Nominee Director	Member
2.	Shri Devendra Daga	Independent Director	Chairman
3.	Shri Anil B. Joshi	Independent Director	Member
4.	Smt..Anita Agarwal	Independent Director	Member
5.	Shri R.K. Sinha	Director (HR)	Member

Director Finance attends and participates in the Audit Committee Meeting as Special Invitee without having right to vote, as per section 177 of the Companies Act, 2013.

Head of Internal Audit is invited in the Audit Committee meeting. The Statutory Auditors of the Company are invited in the meeting as and when required as per the Act. Company Secretary acts as Secretary to the Committee and Senior Functional executives are also invited as and when required to provide necessary clarifications to the Committee. Internal Audit Department provides necessary support for holding and conducting Audit Committee meetings.

**(b) Meeting and Attendance of the Audit Committee:**

Four Meetings of the Audit Committee were held during the financial year 2016-17 on 23.05.2016, 08.07.2016, 29.07.2016 & 28.09.2016. The details of the Meetings of Audit Committee attended by the members are as under:-

SI. No.	Name of the Directors	Status	No. of meetings attended
1.*	Shri.A. Madhukumar Reddy	Member	-
2.*	Shri.Devendra Daga	Chairman	-
3.*	Shri Anil B. Joshi	Member	-
4.*	Smt. Anita Agarwal	Member	-
5.	Shri R.K. Sinha	Member	4

\* Inducted as member of the Audit Committee w.e.f 06.03.2017.

**(c) Powers:**

The Audit Committee has powers commensurate with its role including the following:-

1. To investigate any activity within its terms of reference.
2. To seek information on and from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.
5. To protect whistle blowers.



## (d) Scope of Audit Committee:-

The scope of the Audit Committee are as follows:-

1. Over-seeing of the Company's financial reporting process and the disclosure of it's financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board the fixation of audit fees.
3. Recommendation to the Board for payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing with the management, the annual financial statements, before submission to the Board for approval, with particular reference to:-
  - a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause of section 134 of the Companies Act, 2013.
  - b) Changes, if any, in accounting policies and practices and reason for the same.
  - c) Major accounting entries involving estimates based on the exercise of judgement by management.
  - d) Significant adjustments made in the financial statements arising out of audit findings.
  - e) Compliance with legal requirements relating to financial statements.
  - f) Disclosures of any related party transactions; and
  - g) Qualification in the drafts audit report.
5. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing with the management, performance of internal auditors and adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any including the structure of the internal audit department, staffing and seniority of the officials heading the department, reporting structure, coverage and frequency of internal audit.
8. Discussion with internal auditor and /or auditors any significant findings and follow up thereon.
9. Reviewing the findings of any internal investigations by the internal auditors/auditors/agencies into matters where there is suspected fraud or irregularity or a failure of internal control system of a material nature and reporting the matter to the Board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
12. Reviewing the functioning of the Whistle Blower Mechanism.
13. Reviewing the follow up action on the audit observation of the C&AG Audit.
14. Reviewing the follow up action taken on the recommendations of Committee on Public Undertakings (COPU) of the Parliament.

- 
15. Providing an open avenue of communication between the independent auditors, internal auditors and the Board of Directors.
  16. Reviewing all related party transactions in the company. For this purpose, the Audit Committee may designate a member who shall be responsible for re-viewing related party transactions.
  17. Reviewing with the independent auditor the co-ordination of audit efforts to ensure completeness of coverage, reduction of redundant efforts, and the effective use of all audit resources.
  18. Considering and reviewing the following with the independent auditor and the management:-
    - The adequacy of internal controls including computerised Information System Controls and security and
    - Related findings and recommendations of the independent auditor and internal auditors together with the management responses.
  19. Considering and reviewing the following with the management, internal auditor and the independent auditor:-
    - Significant findings during the year, including the status of previous audit recommendations
    - Any difficulties encountered during audit work including any restrictions on the scope of activities or access to required information.
  20. Carrying out any other function as is mentioned in terms of the reference of the Audit Committee.

#### 4. (a) H. R. Sub Committee:

A H.R. Sub-Committee was constituted by the Board of Directors of NTC in its 318<sup>th</sup> meeting held on 12<sup>th</sup> June, 2009. The present H.R. Sub-Committee re-constituted by the Board in its 372<sup>nd</sup> meeting held on 6<sup>th</sup> March 2017 consists of following members.

Sl. No.	Name of the Directors	Status	
1.	Smt. Anita Agarwal	Independent Director	Chairperson
2.	Shri A. Madhukumar Reddy	Govt. Nominee Director	Member
3	Shri Anil B. Joshi	Independent Director	Member
4.	Shri Devendra Daga	Independent Director	Member

The Committee has been constituted to prepare a personnel/HR policy for the company, discuss other important H/R matters and give its recommendations to the Board.

#### (b) Marketing Sub Committee:

A Marketing Sub-Committee was constituted by the Board of Directors of NTC in its 340<sup>th</sup> meeting held on 22/05/2013. The present Marketing Sub-Committee re-constituted by the Board in its 372<sup>nd</sup> meeting held on 6<sup>th</sup> March 2017 consists of following members:

Sl. No.	Name of the Directors	Status	
1.	Shri Anil B. Joshi	Independent Director	Chairperson
2.	Shri A. Madhukumar Reddy	Govt. Nominee Director	Member
3	Dr. Anil Gupta	Director (Finance)	Member
4.	Shri. M. M. Chokalingam	CMD, CCI- being ex-officio special invitee	Member

The Committee has been constituted to take forward the various marketing initiatives and present the same before the Board. The scope of Sub Committee is to hold periodic meetings to discuss various ongoing marketing activities for the company and other important marketing matters and give its recommendations to the Board.

**(c) CSR Committee :**

A Corporate Social Responsibility (CSR) Committee was constituted by the Board of Directors of NTC in its 344<sup>th</sup> meeting held on 18/12/2013 and the present CSR Committee re-constituted by the Board in its 372<sup>nd</sup> meeting held on 6<sup>th</sup> March, 2017 consists of following members:

S. No.	Name / Post of the of the Directors	Position in Committee
1.	Smt. Anita Agarwal, Independent Director	Chairperson
2.	Shri Devendra Daga, Independent Director	Member
3.	Dr. Anil Gupta, Director (Finance)	Member

The Committee has been constituted to oversee the implementation of CSR and sustainability activities / projects in the Company.

**(d) Legal Sub Committee :**

A Legal Sub-Committee was constituted by the Board of Directors of NTC in its 372<sup>nd</sup> meeting held on 6<sup>th</sup> March 2017 consists of following members:

Sl. No.	Name of the Directors	Position in Committee
1.	Smt. Anita Agarwal, Independent Director	Chairperson
2.	Shri P. C. Vaish, Chairman & Managing Director	Member
3.	Shri R. K. Sinha, Director (HR)	Member

The Committee has been constituted inter-alia to review all legal cases and to look into the performance of the advocates.

**5. Remuneration of Directors :**

The remuneration of the Functional Directors is decided by the Government of India. Sitting Fee payable to the Independent Director is fixed by Board of Directors of NTC in pursuance of the DPE guidelines and the Companies Act. The Board in it's 340<sup>th</sup> meeting held on 22.05.2013 had approved payment of sitting fee of ₹ 12,000/- (increased from ₹ 10000/-) for each meeting of the Board and Committees/Sub Committees of the Board, to each Independent Director, subject to applicability of TDS on the same.

Details of remuneration of Functional Directors of the Company paid for the financial year 2016-17.

Sl. No.	Name of the Directors	Salary ₹	Benefits ₹	Total ₹
1	Shri P.C.Vaish	21,95,763	8,09,446	30,05,209
2	Shri R.K.Sinha	28,93,636	16,14,973	45,08,609
3	Shri Alokendra Banerjee	25,04,600	68,47,369	93,51,969
4	Dr. Anil Gupta	19,80,599	11,51,516	31,32,115
	<b>Total</b>	<b>95,74,598</b>	<b>1,04,23,304</b>	<b>1,99,97,902</b>

Details of sitting fee paid to Independent Directors during the financial year 2016-17 are given below:-

Sl. No.	Name of the Independent Directors	Sitting Fees for Board Meetings ₹	Sitting Fees for Committee Meetings ₹	Total ₹
1	Shri Anil B. Joshi	12,000	-	12,000
2	Shri. Devendra Daga	12,000	-	12,000
3	Smt. Anita Agarwal	12,000	-	12,000
	<b>Total</b>	<b>36,000</b>	<b>-</b>	<b>36,000</b>

## 6. Accountability of Directors :

**Memorandum of Understanding (MOU)**, a mutually negotiated agreement and contract between the Management of NTC (CPSE) and the MOT (Administrative Ministry/Government of India) is signed before commencement of ensuing financial year, under the guidelines and mechanism laid down by DPE. Under this agreement, NTC undertakes to achieve the targets set in the agreement at the beginning of the year and it is intended to evaluate performance of NTC at the end of the year vis-a-vis the targets fixed in the beginning of the year.

It is done by adopting a system of “five point scale” and “criteria weight” which ultimately results in calculation of ‘composite score’ or an index of the audited performance of the enterprise. The composite score is forwarded to DPE through the administrative ministry viz. MOT by September of the succeeding financial year in line with the guidelines prescribed by DPE for their ratification. The MOU system enables NTC to perform efficiently as there are variety of parameters both financial and non-financial in nature. NTC has been vigorously following this system since 2007, which has helped immensely in fulfilment of its long ranging objectives and aspirations and overall growth over the period. The entire process also ensures transparency as well as accountability towards stakeholders.

## 7. General Body Meetings :

Date, time and venue of the last 3 Annual General Meetings held are as under:-

Sl. No.	Financial Year	Date	Time	Location
1	2015-16	30.09.2016	4.00 P.M.	Registered Office at Core-IV, Scope Complex, Lodhi Road, New Delhi – 110 003
2	2014-15	18.09.2015	2.30 P.M.	
3	2013-14	30.09.2014	3.00 P.M.	



## 8. Disclosures :

There were no transactions by the Company of material nature with Promoters, Directors or the Management, their relatives, etc. that may have potential conflict with the interests of Company at large. The Non-Executive Directors had no pecuniary relationships or transactions with the company during the year except receipt of sitting fees for attending meetings of the Board/Board Sub-Committee. None of the Non-Executive Directors held any share of the Company, except two who hold 1 share each, value of Rs.1000/- each as Nominee Shareholders of Government of India, without having beneficial interest.

## 9. Shareholding Pattern of NTC :

As on 31<sup>st</sup> March, 2017, 99.76% shares of National Textile Corporation Limited are held by the President of India and balance 0.24% are held by various State Governments.

## 10. Details of Joint Venture/Subsidiary/Associate Companies and its location :

NTC Ltd, at present, is having 7 JVCs/subsidiaries/Associates. The JVCs/ subsidiaries/Associates are located at:

Sl. No.	Name of the JVC/Subsidiary/Associate Company	Location
i	Apollo Design Apparel Parks Ltd.	382, N.M. Joshi Marg, Chinchpokli, Mumbai – 400 011
ii	Goldmohur Design and Apparel Parks Ltd.	Dada Sahib Phalke Road, Dadar (East), Mumbai – 400 014
iii	New City of Bombay Mfg. Mills Ltd.	63, T.B. Kadam Marg, Mumbai - 400 023
iv	Aurangabad Textiles and Apparel Parks Ltd.	Aurangabad Textiles Mills, Kothwalpura, Aurangabad Off. 63, T.B. Kadam Marg, Mumbai - 400 023
v	India United Textile Mill Ltd.	Dr. Ambedkar Road, Lalbaug, Parel, Mumbai – 400 012
vi	Swadeshi Mining and Manufacturing Co. Limited	16/14, Swadeshi House, Civil Lines, Jyotiba Phule Nagar, Kanpur, UP.
vii	Swadeshi Polytex Limited	New Kavi Nagar Industrial Area, Gaziabad, UP – 201002.

## 11. Code of Conduct :

The Company has introduced the Code of Conduct applicable to the Board Members as well as the Senior Management personnel.

12. The quarterly as well as Annual Grading Report is being submitted regularly to the administrative ministry for onward submission to DPE for giving the final grading in it's Assessment Report.

Sd/-

**Nityanand Singh**

Proprietor

FCS No. 2668 CP No. 2388

**NITYANAND SINGH & CO.**  
**COMPANY SECRETARIES**  
Established in 1995

**Certificate of Compliance of Conditions of Corporate Governance**

To

The Members of **National Textile Corporation Limited**

We have examined the compliance of conditions of Corporate Governance by National Textile Corporation Limited (“**the Company**”) for the Financial Year ended 31st March 2017, as stipulated in guidelines on Corporate Governance for CPSE’s issued by Department of Public Enterprises (DPE).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the 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 the Corporate Governance as stipulated in the above guidelines on Corporate Governance for CPSE’s issued by the Department of Public Enterprises (DPE).

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

For **Nityanand Singh & Co.**  
Company Secretaries

Sd/-

**Nityanand Singh**  
Proprietor

**FCS No. 2668 CP No. 2388**

Place: New Delhi  
Date : 31<sup>st</sup> August, 2017

**ANNUAL  
ACCOUNTS  
(STANDALONE)**





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**INDIAN AUDIT & ACCOUNTS DEPARTMENT**  
**OFFICE OF THE DIRECTOR GENERAL OF**  
**COMMERCIAL AUDIT & EX-OFFICIO MEMBER,**  
**AUDIT BOARD-II, NEW DELHI**  
fnukd@DATE : .....20.-11.-2017.....

सेवा में,

अध्यक्ष एवं प्रबंधक निदेशक,  
नेशनल टेक्सटाइल कॉरपोरेशन लिमिटेड,  
कोर - 4, स्कोप कॉम्प्लैक्स, 7-लोदी रोड,  
नई दिल्ली - 110003

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महोदय,

कम्पनी अधिनियम 2013 की धारा 143 (6) (b) के अधीन 31 मार्च 2017 को समाप्त वर्ष के लिए नेशनल टेक्सटाइल कॉरपोरेशन लिमिटेड, के वार्षिक लेखों पर भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ अग्रेषित करती हूँ। इन टिप्पणियों को कम्पनी की वार्षिक रिपोर्ट में प्रकाशित किया जाए।

भवदीया,

न. सुया  
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महानिदेशक वाणिज्यिक लेखा परीक्षा  
एवं पदेन सदस्य, लेखा परीक्षा बोर्ड - II  
नई दिल्ली

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**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE STANDALONE FINANCIAL STATEMENTS OF NATIONAL TEXTILE CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2017.**

The preparation of financial statements of National Textile Corporation Limited for the year ended 31 March 2017 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 25 September 2017.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6) (a) of the Act of the financial statements of National Textile Corporation Limited for the year ended 31 March 2017. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report.

**For and on the behalf of the  
Comptroller & Auditor General of India**

*N. Munshi*

**(Nandana Munshi)**

**Director General of Commercial Audit  
& Ex-officio Member, Audit Board-II  
New Delhi**

**Place: New Delhi**

**Date: 20.11.2017**



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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31 March, 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Emphasis of Matter

#### We draw attention to :

- a) Title Deeds of Properties not available and pending for transfer as ownership is in dispute. (Refer Note No. 32.22)
- b) Properties & Assets are under unauthorized occupation. (Refer Note No. 32.23 ), Pending disputes with regard to leasehold lands. (Refer Note No. 32.24)
- c) *Advance against sale of Assets pending court decisions/ registration/ possession (Refer Note No. 32.25 ) and other property matters (Refer Note No. 32.26 )*
- d) Pending confirmations from Trade Receivables, Other Current Assets etc. (Refer Note No. 32.38.1 )

Our opinion is not qualified in respect of these matters.

### Other Matter

We did not audit the financial statements of seven regional offices/ sub offices included in the standalone financial statements of the Company, which constitute total assets of Rs 299842.90 lacs and total revenue of Rs 118950.42 lacs for the year ended date. These financial statements and other financial information have been audited by branch auditors whose reports have been furnished to us and have been considered in preparing this report after making such adjustments as considered necessary by us. Our opinion on the standards financial statements to the extent they have been derived from such financial statements is based on the report of branch auditors.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**", a statement on the matters specified in the paragraph 3 and 4 of the said order.
2. As required under section 143(5) of the Companies Act 2013, we give a statement on the Directions issued by the Comptroller and Auditor General of India after complying with the suggested methodology of audit, the action taken thereon and its impact on the accounts and financial statements of the company.
3. As required by section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- (b) In our opinion proper books of account as required by the law have been kept by the Company so far as it appears from our examination of those books and from the audit reports of the Regional Offices/ Sub Offices.
- (c) The Balance Sheet, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the audited statements of accounts from the Regional Offices/ Sub Offices.
- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rule issued there under.
- (e) in pursuance to the Notification No. G.S.R 463(E) dated 05-06-2015 issued by the Ministry of Corporate affairs, Section 164(2) of the Companies Act, 2013 pertaining to disqualification of Directors, is not applicable to the Government Company.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “**Annexure B**”.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The financial statements disclose the impact of pending litigations on its financial position in its standalone Financial Statements . Refer Note 32.1 to the Ind AS financial statements.
  - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There was no amount which was required to be transferred to the Investor Education and Protection Fund by Company.
  - iv) The Company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in Accordance with the books of accounts maintained by the Company. Refer Note 32.10 to the Ind AS financial statements.

**For TIWARI & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration Number: 002870N**

**Sd/-**  
**(Krishan Kumar)**  
**Partner**  
**Membership Number 085415**

**Place: New Delhi**  
**Date: 25.09.2017**

## “ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT

Referred to in paragraph (1) of the Independent Auditor’s Report to the Members of National Textile Corporation Limited on the financial statements for the year ended 31<sup>st</sup> March, 2017

**(i) In respect of fixed assets:**

- (a) The company have maintained proper records to show full particulars including quantitative details and situation of Fixed Assets, except in regard to:
- *In the case of Kerala Lakshmi Mills, where quantity details and situation and date of purchase of certain items of fixed assets need to be updated. Further the land of the unit has not been properly protected through fencing / building a boundary wall, as a result of which it is being encroached. In respect of Vijaya Mohini Mills, the exact location of assets not mentioned in the available records.*
  - *Item wise cost and depreciation of assets as on 01.04.1974 are not available in Closed Mills in Gujarat as reported by Sub Office Gujarat Auditors.*
  - *Fixed Asset Register have not been updated in Kerala Lakshmi Mills, RMD Patna, Sub Office Kanpur UP and Sub Office Ahmadabad.*
- (b) As explained to us, the Company has a programme of physically verifying all its fixed assets in a phased manner, which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets. In accordance with this programme, a portion of the fixed assets were physically verified by the management during the year. The discrepancies noticed on such verification between the physical balances and the fixed assets records were not material and have been properly dealt with in the books of account. *However, no physical verification was carried out in respect of lands, buildings, bungalows, staff quarters and chawls which are in the possession of third parties or illegal occupants and verification not done in Western Region Mumbai and Sub Office Uttar Pradesh, Kanpur as reported by Auditors.*
- (c) The title deeds of immovable properties are held in the name of the respective units/ in the name of the Company, except the following:
- *in the case of BNC Mills, Rajnandgaon and IMU Mills Indore as reported by Sub Office Indore, in case of Arati Cotton Mills, Associate Industries (Assam), Luxminarayan Cotton Mills and Sodepur Cotton Mills as reported by Sub Office Kolkata’s Auditors.*
  - *In 21 freehold cases & 18 leasehold cases (out of which 6 leasehold cases are in possession with State Bank of India) as reported by Sub Office Uttar Pradesh, Kanpur and in case of RNM-1 unit as reported by Sub Office Ahmadabad’s Auditors.*
  - *In 14 freehold cases, 8 leasehold cases in case of Seksaria Cotton Mills Ltd- title is in dispute as reported by Western Region, Mumbai’s Auditors.*
  - *In two cases title is in dispute as reported by Sub Office Delhi’s Auditor.*
  - *In seven cases, title deeds of properties are not executed/ available.*



## (ii) In respect of Inventories:

The Inventories have been physically verified by the management at reasonable intervals and no material discrepancies were noticed except the following:

- *In respect of Sri Rangavilas Ginning Spinning & Weaving Mills, the unit found some material discrepancies in waste stock quantity during the course of verification and the stock quantity is altered by the staff of the unit. Investigation by the unit has revealed that the unit has dispatched 39,935 kgs. of waste stock, provisionally valued to the tune of Rs. 18.26 lakhs without invoicing. Reducing the stock quantity in the waste stock register to the extent of 88,489 kgs., provisionally valued to the tune of Rs. 40.46 Lakhs. However, by adoption of physical stock of cotton waste for valuation of closing stock, the loss of revenue for goods dispatched without invoicing or invoiced for a lesser weight, got charged off to revenue and not separately quantified.*
- *The unit is not updating BIN Cards and is not following the perpetual inventory system as on the date of audit.*
- *In case of*
  - a) *RMD Kolkata where the unit has recovered the shortage found in the physical verification from respective employees engaged in Godown / Showroom of Rs 38511,*
  - b) *RMD Patna on physical verification of inventory have been conducted by HNM & Associates, Chartered Accountants, Patna for the year ended 31<sup>st</sup> March 2017 and Stock shortage of Rs 13,20,267.00 has been reported at all the location at the year end and the same has been dealt in the books of account.*
  - c) *RMD Bhubneshwar on physical verification has found shortage on physical verification in godown / showroom valuing Rs. 12,816 and which is shown in accounts as recoverable from employees in charge,. As per Report of Physical Verification of Stock as on 31.03.2017, it has been noted that the physical verification could not be conducted at Angul Showroom of RMD, Bhubneshwar.*
  - d) *RMD Guwahati, stock shortage recovery due for the year 2015-16 amounting Rs 63,823.*

## iii) In respect of loans and Advances granted:

According to the information and explanations given to us, The company has not granted any loan secured and unsecured, to companies, firms or other parties covered in register maintained under section 189 of the Companies Act. Therefore clauses (iii)(a), (iii)(b) & (iii)(c) of paragraph 3 of the order are not applicable to the company.

## iv) In respect of Loans, Investments, Guarantees & Security:

According to the information & explanation given to us, the Company has not granted any loans, investments or given guarantees/ security under the provision of section 185 and 186 of the Companies Act 2013. Therefore the provisions of paragraph 3(iv) of the order are not applicable to the Company.



**v) In respect of Deposits accepted:**

The Company has not accepted any deposits from the public within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.

**vi) In respect of Cost Records:**

Branch Auditors have broadly reviewed the books of accounts maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under Sub Section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prime facie, the prescribed accounts and records have been made and maintained.

**vii) In respect of Statutory Dues:**

- a) According to the information and explanation given to us and the records of the Company examined by us, in our opinion, except for dues given below, the Company is generally regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Sales Tax, Service tax, Excise duty and Cess and other material statutory dues, as applicable, with the appropriate authorities. The extent of the arrears of the statutory dues outstanding as at 31<sup>st</sup> March, 2017 for a period of more than six months from the date they became payable are as follows:

Name of the Statute	Nature of The Dues	Amount (Rs. in Lacs)	Period to which the amount relates
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	PF Contribution related to Pre Nationalization period & PF Liquidated Damages	7.85	NA
Local Acts of various States	Water Tax	148.73	NA
	Municipal Tax	112.48	NA
Income Tax Act, 1961	TDS	0.61	NA

Information in respect of period for which the dues relate and due date has not been made available to us in some cases.

- b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of disputed dues on account of income tax, sales tax, excise duty, service tax and other statutory dues that have not been deposited as at 31<sup>st</sup> March, 2017 by the Company on account of a dispute are as follows:

Name of the Statute	Nature of the Dues	Amount (Rs. in Lacs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	547.38	NA	Appellate Authorities at various level of central excise Department, under appeal at Appellate Tribunal
ESI Act, 1948	ESI	116.38	NA	Court case for terminated employees, ESI Court
	Post Take over & post Nationalization damages ESIC	1,713.33	NA	Regional Deputy Director ESIC & ESI Court

Name of the Statute	Nature of the Dues	Amount ( Rs. in Lacs )	Period to which the amount relates	Forum where dispute is pending
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident Fund ( includes Rs. 30.25 Lacs relating to Head office )	32.67	2006-07 to 2009-10 (Head office)	Court case for terminated employees, Appellate Tribunal , Kerala High Court
	Penalty & Damages of PF	1,195.81	NA	Regional Provident Fund Commissioner, Provident Fund Commissioner
	Post Take over & post Nationalization damages PF	6,129.14	NA	Central Provident Fund Commissioner
Customs Act, 1962	Custom Duty	336.28	NA	Appellate Tribunal
Central Sales Tax Act and Sales Tax Act of various States	Sales Tax	5,333.20	NA	Pending Appeal , Appellate Authorities of Sales Tax Department
	CST		NA	Chennai High Court
	VAT		NA	Chennai High Court
	UP Trade Tax	109.06	NA	Appeal pending with Appellate Authority
	Entry Tax	10.20	NA	Additional Appellate Assistant Commissioner
Local Acts of various States	Property Tax	174.47	NA	Tax Board of Rajasthan , Municipal Corporation
	Municipal Corporation Dues	5.53	NA	Local Authorities
	Professional Tax	20.64	NA	Professional Tax Authorities
Income Tax Act, 1961	TDS	62.54	NA	Appeal pending with Appellate Authority
	Gratuity	13.23	NA	Hon'ble Supreme Court
Finance Act, 1994	Service Tax	37.53	NA	Appeal pending with Appellate Authority

Information in respect of period for which the dues relate has not been made available to us in many cases.

**viii) In respect of Repayment of loans:**

According to the information and explanations, the Company SRO's, Kaleeswarar Mills and Somasundaram Mills has defaulted in payment of interest on Cash Credit Accounts to State Bank of Mysore by an amount of Rs. 75.45 Lacs in previous years. The SRO has submitted application of Waiver of entire interest. (Refer Note no. 32.38.9).

**ix) In respect of Public Offer:**

According to the records of the Company examined by us and the information and explanation given to us, no money was raised by way of initial public offer or further public offer and the company has not taken any term loans during the year. Accordingly, the provisions of paragraph 3 (ix) of the Order are not applicable to the Company.

**x) In respect of Frauds:**

During the course of examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management except:

- a) *In Sri Ranga Vilas Ginning Spinning and Weaving Mills, there was a fraud committed by certain employees of the unit in the areas of Cash and Bank transactions by forging certain signatures of one of the authorized signatories of the unit thereby misappropriating the cash and bank balances of the unit to the tune of Rs.91.86 lakhs. The unit preferred a complaint with the City Commissioner of Police, Coimbatore and FIR has been filed and the investigation is underway. The loss is ascertained, the unit has provided the same in the books of account for the year ended 31.03.2016 and the case is still pending. (Refer Note no. 32.38.5).*
- b) *In Sri Ranga Vilas Ginning Spinning and Weaving Mills, There was another fraud committed by certain employees in the areas of Waste Stock and sales of the unit by making material alteration in the Waste stock records of the unit and thereby causing a shortage of 88,489 kgs in Financial Year 2015-16. The unit also dispatched 39,935 kgs of waste in Financial Year 2015-16 valued provisionally Rs.18.26 Lacs. (aprox). The total amount involved is provisionally valued end reported by internal auditor at Rs 40.46 lacs. Since the actual end beneficiaries are not identifiable, the Vigilance Department of NTC has initiated action in this regard and the investigation is in progress. The actual loss yet to be ascertained. However by adoption of physical stock of cotton based for valuation of closing stock, the loss of revenue for goods dispatched without invoicing or invoiced for a lesser weight, got charged off to Revenue and not separately quantifiable. (Refer Note no. 32.38.6).*

**xi) In respect of Managerial Remuneration:**

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has neither paid nor provided for any managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013 during the financial year. Accordingly, the provisions of paragraph 3(xi) of the said Order are not applicable.

**xii) In respect of Nidhi Companies**

In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company. Accordingly, the provisions of paragraph 3(xii) of the Order are not applicable to the company.

**xiii) In respect of Related Party Transactions**

According to the records of the Company examined by us and the information and explanation given to us, the company has not entered into any transactions with related parties during the year. Accordingly, the provisions of paragraph 3(xiii) of the Order are not applicable to the Company.

**xiv) In respect of Preferential allotment or Private Placement of Shares/Convertible Debenture**

According to the information and explanations give 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. Accordingly, the provisions of paragraph 3(xiv) of the Order are not applicable to the Company.

### xv) In respect of Non Cash Transactions

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 any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of paragraph 3(xv) of the Order are not applicable to the Company.

### xvi) In respect of NBFC Regulation

The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, provisions of paragraph 3(xvi) of the Order are not applicable to the Company.

**For TIWARI & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration Number: 002870N**

**Sd/-**  
**(Krishan Kumar)**  
**Partner**  
**Membership Number 085415**

**Place: New Delhi**  
**Date: 25.09.2017**

## **Annexure – “B” TO THE INDEPENDENT AUDITORS’ 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 M/s **National Textile Corporation Limited**, Scope Complex, New Delhi-110003 as of March 31, 2017 in conjunction with our audit of the Ind AS financial statements of the National Textile Corporation Limited 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 Unit’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 Control, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### **Meaning of Internal Financial Controls over Financial Reporting**

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in

accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that :

- 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 authorizations of management and directors of the Company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 explanations given to us and based on the reports received from the branch auditors who audited the accounts of the concerned Units under National Textile Corporation Ltd, and based on our audit, the following material weaknesses have been identified as at March 31, 2017:

#### 1. In respect of Unit - KERALA LAKSHMI MILLS

Internal Financial Controls over protection of Fixed Assets is not operating effectively in the light of the fact that 4.8 Acres of land belonging to the Unit has been encroached upon by various outsiders. The land had not been properly protected through fencing/ building a boundary wall, as a result of which it is being encroached. Suits have been filed in the court against the occupiers.

#### 2. In respect of Unit – ALAGAPPA TEXTILE MILLS –

The unit's internal financial control over protection of Fixed Asset is not operating effectively particularly in the light of the fact that the land and building has not been protected through proper maintenance.

#### 3. In respect of Unit - COIMBATORE SPINNING AND WEAVING MILLS -

- a) The unit is required to report on its monthly performance to the regional office. We noticed that the unit has reported lower loss to the regional office on account of deferment of certain expenses which has been rectified at the end of the financial year. This could result in reporting of inaccurate monthly results by the unit to the regional office.
- b) The unit did not have an appropriate internal control system for seeking and obtaining confirmations from customers, which could potentially result in higher credit risk to the unit/ company and non recovery of dues from customers.



4. (i) Internal check prescribed by the management for physical verification of goods dispatched against sale with reference to goods invoiced and also measures adopted for physical verification of stock delivered lacks effective implementation.
- (ii) The scope of the Internal Audit Programme prescribed by the SRO for Internal Audit of the Mills does not provide for verification of proper invoicing of the goods dispatched for correctness of the weight with reference to the stock record and the weight of the goods at the time of delivery which will avoid leakage of revenue by way of sales either by under invoicing the goods delivered or total evasion of the billing;
- (iii) The present system of outsourcing internal audit functions needs to be strengthened by redefining the scope of the audit programme, to be discharged with manpower of requisite qualification/experience.
5. **In respect of WRO -**
- i) Certain Shares held by National Textile Corporation Limited WRO were not in the name of National Textile Corporation Limited (Share certificates were in the name of erstwhile owner) which were shown as Non-Current Investments in the books of the National Textile Corporation Limited's WRO Mumbai and as such internal financial controls over investments appearing in the books not operating effectively which could potentially result in the loss of income and ownership of investments.
- ii) *Twenty three properties, where title was not in dispute, properties were not in the name of National Textile Corporation Limited for long time, in case of two properties details about Freehold or leasehold are not available also certain lands were encroached by unauthorized occupants. Also details of rent receivable from chawl occupants are not readily available. Considering these we are the opinion that internal financial controls over assets appearing in the books not operating effectively which could potentially result in the loss of ownership of properties.*

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the National Textile Corporation Ltd 's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the National Textile Corporation Ltd has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2017 based on the internal control over financial reporting criteria established by the Unit 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.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2017 financial statements of the National Textile Corporation Ltd and these material weaknesses do not affect our opinion on the financial statements of the Company.

**For TIWARI & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration Number: 002870N**

**Sd/-**  
**(Krishan Kumar)**  
**Partner**  
**Membership Number 085415**

**Place: New Delhi**  
**Date: 25.09.2017**





**NATIONAL TEXTILE CORPORATION LIMITED (STANDALONE)**

**For Year ended 31<sup>st</sup> March 2017**

**Directions under Section 143(5) of the Companies Act, 2013**

S. No.	QUESTIONS	ANSWERS
<b>1</b>	<b>Land</b>	
	Whether the company has clear title/lease deeds for free hold and lease hold respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available?	Yes, as per the information and explanation given to us and based on reports received from the Branch Auditors, the Corporation has clear title/ lease deeds for freehold and leasehold land respectively except as disclosed under Note No. 32.22 and 32.24. Some of staff quarters, premises, shops and land are under unauthorised occupation as disclosed under Note No. 32.23 of the Financial Statements of the Company.
<b>2</b>	<b>Waiver/ Write off of Debt /Loan Interest</b>	
	Whether there are any cases of waiver /write off of debts/ loan /interest etc. If yes, the reason thereof and the amount involved.	During the course of audit we have not reported any such case of waiver/ writes off debts/ interest/ loans etc.
<b>3</b>	<b>Inventories Lying with Third Parties&amp; Asset Received as gift /Grant (s) from Govt. or other authorities</b>	
	Whether proper record is maintained for inventories lying with third parties & assets received as gift/grant (s) from Govt. Or other authorities.	Based on the reports received from the Branch Auditors, wherever applicable, the units have maintained proper records for inventories lying with third parties. Further, on the basis of our checks, information & explanation obtained, the Corporation has not received any asset as gift/ grant from the Government or other authorities.

**Sub- Directions under sections 143(5) of the Companies Act 2013**

<b>1</b>	<b>Employee Benefits</b>	
	Independent verification may be made of information/input furnished to Actuary, viz number of employees, average salary, retirement age and assumptions made by the Actuary regarding discount rate, future cost increase, mortality rate, etc for arriving at the provision for liability of retirement benefits, viz gratuity, leave encashment, post retirement medical benefits, sick leave, LTC, terminal benefits etc.	We have broadly reviewed the information/input furnished to the Actuary and prime facie they appear to be accurate and complete. Further in respect of the benchmarks used by the Actuary for assumptions such as discount rate, future cost increase, mortality rate, etc for arriving at the provision for liability of retirement benefits, viz gratuity, Leave Encashment, post retirement medical benefits, sick leave, LTC, terminal benefits, etc. We submit that the matter being technical in nature we have relied upon the actuary who is subject expert.





**Tiwari & Associates**  
**Chartered Accountants**

T-8, Green Park Extn.,  
New Delhi - 110016, India  
Tel.: 26166225  
26198237  
email: tikaca81@hotmail.com

## **Compliance Certificate**

We have conducted the audit of the accounts of **National Textile Corporation Limited – Standalone**, New Delhi for the year ended on 31<sup>st</sup> March, 2017 in accordance with the directions/ sub- directions issued by the C&AG of India under Section 143 (5) of the Companies Act, 2013 and certify that we have complied with all the directions/ sub directions issued to us.

**For TIWARI & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration Number: 002870N**

**Sd/-**  
**(Krishan Kumar)**  
**Partner**  
**Membership Number 085415**

**Place: New Delhi**  
**Date: 25.09.2017**



BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2017

Amount ₹ in Lacs

Particulars	Note No	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, Plant and Equipment	2	86,758.50	99,283.27	115,020.07
Capital work-in-progress	3	1,421.07	1,036.54	1,116.14
Intangible assets	4	14.25	12.21	13.93
Financial Assets				
- Investments	5	1,992.19	1,979.35	1,983.16
- Trade Receivables	6	-	-	-
- Loans	7	-	-	0.65
- Other Financial Assets	8	3,529.01	3,057.17	2,543.14
Other non-current Assets	9	14,799.85	14,300.17	11,531.81
<b>Current Assets</b>				
Inventories	10	29,308.20	34,279.99	32,618.64
Financial Assets				
- Trade Receivables	11	4,413.35	5,243.06	6,125.42
- Cash & Cash Equivalents	12	28,830.78	11,079.31	18,890.65
- Bank Balances other than Cash & Cash Equivalents	13	69,582.14	102,978.01	106,667.95
- Loans	7	5,855.87	5,859.59	7,621.85
- Other Financial Assets	8	4,322.55	8,180.00	7,133.37
Other Current Assets	9	2,573.80	2,623.78	2,028.05
Assets classified as held for sale	14	141,474.05	-	-
<b>Total Assets</b>		<b>394,875.61</b>	<b>289,912.45</b>	<b>313,294.83</b>

Particulars	Note No	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital	15	306,216.01	306,216.01	306,216.01
Other Equity		(62,682.13)	(159,644.01)	(161,189.70)
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Financial Liabilities				
- Other Financial Liabilities	16	291.31	288.87	293.74
Provisions	17	10,675.46	11,429.18	12,696.26
Deferred tax liabilities (net)	18	-	-	-
Other non-current liabilities	19	2,841.71	3,128.35	3,315.86
<b>Current liabilities</b>				
Financial Liabilities				
- Borrowings	20	67,224.65	62,609.77	57,823.44
- Trade payables	21	16,652.73	19,786.20	19,670.61
- Other Financial Liabilities	16	37,287.99	30,462.21	28,048.56
Other current liabilities	19	11,963.61	11,183.58	12,093.47
Provisions	17	4,404.27	4,452.29	4,169.46
Current Tax Liabilities(net)	22	-	-	30,157.12
<b>Total Equity and Liabilities</b>		<b>394,875.61</b>	<b>289,912.45</b>	<b>313,294.83</b>

**Significant Accounting Policies & Notes to the Financial Statements**

1  
32

As per our separate report of even date attached  
For **TIWARI & ASSOCIATES**  
Chartered Accountants  
Firm Registration Number: 002870N

For and on behalf of Board of Directors of  
**National Textile Corporation Limited**  
CIN: U74899DL1968GOI004866

**Sd/-**  
**(Krishan Kumar)**  
Partner  
Membership Number: 085415

**Sd/-**  
**(Pankaj Agarwal)**  
Company Secretary  
PAN: ACZPA4484D

**Sd/-**  
**(Dr. Anil Gupta)**  
Director (Finance)  
DIN: 07319209

Place: New Delhi  
Date: 25.09.2017

**Sd/-**  
**(R.K. Sinha)**  
Director (HR)  
DIN: 3391787

**Sd/-**  
**(P.C. Vaish)**  
Chairman & Managing Director  
DIN: 03440470

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

Amount ₹ in Lacs

Particulars	Note No.	Year ended March 31, 2017	Year ended March 31, 2016
<b>Income</b>			
Revenue from Operations	23	116,849.56	112,920.92
Other Income	24	7,375.81	14,895.63
<b>Total Income</b>		<b>124,225.37</b>	<b>127,816.55</b>
<b>Expenses</b>			
Cost of material consumed	25	63,923.24	61,663.30
Purchase of stock in trade		2,141.27	6,730.92
Changes in inventories of finished goods, stock in trade and work in progress	26	8,241.87	(370.67)
Employees' benefit expenses	27	30,834.51	31,721.18
Finance costs	28	13,050.56	5,953.18
Depreciation and amortization expenses	29	13,657.18	16,542.23
Manufacturing, administrative and selling expenses	30	35,550.39	38,374.91
Corporate social responsibility expenses	31	0.93	29.22
<b>Total expenses</b>		<b>167,399.95</b>	<b>160,644.27</b>
<b>Profit/(loss) before exceptional items and tax</b>		(43,174.58)	(32,827.72)
<b>Exceptional Items</b>			
Debts written back/(off)		-	2.34
Provisions written back		178.56	34,024.16
Modified voluntary retirement scheme		(926.30)	(671.05)
Profit/(loss) on sale of assets		141,237.95	60.27
Pre-nationalization PF dues		-	(88.02)
<b>Profit Before Tax</b>		<b>97,315.63</b>	<b>499.98</b>

Particulars	Note No.	Year ended March 31, 2017	Year ended March 31, 2016
Tax expense			
(i) Current tax		-	-
(ii) Deferred tax		-	-
<b>Profit/(loss) for the period from continuing operations</b>		<b>97,315.63</b>	<b>499.98</b>
<b>II Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
- Re-measurement gains/(losses) on defined benefit plans		(387.42)	1,049.41
- Revaluation of assets		-	-
- Net (loss)/ gain on FVTOCI equity securities		9.56	(3.81)
<b>Items that will be reclassified to profit or loss</b>			
- Exchange difference on translation of foreign operations		-	-
- Net (loss)/ gain on FVTOCI debt securities		-	-
Income Tax Effect on above items		-	-
<b>Total Comprehensive Income for the year</b>		<b>96,937.77</b>	<b>1,545.58</b>
"Earnings per equity share(for continuing operations) : (Par Value Rs. 1000/- per share)"			
(1) Basic		317.80	1.63
(2) Diluted		317.80	1.63

**Significant Accounting Policies**  
**Notes to the Financial Statements**

1  
32

As per our separate report of even date attached  
For **TIWARI & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration Number: 002870N**

For and on behalf of Board of Directors of  
**National Textile Corporation Limited**  
CIN: U74899DL1968GOI004866

**Sd/-**  
**(Krishan Kumar)**  
**Partner**  
**Membership Number: 085415**

**Sd/-**  
**(Pankaj Agarwal)**  
**Company Secretary**  
**PAN: ACZPA4484D**

**Sd/-**  
**(Dr. Anil Gupta)**  
**Director (Finance)**  
**DIN: 07319209**

**Place: New Delhi**  
**Date: 25.09.2017**

**Sd/-**  
**(R.K. Sinha)**  
**Director (HR)**  
**DIN: 3391787**

**Sd/-**  
**(P.C. Vaish)**  
**Chairman & Managing Director**  
**DIN: 03440470**

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

(Amount ₹ in Lacs)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before exceptional items and tax	(43,174.58)	(32,827.72)
<b>Adjustment for:-</b>		
Depreciation and amortization	13,657.18	16,542.23
Interest income	(4,537.17)	(11,443.52)
Dividend and dividend taxes	(772.57)	(751.15)
Remeasurement of net defined benefit plans	(387.42)	1,049.41
Interest & finance charges	12,820.14	5,777.00
Provisions	85.70	204.03
<b>Operating profit before working capital changes</b>	<b>(22,308.72)</b>	<b>(21,449.72)</b>
<b>Cash flow from working capital changes</b>		
<b>Adjustment for:-</b>		
(Increase)/Decrease in inventories	4,971.79	(1,661.35)
(Increase)/Decrease in trade receivables	829.71	882.36
(Increase)/Decrease in loans and current assets	3,911.15	119.90
(Increase)/Decrease in non-current loans and advances	-	0.65
(Increase)/Decrease other non-current assets	(971.52)	(3,282.39)
(Increase)/Decrease in other bank balances	33,395.87	3,689.94
Increase/(Decrease) in trade payables	(3,133.47)	115.59
Increase/(Decrease) in current tax liabilities	-	(30,157.12)
Increase/ (Decrease) in non-current liabilities and provisions	(1,037.92)	(1,459.46)
Increase/(Decrease) in provisions and other liabilities	7,567.19	1,783.65
<b>Cash flow before exceptional items</b>	<b>23,224.08</b>	<b>(51,417.95)</b>
<b>Adjustment for exceptional items</b>		
Debts written back/(off)	-	2.34
Provisions written back	178.56	34,024.16
Modified voluntary retirement scheme	(926.30)	(671.05)
Pre-nationalization PF dues	-	(88.02)
Provisions	(85.70)	(204.03)
	<b>(833.44)</b>	<b>33,063.40</b>
<b>Net Cash flow from operating Activities (i)</b>	<b>22,390.64</b>	<b>(18,354.55)</b>

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(143,141.98)	(906.70)
Sale of fixed assets and FSI	141,411.02	242.97
Advance against sale of assets	-	(0.09)
Sundry creditors for machinery	(9.40)	3.03
Sale/ (Purchase) of investments	(3.29)	(0.00)
Interest income	4,537.17	11,443.52
Dividend received	772.57	751.15
<b>Net Cash from investing activities (ii)</b>	<b>3,566.09</b>	<b>11,533.88</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase/(Decrease) in secured loans	(68.87)	102.58
Finance charges	(8,136.39)	(1,093.25)
<b>Net Cash from financing activities (iii)</b>	<b>(8,205.26)</b>	<b>(990.67)</b>
<b>D. Net changes in Cash &amp; Cash Equivalents (i+ii+iii)</b>	<b>17,751.47</b>	<b>(7,811.33)</b>
<b>E. Opening Cash &amp; Cash Equivalents (Note No 12 )</b>	<b>11,079.31</b>	<b>18,890.65</b>
<b>F. Closing Cash &amp; Cash Equivalents (Note No 12 )</b>	<b>28,830.78</b>	<b>11,079.31</b>

The accompanying notes are an integral part of these standalone financial statements

**Notes:**

The cash flow statement has been prepared under the indirect method as set out under Indian Accounting Standard (Ind AS 7) statement of cash flows.

As per our separate report of even date attached  
**For TIWARI & ASSOCIATES**  
 Chartered Accountants  
 Firm Registration Number: 002870N

For and on behalf of Board of Directors of  
**National Textile Corporation Limited**  
 CIN: U74899DL1968GOI004866

**Sd/-**  
**(Krishan Kumar)**  
 Partner  
 Membership Number: 085415

**Sd/-**  
**(Pankaj Agarwal)**  
 Company Secretary  
 PAN: ACZPA4484D

**Sd/-**  
**(Dr. Anil Gupta)**  
 Director (Finance)  
 DIN: 07319209

Place: New Delhi  
 Date: 25.09.2017

**Sd/-**  
**(R.K. Sinha)**  
 Director (HR)  
 DIN: 3391787

**Sd/-**  
**(P.C. Vaish)**  
 Chairman & Managing Director  
 DIN: 03440470

Statement of Change in Equity

A) Equity Share Capital (₹ in Lakh)

	Notes	Amount
As at 1 <sup>st</sup> April, 2015		306,216.01
Changes in Equity Share Capital	15	-
As at 31 <sup>st</sup> March, 2016		306,216.01
Changes in Equity Share Capital	15	-
As at 31 <sup>st</sup> March, 2017		306,216.01

B) Other Equity (₹ in Lakh)

Particulars	Reserve and Surplus			Equity instruments through OCI	Revaluation Surplus	Other items of OCI	Total
	Capital Reserve	Special Reserve u/s 36 (i) (viii) of the Income Tax Act	Capital Subsidy				
Balance as at April 01, 2015	345,590.26	242.48	-	-	16,722.89	-	(161,042.76)
Changes in accounting policy or prior period errors	(5.59)	-	-	25.77	-	-	(146.94)
Restated Balance as at April 01, 2015	345,584.67	242.48	-	25.77	16,722.89	-	(161,189.70)
Profit and loss for the period	-	-	-	-	-	-	499.98
Other comprehensive income for the year	-	-	-	(3.81)	-	1,049.41	1,045.60
Total comprehensive income for the year	-	-	-	(3.81)	-	1,049.41	1,545.58
Any other changes	0.11	-	-	-	-	-	0.11
Balance as at March 31, 2016	345,584.78	242.48	-	21.96	16,722.89	1,049.41	(159,644.01)
Balance as at April 01, 2016	345,584.78	242.48	-	21.96	16,722.89	1,049.41	(159,644.01)
Changes in accounting policy or prior period errors	-	-	-	-	-	-	24.12
Profit for the year	-	-	-	-	-	-	97,315.63
Other comprehensive income for the year	-	-	-	9.56	-	(387.42)	(377.86)
Total comprehensive income for the year	-	-	-	9.56	-	(387.42)	96,937.77
Transfer to retained earnings	-	-	-	-	-	-	-
Balance as at March 31, 2017	345,584.78	242.48	-	31.52	16,722.89	661.99	(62,682.13)

As per our separate report of even date attached

For TIWARI & ASSOCIATES

Chartered Accountants

Firm Registration Number: 002870N

Sd/-

(Krishan Kumar)

Partner

Membership Number: 085415

Place: New Delhi

Date: 25.09.2017

For and on behalf of Board of Directors of

National Textile Corporation Limited

CIN: U74899DL1968GOI004866

Sd/-

(Pankaj Agarwal)

Company Secretary

PAN: ACZPA4484D

Sd/-

(Dr. Anil Gupta)

Director (Finance)

DIN: 07319209

Sd/-

(R.K. Sinha)

Director (HR)

DIN: 3391787

Sd/-

(P.C. Vaish)

Chairman & Managing Director

DIN: 03440470

## Notes to the Standalone Financial Statements for the year ended March 31, 2017

### Note No 1 - Significant Accounting Policies

#### • General Information

National Textile Corporation Limited, (NTC) "the company" is a Schedule 'A' public sector company under the ambit of Ministry of Textile, Government of India, engaged in production of yarn and fabric through its mills in operation, located all over India producing yarn and fabric. NTC also manufactures garments through its JV Companies.

In addition National Textile Corporation has well established retail network throughout the country with its retail stores.

National Textile Corporation was established in 1968 to look after the functioning of sick textile mills acquired through three Nationalisation Acts. The mills which were not in a position to revive have been closed subsequently.

#### • First time adoption of Indian Accounting Standards (Ind-AS)

The company has adopted Ind-AS, in accordance with Notification dated February 16, 2015 issued by Ministry of Corporate Affairs, Government of India, with effect from April 01, 2016 with a transition date of April 01, 2015.

### Application of Indian Accounting Standards (Ind-AS)

All companies (listed or unlisted) having net worth of Rs 500 crores or more are required to adopt Ind- AS.

All amounts included in the financial statements are reported in lakhs Indian rupees except number of equity shares and per share data, unless otherwise stated.

## 1. Significant Accounting Policies

### 1.1. Statement of Compliance and basis of preparation of Financial Statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) as notified by Ministry of Corporate Affairs, Government of India vide Notification dated February 16, 2015. Accounting policies have been applied consistently to all periods presented in these financial statements. The Financial Statements are prepared under historical cost convention from the books of accounts maintained under accrual basis except for certain financial instruments which are measured at fair value and in accordance with the Indian Accounting Standards prescribed under the Companies Act, 2013, except otherwise stated.

The Financial Statements up to the year ended March 31, 2016 were prepared in accordance with the accounting standards notified under the Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the act.

### 1.2. Use of estimates and judgment

The preparation of financial statements requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual



results and estimates are recognised in the period in which the results are known/materialised.

### 1.3. Current versus non-current classification.

The company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

#### **A liability is current when:**

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The company has identified twelve months as its operating cycle.

### 1.4. Functional and presentation currency

These financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company.

### 1.5. Purchase of Raw Materials

Purchase of Raw Materials is accounted for on invoice value except in the case of supplies from Government agencies where it is accounted on the basis of Pro-forma invoice in the absence of invoice.

### 1.6. Revenue Recognition

#### ***Sale of Goods***

- i) Sales Revenue is recognized, in the case of direct sale on raising of invoice and delivery of goods and in respect of depot/ consignment sales, revenue is recognized on the basis of "Accounts Statement" from

Depot/Consignment Agent confirming the sale.

- ii) Export sales are accounted for at FOB value basis.

#### **Interest Income**

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### **Dividend Income**

Dividend Income is recognized when the company's right to receive the payment is established which is generally when shareholders approve the dividend.

#### **Rent Income**

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

### **1.7. Property, Plant and Equipment**

All Property, Plant and Equipment (PPE) are stated at carrying value in accordance with previous GAAP, which is used as deemed cost on the date of transition to Ind-AS using the exemption granted under Ind AS 101.

The cost of an item of property, plant and equipment is recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The cost of an item of PPE is the cash price equivalent at the recognition date. The cost of an item of PPE comprises:

- i) Purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts, rebates, Excise and Custom duty where CENVAT credit on capital goods is availed, except taken over as a result of nationalisation, which are stated at values then approved by board and re-valued asset at revalue price less accumulated depreciation and impairment(if any).
- ii) Costs directly attributable to bringing the PPE to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company has chosen the cost model for recognition and this model is applied to all class of assets. After recognition as an asset, an item of PPE is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Capital work in progress is stated at cost and such cost includes the cost of property, plant and equipment under installation/ under development as at the balance sheet date.

#### **Stores and Spares**

Significant spare parts qualify as property, plant and equipment when an entity expects to use them during more



than one period and when they can be used only in connection with an item of property, plant and equipment.

### **Major repairs and overhauling cost**

Cost of major repairs/overhauling is capitalised with consequent de-recognition of any remaining carrying amount of the cost of the previous inspection/repairs. The total cost of inspection/repairs is considered as a separate component.

## **1.8. Intangible Assets**

All Intangible assets are stated at carrying value in accordance with previous GAAP, which is used as deemed cost on the date of transition to Ind-AS using the exemption granted under Ind AS 101.

Identifiable intangible assets are recognized when the company controls the asset; it is probable that future economic benefits expected with the respective assets will flow to the company for more than one economic period; and the cost of the asset can be measured reliably. At initial recognition, intangible assets are recognized at cost. Intangible assets are amortized on straight line basis over estimated useful life of 5 years and for the assets which are having more life, the periodicity may be decided after seeking approval from the Board.

## **1.9. Depreciation and Amortization**

The depreciable amount of an item of Property, Plant and Equipment (PPE) is allocated on a straight line basis over its useful life. The residual value and the useful life of an asset are reviewed at each financial year-end. Each part of an item of PPE with a cost that is significant in relation to the total cost of the asset and useful life of that part is different from remaining part of the asset; such significant part is depreciated separately. Depreciation on all such items have been provided from the date they are 'Available for Use' till the date of sale / disposal and includes amortization of intangible assets and lease hold assets. An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

The depreciation on fixed assets is provided pro-rata on straight line method, as per the useful lives of the assets specified in Part C of Schedule II of the Companies Act, 2013. The residual value of all the assets is taken 5% of the cost of assets.

## **1.10. Borrowing Costs**

The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset as a part of the cost of the asset. The Company recognises other borrowing costs as an expense in the period in which it incurs. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

## **1.11. Foreign Currency Transactions:**

Transactions in currencies other than the functional currency are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Differences arising on settlement or translation of monetary items are recognized in



profit or loss.

### 1.12. Inventories

Inventories are valued as follows:

- i) Raw Material in Stock: At variety-wise monthly weighted average cost or net realizable value whichever is lower.
- ii) Raw material in Transit and finished goods (packed yarn and cloth): At cost or net realizable value whichever is lower.
- iii) Finished Goods at depot (Yarn / Cloth): At lower of cost or net realizable value.
- iv) Finished Goods at retail Marketing Depots / Divisions, Retail Showrooms, and duty paid godowns: Cost including excise duty or net realizable value whichever is lower. The cost is determined by reducing from the sale value appropriate percentage of gross margin. Net realizable value is determined after appropriate discounts for damages, cut pieces, age of stock, market forces, if any.
- v) Stores and Spares: At weighted average cost or net realizable value whichever is lower other than the stores and spares that are to be componentized.
- vi) Materials in Process: At cost or net realizable value whichever is lower.
- vii) Loose yarn & Cloth under process, and with processors etc: At lower of cost or net realizable value less expenses to be incurred to make them ready for sale.
- viii) Scrap and saleable waste: At net realizable price.
- ix) Useable wastes: At weighted average cost or net realizable value whichever is lower

*Note: Wherever net realisable value is not available, cost is used*

### 1.13. Government Grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. These grants are classified as grants relating to assets and revenue based on the nature of the grants.

Grants relating to depreciable assets are initially recognised as deferred revenue and subsequently recognised in the statement of profit and loss on a systematic basis over the useful life of the asset generally in the same proportion in which depreciation is charged on the depreciable assets acquired out of such contribution. Changes in estimates are recognised prospectively over the remaining life of the assets.

Grants in the form of revenue grant are recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

Grants in the form of non-monetary assets such as land and other resources are recognised at fair value and presented as deferred income which is recognized in the statement of profit and loss over the expected useful life





in a pattern of consumption of the benefit of the underlying asset.

## 1.14. Provisions

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

## 1.15. Contingent Liabilities / Assets

### ***Contingent Liabilities***

Contingent liabilities are not recognized but disclosed in Notes to the Accounts when the company has possible obligation due to past events and existence of the obligation depends upon occurrence or non-occurrence of future events not wholly within the control of the company.

Contingent liabilities are assessed continuously to determine whether outflow of economic resources have become probable. If the outflow becomes probable then relative provision is recognized in the financial statements.

Where an entity is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability. The entity recognises a provision for the part of the obligation for which an outflow of resources embodying economic benefits is probable, except in the extremely rare circumstances where no reliable estimate can be made.

Contingent Liabilities are disclosed in the General Notes forming part of the accounts.

### ***Contingent Assets***

Contingent Assets are not recognised in the financial statements. Such contingent assets are assessed continuously and are disclosed in Notes when the inflow of economic benefits becomes probable. If it is certain that inflow of economic benefit will arise then such asset and the relative income shall be recognised in financial statements.

## 1.16. Employee benefits

- i) Provision for gratuity, leave encashment/availment and other terminal benefits is made on the basis of actuarial valuation using the projected unit credit method. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets excluding interest (if applicable), is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Statement of Profit or Loss.
- ii) Contribution to Provident Fund is recorded as expenses on accrual basis.

## 1.17. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

### ***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income/statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or

deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

#### **Deferred tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

#### **Current and deferred tax for the year**

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

### **1.18. Investment Property**

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. All of the Company's property interests held under operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties.

After initial recognition, the company measures investment property at cost.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

Investment properties to be depreciated in accordance to the class of asset that it belongs and the life of the asset shall be as conceived for the same class of asset at the Company.

## 1.19. Investment in Subsidiary, Joint Venture and Associates

The company accounts investment in subsidiary, joint ventures and associates at cost. An entity controlled by the company is considered as a subsidiary of the company.

Investments where the company has significant influence are classified as associates. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement is classified as a joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

## 1.20. Financial instruments

### i) Non-derivative financial instruments

Non-derivative financial instruments consist of:

- Financial assets, which include cash and cash equivalents, trade receivables, unbilled revenues, finance lease receivables, employee and other advances, investments in equity and debt securities and eligible current and non-current assets;
- Financial liabilities, which include long and short-term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities.

Non derivative financial instruments are recognized initially at fair value including any directly attributable transaction costs.

Subsequent to initial recognition, non derivative financial instruments are measured as described below:

#### a) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash in hand, at banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system. In the statement of financial position, bank overdrafts are presented under borrowings within current liabilities.

#### b) Investments in Equity Securities

Investments in equity securities (other than those in Subsidiaries, Joint Venture and Associates) are valued at their fair value. These investments are measured at fair value and changes therein, other than impairment losses, are recognized in Other Comprehensive Income. The impairment losses, if any, are reclassified from equity into statement of profit and loss. On de-recognition of such assets, the related cumulative gain or losses recognised in other comprehensive income are transferred within equity.

#### c) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Loans and receivables are initially recognized at fair value plus directly attributable transaction costs and subsequently measured at amortized cost using the effective interest method, less any impairment losses. Loans and receivables comprise trade receivables, unbilled revenues and other assets.

The company estimates the un-collectability of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

**d) Trade and other payables**

Trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short term maturity of these instruments.

**ii) Derivative financial instruments/Forward Contract**

The Company is exposed to foreign currency fluctuations on foreign currency assets and liabilities. The Company limits the effect of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The Company enters into derivative financial instruments where the counterparty is primarily a bank.

Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in statement of income as cost.

**1.21. Impairment**

If the recoverable amount of an asset (or cash-generating unit/Fixed Assets) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a re-valued amount, in which case the impairment loss is treated as a revaluation decrease.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a re-valued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

At the end of each reporting period, the company reviews the carrying amounts of its tangible, intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the company estimates



the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

### *Impairment of financial assets*

Financial assets, other than those at Fair Value through Profit and Loss (FVTPL), are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected. For Available for Sale (AFS) equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counterparty;
- Breach of contract, such as a default or delinquency in interest or principal payments;
- It becoming probable that the borrower will enter bankruptcy or financial re-organisation; or the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade receivables, assets are assessed for impairment on individual basis. Objective evidence of impairment for a portfolio of receivables could include companies past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets that are carried at cost, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables; such impairment loss is reduced through the use of an allowance account for respective financial asset. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

For financial assets measured at amortised cost, if in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognized.

### *De-recognition of financial assets*

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety except 1.20(i)(b), the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss.

### 1.22. Earnings per share

A basic earnings per share is computed by dividing the net profit attributable to the equity shareholders of the company by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity shareholders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

### 1.23. Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.



The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

## 1.24. Segment Information

The Chief Operating Decision Maker (CODM) as defined by Ind AS-108, "Operating Segments" monitors the operating results of its operating segments based on their revenue growth and operating income. The Company has identified two primary business segments i.e. Yarn & Cloth. The assets and liabilities used in the Company's business that are not identified to any of the operating segments are shown as un-allocable assets/liabilities.

## 1.25. Prior Period

Errors of material amount relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively, to the extent practicable along with change in basic and diluted earnings per share. However where retrospective restatement is not practicable for a particular period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes on Accounts.

## 1.26. Non-current Assets held for sale

Non-current assets and disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. These assets and disposal groups are measured at the lower of their carrying amount and fair value less cost to be incurred towards sale. This condition is regarded as met only when the sale is highly probable and the assets or disposal group is available for immediate sale in its present condition.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The company treats sale/ distribution of the asset or disposal group to be highly probable when:

- i) The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- ii) An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- iii) The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- iv) The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- v) Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

The company shall not depreciate (or amortised) a non-current asset while it is classified as held for sale or while it is a part of a disposal group classified as held for sale.

## 1.27. Leases

Leases of Property, Plant and Equipment in which a significant portion of risks and rewards of ownership is transferred to the company as lessee are classified as finance lease. Such finance leases are generally capitalised at the inception of lease at the fair value of the leased property which equals the transaction price i.e. lump sum upfront payments. Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases.

Notes to the Standalone Financial Statements for the year ended March 31, 2017

Note No. - 2

## Property, Plant and Equipment

(₹ in Lacs)

Particulars	Gross carrying value as at April 1, 2016	Additions	Adjustments/sales during the year	Gross carrying value as at March 31, 2017	Accumulated depreciation as at April 1, 2016	Additions	Adjustments/sales during the year	Accumulated depreciation as at March 31, 2017	Carrying Value as at March 31, 2017
Land - Free Hold	18,022.22	-	43.23	17,978.99	-	-	-	-	17,978.99
Land - Lease Hold	903.59	-	-	903.59	40.05	40.15	-	80.20	823.39
Building - Factory	24,784.76	12.48	2.39	24,794.85	946.84	900.19	19.63	1,827.40	22,967.45
Building - Non Factory	2,088.01	2.72	6.36	2,084.37	151.49	80.17	(19.48)	251.14	1,833.23
Tube Well	48.94	0.23	-	49.17	19.31	18.58	-	37.89	11.28
Plant & Machinery	64,494.86	885.31	1,007.16	64,373.01	14,528.52	11,787.37	808.10	25,507.79	38,865.22
Furniture & Fixtures	679.57	4.52	1.86	682.23	80.26	80.44	2.04	158.66	523.57
Vehicles	112.46	19.14	-	131.60	20.73	17.82	-	38.55	93.05
Electrical Fittings	3,812.05	301.74	46.19	4,067.60	571.33	569.51	25.06	1,115.78	2,951.82
Office & Factory Equipments	194.21	136.79	1.69	329.31	56.13	48.49	0.41	104.21	225.10
Bio Gas Plant	0.05	-	-	0.05	-	-	-	-	0.05
Computer	96.32	30.50	3.62	123.20	28.98	28.51	2.80	54.69	68.51
Railway	0.03	-	-	0.03	-	-	-	-	0.03
Lab Equipment	580.07	12.69	1.06	591.70	90.23	84.66	-	174.89	416.81
<b>Total</b>	<b>115,817.14</b>	<b>1,406.12</b>	<b>1,113.56</b>	<b>116,109.70</b>	<b>16,533.87</b>	<b>13,655.89</b>	<b>838.56</b>	<b>29,351.20</b>	<b>86,758.50</b>

(₹ in Lacs)

Particulars	Deemed Cost as at April 1, 2015	Additions	Adjustments/sales during the year	Gross carrying value as at March 31, 2016	Accumulated depreciation as at April 1, 2015	Additions	Adjustments/sales during the year	Accumulated depreciation as at March 31, 2016	Carrying Value as at March 31, 2016
Land - Free Hold	17,990.45	31.78	0.01	18,022.22	-	-	-	-	18,022.22
Land - Lease Hold	903.55	0.04	-	903.59	-	40.05	-	40.05	863.54
Building - Factory	24,678.98	137.36	31.58	24,784.76	-	947.58	0.74	946.84	23,837.92
Building - Non Factory	2,087.63	0.88	0.50	2,088.01	-	151.78	0.29	151.49	1,936.52
Tube Well	48.15	0.79	-	48.94	-	19.31	-	19.31	29.63
Plant & Machinery	63,962.12	633.35	100.61	64,494.86	-	14,531.90	3.38	14,528.52	49,966.34
Furniture & Fixtures	641.70	38.21	0.34	679.57	-	80.62	0.36	80.26	599.31
Vehicles	93.64	18.82	-	112.46	-	20.73	-	20.73	91.73
Electrical Fittings	3,822.92	42.98	53.85	3,812.05	-	573.17	1.84	571.33	3,240.72
Office & Factory Equipments	145.72	50.15	1.66	194.21	-	56.56	0.43	56.13	138.08
Bio Gas Plant	0.05	-	-	0.05	-	-	-	-	0.05
Computer	65.27	31.67	0.62	96.32	-	28.41	(0.57)	28.98	67.34
Railway	0.03	-	-	0.03	-	-	-	-	0.03
Lab Equipment	579.86	0.21	-	580.07	-	90.23	-	90.23	489.84
<b>Total</b>	<b>115,020.07</b>	<b>986.24</b>	<b>189.17</b>	<b>115,817.14</b>	<b>-</b>	<b>16,540.34</b>	<b>6.47</b>	<b>16,533.87</b>	<b>99,283.27</b>

Note No. 3

## Capital Work- In- Progress

(₹ in Lacs)

Particulars	For the year ended March 31, 2017			For the year ended March 31, 2016				
	Balance as at April 1, 2016	Additions during the year	Capitalized during the year	Balance as at March 31, 2017	Balance as at April 1, 2015	Additions during the year	Capitalized during the year	Balance as at March 31, 2016
Civil Work	92.38	147.42	(2.70)	237.10	108.05	23.77	(39.44)	92.38
Plant & Machinery	822.71	589.73	(326.13)	1,086.31	814.03	212.29	(203.61)	822.71
Others	121.45	61.38	(85.17)	97.66	194.06	18.08	(90.69)	121.45
<b>Total</b>	<b>1,036.54</b>	<b>798.53</b>	<b>(414.00)</b>	<b>1,421.07</b>	<b>1,116.14</b>	<b>254.14</b>	<b>(333.74)</b>	<b>1,036.54</b>

## Note No. 4

## Intangible Assets

(₹ in Lacs)

Particulars	Computer Softwares
<b>Deemed cost as at April 1, 2015</b>	<b>13.93</b>
Additions	0.17
Disposal/adjustments	-
<b>Gross carrying value as at March 31, 2016</b>	<b>14.10</b>
<b>Accumulated Amortization/Impairment as at April 1, 2015</b>	<b>-</b>
Additions	1.89
Disposal/adjustments	-
<b>Accumulated Amortization as at March 31, 2016</b>	<b>1.89</b>
<b>Carrying Value as at March 31, 2016</b>	<b>12.21</b>
<b>Gross carrying value as at April 1, 2016</b>	<b>14.10</b>
Additions	3.33
Disposal/adjustments	-
Gross carrying value as at March 31, 2017	17.43
<b>Accumulated Amortization/Impairment as at April 1, 2016</b>	<b>1.89</b>
Additions	1.29
Disposal/adjustments	-
<b>Accumulated Amortization/Impairment as at March 31, 2017</b>	<b>3.18</b>
<b>Carrying Value as at March 31, 2017</b>	<b>14.25</b>



**Note No. 5**

**Non Current Investments**

(Amount in ₹)

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Total Value	Provision	Total Value	Provision	Total Value	Provision
<b>A. Investment in Equity Instrument</b>						
<b>I) Investment in Subsidiary and Associates</b>						
<b>Equity Instrument at cost</b>						
<b>(Quoted)</b>						
<b>Investment in Associates</b>						
<b>Swadeshi Polytex Limited</b> 1311750 shares (1311750 shares, March 31, 2016 and 1311750 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each.	14,542,243.50	-	14,542,243.50	-	14,542,243.50	-
<b>Total</b>	<b>14,542,243.50</b>	<b>-</b>	<b>14,542,243.50</b>	<b>-</b>	<b>14,542,243.50</b>	<b>-</b>
<b>(Unquoted)</b>						
<b>Investment in Subsidiaries</b>						
<b>Aurangabad Textiles &amp; Apparel Parks Limited</b> 10,60,800 shares (10,60,800 shares, March 31, 2016 and 10,60,800 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	10,608,000.00	-	10,608,000.00	-	10,608,000.00	-
<b>New City Bombay Manufacturing Mills Limited</b> 46,76,700 shares (46,76,700 shares, March 31, 2016 and 46,76,700 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	46,767,000.00	-	46,767,000.00	-	46,767,000.00	-
<b>Apollo Designs &amp; Apparel Parks Limited</b> 28,81,500 shares (28,81,500 shares, March 31, 2016 and 28,81,500 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	28,815,000.00	-	28,815,000.00	-	28,815,000.00	-



Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Total Value	Provision	Total Value	Provision	Total Value	Provision
<b>Goldmohur Designs &amp; Apparel Parks Limited</b> 29,83,500 shares (29,83,500 shares, March 31, 2016 and 29,83,500 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	29,835,000.00	-	29,835,000.00	-	29,835,000.00	-
<b>Indian United Mills Limited</b> 64,82,610 shares (64,82,610 shares, March 31, 2016 and 64,82,610 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	64,826,100.00	-	64,826,100.00	-	64,826,100.00	-
<b>Swadeshi Mining &amp; Manufacturing Limited</b> 17,18,344 shares (17,18,344 shares, March 31, 2016 and 17,18,344 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	16,580,153.00	16,580,153.00	16,580,153.00	16,580,153.00	16,580,153.00	16,580,153.00
<b>Total</b>	<b>197,431,253.00</b>	<b>16,580,153.00</b>	<b>197,431,253.00</b>	<b>16,580,153.00</b>	<b>197,431,253.00</b>	<b>16,580,153.00</b>
<b>II) Other Equity Instruments</b>						
<b>(Quoted)</b>						
<b>At Fair Value through Other Comprehensive Income</b>						
<b>NTC-HO</b>						
<b>Lakshmi Machine Works Limited</b> 480 shares (480 shares, March 31, 2016 and 480 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	2,025,216.00	-	1,600,896.00	-	1,861,056.00	-
<b>Total</b>	<b>2,025,216.00</b>	<b>-</b>	<b>1,600,896.00</b>	<b>-</b>	<b>1,861,056.00</b>	<b>-</b>
<b>NTC-UP</b>						
<b>Century Tex &amp; Ind Ltd.</b> 480 shares (480 shares, March 31, 2016 and 480 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	505,584.00	-	253,776.00	-	305,832.00	-

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Total Value	Provision	Total Value	Provision	Total Value	Provision
<b>Standard Ind Limited</b> 84 shares (84 shares, March 31, 2016 and 84 shares, April 01, 2015) fully paid up equity shares of Rs. 5 each	1,831.20	-	1,999.20	-	1,839.60	-
<b>Binny Mills Ltd</b> 67 shares (67 shares, March 31, 2016 and 67 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	13,296.15	-	11,222.50	-	22,806.80	-
<b>S.V. Gloabal Mills Ltd</b> 470 shares (470 shares, March 31, 2016 and 470 shares, April 01, 2015) fully paid up equity shares of Rs. 5 each	58,938.00	-	57,340.00	-	68,056.00	-
<b>Total</b>	<b>579,649.35</b>	<b>-</b>	<b>324,337.70</b>	<b>-</b>	<b>398,534.40</b>	<b>-</b>
<b>NTC-DPR</b>						
<b>Akzo Nobel India Ltd</b> 15 shares (15 shares, March 31, 2016 and 15 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	28,573.50	-	20,445.75	-	20,982.75	-
<b>Arvind Limited</b> 13 shares (13 shares, March 31, 2016 and 13 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	5,119.40	-	3,553.55	-	3,469.05	-
<b>The Mafat Lal Fine Spg &amp; Mfg Co Ltd</b> 1 shares (1 shares, March 31, 2016 and 1 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	445.00	445.00	445.00	445.00	445.00	445.00
<b>The Khatau Makanhi Spg &amp; Wvg Mills Limited</b> 1 shares (1 shares, March 31, 2016 and 1 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	128.00	128.00	128.00	128.00	128.00	128.00
<b>The Shree Niwas Cotton Mills Ltd.</b> 5 shares (5 shares, March 31, 2016 and 5 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	765.00	765.00	765.00	765.00	765.00	765.00



Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Total Value	Provision	Total Value	Provision	Total Value	Provision
<b>Mafatal Engg. Ind. Ltd.</b> 356 shares (356 shares, March 31, 2016 and 356 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	35,600.00	35,600.00	35,600.00	35,600.00	35,600.00	35,600.00
<b>Total</b>	<b>70,630.90</b>	<b>36,938.00</b>	<b>60,937.30</b>	<b>36,938.00</b>	<b>61,389.80</b>	<b>36,938.00</b>
<b>NTC-WRO</b>						
<b>The Phoenix Mills Ltd</b> 250 shares (250 shares, March 31, 2016 and 250 shares, April 01, 2015) fully paid up equity shares of Rs. 2 each	94,287.50	-	75,012.50	-	87,862.50	-
<b>The Century Spg. &amp; Wvg. Co. Ltd. (Now Century Text. and Ind. Ltd.)</b> 250 shares (250 shares, March 31, 2016 and 250 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	263,325.00	-	132,175.00	-	159,287.50	-
<b>The Simplex Mills Co. Ltd.</b> 7 shares (7 shares, March 31, 2016 and 7 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	136.50	-	56.00	-	82.60	-
<b>The Morarjee Gokuldas Spg. &amp; Wvg. Co Ltd. (Now- Peninsular Land Ltd.)</b> 400 shares (400shares, March 31, 2016 and 400shares, April 01, 2015) fully paid up equity shares of Rs. 7 each	7,500.00	-	6,880.00	-	11,100.00	-
<b>The Bombay Dying &amp; Mfg Co. Ltd.</b> 125 shares (125 shares, March 31, 2016 and 125 shares, April 01, 2015) fully paid up equity shares of Rs. 2 each	10,375.00	-	5,943.75	-	7,987.50	-
<b>The Swan Mills Co. Ltd.(Now Swan Energy Ltd)</b> 500 shares (500 shares, March 31, 2016 and 500 shares, April 01, 2015) fully paid up equity shares of Rs. 2 each	141,200.00	-	30,850.00	-	30,850.00	-

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Total Value	Provision	Total Value	Provision	Total Value	Provision
<b>The Dawn Mills Co. Ltd.</b> (Peninsular Land) 100 shares 100 shares, March 31, 2016 and 100 shares, April 01, 2015) fully paid up equity shares of Rs. 2 each	1,875.00	-	1,720.00	-	2,775.00	-
<b>The Victoria Mills Ltd.</b> 1 shares (1 shares, March 31, 2016 and 1 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	3,100.00	-	2,907.00	-	1,842.00	-
<b>Total</b>	<b>521,799.00</b>	<b>-</b>	<b>255,544.25</b>	<b>-</b>	<b>301,787.10</b>	<b>-</b>
<b>(Unquoted)</b>						
<b>NTC-DPR</b>						
<b>Kohinoor Mills Co. Ltd.</b> 1 shares (1 shares, March 31, 2016 and 1 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	175.00	175.00	175.00	175.00	175.00	175.00
<b>Tata Mill Ltd.</b> 1 shares (1 shares, March 31, 2016 and 1 shares, April 01, 2015) fully paid up equity shares of Rs. 25 each	33.00	33.00	33.00	33.00	33.00	33.00
<b>Total</b>	<b>208.00</b>	<b>208.00</b>	<b>208.00</b>	<b>208.00</b>	<b>208.00</b>	<b>208.00</b>
<b>NTC-MP</b>						
<b>Mafatlal Engg. Ind. Limited</b> 929 shares (929 shares, March 31, 2016 and 929 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	92,900.00	92,900.00	92,900.00	92,900.00	92,900.00	92,900.00
<b>Indore Cloth Market Warehouse Ltd</b> 21 shares (21 shares, March 31, 2016 and 21 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	2,100.00	-	2,100.00	-	2,100.00	-
<b>Delhi Ahilya New Cloth market Co ltd</b> 20 shares (20 shares, March 31, 2016 and 20 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	2,000.00	-	2,000.00	-	2,000.00	-
<b>Total</b>	<b>97,000.00</b>	<b>92,900.00</b>	<b>97,000.00</b>	<b>92,900.00</b>	<b>97,000.00</b>	<b>92,900.00</b>

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Total Value	Provision	Total Value	Provision	Total Value	Provision
<b>NTC-UP</b>						
<b>Dhanlaxmi Mills Ltd.</b> 15 shares (15 shares, March 31, 2016 and 15 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	2,603.00	2,603.00	2,603.00	2,603.00	2,603.00	2,603.00
<b>C.P. Properties Ltd.</b> 6900 shares (6900 shares, March 31, 2016 and 6900 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	697,775.00	697,775.00	697,775.00	697,775.00	697,775.00	697,775.00
<b>Beardsheel Ltd.</b> 90 shares (90 shares, March 31, 2016 and 90 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	2,380.00	2,380.00	2,380.00	2,380.00	2,380.00	2,380.00
<b>Mafatal Engg. Industries Ltd.</b> 100 shares (100 shares, March 31, 2016 and 100 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
<b>Dalhousie Holding Limited</b> 3650 shares (3650 shares, March 31, 2016 and 3650 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	381,619.00	381,619.00	381,619.00	381,619.00	381,619.00	381,619.00
<b>Elgin Mills Co. Ltd.</b> 50 shares (50 shares, March 31, 2016 and 500 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	275.00	275.00	275.00	275.00	275.00	275.00
<b>Cawnpore Textile Mills</b> 50 shares (50 shares, March 31, 2016 and 50 shares, April 01, 2015) fully paid up equity shares of Rs. 5 each	112.00	112.00	112.00	112.00	112.00	112.00
<b>Total</b>	<b>1,094,764.00</b>	<b>1,094,764.00</b>	<b>1,094,764.00</b>	<b>1,094,764.00</b>	<b>1,094,764.00</b>	<b>1,094,764.00</b>

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Total Value	Provision	Total Value	Provision	Total Value	Provision
<b>NTC-WRO</b>						
<b>Shree Nivas Cotton Mills Ltd.</b> 1 shares (1 shares, March 31, 2016 and 1 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	168.00	168.00	168.00	168.00	168.00	168.00
<b>Swadeshi Mill Co. Ltd.</b> 10 shares (10 shares, March 31, 2016 and 10 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	178.00	178.00	178.00	178.00	178.00	178.00
<b>Khetau Makanji Spg. &amp; Wvg. Co. Ltd.</b> 1 shares (1 shares, March 31, 2016 and 1 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	1.00	1.00	1.00	1.00	1.00	1.00
<b>Standard Mills Co. Ltd.</b> 60 shares (60 shares, March 31, 2016 and 60 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	1,204.00	1,204.00	1,204.00	1,204.00	1,204.00	1,204.00
<b>Mafatal Fine Spg. &amp; Wvg. Co. Ltd.</b> 5 shares (5 shares, March 31, 2016 and 5 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	361.00	361.00	361.00	361.00	361.00	361.00
<b>Bradbury Mills Ltd.</b> 5 shares (5 shares, March 31, 2016 and 5 shares, April 01, 2015) fully paid up equity shares of Rs. 50 each	845.00	845.00	845.00	845.00	845.00	845.00
<b>Laxmi Vishnoo Cotton Mills Ltd.</b> 1 shares (1 shares, March 31, 2016 and 1 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	63.00	63.00	63.00	63.00	63.00	63.00
<b>Mafatal Engineering Ind. Ltd. Mumbai</b> 251 shares (251 shares, March 31, 2016 and 251 shares, April 01, 2015) fully paid up equity shares of Rs. 200 each	25,100.00	25,100.00	25,100.00	25,100.00	25,100.00	25,100.00



Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Total Value	Provision	Total Value	Provision	Total Value	Provision
<b>Tata Services Ltd.</b> 175 shares (175 shares, March 31, 2016 and 175 shares, April 01, 2015) fully paid up equity shares of Rs. 1000 each	175,000.00	-	175,000.00	-	175,000.00	-
<b>Associated Buildings Ltd.</b> 250 shares (250 shares, March 31, 2016 and 250 shares, April 01, 2015) fully paid up equity shares of Rs. 1000 each	75,000.00	-	75,000.00	-	75,000.00	-
<b>Cesta Bella Co-Hsg Soc.</b> 50 shares (50 shares, March 31, 2016 and 50 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	500.00	-	500.00	-	500.00	-
<b>Rosary Co-Hsg Soc.</b> 10 shares (10 shares, March 31, 2016 and 10 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	1,000.00	-	1,000.00	-	1,000.00	-
<b>Gulmohur Co-Hsg Soc.</b> 5 shares (5 shares, March 31, 2016 and 5 shares, April 01, 2015) fully paid up equity shares of Rs. 50 each	250.00	-	250.00	-	250.00	-
<b>New Piece Goods Bazar Co. Ltd.</b> 240 shares (240 shares, March 31, 2016 and 240 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each (192 bonus shares fully paid up equity shares of Rs. 100)	24,000.00	-	24,000.00	-	24,000.00	-
<b>Total</b>	<b>303,670.00</b>	<b>27,920.00</b>	<b>303,670.00</b>	<b>27,920.00</b>	<b>303,670.00</b>	<b>27,920.00</b>
<b>NTC-GUJARAT</b>						
Others	11,792.00	9,900.00	11,792.00	9,900.00	11,792.00	9,900.00
<b>Total</b>	<b>11,792.00</b>	<b>9,900.00</b>	<b>11,792.00</b>	<b>9,900.00</b>	<b>11,792.00</b>	<b>9,900.00</b>

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Total Value	Provision	Total Value	Provision	Total Value	Provision
<b>NTC-SRO</b>						
<b>OPG Power Generation Pvt. Ltd.</b> 83,200 equity shares, partly paid upto Rs. 3.95433 per share. (Face value Rs 10 per share)	329,000.00	-	-	-	-	-
United Bleachers Limited	120,000.00	120,000.00	120,000.00	120,000.00	120,000.00	120,000.00
Kerala State Handloom Development Corporation Ltd.	5,000.00	-	5,000.00	-	5,000.00	-
Western India Ind. Corp. Ltd.	15,000.00	-	15,000.00	-	15,000.00	-
Others	56,385.00	22,605.00	56,385.00	22,605.00	56,385.00	22,605.00
<b>Total</b>	<b>525,385.00</b>	<b>142,605.00</b>	<b>196,385.00</b>	<b>142,605.00</b>	<b>196,385.00</b>	<b>142,605.00</b>
<b>NTC-WBABO</b>						
Others	98,718.00	98,718.00	98,718.00	98,718.00	98,718.00	98,718.00
<b>Total</b>	<b>98,718.00</b>	<b>98,718.00</b>	<b>98,718.00</b>	<b>98,718.00</b>	<b>98,718.00</b>	<b>98,718.00</b>
<b>B. Investment in Government or Trust securities</b>						
<b>(Quoted)</b>						
<b>At Amortized cost</b>						
<b>NTC-GUJRAT</b>						
Government Securities	6,811.91	6,811.91	6,811.91	6,811.91	6,811.91	6,811.91
<b>Total</b>	<b>6,811.91</b>	<b>6,811.91</b>	<b>6,811.91</b>	<b>6,811.91</b>	<b>6,811.91</b>	<b>6,811.91</b>
<b>(Unquoted)</b>						
<b>NTC-DPR</b>						
<b>UCM Sehkhari Upphokta Bandar, Udaipur</b> 10 shares (10 shares, March 31, 2016 and 10 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	100.00	100.00	100.00	100.00	100.00	100.00
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
<b>NTC-MP</b>						
Government Securities	8,100.00	8,100.00	8,100.00	8,100.00	8,100.00	8,100.00
<b>Total</b>	<b>8,100.00</b>	<b>8,100.00</b>	<b>8,100.00</b>	<b>8,100.00</b>	<b>8,100.00</b>	<b>8,100.00</b>

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Total Value	Provision	Total Value	Provision	Total Value	Provision
<b>NTC-SRO</b>						
Government Securities	1,000.00	-	1,000.00	-	1,000.00	-
<b>Total</b>	<b>1,000.00</b>	<b>-</b>	<b>1,000.00</b>	<b>-</b>	<b>1,000.00</b>	<b>-</b>

(₹ in Lakh)

Particulars	As at March 31, 2017 Total Value	As at March 31, 2016 Total Value	As at April 1, 2015 Total Value
Total value of investment	2,173.18	2,160.34	2,164.15
Aggregate amount of impairment in the value of investment	180.99	180.99	180.99
<b>Carrying value of Investment</b>	<b>1,992.19</b>	<b>1,979.35</b>	<b>1,983.16</b>
Aggregate amount of quoted investment	177.46	167.91	171.72
Market value of Investment in Associates (quoted)	186.92	275.47	347.61
Market value of quoted investment-Others	32.04	22.49	26.30
Aggregate amount of unquoted investment	1,995.72	1,992.43	1,992.43
Aggregate amount of impairment in the value of investment	180.99	180.99	180.99

## Note No. 6

## Trade Receivables (Non - Current)

(₹ in Lacs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unsecured, considered good	-	-	-
Unsecured, considered doubtful	749.54	748.36	748.36
Allowances for doubtful debts	(749.54)	(748.36)	(748.36)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Movement in allowances for doubtful debt

(₹ in Lacs)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Balance at the beginning of the year	(748.36)	(748.36)
Allowances recognised during the year	(1.18)	-
Balance at the end of the year	(749.54)	(748.36)

## Note No. 7

## Loans

(₹ in Lacs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Non - Current</b>			
Unsecured (considered good)			
Others	-	-	0.65
<b>Sub- Total(A)</b>	<b>-</b>	<b>-</b>	<b>0.65</b>
<i>Unsecured (doubtful)</i>			
Loans to Related Parties	1,111.75	1,111.75	1,111.75
Less: Allowance for bad and doubtful loans	(1,111.75)	(1,111.75)	(1,111.75)
Others Loans	3,736.87	3,736.83	4,310.19
Less: Allowance for bad and doubtful loans	(3,736.87)	(3,736.83)	(4,310.19)
<b>Sub- Total(B)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Non-Current (A+B)</b>	<b>-</b>	<b>-</b>	<b>0.65</b>
<b>Current</b>			
Secured (considered good)			
Loans to Employees	-	0.41	0.58
<b>Sub- Total(A)</b>	<b>-</b>	<b>0.41</b>	<b>0.58</b>
<i>Unsecured (considered good)</i>			
Loans to Related Parties	179.15	179.15	179.15
Others	5,676.72	5,680.03	7,442.12
<b>Sub- Total(B)</b>	<b>5,855.87</b>	<b>5,859.18</b>	<b>7,621.27</b>
<b>Total Current (A+B)</b>	<b>5,855.87</b>	<b>5,859.59</b>	<b>7,621.85</b>

## Note No. 8

## Other Financial Assets

(₹ in Lacs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Non-Current</b>			
Bank Deposits with more than 12 months maturity	146.59	149.73	156.68
Bank Deposits with more than 12 months maturity- Earmarked	16.28	0.44	0.44
Security Deposits	3,366.14	2,907.00	2,386.02
<b>Total</b>	<b>3,529.01</b>	<b>3,057.17</b>	<b>2,543.14</b>
<b>Current</b>			
Security Deposits	25.96	20.33	60.99
Interest accrued on short-term deposits, loans and advances	353.86	4,340.56	3,388.13
Current Account with Subsidiary Companies	152.70	140.88	145.26
Others	3,790.03	3,678.23	3,538.99
<b>Total</b>	<b>4,322.55</b>	<b>8,180.00</b>	<b>7,133.37</b>

## Note No. 9

## Other Assets

(₹ in Lacs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Non-Current</b>			
<b>Capital Advances</b>			
Unsecured, considered good	87.54	59.28	106.93
Unsecured, considered doubtful	132.33	132.33	110.09
Allowances for doubtful debts	(132.33)	(132.33)	(110.09)
<b>Total</b>	<b>87.54</b>	<b>59.28</b>	<b>106.93</b>
<b>Loans to Employees</b>			
Unsecured, considered good	23.60	26.30	25.05
Unsecured, considered doubtful	70.34	70.81	69.33
Allowances for doubtful debts	(70.34)	(70.81)	(69.33)
<b>Total</b>	<b>23.60</b>	<b>26.30</b>	<b>25.05</b>



Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Silver Coins/Vessels	18.07	18.07	18.07
MAT Credit Entitlement	-	-	9,230.26
Advance against Tax Payments	683.68	593.92	526.58
Deposit with Govt. Bodies	595.19	585.95	795.89
Sundry Deposits	281.57	280.30	288.55
Less: Provision for govt. and sundry deposits	(300.68)	(299.55)	(292.50)
Employee's Family Welfare Fund Deposits/Securities	107.57	103.38	81.87
Commissioner of Payment (Doubtful)	1,804.53	1,804.53	1,804.53
Less: Provision for doubtful commissioner of payments	(1,804.53)	(1,804.53)	(1,804.53)
Deposit with PF authorities under Protest	85.05	81.25	148.72
Less: Provision for Deposit with PF authorities	(47.36)	(47.36)	(135.48)
Deposit with ESI authorities	364.16	364.16	364.16
Less: Provision for Deposit with ESI authorities	(1.31)	(1.31)	(352.95)
Claim receivable from Central Govt.	12,027.48	12,027.48	12,027.48
Less: Provision for Claim receivable from Central Govt.	-	-	(12,027.48)
Others	875.29	508.30	726.66
Other Considered Doubtful	866.14	866.71	793.03
Less: Provision for doubtful	(866.14)	(866.71)	(793.03)
<b>Total</b>	<b>14,799.85</b>	<b>14,300.17</b>	<b>11,531.81</b>
<b>Current</b>			
<b>Loans to employees</b>			
Secured, considered Good	47.32	22.94	16.30
Unsecured, considered good	347.34	397.28	344.76
Interest accrued on Loans to Employees	-	0.32	0.41
<b>Total</b>	<b>394.66</b>	<b>420.54</b>	<b>361.47</b>
Balance with Excise Authorities	1.94	2.08	2.78
Deposit with Govt. Bodies	311.30	314.77	38.17
Advance against Tax Payments	208.50	241.05	317.88
Commissioner of Payment (Good)	115.66	115.66	115.66
Prepaid Expenses	141.21	127.99	125.25
Claim Receivable	209.97	139.93	356.35
Sundry Deposits	68.17	65.03	102.59
Others	1,122.39	1,196.73	607.90
<b>Total</b>	<b>2,573.80</b>	<b>2,623.78</b>	<b>2,028.05</b>

## Inventories

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Raw Materials	7,744.23	4,682.76	3,507.08
Raw Materials in transit	467.78	146.47	91.97
Work in process	3,806.57	4,907.57	4,502.05
Finished Goods	14,884.80	21,781.83	21,519.18
Finished Goods in transit	11.97	117.12	332.42
Stock in trade	1,300.92	1,294.89	1,488.26
Stock in trade in transit	41.23	35.17	2.62
Stores and Spares	655.58	727.74	666.41
Less: Provision for obsolete stores	(163.85)	(163.94)	(130.93)
Stores and Spares in transit	54.80	95.42	31.01
Waste	316.82	437.20	420.17
Scrap	187.35	217.76	188.40
<b>Total</b>	<b>29,308.20</b>	<b>34,279.99</b>	<b>32,618.64</b>

## Note No. 11

## Trade Receivables (Current)

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Outstanding for a period exceeding six months from the date of due payment</b>			
Unsecured, considered good	1,281.45	1,475.44	1,072.98
Unsecured, considered doubtful	661.07	503.28	460.75
Allowances for doubtful debts	(661.07)	(503.28)	(460.75)
<b>Sub-Total(A)</b>	<b>1,281.45</b>	<b>1,475.44</b>	<b>1,072.98</b>
<b>Others</b>			
Secured, considered Good	-	-	-
Unsecured, considered good	3,131.90	3,767.62	5,052.44
Unsecured, considered doubtful	12.14	4.54	4.22
Allowances for doubtful debts	(12.14)	(4.54)	(4.22)
<b>Sub-total(B)</b>	<b>3,131.90</b>	<b>3,767.62</b>	<b>5,052.44</b>
<b>Total (A+B)</b>	<b>4,413.35</b>	<b>5,243.06</b>	<b>6,125.42</b>

## Movement in allowances for doubtful debt

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Balance at the beginning of the year	(507.82)	(464.97)
Loss Allowance recognised	(165.39)	(42.85)
Balance at the end of the year	(673.21)	(507.82)

## Note No. 12

## Cash &amp; Cash Equivalents

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Cash in hand	30.76	58.34	73.14
Cheques, Drafts, stamps in hand	0.61	127.95	2.22
Remittance in transit	108.92	128.38	144.11
Balances with Banks	5,985.19	4,399.33	4,137.00
<b>Sub-total (A)</b>	<b>6,125.48</b>	<b>4,714.00</b>	<b>4,356.47</b>
<b>Other Bank Balances</b>			
- Fixed Deposits	275.30	284.91	319.08
- Deposits for Margin Money	778.40	657.56	571.64
- In term deposit with original maturity upto 3 months	21,651.60	5,422.84	13,643.46
<b>Sub-total (B)</b>	<b>22,705.30</b>	<b>6,365.31</b>	<b>14,534.18</b>
<b>Total(A+B)</b>	<b>28,830.78</b>	<b>11,079.31</b>	<b>18,890.65</b>

## Note No. 13

## Bank Balances other than cash and cash equivalents

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Employee Security Deposits	4.83	0.87	3.22
Balance with Post Office	0.29	0.30	0.30
- In term deposit with original maturity more than 3 months but less than 12 months - Earmarked	11,221.66	11,360.50	12,071.43
- In term deposit with original maturity more than 3 months but less than 12 months	58,355.36	91,616.34	94,593.00
<b>Total</b>	<b>69,582.14</b>	<b>102,978.01</b>	<b>106,667.95</b>



## Note No. 14

## Assets classified as held for sale

(₹ in Lakh)

S. No.	Particulars	As at March 31, 2017			As at March 31, 2016			As at April 01, 2015		
		Gross Block	Accumulated Depreciation	Net Block	Gross Block	Accumulated Depreciation	Net Block	Gross Block	Accumulated Depreciation	Net Block
1	Plant & Machinery	1,448.36	1,322.98	125.38	-	-	-	-	-	-
2	Furniture & Fixtures	1.68	1.60	0.08	-	-	-	-	-	-
3	Electrical Fittings	6.23	5.70	0.53	-	-	-	-	-	-
4	Office & Factory Equipments	0.88	0.82	0.06	-	-	-	-	-	-
5	TDR	141,348.00	-	141,348.00	-	-	-	-	-	-
	<b>Total</b>	<b>142,805.15</b>	<b>1,331.10</b>	<b>141,474.05</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Note No. 15

## Equity Share Capital

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Authorized</b>			
Equity shares of Rs. 1000 each 50,000,000 equity share	500,000.00	500,000.00	500,000.00
<b>Issued, subscribed and fully paid</b>			
Equity shares of Rs. 1000 each 30,621,601 equity shares	306,216.01	306,216.01	306,216.01
<b>Total</b>	<b>306,216.01</b>	<b>306,216.01</b>	<b>306,216.01</b>

## Reconciliation of number of shares:

Particulars	No of Shares
Equity Shares as April 01, 2015	30621601
Add: -No. of Shares, Share Capital issued/ subscribed during the year	-
Equity Shares as March 31, 2016	30621601
Equity Shares as April 01, 2016	30621601
Add: -No. of Shares, Share Capital issued/ subscribed during the year	-
Equity Shares as March 31, 2017	30621601

## Shares in the company held by shareholder holding more than 5 percent

Name of the Shareholder	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
- Government of India	99.76%	99.76%	99.76%

Note No. 16

Other Financial Liabilities

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Non-Current</b>			
Earnest Money/Security Deposit	279.69	280.43	283.28
Employees Security Deposit	11.62	8.44	10.46
<b>Total</b>	<b>291.31</b>	<b>288.87</b>	<b>293.74</b>
<b>Current</b>			
Sundry Creditors for Machinery	620.66	630.06	627.03
Trade Deposits	924.48	693.26	721.32
Earnest Money/Security Deposit	11,014.85	10,815.66	10,888.41
Current Account with subsidiary companies	593.78	711.49	1,540.93
Others	24,134.22	17,611.74	14,270.87
<b>Total</b>	<b>37,287.99</b>	<b>30,462.21</b>	<b>28,048.56</b>

Note No. 17

Provisions

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Non-Current</b>			
<b>For employee benefits</b>			
Gratuity	8,984.75	9,709.22	10,650.69
Leave Salary/ Wages	1,561.04	1,620.67	1,938.40
LTC	54.48	31.38	37.57
Terminal Benefits	75.19	67.91	69.60
<b>Total</b>	<b>10,675.46</b>	<b>11,429.18</b>	<b>12,696.26</b>
<b>Current</b>			
<b>For employee benefits</b>			
Gratuity	2,891.76	2,630.07	2,407.56
Leave Salary/ Wages	700.47	731.44	707.77
Sick Leave	800.22	1,068.63	1,033.81
LTC	4.53	5.80	6.86
Terminal Benefits	7.29	16.35	13.46
<b>Total</b>	<b>4,404.27</b>	<b>4,452.29</b>	<b>4,169.46</b>

## Note No. 18

## Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Deferred Tax Liabilities</b>			
Property, plant and equipment	10,561.37	11,337.75	13,484.36
Intangible assets			
<b>Sub Total</b>	<b>10,561.37</b>	<b>11,337.75</b>	<b>13,484.36</b>
<b>Deferred Tax Assets</b>			
Unabsorbed Depreciation as per Income Tax	7,521.14	8,349.00	6,517.01
Carried Forward Business Loss as per Income Tax	-	-	4.77
Provisions	3,040.23	2,988.75	6,962.58
<b>Sub Total</b>	<b>10,561.37</b>	<b>11,337.75</b>	<b>13,484.36</b>
<b>Net Deferred Liabilities</b>	-	-	-

Movement in deferred tax balances for the year ended March 31, 2016

(₹ in Lakh)

Particulars	Balance as at April 01, 2015	Recognised in profit & loss	Recognised in OCI	Balance as at March 31, 2016
Property, plant and equipment	13,484.36	(2,146.61)	-	11,337.75
Provisions	6,962.58	3,973.83	-	2,988.75
Unabsorbed Depreciation	6,517.01	(1,831.99)	-	8,349.00
Carried Forward Business Loss	4.77	4.77	-	-

Movement in deferred tax balances for the year ended March 31, 2017

(₹ in Lakh)

Particulars	Balance as at March 31, 2016	Recognised in profit & loss	Recognised in OCI	Balance as at March 31, 2017
Property, plant and equipment	11,337.75	(776.38)	-	10,561.37
Provisions	2,988.75	(51.48)	-	2,937.27
Unabsorbed Depreciation	8,349.00	827.86	-	9,176.86



## Reconciliation of effective tax rates

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit before tax	97,315.63	499.98
Enacted tax Rate	34.61	34.61
Computed Expected Tax Expenses	33,678.99	173.03
Non-deductible expenses	12.66	-
Others	(19,529.71)	-
Tax due to temporary difference	1,644.41	-
Tax exempt income	(15,806.36)	(173.03)
<b>Tax Expenses for the year</b>	-	-

## Note No. 19

## Other Liabilities

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Non Current</b>			
Employee's Family Welfare Fund	107.57	103.38	81.87
Deposits/ Securities			
Others	2,734.14	3,024.97	3,233.99
<b>Total</b>	<b>2,841.71</b>	<b>3,128.35</b>	<b>3,315.86</b>
<b>Current</b>			
Controlled Cloth subsidy Balance	137.42	137.42	707.15
Advance against Sale of Assets	1,204.51	1,204.51	1,204.60
Others	10,621.68	9,841.65	10,181.72
<b>Total</b>	<b>11,963.61</b>	<b>11,183.58</b>	<b>12,093.47</b>

## Note No. 20

## Borrowings (Current)

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Secured</b>			
Cash Credit from Banks	75.45	75.54	260.29
Documentary Bill Purchase from Bank	421.54	483.00	230.62
Other Short term Loans from Banks (Secured by hypothecation of Stores, Raw Materials, Finished Goods, Work in Progress and Trade Deposits)	27.63	34.95	-
<b>Unsecured</b>			
Loan from Government of India	27,000.00	27,000.00	27,000.00
Interest accrued and due on Loan from Government of India	39,700.03	35,016.28	30,332.53
<b>Total</b>	<b>67,224.65</b>	<b>62,609.77</b>	<b>57,823.44</b>

## Note No. 21

## Trade Payables (Current)

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>A) Total outstanding dues to MSMEs</b>	120.54	132.49	79.26
<b>B) Total outstanding dues to other than MSMEs</b>			
- Sundry Creditors for Raw Material	14,822.82	17,566.86	14,595.82
- Sundry Creditors for Stores, Spare and Tools	639.62	676.71	585.77
- Hank Yarn obligations	80.62	51.75	7.67
- Others	989.13	1,358.39	4,402.09
<b>Total</b>	<b>16,652.73</b>	<b>19,786.20</b>	<b>19,670.61</b>

## Note No. 22

## Current tax liabilities

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Income tax	-	-	20,746.92
Income tax under Minimum Alternate Tax- MAT	-	-	9,230.26
Wealth Tax	-	-	179.94
<b>Total</b>	<b>-</b>	<b>-</b>	<b>30,157.12</b>

## Note No. 23

## Revenue From Operations

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>A. Sale of Products (including excise duty)</b>		
Cloth	15,494.21	17,395.91
Yarn	97,337.67	91,015.93
Readymade	1,035.92	2,190.56
<b>Total A</b>	<b>113,867.80</b>	<b>110,602.40</b>
<b>B. Sale of Services</b>		
Job Conversion Charges	0.08	-
<b>Total B</b>	<b>0.08</b>	<b>-</b>
<b>C. Other Operating Revenue</b>		
Sale of Waste	2,975.94	2,312.46
Other	5.74	6.06
<b>Total C</b>	<b>2,981.68</b>	<b>2,318.52</b>
<b>Total A+B+C</b>	<b>116,849.56</b>	<b>112,920.92</b>

Note No. 24

Other Income

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>A. Interest Income</b>		
Interest on Bank Deposits	8,077.07	9,990.35
Interest on Others	(3,539.90)	1,453.17
<b>Total A</b>	<b>4,537.17</b>	<b>11,443.52</b>
<b>B. Dividend Income</b>		
Dividend from Other Companies	1.43	1.46
Dividend from Subsidiary Companies	771.14	749.69
<b>Total B</b>	<b>772.57</b>	<b>751.15</b>
<b>C. Other Non Operating Revenue</b>		
Rent income	950.37	724.88
Insurance and other claims	35.83	17.45
Sale of Scrap and other unserviceable stores	122.96	86.47
Stock deficit recovered	13.68	9.17
Sundry Balances written back	26.47	1,333.94
Cash Discount	403.32	187.50
Forfeiture of Security Deposit (Other than Sale of Assets)	1.63	0.85
Foreign Exchange Rate Difference	28.76	26.52
Miscellaneous Receipts	483.05	314.18
<b>Total C</b>	<b>2,066.07</b>	<b>2,700.96</b>
<b>Total A+B+C</b>	<b>7,375.81</b>	<b>14,895.63</b>

Note No. 25

Cost of Materials Consumed

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>Raw Materials/Semi Finished</b>		
Stock at the beginning of the year	4,829.23	3,599.06
Add : Purchases	65,989.78	61,338.77
Less : Stock at the end of the year	(8,212.01)	(4,829.23)
<b>Raw Materials/ Semi Finished Consumed - Sub Total</b>	<b>62,607.00</b>	<b>60,108.60</b>
Packing material consumed	1,316.24	1,554.70
<b>Total</b>	<b>63,923.24</b>	<b>61,663.30</b>



## Note No. 26

## Changes in inventories of finished goods, stock in trade and work in progress

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>Opening inventories</b>		
Finished Goods		
Cloth	4,929.86	4,538.50
Yarn	16,969.09	17,283.85
Work-In-Process	4,907.57	4,501.41
Stock-In-Trade	1,330.06	1,490.88
Waste	437.19	417.82
Scrap	217.76	188.40
<b>Total opening inventories</b>	<b>28,791.53</b>	<b>28,420.86</b>
<b>Closing inventories</b>		
Finished Goods		
Cloth	5,018.84	4,929.86
Yarn	9,877.93	16,969.09
Work-In-Process	3,806.57	4,907.57
Stock-In-Trade	1,342.15	1,330.06
Waste	316.82	437.19
Scrap	187.35	217.76
<b>Total closing inventories</b>	<b>20,549.66</b>	<b>28,791.53</b>
<b>Total changes in inventories</b>	<b>8,241.87</b>	<b>(370.67)</b>

## Note No. 27

## Employees' Benefit Expenses

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Salaries, Wages, Allowances	21,498.03	21,392.99
Bonus	879.02	845.77
Contribution to PF & Pension Scheme	2,162.98	2,113.63
Contribution to E.S.I, DLI & Admin. Charges	537.24	605.48
Workman & Staff Welfare Expenses	1,485.34	1,458.46
Leave Salary (Provision)	697.67	456.59
Sick Leave (Provisoin)	(168.00)	81.04
Termainal Benefits (Provision)	8.98	6.50
Contract Labour Charges	2,092.98	2,024.98
Gratuity (Provision)	1,473.02	2,632.27
LTC (Provision)	80.57	29.11
Remuneration to directors	86.68	74.36
<b>Total</b>	<b>30,834.51</b>	<b>31,721.18</b>



## Note No. 28

## Finance Cost

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>Interest Expenses</b>		
- Interest on Loan from GOI	4,683.75	4,683.75
- Interest on Bank Loan for Working Capital	2.55	96.37
- Interest on Trade Credits	16.17	20.10
- Interest on Cotton Dues	887.29	683.69
- Interest on Other Loans and Deposits	25.99	28.78
- Interest on Provident fund and ESI dues	9.47	-
- Surcharge on Water/Electricity etc.	4.80	5.11
- Interest on other	7,136.32	212.57
<b>Other Borrowing Costs</b>		
- Bank Charges and Loan Processing Fee	57.57	50.97
- Cash Discount Allowed	219.50	171.01
- Foreign Exchange Rate Difference	6.12	0.06
- Guarantee fee	1.03	0.77
<b>Total</b>	<b>13,050.56</b>	<b>5,953.18</b>

## Note No. 29

## Depreciation and amortization expenses

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Depreciation on Property, plant and equipment	13,655.89	16,540.34
Amortization of intangible assets	1.29	1.89
<b>Total</b>	<b>13,657.18</b>	<b>16,542.23</b>



## Note No. 30

## Manufacturing, administrative and selling expenses

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>A. MANUFACTURING EXPENSES</b>		
Stores, Spares, Dyes & Chemicals	3,809.85	3,654.22
Power, fuel and water	23,199.68	25,768.11
Excise duty	14.90	1.02
Repairs to Machinery	478.51	456.02
Repairs to Building	156.78	159.45
Repairs to Other Assets	27.01	25.74
Processing Charges	678.04	926.81
Job Charges	32.38	23.23
Stiching Charges	7.90	9.04
Hank Yarn obligation	75.53	90.67
<b>Total A</b>	<b>28,480.58</b>	<b>31,114.31</b>
<b>B. ADMINISTRATIVE EXPENSES</b>		
Rent	232.12	201.17
Rates & Taxes	824.56	857.73
Insurance	150.40	132.27
Publication of Notices	40.36	30.74
Entertainment Expenses	26.59	24.25
Hotel and Incidental	34.85	30.15
<b>Payment to Statutory Auditors</b>		
- For Statutory Audits	34.62	35.03
- For Tax Audits	10.31	10.46
- For Other Services	3.00	3.44
- Reimbursement of expenses	6.50	7.09
<b>Payment to Other Auditors</b>		
- For Internal Audits	28.79	27.60
- For Cost Audits	7.80	7.37
- For Taxation work	3.97	3.62
For Management Services	6.10	4.48
Postage, Telegram & Fax	39.62	40.00
Telephones	85.82	85.43
Printing & Stationery	90.69	99.22
Vehicles Running & Maintenance	63.85	59.86





Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Legal and Professional Charges	855.62	984.42
Traveling Expenses	259.61	236.33
Local Conveyance	168.85	194.76
Director's Traveling Expenses	25.04	48.55
Director's Sitting Fees	0.36	3.72
Water and Electricity Charges	264.93	304.88
Provident Fund Administration Charges	138.75	135.26
Miscellaneous Expenses	181.48	213.24
Data Processing Charges	36.42	49.17
Watch and Ward Expenses	479.43	444.84
Repair to Other Assets	33.30	38.31
Festival Expenses	20.30	22.65
Annual Maintenance Charges	11.33	15.76
Fee and subscription	15.77	10.52
Filing Fee	0.51	0.62
Maintenance of office Building	166.42	123.12
Other Administrative Expenses	127.39	164.13
Carrying charges on cotton	19.43	32.99
Training & Development	127.62	136.03
Meeting/ Committee Expenses	32.77	55.68
<b>Provisions</b>		
- Doubtful Debts	76.58	62.72
- Doubtful Advances	8.57	76.92
- Other Current Assets	-	29.24
- Obsolete Stores	0.55	35.15
<b>Total B</b>	<b>4,740.98</b>	<b>5,078.92</b>
<b>C. DISTRIBUTION EXPENSES</b>		
Brokerage	424.31	348.29
Commission on sales	1,109.17	1,103.80
Sales Expenses	140.39	189.57
Publicity Expenses	270.02	122.88
Export Expenses	73.11	40.28
Other incidental, forwarding Expenses	311.83	376.86
<b>Total C</b>	<b>2,328.83</b>	<b>2,181.68</b>
<b>Grand Total (A+B+C)</b>	<b>35,550.39</b>	<b>38,374.91</b>

## Note No. 31

## Corporate social responsibility expenses

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Corporate social responsibility expenses	0.93	29.22
<b>Total</b>	<b>0.93</b>	<b>29.22</b>

## Note 32: Disclosure Notes

## 32.1 Contingent Liabilities:

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>a) Claims against the company not acknowledged as debts including foreign currency claim towards:</b>			
- Workmen Compensation	7,006.31	7,713.23	13,832.56
- Excise and Custom Duty	516.01	557.51	552.87
- Sales Tax/Purchase Tax Disputed	5,673.87	6,083.67	6,224.96
- Disputed Claims in appeals	465.40	27.32	279.77
- Disputed property tax and other taxes	1,751.38	1,931.08	1,871.16
- Interest claim of suppliers/ claim not provided as per BIFR Order	-	57,129.03	47,622.60
- Resale loss of cotton bales and carrying charges	-	689.95	689.95
- Premium claimed by Government of Maharashtra – New Hind Textile Mills	3,477.62	3,477.62	3,477.62
- Disputed Market fee under appeal (post nationalisation)	278.54	278.54	278.54
- Claims by the parties for 11 JVs mills for damages towards loss of profits due to cancellation of JVs	51,362.00	51,362.00	51,362.00
- Interest on Income tax dues – case pending before BIFR	-	-	13,662.46
- Others	3,622.95	3,204.53	3,564.64
<b>b) Guarantees given by Company to Banks/Financial Institutions/ Others</b>	<b>532.24</b>	<b>611.73</b>	<b>1,677.01</b>
<b>c) Others</b>	<b>-</b>	<b>-</b>	<b>-</b>
- Disputed Income Tax Demand	67.61	62.54	78.95
- Estimated damages and interest on PF & ESI dues (pre nationalisation)	118.44	1,820.02	1,756.76
- Estimated damages on PF & ESI dues (post nationalisation)	10,225.71	7,648.85	9,016.50
- Electricity Dues (pre nationalisation/ under litigation)	143.03	101.68	100.44
- Stamp Duty Liability for the issue of shares for which exemption is available as per BIFR orders	-	-	252.51
- Liability Towards export obligations	598.26	955.07	967.05
<b>Total</b>	<b>85,839.37</b>	<b>143,654.37</b>	<b>157,268.35</b>

**32.2 Contingent Assets:**

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Contingent Assets	Nil	Nil	Nil

**32.3 Commitments:**

Estimated amount of contracts remaining to be executed on capital account and not provided for as on reporting periods are as follows :

(₹ in Lakh)

S.No.	Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
1	Estimated amount of contract remaining to be executed on Capital Account	320.64	609.52	123.93
	<b>Total</b>	<b>320.64</b>	<b>609.52</b>	<b>123.93</b>

**32.4 Payment to the Statutory Auditors**

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Audit Fees	34.62	35.03
Tax Audit Fees	10.31	10.46
Other Services	3.00	3.44
Reimbursements:	6.50	7.09

**32.5 Additional information pursuant to Schedule III of the Companies Act, 2013**

**A. Capital Work in Progress**

(₹ in Lakh)

S.No	Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
1	Plant & Machinery	1,086.31	822.71	814.03
2	Civil Works	237.10	92.38	108.05
3	Others	97.66	121.45	194.06
	<b>Total</b>	<b>1,421.07</b>	<b>1,036.54</b>	<b>1,116.14</b>

**B. Raw Material Consumed**
**(₹ in Lakh)**

S.No	Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
1	Cotton	42,394.31	37,617.76
2	Polyester Fiber	19,139.50	21,402.35
3	Viscose Fiber	997.65	546.09
4	Yarn Purchased	75.54	542.40
5	Packing Material	1,316.24	1,554.70
	<b>Total</b>	<b>63,923.24</b>	<b>61,663.30</b>

**C. Goods Purchased for Trading**
**(₹ in Lakh)**

S.No	Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
1	Yarn	59.06	2,549.47
2	Cloth	953.96	2,456.24
3	Readymade	1,128.25	1,725.21
	<b>Total</b>	<b>2,141.27</b>	<b>6,730.92</b>

**D. Value of Imports on C.I.F. Basis**
**(₹ in Lakh)**

S.No	Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
1	Components & Spare Parts	125.58	222.59
2	Capital Goods	12.78	13.95
	<b>Total</b>	<b>138.36</b>	<b>236.53</b>

## E. Value Of Consumption

(₹ in Lakh)

S.No	Particulars	For the year ended March 31, 2017	Percentage	For the year ended March 31, 2016	Percentage
<b>1</b>	<b>RAW MATERIALS</b>				
a)	Indigenous	63,923.24	100.00	61,663.30	100.00
	<b>Total</b>	<b>63,923.24</b>	<b>100.00</b>	<b>61,663.30</b>	<b>100.00</b>
<b>2</b>	<b>COMPONENTS &amp; SPARE PARTS</b>				
a)	Indigenous	3,675.40	96.47	3,506.86	95.97
b)	Imported	134.45	3.53	147.36	4.03
	<b>Total</b>	<b>3,809.85</b>	<b>100.00</b>	<b>3,654.22</b>	<b>100.00</b>
<b>3</b>	<b>CAPITAL GOODS</b>				
a)	Indigenous	605.53	100.00	970.26	98.58
b)	Imported	-		13.95	1.42
	<b>Total</b>	<b>605.53</b>	<b>100.00</b>	<b>984.20</b>	<b>100.00</b>

## F. Earnings in Foreign Exchange

(₹ in Lakh)

S.No	Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
a)	Export of Goods on F.O.B. Basis	9,288.65	5,255.99
	<b>Total</b>	<b>9,288.65</b>	<b>5,255.99</b>

## G. Expenditure in Foreign Currency

(₹ in Lakh)

S.No	Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
1	Others	23.00	11.67
	<b>Total</b>	<b>23.00</b>	<b>11.67</b>

**Disclosure requirements of Indian Accounting Standards**
**32.6 Disclosures in respect of Ind AS 107 - Financial Instruments**
**A. Financial Instruments by Categories**

The carrying value and fair value of financial instruments by categories are as follows:

(₹ in Lakh as at March 31, 2017)

Particulars	Amortized cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at fair value through OCI	Total carrying value	Total fair value
<b>Assets:</b>					
Investments in Equity Instruments	-	-	53.45	-	53.45
Cash & Cash Equivalents	28,830.78	-	-	28,830.78	28,830.78
Bank Balances other than Cash and Cash Equivalents	69,582.14	-	-	69,582.14	69,582.14
Trade Receivables	4,413.35	-	-	4,413.35	4,413.35
Loans	5,855.87	-	-	5,855.87	5,855.87
Other Financial Assets	7,851.56	-	-	7,851.56	7,851.56
<b>Liabilities:</b>					
Trade Payables	16,652.73	-	-	16,652.73	16,652.73
Borrowings	67,224.65	-	-	67,224.65	67,224.65
Other Financial Liabilities	37,579.30	-	-	37,579.30	37,579.30

The carrying value and fair value of financial instruments by categories are as follows:

(₹ in Lakh as at March 31, 2016)

Particulars	Amortized cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at fair value through OCI	Total carrying value	Total fair value
<b>Assets:</b>					
Investments in Equity Instruments	-	-	40.61	-	40.61
Cash & Cash Equivalents	11,079.31	-	-	11,079.31	11,079.31
Bank Balances other than Cash and Cash Equivalents	102,978.01	-	-	102,978.01	102,978.01
Trade Receivables	5,243.06	-	-	5,243.06	5,243.06
Loans	5,859.59	-	-	5,859.59	5,859.59
Other Financial Assets	11,237.17	-	-	11,237.17	11,237.17
<b>Liabilities:</b>					
Trade Payables	19,786.20	-	-	19,786.20	19,786.20
Borrowings	62,609.77	-	-	62,609.77	62,609.77
Other Financial Liabilities	30,751.08	-	-	30,751.08	30,751.08

The carrying value and fair value of financial instruments by categories are as follows:

(₹ in Lakh as at April 1, 2015)

Particulars	Amortized cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at fair value through OCI	Total carrying value	Total fair value
<b>Assets:</b>					
Investments in Equity Instruments	-	-	44.42	-	44.42
Cash & Cash Equivalents	18,890.65	-	-	18,890.65	18,890.65
Bank Balances other than Cash and Cash Equivalents	106,667.95	-	-	106,667.95	106,667.95
Trade Receivables	6,125.42	-	-	6,125.42	6,125.42
Loans	7,622.50	-	-	7,622.50	7,622.50
Other Financial Assets	9,676.51	-	-	9,676.51	9,676.51
<b>Liabilities:</b>					
Trade Payables	19,670.61	-	-	19,670.61	19,670.61
Borrowings	57,823.44	-	-	57,823.45	57,823.45
Other Financial Liabilities	28,342.30	-	-	28,342.30	28,342.30

## B. Fair Value Hierarchy

All the financial assets and liabilities for which fair value is measured or disclosed are categorised within the fair value hierarchy described as follows:

- **Level 1** - Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets.
- **Level 2** - Level 2 hierarchy includes financial instruments measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3** - Level 3 hierarchy includes financial instruments measured using inputs that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of financial assets and liabilities measured at fair value:

(₹ in Lakh as at March 31, 2017)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs	Significant unobservable inputs
<b>Financial Assets</b>						
Investment in Equity Instruments - Quoted	31.97	-	-	31.97		Market Price
Investment in Equity Instruments - Unquoted		-	18.64	18.64	Cost adopted as best estimated of Fair Value	
Investments in Government or Trust Securities - Quoted	0.07	-	-	0.07		Market Price
Investments in Government or Trust Securities- Unquoted	-	-	0.09	0.09	Cost adopted as best estimated of Fair Value	
Others Investments	-	-	2.67	2.67	Cost adopted as best estimated of Fair Value	
<b>Total</b>	<b>32.04</b>	<b>-</b>	<b>21.41</b>	<b>53.45</b>		

The following table present fair value hierarchy of financial assets and liabilities measured at fair value

(₹ in Lakh as at March 31, 2016)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs	Significant unobservable inputs
<b>Financial Assets</b>						
Investment in Equity Instruments - Quoted	22.43	-	-	22.43		Market Price
Investment in Equity Instruments - Unquoted	-	-	15.35	15.35	Cost adopted as best estimate of fair value	
Investments in Government or Trust Securities - Quoted	0.07	-	-	0.07		Market Price
Investments in Government or Trust Securities- Unquoted	-	-	0.09	0.09	Cost adopted as best estimate of fair value	
Others Investments	-	-	2.67	2.67	Cost adopted as best estimate of fair value	
<b>Total</b>	<b>22.50</b>	<b>-</b>	<b>18.12</b>	<b>40.61</b>		

The following table present fair value hierarchy of financial assets and liabilities measured at fair value

(₹ in Lakh as at April 1, 2015)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs	Significant unobservable inputs
<b>Financial Assets</b>						
Investment in Equity Instruments - Quoted	26.24	-	-	26.24		Market Price
Investment in Equity Instruments - Unquoted		-	15.35	15.35	Cost adopted as best estimate of fair value	
Investments in Government or Trust Securities - Quoted	0.07	-	-	0.07		Market Price
Investments in Government or Trust Securities - Unquoted	-	-	0.09	0.09	Cost adopted as best estimate of fair value	
Others Investments	-	-	2.67	2.67	Cost adopted as best estimate of fair value	
<b>Total</b>	<b>26.31</b>	<b>-</b>	<b>18.12</b>	<b>44.42</b>		

Financial assets and liabilities which are measured at amortized cost for which fair values are disclosed

(₹ in Lakh as at March 31, 2017)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Loans	-	-	5,855.87	5,855.87
Other financial assets	-	-	7,851.56	7,851.56
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>13,707.43</b>	<b>13,707.43</b>
<b>Financial Liabilities</b>				
Borrowings	-	-	67,224.65	67,224.65
Other financial liabilities	-	-	37,579.30	37,579.30
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>104,803.95</b>	<b>104,803.95</b>

Financial assets and liabilities which are measured at amortized cost for which fair values are disclosed

(₹ in Lakh as at March 31, 2016)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Loans	-	-	5,859.59	5,859.59
Other financial assets	-	-	11,237.17	11,237.17
<b>Total financial assets</b>	-	-	<b>17,096.76</b>	<b>17,096.76</b>
<b>Financial Liabilities</b>				
Borrowings	-	-	62,609.77	62,609.77
Other financial liabilities	-	-	30,751.08	30,751.08
<b>Total financial liabilities</b>	-	-	<b>93,360.85</b>	<b>93,360.85</b>

Financial assets and liabilities which are measured at amortized cost for which fair values are disclosed

(₹ in Lakh as at April 1, 2015)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Loans	-	-	7,622.50	7,622.50
Other financial assets	-	-	9,676.51	9,676.51
<b>Total financial assets</b>	-	-	<b>17,299.01</b>	<b>17,299.01</b>
<b>Financial Liabilities</b>				
Borrowings	-	-	57,823.44	57,823.44
Other financial liabilities	-	-	28,342.30	28,342.30
<b>Total financial liabilities</b>	-	-	<b>86,165.74</b>	<b>86,165.74</b>

**C. Financial risk management**

**Financial risk factors**

The company's activities expose it to a variety of financial risks: credit risk and liquidity risk. The company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

**a) Credit Risk**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables and unbilled revenue. Accordingly, credit risk from trade receivables has been separately evaluated from all other financial assets in the following paragraphs.

*Trade Receivables*

The company has outstanding trade receivables amounting to Rs. 4,413.35 lakh, Rs. 5,243.06 lakh and Rs. 6,125.42 lakh as of March 31, 2017, March 31, 2016, and April 1, 2015 respectively. Trade receivables are generally unsecured and are derived from revenue earned from customers.

On account of adoption of Ind-AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available credit risk factors such as the Company's historical experience for customers.

*Credit risk exposure*

**An analysis of age of trade receivables at each reporting date is summarized as follows:**

(₹ in Lakh)

Particulars	As on March 31, 2017		As on March 31, 2016		As on April 01, 2015	
	Gross	Impairment	Gross	Impairment	Gross	Impairment
Not past due	52.28	-	109.15	-	45.24	-
Past due less than three months	2,863.84	-	2,596.87	-	4,556.21	-
Past due more than three months but not more than six months	130.04	-	937.82	-	536.37	-
Past due more than six months but not more than one year	265.82	7.60	1,043.47	-	753.24	-
More than one year	2,524.11	1,415.15	1,811.92	1,256.18	1,447.69	1,213.32
<b>Total</b>	<b>5,836.10</b>	<b>1,422.75</b>	<b>6,499.24</b>	<b>1,256.18</b>	<b>7,338.74</b>	<b>1,213.32</b>

Generally trade receivables are impaired after three years when recoverability is considered doubtful based on the Company Trend. The Company considers that all the above financial assets that are not impaired and past due for each reporting dates under review are of good credit quality. (Not past due are the amounts which are yet to be received and is receivable as due date of invoice has not arrived. In case there is no credit period the date of invoice is the due date.)

The company does not hold any collateral or other enhancements to cover its credit risks associated with its financial assets.

*Other financial assets*

Credit risk relating to cash and cash equivalents is considered negligible since our counterparties are banks which are majorly owned by Government of India and are have oversight of Reserve Bank of India. We consider the credit quality of term deposits with such banks to be good, and we review these banking relationships on an ongoing basis. We consider all the above financial assets as at the reporting dates to be of good credit quality.

**b) Liquidity Risk**

Our liquidity needs are monitored on the basis of yearly projections. The company's principal sources of liquidity are cash and cash equivalents and cash generated from operations.

We manage our liquidity needs by continuously monitoring cash inflows and by maintaining adequate cash and cash equivalents. Net cash requirements are compared to available cash in order to determine any shortfalls.

Short term liquidity requirements consist mainly of Trade payables, expense payables, employee dues arising during the normal course of business as of each reporting date. We maintain a sufficient balance in cash and cash equivalents to meet our short term liquidity requirements.

We assess long term liquidity requirements on a periodical basis and manage them through internal accruals.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities. The table has been drawn up based on the earliest date on which the company can be required to pay the financial liabilities. The table includes both principal & interest cash flows.

(₹ in Lakh as at March 31, 2017)

Particulars	Upto 6 months	More than 6 months upto 1 year	More than 1 year upto 3 years	More than 3 years upto 5 years	More than 5 years	Total
Trade Payables	7,598.97	573.43	664.60	200.92	7,614.81	16,652.73
Borrowings	67,149.20	-	-	-	75.45	67,224.65
Other Financial Liabilities	23,657.70	5,236.73	843.24	410.72	7,430.91	37,579.30
<b>Total</b>	<b>98,405.87</b>	<b>5,810.16</b>	<b>1,507.84</b>	<b>611.64</b>	<b>15,121.17</b>	<b>121,456.68</b>

(₹ in Lakh as at March 31, 2016)

Particulars	Upto 6 months	More than 6 months upto 1 year	More than 1 year upto 3 years	More than 3 years upto 5 years	More than 5 years	Total
Trade Payables	8,969.94	651.45	2,264.75	349.88	7,550.18	19,786.20
Borrowings	62,534.33	-	-	-	75.44	62,609.77
Other Financial Liabilities	17,017.41	5,517.39	702.61	327.47	7,186.20	30,751.08
<b>Total</b>	<b>88,521.68</b>	<b>6,168.84</b>	<b>2,967.36</b>	<b>677.35</b>	<b>14,811.82</b>	<b>113,147.05</b>

(₹ in Lakh as at April 1, 2015)

Particulars	Upto 6 months	More than 6 months upto 1 year	More than 1 year upto 3 years	More than 3 years upto 5 years	More than 5 years	Total
Trade Payables	7,176.21	1,342.59	496.59	254.68	10,400.54	19,670.61
Borrowings	57,679.85	-	-	9.40	134.19	57,823.44
Other Financial Liabilities	17,366.18	5,329.72	946.10	252.46	4,447.84	28,342.30
<b>Total</b>	<b>82,222.24</b>	<b>6,672.31</b>	<b>1,442.69</b>	<b>516.54</b>	<b>14,982.57</b>	<b>105,836.35</b>



### 32.7 Disclosure in respect of Indian Accounting Standard (Ind AS)-21 “The Effects of changes in Foreign Exchange Rates”

The amount of exchange differences (net) credited to the Statement of Profit & Loss Rs. 22.64 Lakh (P.Y. Rs. 26.46 Lakh).

### 32.8 Disclosure in respect of Indian Accounting Standard (Ind AS)-36 “Impairment of Assets”

During the year, the company assessed the impairment loss of assets and is of the opinion that no asset of the company is required for impairment as the recoverable amount is estimated to be higher than the book value.

**A.** General description of various defined employee’s benefits schemes are as under:

**(i) Provident Fund:**

The Company’s contribution paid/payable during the year to Provident Fund Trust/ Regional Provident Fund and the liability is recognized on *accrual basis*. The Company’s Provident Fund Trusts are exempted under Section 17 of Employees’ Provident Fund and Miscellaneous Provisions Act, 1952. The conditions for grant of exemptions stipulate that the employer shall make good deficiency, if any, in the interest rate declared by the Trusts vis-à-vis statutory rate. The company does not anticipate any further obligations in the near foreseeable future having regard to the assets of the funds and return on investment.

**(ii) Gratuity:**

Gratuity is paid to all employees on retirement/separation based on the number of years of service. The disclosure of information as required under Ind AS-19 has been made in accordance with the actuarial valuation.

As per Actuarial Valuation, the estimate for FY 2016-2017 towards Provision for Gratuity is Rs. 1,860.44 Lakh. (Rs. 1473.02 Lakh recognised in Statement of Profit and Loss and loss of Rs. 387.42 Lakh recognised in OCI), and for FY 2015-16 Rs. 1582.86 lakh (expense Rs. 2632.27 Lakh recognised in Statement of Profit and Loss and gain of Rs. 1049.41 Lakh recognised in OCI.)

**(iii) Sick Leave:**

Employees who are entitled for sick leave on full pay for each calendar year and can be carried forward/availed till the date of retirement/separation. The liability on this account is recognized on the basis of actuarial valuation.

**(iv) Leave Encashment:**

Payable on separation to eligible employees who have accumulated earned leave. Encashment of accumulated earned leave is also allowed during service to eligible employees. The liability on this account is recognized on the basis of actuarial valuation.

**(v) LTC:**

Provided to eligible employees for the sanctioned tours during employment as per the Companies Policy. The liability on this account is recognized on the basis of actuarial valuation.



(vi) **Terminal Benefits**

Provided to the employees after retirement and may also include relocation expenses if the employee was out stationed from his place of residence. The liability on this account is recognized on the basis of actuarial valuation.

B. The summarized position of various defined benefits recognized in the Statement of Profit & Loss, Other Comprehensive Income (OCI) and Balance Sheet & other disclosures are as under:

(i) **Actuarial Assumption:** (₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Method used	Projected Unit Credit Method	
Discount rate	7.26%	7.99%
Rate of salary increase	5.50%	5.50%
Rate of Employee Turnover	2.00%	2.00%
Mortality rate during Employment	Indian Assured Lives Mortality Rate (2006-2008)	

(ii) **Change in Present Value of Projected Benefit Obligation:** (₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
	<b>Gratuity</b>	
Present value of obligations as at beginning of year	12,339.29	13,181.05
Interest cost	985.91	1,047.89
Current Service Cost	487.11	458.11
Benefits paid	(2,323.21)	(1,298.35)
Actuarial (gain)/loss on Obligations due to change in financial assumption	370.35	(62.08)
Actuarial (gain)/loss on Obligations due to experience	17.06	(987.33)
Present value of obligations as at end of year	11,876.51	12,339.29

(iii) **Net Interest Cost for the period** (₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
	<b>Gratuity</b>	
Present Value of Benefit Obligation at the beginning of the period	12,339.29	13181.05
Fair Value of Plan Assets at the beginning of the Period	-	0
Net Liability / (Assets) at the beginning	12,339.29	13181.05
Interest Cost	985.91	1047.89
Net Interest Cost for the Current Period	985.91	1047.89

**(iv) The amounts recognized in the balance sheet**
**(₹ in Lakh)**

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
	Gratuity	
Present value of obligations as at the end of year	(11,876.51)	(12,339.29)
Fair value of plan assets as at the end of the year	-	-
Funded status - Surplus/(Deficit)	(11,876.51)	(12,339.29)
Net Asset/(liability) recognized in balance sheet	(11,876.51)	(12,339.29)

**(v) Expenses Recognized in Statement of Profit and Loss**
**(₹ in Lakh)**

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
	Gratuity	
Current Service Cost	487.11	458.11
Interest cost	985.91	1,047.89
Expenses Recognised	1473.02	1,506.00

**(vi) Amount recognized in Other Comprehensive Income (OCI)**
**(₹ in Lakh)**

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
	Gratuity	
Actuarial (gain)/loss on Obligation for the period	387.42	(1,049.41)
Net (Income)/Expenses recognised for the period recognised in OCI	387.42	(1,049.41)

**(vii) Balance Sheet Reconciliation**
**(₹ in Lakh)**

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
	Gratuity	
Opening net liability	12,339.29	13,181.05
Expenses recognised in statement of profit and loss	1,473.02	1,506.00
Expenses recognised in Other comprehensive Income	387.42	(1,049.41)
Net liability/ (Assets) Transfer In	-	-
Net liability/ (Assets) Transfer out	-	-
Benefit paid directly by the employer	(2,323.21)	(1,298.35)
Net liability/ (assets) recognised in Balance Sheet	11,876.51	12,339.29

## (viii) Sensitivity Analysis

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
	Gratuity	
Projected Benefit Obligation on Current Assumptions	11,876.51	12,339.29
Delta Effect of +0.50% change in Discounting	(257.18)	(465.19)
Delta Effect of -0.50% change in Discounting	273.66	515.43
Delta Effect of +0.50% change in rate of Salary Increase	277.02	523.04
Delta Effect of -0.50% change in rate of Salary Increase	(262.54)	(479.95)
Delta Effect of +0.50% change in rate in Rate of Employee Turnover	31.50	67.86
Delta Effect of -0.50% change in rate in Rate of Employee Turnover	(33.60)	(75.72)

## (ix) Expected Benefit Payments

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
	Gratuity	
First Following Year	2,912.85	2,631.64
Second Following Year	1,002.11	1,375.00
Third Following Year	1,745.07	1,958.13
Fourth Following Year	1,558.78	1,769.55
Fifth Following Year	1,333.70	1,560.39
Sum of 6 to 10 years	3,911.74	4,728.99

## 32.10 Disclosure on Specified Bank Notes (SBNs)

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

(₹ in Lakh)

Particulars	SBN*	Other Denomination Notes	Total
Closing cash in hand as on November 8, 2016	164.62	47.40	212.02
(+) Permitted receipts	4.52	335.26	339.78
(-) Permitted payments	0.96	299.18	300.14
(-) Amount deposited in Banks	168.18	27.30	195.48
<b>Closing cash in hand as on December 30, 2016</b>	<b>-</b>	<b>56.18</b>	<b>56.18</b>

\* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

### 32.11 Disclosure in respect of Indian Accounting standard (Ind AS)-108: “Operating Segments”

Based on the “management approach” as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company’s performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented for each business segment. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual business segments, and are as set out in the significant accounting policies. The Company has identified two primary business segments i.e. Yarn & Cloth.

Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. The revenue/expenses which are not directly relatable to the Business Segments are shown as unallocated revenue/expenses. Assets & Liabilities that cannot be allocated between the segments are shown as unallocated Assets & Liabilities respectively.

#### a) Segment Revenue and Expense

##### Details regarding revenue and expenses attributable to each segment

Segment assets include all operating assets in respective segments comprising of net fixed assets and current assets, loans and advances etc. Assets relating to corporate and others are included in unallocated segments. Segment liabilities include liabilities and provisions directly attributable to respective segment.

#### Segment revenues and results

(₹ in Lakh for the year ended March 31, 2017)

Particulars	Cloth	Yarn	Others	Sub total	Unallo- cated	Total
<b>REVENUE</b>						
External Sales	15,494.21	97,337.67	1,035.91	113,867.79	-	113,867.79
Other Operating Revenue	-	2,981.77	-	2,981.77	-	2,981.77
Revenue from operations	15,494.21	100,319.44	1,035.91	116,849.56	-	116,849.56
Other Income	-	-	-	-	7,375.81	7,375.81
<b>Total Revenue</b>	<b>15,494.21</b>	<b>100,319.44</b>	<b>1,035.91</b>	<b>116,849.56</b>	<b>7,375.81</b>	<b>124,225.37</b>
Total Revenue from each segment as a percentage of total revenue of all segment	12.47	80.76	0.83	94.06	5.94	100.00
<b>EXPENSES</b>						
Segment expenses	(15,501.21)	(129,190.46)	(1,454.10)	(146,145.77)	(8,203.62)	(154,349.39)
<b>Total Expenses</b>	<b>(15,501.21)</b>	<b>(129,190.46)</b>	<b>(1,454.10)</b>	<b>(146,145.77)</b>	<b>(8,203.62)</b>	<b>(154,349.39)</b>
<b>RESULTS</b>						
Segments results (Profit/Loss)	(7.00)	(28,871.02)	(418.19)	(29,296.21)	(827.81)	(30,124.02)
Interest expenses (external)	-	-	-	-	(13,050.56)	(13,050.56)
Profit/(loss) before exceptional items and tax	(7.00)	(28,871.02)	(418.19)	(29,296.21)	(13,878.37)	(43,174.58)
Exceptional items	-	-	-	-	140,490.21	140,490.21
Tax expenses	-	-	-	-	-	-
<b>Net Profit/loss</b>	<b>(7.00)</b>	<b>(28,871.02)</b>	<b>(418.19)</b>	<b>(29,296.21)</b>	<b>126,611.84</b>	<b>97,315.63</b>

(₹ in Lakh for the year ended March 31, 2016)

Particulars	Cloth	Yarn	Others	Sub total	Unallocated	Total
<b>REVENUE</b>						
External Sales	17,395.92	91,015.93	2,190.55	110,602.40	-	110,602.40
Other Operating Revenue	-	2,318.52	-	2,318.52	-	2,318.52
Revenue from operations	17,395.92	93,334.45	2,190.55	112,920.92	-	112,920.92
Other Income	-	-	-	-	14,895.63	14895.63
<b>Total Revenue</b>	<b>17,395.92</b>	<b>93,334.45</b>	<b>2,190.55</b>	<b>112,920.92</b>	<b>14,895.63</b>	<b>127,816.55</b>
Total Revenue from each segment as a percentage of total revenue of all segment	13.61	73.02	1.71	88.35	11.65	100.00
<b>EXPENSES</b>						
Segment expenses	(16,336.43)	(120,661.68)	(2,083.03)	(139,081.14)	(15,609.95)	(154,691.09)
<b>Total Expenses</b>	<b>(16,336.43)</b>	<b>(120,661.68)</b>	<b>(2,083.03)</b>	<b>(139,081.14)</b>	<b>(15,609.95)</b>	<b>(154,691.09)</b>
<b>RESULTS</b>						
Segments results (Profit/Loss)	1,059.49	(27,327.23)	107.52	(26,160.22)	(714.32)	(26,874.54)
Interest expenses (external)	-	-	-	-	(5,953.18)	(5,953.18)
Profit/(loss) before exceptional items and tax	1,059.49	(27,327.23)	107.52	(26,160.22)	(6,667.50)	(32,827.72)
Exceptional items	-	-	-	-	33,327.70	33,327.70
Tax expenses	-	-	-	-	-	-
<b>Net Profit/loss</b>	<b>1,059.49</b>	<b>(27,327.23)</b>	<b>107.52</b>	<b>(26,160.22)</b>	<b>26,660.20</b>	<b>499.98</b>

**b) Segment assets and liabilities**

(₹ in Lakh for the year ended March 31, 2017)

Particulars	Cloth	Yarn	Others	Sub total	Unallocated	Total
<b>SEGMENT ASSETS</b>						
Segment assets	18,121.30	99,775.93	592.54	118,489.77	276,385.84	394,875.61
<b>Total Assets</b>	<b>18,121.30</b>	<b>99,775.93</b>	<b>592.54</b>	<b>118,489.77</b>	<b>276,385.84</b>	<b>394,875.61</b>
<b>SEGMENT LIABILITIES</b>						
Segment Liabilities	18,121.30	99,775.93	592.54	118,489.77	276,385.84	394,875.61
<b>Total Liabilities</b>	<b>18,121.30</b>	<b>99,775.93</b>	<b>592.54</b>	<b>118,489.77</b>	<b>276,385.84</b>	<b>394,875.61</b>
Capital Expenditure	30.37	733.69	13.73	777.79	20.73	798.52
Depreciation/Amortization	2,302.92	10,318.88	15.08	12,636.88	1,019.01	13,655.89

(₹ in Lakh for the year ended March 31, 2016)

Particulars	Cloth	Yarn	Others	Sub total	Unallocated	Total
<b>SEGMENT ASSETS</b>						
Segment assets	17,189.92	114,082.77	7,600.41	138,873.10	151,039.35	289,912.45
<b>Total Assets</b>	<b>17,189.92</b>	<b>114,082.77</b>	<b>7,600.41</b>	<b>138,873.10</b>	<b>151,039.35</b>	<b>289,912.45</b>
<b>SEGMENT LIABILITIES</b>						
Segment Liabilities	8,837.54	110,738.81	7,657.85	127,234.20	162,678.25	289,912.45
<b>Total Liabilities</b>	<b>8,837.54</b>	<b>110,738.81</b>	<b>7,657.85</b>	<b>127,234.20</b>	<b>162,678.25</b>	<b>289,912.45</b>
Capital Expenditure	22.84	183.57	1.09	207.50	46.64	254.14
Depreciation/Amortization	2,440.72	13,409.14	15.43	15,865.29	675.05	16,540.34

(₹ in Lakh for the year ended April 1, 2015)

Particulars	Cloth	Yarn	Others	Sub total	Unallocated	Total
<b>SEGMENT ASSETS</b>						
Segment assets	23,816.32	117,372.64	2,977.49	144,166.45	169,128.38	313,294.83
<b>Total Assets</b>	<b>23,816.32</b>	<b>117,372.64</b>	<b>2,977.49</b>	<b>144,166.45</b>	<b>169,128.38</b>	<b>313,294.83</b>
<b>SEGMENT LIABILITIES</b>						
Segment Liabilities	11,600.74	112,789.58	3,531.15	127,921.47	185,373.36	313,294.83
<b>Total Liabilities</b>	<b>11,600.74</b>	<b>112,789.58</b>	<b>3,531.15</b>	<b>127,921.47</b>	<b>185,373.36</b>	<b>313,294.83</b>
Capital Expenditure	430.11	11.44	0.01	441.56	21.42	462.98

**c) Information about major customers**

Following are the details of Revenue from Major Customers:-

(₹ in Lakh for the year ended March 31, 2017)

Major Customer (customer having more than 10% revenue)	Yarn	Total
Major Customer- 1	12,399.83	12,399.83
% of Total Revenue	10.61	10.61

(₹ in Lakh for the year ended March 31, 2016)

Major Customer (customer having more than 10% revenue)	Yarn	Total
Major Customer- 1	12,482.58	12,482.58
% of Total Revenue	10.68	10.68

32.12 Disclosure in respect of Indian Accounting Standard 24 “Related Parties Disclosures”

**A) Disclosure for Other than Govt. Related Entities**

**a) Subsidiaries**

S. No.	Name of Subsidiary	% of Shareholding
1	Aurangabad Textiles & Apparel Parks Ltd.	51
2	New City of Bombay Mfg. Mills Ltd. (SP – Alok Industries Ltd.)	51
3	Apollo Design Apparel Parks Ltd.	51
4	Goldmohur Design & Apparel Parks Ltd.	51
5	India United Textiles Mills Ltd.	51
6	Swadeshi Mining & Manufacturing Limited	97.91

**b) Associates**

S. No.	Name of Associate	% of Shareholding
1	Swadeshi Polytex Limited	33.63

**c) List of key management personnel**

S. No.	Name	Designation
1	Sh. P C Vaish	Chairman & Managing Director
2	Sh. R K Sinha	Director - Human Resource
3	Dr. Anil Gupta	Director - Finance
4	Sh. Alokendra Banerjee	Director - Marketing

**d) Government and its related entities**

- Government of India - holds 99.76% of equity shares of the company and exercise control over the company.
- Central Public Sector Enterprises in which Government of India exercise control.

**e) Compensation of key management personnel**

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Short-term benefits	198.43	112.09
Post-employment benefits	16.29	13.12
Other long-term benefits	63.28	66.93
Terminal benefits	-	-
<b>Total</b>	<b>278.00</b>	<b>192.14</b>

**f) Loans to Subsidiaries and Associates**

(₹ in Lakh)

Particulars	Swadeshi Mining & Manufacturing Limited		Swadeshi Polytex Limited	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Loans at beginning of the year	1,111.75	1,111.75	179.15	179.15
Balance at end of the year including interest	1,111.75	1,111.75	179.15	179.15
Provision for bad and doubtful debts	1,111.75	1,111.75	-	-

**g) Transactions with Related Parties**

(₹ in Lakh)

Particulars	Apollo Design App Parks Ltd		Goldmohur Design & App Parks Ltd		Aurangabad Textiles & App. Parks Ltd.		New city of Bombay Mfg. Mills Ltd.		India United Textiles Mills Ltd.		Swadeshi Mining & Mfg. Co. Ltd.	
	FY 16-17	FY 15-16	FY 16-17	FY 15-16	FY 16-17	FY 15-16	FY 16-17	FY 15-16	FY 16-17	FY 15-16	FY 16-17	FY 15-16
Dividend received	144.08	144.08	149.17	149.17	21.22	12.73	151.99	151.99	304.68	291.72	-	-
Rent received/receivable	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001
Other transactions - Receipt	0.14	2.49	0.09	2.49	0.02	2.87	-	0.31	0.53	-	31.62	36.77
Other transactions - Payment	0.30	0.14	0.18	0.09	0.37	0.13	-	64.02	0.28	0.53	160.80	805.10

**h) Outstanding balances**

(₹ in Lakh)

Particulars	Apollo Design App Parks Ltd			Goldmohur Design & App Parks Ltd			Aurangabad Textiles & App. Parks Ltd.			New city of Bombay Mfg. Mills Ltd.		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
Trade Payables	-	-	-	-	-	-	-	-	-	218.18	218.18	282.18
Other Payables	-	-	-	-	-	-	-	-	-	-	-	-
Other Receivables	0.30	0.14	2.49	92.07	91.98	94.39	0.37	0.02	2.76	8.22	8.22	8.51

(₹ in Lakh)

Particulars	India United Textiles Mills Ltd.			Swadeshi Mining & Mfg. Co. Ltd.			Swadeshi Polytext Ltd.		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
Trade Payables	-	-	-	-	-	-	-	-	-
Other Payables	-	-	-	375.60	493.31	1,258.75	-	-	-
Other Receivables	0.28	0.53	-	51.46	39.99	37.10	179.15	179.15	179.15

i) Disclosure for transactions entered with Govt. and Govt. Entities (₹ in Lakh as at March 31, 2017)

S. No.	Name of Govt./Govt. Entities	Nature of relationship with the company	Nature of transaction	Amount	Outstanding Balances	
					Receivable	Payable
1	Govt. of India (GOI)	Majority Owner	Interest on Loan	4,683.75	-	66,700.03
2	Dept. of GOI	Majority Owner	Sales of products	513.16	240.20	513.16
3	CPSEs	Related through GOI.	Purchase of goods	25,586.61	0.82	3,535.46
			Sale of Products	84.69	-	-
			Rental Income	414.42	14.05	-

(₹ in Lakh as at March 31, 2016)

S. No.	Name of Govt./Govt. Entities	Nature of relationship with the company	Nature of transaction	Amount	Outstanding Balances	
					Receivable	Payable
1	Govt. of India (GOI)	Majority Owner	Interest on Loan	4,683.75	-	62,016.28
2	Dept. of GOI	Majority Owner	Sales of products	1,471.72	449.39	-
3	CPSEs	Related through GOI.	Purchase of goods	35,430.65	-	7,494.14
			Sale of Products	20.39	0.63	-
			Rental Income	389.38	14.05	-

32.13 Disclosure in respect of Indian Accounting standard (Ind AS) 17 “Leases”

A. As lessee

- Finance leases :** The company does not have any finance lease arrangement during the period.
- Operating lease:** Future minimum lease payments under non-cancellable operating leases

(₹ in Lakh)

Particulars	Aa at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Not later than 1 year	1.6	1.6	1.6
Later than 1 year and not later than 5 years	6.4	6.4	6.4
Later than 5 years	7.73	10.13	11.73

Payments recognised as an expense

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Rent Expenses	232.12	201.17

- Leasing arrangement:** 40 Acres of land is taken on lease by New Minerva Mills, Hassan from Karnataka Industrial Area Development Board, Hassan for 20 years effective from 09.02.2007. The minimum lease payments in the above table, is calculated at an amount of Rs. 1.60 lakh per annum for the remaining lease period.
- An amount of Rs. 313.85 lakh was paid in 2012-2013 towards upfront fee for land acquired on lease at Achalpur and the same was treated under PPE, considering financial lease. In the absence of renewal clause same has been treated as operating lease on the transition date and necessary adjustments has been made in the books. An amount of Rs. 276.87 lakh has been treated as prepayment towards lease rent as on 31.03.2017 and an amount of Rs. 8.50 lakh (Rs. 36.98 lakh till 31.03.2017) has been charged under rent.

**B. As a lessor**

a) **Finance leases** : The company does not have any finance lease arrangement during the period.

b) **Operating leases**

a) Gross Block of Land and Building includes the value of land and buildings given on lease for the period of 33 years to the Joint Venture Companies in 2007 in respect of 5 mills to be revived through Joint Ventures. The mill-wise details of the same is as under:

**Land:**
**(₹ in Lakh)**

Name of the Mills	Area in sq. mtr. of land	Gross Block Value (Rs.)	Net Block Value (Rs.)
Apollo Textile Mills	*18,067	1.72	1.72
Gold Mohur Mills	30,149	1.29	1.29
New City of Bombay Mfg. Mills	27,106	1.00	1.00
Aurangabad Textile Mills	1,08,235	0.04	0.04
India United Mills No.1	86,006	282.84	282.84
<b>Total</b>	<b>2,69,563</b>	<b>286.89</b>	<b>286.89</b>
Previous Year	2,69,563	286.89	286.89

\*Excluding set back area

**Building:**
**(₹ in Lakh)**

Name of the Mills	Gross Block Value	Provision for Depreciation	Net Block Value
Apollo Textile Mills	37.14	33.05	4.10
Gold Mohur Mills	1.34	1.01	0.33
New City of Bombay Mfg. Mills	3.60	3.34	0.25
Aurangabad Textile Mills	26.46	23.95	2.50
India United Mills No.1	84.53	80.70	3.83
<b>Total</b>	<b>153.08</b>	<b>142.06</b>	<b>11.02</b>
Previous Year	153.08	140.94	12.14

b) As per lease agreement between NTC and the 5 Joint Venture Companies (JVC) dated 15.11.2007, lease of Rs. 100 each was received for leasing of Land and Building as per details given in the para below. The lease terms are for 33 years and renewable for 2 additional terms of 33 years each in accordance with terms of the present deed.

The lease rents receivable in respect of 5 JV companies are as under:

**(Amount in Rupees)**

Minimum Commitments on Lease	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Not Later than one year	500	500	500
Later than 1 year & not later than 5 years	2,000	2,000	2,000
Later than 5 years	8,810	9,310	9,810

Aggregate amount of rent received during the year under operating lease Rs. 500 (previous year Rs. 500) towards the lease rent received from the JVC in respect of Apollo Textile Mills, Gold Mohur Mills, New City of Bombay Mfg. Mills, Aurangabad Textile Mills and India United Mills No. 1 and same has been included in Other Income.

## 32.14 Disclosure in respect of Indian Accounting Standard (Ind AS)-33 “Earnings Per Share (EPS)”

### a) Basic & Diluted EPS

The earnings and weighted average number of ordinary shares used in the calculation of basic & diluted EPS and basic & diluted EPS is as follows:-

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit (loss) for the year, attributable to the owners of the company	97,315.63	499.98
Weighted average number of ordinary shares for the purpose of basic earnings per share	30,621,601	30,621,601
<b>Basic &amp; Diluted EPS</b>	<b>317.80</b>	<b>1.63</b>

## 32.15 Dues to Micro, Small and Medium Enterprises

As at March 31, 2017 and March 31, 2016 the company has dues to micro, small and medium enterprises amounting to Rs.120.54 lakh and Rs.132.49 lakh including overdue interest thereon of Rs. .01 lakh (Previous Year Rs. .12 lakh ).

## 32.16 Transition from IGAAP to Ind AS

These financial statements, for the year ended March 31st, 2017, are first financial statements prepared by National Textile Corporation Limited “the Company” in accordance with Ind AS. For years up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with IGAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended).

Accordingly, the Company has prepared Ind AS compliant financial statements for the year ended March 31st, 2017. In preparing these financial statements, the Company has prepared opening Ind AS balance sheet as at 1st April, 2015 the Company’s date of transition to Ind-AS in accordance with requirement of Ind AS 101, “First time Adoption of Indian Accounting Standards”. The principal adjustments made by the Company in restating its IGAAP financial statements, including the balance sheet as at 1st April, 2015 and the financial statements as at and for the year ended 31 March 2016 are quantified and explained in detail as Appendix. However the basic approach adopted is again summarized hereunder:

- i) All assets and liabilities have been classified into financial assets/liabilities and non-financial assets/liabilities.
- ii) All non-current financial assets/liabilities at below market rate of interest or zero interest and outstanding as on 1st April, 2015 have been measured at fair value.
- iii) In accordance with Ind AS 101, the resulting adjustments are considered as arising from events and transactions entered before the date of transition and recognized directly in the retained earnings at the date of transition to Ind AS.
- iv) The estimates as at 1 April 2015 and at 31 March 2016 are consistent with those made for the same dates in accordance with IGAAP (after adjustments to reflect any differences in accounting policies).



- v) Ind AS 101 also allows to first time adopter certain exemptions from the retrospective application of certain requirements under Ind AS. Accordingly, the company has availed the following exemptions/mandatory exceptions as per Ind AS 101:
- Deemed Cost for Property, Plant & Equipment and Intangible Assets:** The Company has availed exemption under para D7AA of appendix D to Ind AS 101 which permits a first time adopter to continue with the carrying values for its PPE as at date of transition to Ind ASs measured as per previous GAAP.
  - Classification & Fair value measurement of financial assets or financial liabilities at initial recognition:** The financial assets and financial liabilities have been classified on the basis of facts existing as at the date of transition to Ind AS. In addition, the exemption permits prospective application of requirements of Ind AS 109 to transactions entered into on or after date of transition.
  - Impairment of financial assets:** The Company has availed exemption under para B8D of Appendix B which permits the first time adopter to apply the impairment requirement of Ind AS 109 prospectively.

### 32.17 Discontinued Operations

"The Company is in the process of restructuring and modernizing the units. In this process some of the unviable units are closed down and the company is in the process of modernizing some units through Joint Ventures. The discontinuing activities do not represent separate major line of business or geographical areas of operations as the Company continues all its activities. As such, company is continuing all activities of operation and hence in the opinion of management Ind AS -105 related to Discontinued Operation is not applicable."

### 32.18 Assets held for Sale

"During the year 2016-17, Transferable Development Right (TDR) of value Rs.1,41,348 lakh received from Government of Maharashtra in consideration of handing over of land admeasuring 48415 sq. mtrs. (approx.) of India United Mill No. 6 to Mumbai Metropolitan Region Development Authority (MMRDA) for construction of grand memorial of Bharat Ratna Dr. Baba Saheb Ambedkar. The same TDR have been recognised in Profit & Loss statement as Profit on sale of Assets under "Exceptional Items" and same has also been recognised under head "Assets Held for Sale". During the year Corporation has identified some old worn out items of Plant & Machineries and Equipment etc. which Corporation plans to dispose off on "As is where is basis". Said items were referred to Textile Research Associations (TRA) for expected valuation and accordingly valuation report has been submitted by them. The carrying amount (written down value) of these assets is less than the realisable value (as per TRA valuation), same has been recognised as Assets held for sale at carrying value."

### 32.19 Tax Liabilities

**32.19.1** "Board for Industrial and Financial Reconstruction (BIFR) vide order dated 5.9.2008 directed "CBDT to consider to grant exemption to NTC from Wealth Tax, Capital Gain Tax and Section 41(1) of the Income Tax Act and interest thereon."

**32.19.2** Central Board for Direct Taxes (CBDT) challenged the directions of Hon'ble BIFR & filed an Appeal (in the form of Miscellaneous Application i.e. MA) before Appellate Authority of Industrial & Financial Reconstruction (AAIFR) praying to delete the Income Tax Relief and stay the operations of Hon'ble BIFR order for granting exemptions of Wealth

Tax, Capital Gain Tax and Section 41(1) of Income Tax Act. AAIFR vide its order dated 28.09.2012 has remanded back the case to BIFR to re-examine the same.

**32.19.3** As per BIFR order dated 20.10.2014, NTC ceases to be a sick industrial company, within the meaning of Section 3(1) (o) of SICA, as its net worth has turned positive and discharged from the purview of SICA/BIFR with the direction that unimplemented provisions of the Modified Sanctioned Scheme (MS – 2008) to be implemented by all the concerned and all the pending Appeals & Miscellaneous Applications (MAs) have become infructuous. The same has been reiterated in its hearing held on 15.09.2015.

**32.19.4** BIFR Order dated 20.10.2014 was challenged by NTC before AAIFR on 19.01.2015. AAIFR in its hearing held on 17.12.2015 has directed that the unimplemented provisions of the Modified Sanctioned Scheme (MS – 2008) shall continue to be monitored by the BIFR for its implementation notwithstanding its discharge from purview of SICA.

**32.19.5** The issue of exemption of wealth tax, income tax & interest thereon to NTC is one of the unimplemented provisions of sanctioned scheme (MS – 08) and needs to be implemented by IT Dept. under the supervision of BIFR. While calculating the tax liability, NTC has considered Rs.449 Crores as exempted sale proceeds being un-availed exemption till 31.03.2016, as NTC sold assets worth Rs. 6584 Crores till 31.03.2016 (availed exempted sale proceeds) as against Rs. 7033 Crores approved by BIFR in MS-08.

**32.19.6** No provision has been made in the books of accounts during the current financial year 2016-17.

### 32.20 Status of sanctioned scheme of BIFR

**32.20.1** The Board for Industrial and Financial Reconstruction (BIFR) vide its Order dated 25.7.2002 sanctioned a Rehabilitation Scheme for NTC. The Scheme with Modifications (MS-08) was extended up to 31.3.2012.

**32.20.2** However, as per BIFR order dated 20.10.2014, NTC ceases to be a sick industrial company, within the meaning of Section 3(1) (o) of SICA, as its net worth has turned positive and discharged from the purview of SICA/BIFR with the direction that unimplemented provisions of the Modified Sanctioned Scheme (MS – 2008) to be implemented by all the concerned.

**32.20.3** BIFR, on application filed by NTC on 07.01.2015 towards implementation of unimplemented portion of sanctioned scheme, in its hearing held on 15.09.2015 reiterated the direction that unimplemented provisions of the Modified Sanctioned Scheme (MS – 2008) to be implemented by all concerned.

**32.20.4** BIFR Order dated 20.10.2014 was also challenged by NTC before Appellate Authority for Industrial & Financial Reconstruction (AAIFR) on 19.01.2015. The Order of BIFR was challenged by Rashtriya Mill Mazdoor Sangh, Mumbai before the AAIFR.

**32.20.5** AAIFR in its hearing held on 17.12.2015 directed that the unimplemented provisions of the Modified Sanctioned Scheme (MS – 2008) continued to be monitoring by the BIFR for its implementation notwithstanding its discharge from purview of SICA.

### 32.21 Reserve and Surplus

**32.21.1** Capital Reserve represents excess of Assets over Liabilities taken over at the time of Nationalization of the Mills and subsequent adjustments thereon and waiver of loans.

### 32.22 Title Deeds of properties pending for transfer as ownership in Dispute

**32.22.1** Transfer of certain immovable properties in favour of the Company is pending as same are under dispute and transfer of some of the quoted/unquoted shares and other investments in the name of Company is under process. However, by virtue of Nationalization Act 1974/1986/1995 the rights, title & interest of the owner in relation to the textile undertakings stand transferred to and vest absolutely in Central Govt. / NTC.

Summarized information is given below:

S. No	Particular of the Assets	Location	Area in Sq. Meter / No. of Qtrs	Book Value (Rs. in lakh)	Occupied by NTC (Yes/No)
<b>Title Deeds not available</b>					
1	Land	14/1, New Victoria Mills, Kanpur	49,187	NA	Yes
2	IMU Mill, Indore Land	Mill Area	67,056	Nil	Yes
3	Luxmi Narayan Cotton Mills	Rishra, Dist. Hooghly, West Bengal	41,682.62	1.85	Yes
4	Sodepore Cotton Mills	Rishra, Dist. Hooghly, West Bengal	36,704.84	2.71	Yes
5	Arati Cotton Mills	Dasnagar, Dist. Howrah, West Bengal	54,389.53	67.48	Yes
6	Land	Scope Complex, New Delhi	4,226.35	52.35	Yes
7	Land	Plot No.4, Vijai Nagar	2.90 acre	14,596	No
8	Bungalow	16 Cantt.	12.90 acre	2,94,470	No
9	Land	Plot No.396, Shastri Nagar	1.30 acre	6,553	No
10	Land	Plot No.9, O Block, Geeta Nagar	9.53 acre	47,885	No
11	Bungalow	16/58, Civil Lines	0.73 acre	1,80,918	No
12	Flat	Asiad Village, New Delhi	234.12	8.27	Yes
<b>Title in Dispute</b>					
1	Freehold Land	Mathura (WRO)	29,188	NA	No
2	Land of KTM & PWM	Kharar	2,30,685.97	1.41	164693.5 - NTC 65992.41-Others
3	Land	Nakur Road, Saharanpur	83,122	NA	Yes
4	Land	Darashivpuri, Saharanpur	6,316	NA	Yes
5	Land	Shivpuri Ramghat, Saharanpur	10,567	NA	No
6	BNC Mill, Rajnandgaon	Leasehold Land, Baldeobag	48,873	Nil	Yes

**32.22.2** Property, Plant and Equipments at Laxmi Rattan Cotton Mills, Kanpur include land valuing Rs.18.35 lakh and non-factory building valuing Rs.4.65 lakh, in respect of six properties out of which five properties had been transferred by the erstwhile owners in the pre nationalization period to third parties on the basis of agreement to sell. The matter in respect thereof is under dispute with the respective parties.

The details of land and building are as follows:-

(Rupees in Lakh)

Land & Building description	Status	Total	Land	Building
i) 113/114, General Ganj, Kanpur	Not in possession	1.47	1.17	0.3
ii) 73/12, Collector Ganj, Kanpur	-do-	1.61	1.23	0.37
iii) 16, Cantt, Kanpur	-do-	5.20	2.62	2.58
iv) 16/19, Civil Lines, Kanpur	-do-	2.25	1.77	0.48
v) 15/69, Civil Lines, Kanpur	-do-			
vi) 15/68, Civil Lines, Kanpur	Under possession	12.47	11.56	0.92
	<b>Total</b>	<b>23</b>	<b>18.35</b>	<b>4.65</b>

Note: Separate valuation of properties 15/68-69, Civil Lines, Kanpur is not available.

**32.22.3** In respect of Lord Krishna Textile Mills, Saharanpur, mutation of ownership in respect of land (including building) incorporating company's name is sub-judice, pending decision of High Court.

**32.22.4** At Lord Krishna Textile Mills, Saharanpur, the value of land has been included in the value of building and has not been separately disclosed.

**32.22.5** The title of Agricultural land measuring 56 Acres 7 Kanal 21 Marla (230685.97 square meters) of Panipat Woollen Mills, Kharar & Kharar Textile Mills, Kharar is in dispute with erstwhile owner of these mills. This case has been travelled up to Supreme Court and finally Supreme Court had remanded back this matter to trial court. The trial court has dismissed the title suit filed by the erstwhile owner, erstwhile owner has filed an appeal in District Court, Mohali.

### 32.23 Properties & Assets under unauthorised occupation

Some of the staff Quarters/Workers Chawls/Building Premises/Godowns, shops and land are under unauthorised occupation for which eviction proceedings are pending before Estate Officer/High Court. As and when the outcome of the case is known, necessary adjustments will be made in the books of accounts.

Summarized information is given below:

S. No	Particular of the Assets	Location	Area in Sq. Meter/ No. of Qtrs	Book Value (Amount in Rs.)	Occupied by NTC (Yes/No)
1	Freehold Land	7 locations in Maharashtra	1,94,748	9,33,657	No
2	Leasehold Land	2 locations in Maharashtra	2,78,481	2,971	No
3	Land	Akola	596	2,59,816	No
4	Staff Qtrs /Shops /Chawls,etc	18 locations in Maharashtra	74,924	19,02,469	No
5	Staff Qtrs /Shops /Chawls,etc	Akola	684.34	6,689	No
6	Flat in the Society	Bandra West, Mumbai	92	-	No
7	Chawls/Rooms of Ahd. New Tex.Mill	O/s Raipur Gate,Ahd.	3,115	NA	No

S. No	Particular of the Assets	Location	Area in Sq. Meter/ No. of Qtrs	Book Value (Amount in Rs.)	Occupied by NTC (Yes/No)
8	Chawls/Rooms of Ahd. Jupiter Tex.Mill	O/s Mill,Dudheswar Road,Ahd.	19,770	NA	No
9	Chawls/Rooms of Jehangir Tex.Mill	O/s Mill,Devjipura, Shahibaug,Ahd.	10,319	NA	No
10	Chawls/Rooms of New Manek Chawk Tex.Mill	Opp.Idgah Police Chowky, Ahd.	3,550	NA	No
11	Bardolpura – Godowns	Bardolpura, Ahd.	3,593	NA	No
12	Chawl/ Rooms of Fine Knitting Mills	Outside mill premises, Asarwa, Ahd.	3,439	NA	No
13	Kerala Laxmi Mills	Thrissur	1,21,405	61,700	No
14	Kerala Laxmi Mills	Thrissur	19,425	9,872	No
15	Kerala Laxmi Mills	Thrissur	2,104	809	No
16	Tirupati Cotton Mills	Renigunta	2023	NA	
17	Tirupati Cotton Mills	Renigunta	8,035.62	NA	No
18	MSK Mills	Gulbarga	400Sq.Feet x 52 qtrs	NA	No
19	MSK Mills	Gulbarga	18,311.85	NA	
20	Minerva Mills	Bangalore	4,006	30,000	
21	Minerva Mills	Bangalore	4,856	36,000	
22	Alagappa Textile	Alagappanagar	1,821	5991	No
23	Azam Zahi	Warrangal	60,217	56,000	No
24	Coimbatore Murugan Mills	Coimbatore	23,674	0	No
25	Land(UCM)	Temple/Play Ground	768.89	60.59	No
26	Land(UCM)	Labour Colony	4,572.90	699.65	No
27	Land(STM)	Khasra NO.347/1	3,442.20	1721	No
28	Land(STM)	Khasra NO.347/1	126.4	63	No
29	Land(STM)	Khasra NO.347/1	126.4	63	No
30	Land(STM)	Khasra NO.347/1	126.4	63	No
31	Land(STM)	Khasra NO.347/1	126.4	63	No
32	Land(STM)	Khasra NO.347/1	126.4	63	No
33	Land(STM)	Khasra NO.347/1	75.9	38	No
34	Land(STM)	Khasra NO.347/1	126.4	63	No
35	Land(STM)	Khasra NO.347/1	126.4	63	No
36	Land(STM)	Khasra NO.347/1	252.9	126	No
37	Land(STM)	Khasra NO.347/1	126.4	63	No
38	Land(STM)	Khasra NO.347/1	126.4	63	No
39	Land(STM)	Khasra NO.347/1	177	88	No
40	Land(STM)	Khasra NO.347/1	151.7	76	No
41	Land(STM)	Khasra NO.347/1	202.3	101	No

S. No	Particular of the Assets	Location	Area in Sq. Meter/ No. of Qtrs	Book Value (Amount in Rs.)	Occupied by NTC (Yes/No)
42	Land(STM)	Khasra No.165 & 347/1	4,780	2301.65	No
43	Land(STM)	Khasra No.347/1	682.8	341	No
44	Land(STM)	Khasra No.347/1	394.5	197	No
45	Land(STM)	Khasra No.347/1	335.3	168	No
46	Land(STM)	Khasra No.347/1	139.1	70	No
47	Land(STM)	Khasra No.347/1	139.1	70	No
48	Shop No.27 & 1 Qtr.(KTM)	KTM Colony	104.52	NIL	No
49	Shop No.21 & 1 Qtr.(KTM)	KTM Colony	104.52	NIL	No
50	Shop No.24(KTM)	KTM Colony	29.26	NIL	No
51	Shop No.20(KTM)	KTM Colony	29.26	NIL	No
52	Shop No.23(KTM)	KTM Colony	29.26	NIL	No
53	Agricultural Land (KTM)	Kharar	43,640.52	NIL	No
54	Land(PWM)	Near Prince Mkt,Kharar	5,644.24	NIL	No
55	Land(PWM)	Behind FCI Godown, Kharar	1,103.76	NIL	No
56	Land(PWM)	Old Octroi Post, Kharar	2,508.55	NIL	No
57	Land(PWM)	Khuni Mazra, Kharar	10,435.56	NIL	No
58	Land(PWM)	Badala Road,Kharar	476.98	NIL	No
59	Land(PWM)	Badala Road,Kharar	877.98	NIL	No
60	Quarter (SBCM)	Bijayanagar	64.66	NIL	No
61	Quarter (SBCM)	Bijayanagar	31.91	NIL	No
62	Quarter (SBCM)	Bijayanagar	50.85	NIL	No
63	Quarter (SBCM)	Bijayanagar	47.55	NIL	No
64	Bunglow	16/68, Civil Lines	9613 acre	11,79,723	No
65	Bunglow	1-A, LRCM Officers Colony	NA	NA	No
66	Bunglow	9-A&B, LRCM Officers Colony	12,320 Sq.Mtrs	15,348.00	No
67	Bunglow	10-B, LRCM Officers Colony	NA	NA	No
68	Bunglow	11-B, LRCM Officers Colony	NA	NA	No
69	Bunglow	12,13,14-A&B, LRCM Officers Colony	NA	NA	No
70	Godown	1 & 2, Darshan Purwa	NA	NA	No
71	Servant Quarters	119/1095, Darshan Purwa	NA	NA	No
72	Land	84/22, Fazalganj, Kanpur	19,481 Sq.Mtrs	24,346.00	No
73	Land	73/18, Collectorganj, Kanpur	NA	1,25,906	No
74	Land	14/91, Civil Lines, Kanpur	6,944 Sq.Mtrs	NA	No
75	Land	14/117, Civil Lines, Kanpur	1,550 Sq.Mtrs	NA	No
76	Bunglow	14/116, Civil Lines, Kanpur	4.57 acre	NA	No
77	Bunglow	14/67, Civil Lines, Kanpur	3.82 acre	NA	No
78	Bunglow	15/1, Civil Lines, Kanpur	1.48 acre	NA	No

S. No	Particular of the Assets	Location	Area in Sq. Meter/ No. of Qtrs	Book Value (Amount in Rs.)	Occupied by NTC (Yes/No)
79	Bungalow	84/45 & 46	20,939 Sq.Mtrs	14,760.00	No
80	Bungalow	Swadeshi House	5.31 acre	NA	No
81	Land	Anandpuri	6.26 acre	NA	No
82	Land	Shivpuri, Ramghat, Saharanpur	10,567 Sq.Mtrs	NA	No
83	IMU Mill, Indore Quarters	Govind Nagar, Indore	4,126/148	3,468.00	No
84	IMU Mill, Indore Quarters	Malwa Gin, Indore	2,785/29	2,340.00	No
85	Hira Mill, Ujjain, Staff Quarters	Hira Mill campus	739.91/7	406.00	No
86	Hira Mill, Ujjain, LIG Quarters	Arvind Nagar	559.42/11	307.00	No
87	Hira Mills, Ujjain, Chawl Quarters	Chawl Area	9,980.08/459	6,030.00	No
88	Hira Mills, Ujjain, Chawl Quarters	Chawl Area	789.69/33	434.00	No
89	NBT, Bhopal, Mill Quarter 6/10	Mill Staff Colony	72.5	3,000.00	No
90	Mill Quarter	Mill Staff Colony	316.8	13,109.00	No
91	Drainage	Mill Staff Colony	9,146.62	NA	No
92	BT Mill, Burhanpur Mill Chawl Quarter	Lalbag	5,397/248	2,49,828	No
93	BT Mill, Burhanpur, Staff Quarters	Mill Premises	43/1	NA	
94	BNC Mill, Rajnandgaon, Quarters	Baldeobag	864/27	Not available separately	No

### 32.24 Pending disputes with regard to leasehold lands

Summarized information is given below:

S. No	Particular of the Assets	Location	Area in Sq. Meter	Book Value (Amount in Rs.)	Occupied by NTC (Yes/No)
1	Freehold Land	10 locations in Maharashtra	63,028	2,39,650	Partly
2	Leasehold Land	7 locations in Maharashtra	1,90,155	5,02,575	Partly
3	Leasehold Land	Barshi Mills, Solapur	734	10	Yes
4	Leasehold Land	Digvijay Mills, Mumbai	37,286	-	Yes
5	Leasehold Land	Rajnagar Tex. Mill No.1	33,479	NA	Yes
6	Leasehold Land	Rajnagar Tex. Mill No.2	34,882	NA	Yes
7	Leasehold Land	Petlad Tex. Mill	122,154	NA	Yes
8	Leasehold Land	Viramgam Tex. Mill	56,857	NA	Yes

### 32.25 Advance against sale of Assets pending registration /possession

**32.25.1** An advance of Rs.121.00 lakh (Previous Year Rs.121.00 lakh) was received from M/s Shukla Iron & Steel Co., Naini, Allahabad during the year 2002-03 against agreement to sell surplus land of Swadeshi Cotton Mills, Naini measuring 6.43 acres, for Rs. 320.00 lakh (Previous Year Rs. 320.00 lakh). Subsequently the Sub Divisional Magistrate, Karchana stayed the sale of land on the fact that the land was lease-hold. The matter is still subjudice.

**32.25.2** An advance of Rs.469.00 lakh (previous year Rs.469.00 lakh) was received by Bijli Cotton Mills, Hathras from M/s. Anand Vrindavan in the years 2003 & 2012, against sale of Land & Building for Rs.469.00 lakh (previous year Rs.469.00 lakh). Land is in possession of the purchaser and buildings have been demolished and scrap value realized by the purchaser in terms of the agreement to sell. Value of land and building is pending adjustment in the books of account as the sale deed is yet to be executed after approval by Board of Directors.

**32.25.3** An amount of Rs. 181.51 lakh received on account of sales of Land in respect of Ahmedabad Jupiter Textile Mills.

**32.25.4** The advance of Rs. 197.62 lakh received against 0.78 acres of Land in respect of Netha Spg. Mills pending transfer of title deeds and Rs. 10.38 lakh received against sales of 10 acres land of MSK Mills, is shown as advance against sale of assets and included in Other Current Liabilities.

**32.25.5** Advance of Rs. 225.00 lakh (previous year Rs. 225.00 lakh) represents consideration received towards relinquishment of the rights pertaining to assets of Worli Bungalow, in favour of New City of Bombay Mfg Co. Ltd. (which has also been approved by the BIFR) is considered as advance as certain conditions of the settlement are yet to be complied with by New City of Bombay Mfg. Co. Ltd.

### 32.26 Other Property matters

**32.26.1** During the year entire Land (Approx. 48415 sq. mtrs.) of India United Mill No.6, Mumbai has been handed over to (MMRDA) on behalf of Government of Maharashtra (GOM) in terms of Tripartite Memorandum of Understanding (MOU) signed between GOI, GOM and NTC on 5th April, 2015, for construction of Grand Memorial for Bharat Ratna Dr Babasaheb Ambedkar on receipt of consideration in the form of Transferable Development Right (TDR) admeasuring 130720.04 sq. mtrs, vide Development Right Certificate (DRC) No. 000933 dated 20.3.2017 having Folio No. TDR/CITY/WARD GN-12/I dated 20.3.2017 subject to the provision of regulation No. 34 read with Appendix VII of the Development Control Regulation for Greater Bombay 1991 modified and amended upto date. The Sub-Committee constituted in terms of MOU dated 5.4.2015 recommended that GOM may offer saleable TDR free of any encumbrances or conditions attached to it at the rate of double the FSI, subject to a maximum of 2.5 to be utilised anywhere in the city of Mumbai including the island city on the basis of proposed draft notification No.TPS-1813/3067/CR-492/MCORP/13/UD-13 published on 30.04.2015 for amending DCR.

The GoM vide its letter dtd. 9.3.2016 informed the MoT that the revised value of land works out to Rs. 1,41,348 lakh besides adding new conditions. Finally it was agreed by GOM vide their letter dated 11.07.2016 that they shall facilitate the sale of TDR by NTC in the open market. The money received by NTC by sale of this TDR beyond the said land of valuation shall be given to GOM for the construction of the memorial, however if the money received is below the said land valuation, the difference shall be paid to NTC by GOM. The same was approved by GOI and conveyed to GOM by MOT vide their letter dated 16.08.2016.

Accordingly, an amount of Rs. 1,41,348 lakh has been recognised towards sale of assets (including existing land & structures thereon) and same has been accounted as exceptional income. The value of TDR amounting to Rs. 1,41,348 lakh is disclosed under the head Asset held for sale as per IND AS-105.

The details of profit of Rs. 141,237.95 from sale of assets(including profit from above transaction) as shown in Statement of Profit and Loss under the head Exceptional Items are as follows:

(Rs. in Lakhs)

Particulars	TDR		Others	Total
	Land	Building		
Sales consideration	138,066.00	3,282.00	0.80	141,348.80
Less: Expenses on sale of assets	59.86	-	-	59.86
Less: Written Down Value	43.23	6.95	0.81	50.99
<b>Profit/(Loss)</b>	<b>137,962.91</b>	<b>3,275.05</b>	<b>(0.01)</b>	<b>141,237.95</b>

**32.26.2** In terms of the consent terms filed in the Hon'ble Supreme Court, during the year 2008-09 a settlement was entered into with M/s. Hall and Anderson Ltd. in respect of the land of Madhusudan Mills and accordingly land area of approx 27585 sq. mtrs. together with the building and structure standing thereon has been conveyed and transferred to M/s. Hall and Anderson Ltd. and land area of approx 52507 sq. mtrs has been retained by the NTC. However, the total area of the Mills land differs from the area mentioned in the said Agreement. Correction of the same in the Agreement is under process. During the year, there is no further development in the matter.

**32.26.3** Shree Sitaram Mills has surrendered approx. 1,11,115 sq. ft. of land alongwith structures thereon free of cost for 60 ft. D.P. Road network realignment through the Mills to MCGM as per the plan of MCGM dated 14.01.2009. NTC would be entitled for FSI for the said surrender as per norms of MCGM. Since the actual joint measurement of land is pending, effect in the financial statement will be given on actual joint measurement of the land/receipt of FSI from MCGM.

**32.26.4** In respect of area of 170.5 sq.ft in Survey No.211 of Coimbatore Murugan Mills, an eviction order has been passed by the Estate Officer. The occupant has gone on appeal before the Court and the matter is pending before the High Court.

**32.26.5** In respect of the Textile Mills in Pondicherry Viz. the Swadeshi Cotton Mills and Sri Bharathi Mills, NTC(TN&P) Ltd. had entered into an MOU with the Pondicherry Textile Corporation Ltd. (A Government of Pondicherry Undertaking) on 1st April, 2005 for the transfer of the Mills assets to them (SCHEDULES 1 and 2 to the MOU) for a consideration of Rs.39.43 Crores. Pursuant to the said MOU, possession and operation of the said two Mills were taken over by the Pondicherry Textile Corporation Ltd. on 1st April 2005. In the meantime, Government of Pondicherry formed another company by name Swadeshee Bharathee Textile Mills Ltd. as per GOM/S No.11/2005-IND-B dated 4.7.2005 and the management of the two mills vested with the said company. Execution of documents for transfer is pending as the consideration has not been received by the Corporation from Govt. of Pondicherry. But it has discharged certain liability of NTC like Gratuity of employee, EPF, ESI and Central Excise etc. The net amount receivable Rs. 34.24 crores from Govt. of Pondicherry is shown as Other Current Financial assets.

**32.26.6** Name Change formalities in respect of Land & Buildings valued at Rs. 0.89 lakh taken over from the erstwhile management of Sri Sarada Mills remains to be completed, as the original Title Deeds were deposited by the erstwhile owners with Banks and Financial institution.

**32.26.7** Title deeds in respect of (14.88 acres) Land belonging to Azam Jahi Mills is not available.

**32.26.8** Parvathi Mills-50 cents of landed property is in attachment by PF authorities for which the Company has obtained stay from High Court of Kerala towards disputed liability of Rs. 21.43 lakh.

**32.26.9** In respect of Vijayamohini Mills, the original title deed of properties taken over from the previous owners, though in the name of the company and property tax has been paid up-to-date, are not available.

**32.26.10** Sub-lease rent to the tune of Rs. 84 lakh (previous year Rs. 84 lakh) and relating to the period from 2007-08 till 30.11.2011 is pending receipt from M/s Sheena Home Tex (P) Ltd. The principal amount together with interest @ 9% p.a. has been claimed in the suit filed by the Company on 31.01.2012 for a sum of Rs. 101.09 lakh (previous year Rs. 101.09 lakh).

**32.26.11** Title deeds of land of Muir Mills, Kanpur are in possession of State of Bank of India since the pre nationalization period.

**32.26.12** During the year 2009-10, NTC had invited offers for sale of property of the Finlay Mills Mumbai, including plant & machinery. The highest bid received was Rs. 65790.00 lakh which was subsequently voluntarily revised by the bidder to Rs. 71,000.00 lakh with a view to match the Reserve Price. The said offer was rejected by NTC. The bidder had filed Writ Petition in High Court challenging the rejection, wherein the Hon'ble High Court passed Order directing Asset Sale Committee (ASC) to re-examine its decision and also directed the Petitioner to deposit Rs.10,000.00 lakh towards EMD. In absence of unanimous decision in the matter, ASC decided to refer the matter to BIFR. The BIFR, vide order dated 18.5.2010, directed NTC to accept the bid of Rs. 71,000.00 lakh. The said Order was challenged by NTC in the Appellate Authority for Industrial & Financial Reconstruction (AAIFR). The appeal of NTC was dismissed by AAIFR, vide its Order dated 24.6.2011. The said decision of the AAIFR was challenged by NTC by way of filing Writ Petition in the Hon'ble High Court at New Delhi by praying inter alia that Order of the AAIFR be quashed and set aside and also permit NTC to conduct a fresh valuation of Finlay Mill assets and thereafter to conduct an open and transparent public sale of Finlay Mills property under the supervision of the ASC of the Hon'ble BIFR strictly in terms of BIFR guidelines.

The amount of Rs. 10,000.00 lakh deposited by the party is presented as EMD in the financial statement as on 31.03.2017.

Hon.ble High Court at Delhi directed vide their Order dated 3rd April 2017 to refund the EMD of Rs. 10,000 lakh including interest thereon. Subsequent to Balance Sheet date EMD has been refunded. However, both the parties filed SLPs before the Hon'ble Supreme Court of India against the order of Hon'ble High Court of Delhi. Hon'ble Supreme Court of India vide its order dated 04.08.2017 disposed off both the SLPs directing NTC to pay the simple interest @ 10% on EMD. In view of the decision, company has provided the interest liability of Rs. 7,000.00 lakh as on 31.03.2017.

**32.26.13** The land of Associated Industries (Assam) Spg. Unit is disputed. Before Nationalisation, the State Govt. of Assam did not allow the Pvt. owner to hold entire land (3858 Bighas approx.) as per prevailing Assam Fixation of ceiling on Land holding Act 1956 and the Pvt. Owner challenged the decision of the state Govt, before Hon'ble High Court Guwahati. In the meantime Nationalisation took place in 1974. Later on the State Govt. allowed NTC only 212 Bighas of land vide order dated 16.07.2004 which was challenged before Hon'ble High Court Guwahati by NTC. On 07.03.2013,

the High Court quashed earlier order dt. 16.07.2004 issued by Dy. Commissioner in the case of De-novo and observed that the Assam Fixation of Ceiling on Land holding Act 1956 will not be applicable upon the land of the mill. The Hon'ble High Court remanded back the matter to the Collector and Dy. Commissioner Kamrup (M) for a fresh decision upon hearing all the parties. Now the matter is pending with Collector and Dy Commissioner, Kamrup(M). NTC requested. Collector and Dy. Commissioner vide letter dtd. 16-12-2016 for early hearing in the matter.

**32.26.14** National Textile Corporation Limited, New Delhi (NTC) handed over 22 mills out of the various mills nationalised under Sick Textile Undertakings (Nationalisation) Act, 1974 and 13 mills out of the various mills nationalised under The Textile Undertakings (Nationalisation) Act, 1995 (total 35 mills) to its erstwhile subsidiaries National Textile Corporation (South Maharashtra) Ltd. and National Textile Corporation (Maharashtra North) Ltd., now known as Western Region Office, Mumbai of the NTC. One of the mills, The Elphinstone Spinning and Weaving Co. Ltd. has filed a Writ Petition (WP) in the High Court of Bombay in the year 1996-97, challenging the nationalization of the said mill. The High Court in its Order has referred that a similar case has been referred for consideration by a larger bench of not less than seven judges in the Supreme Court. In view of this, the High Court has adjourned the case sine die with liberty to the parties to move the High Court in case the Supreme Court delivers the judgement. During the year, there is no further development in the matter.

**32.26.15** In respect of land at BNC Mills, Rajnandgaon, Madhya Pradesh, an area of about 1,04,450 sq.ft. was taken over by P.W.D. as per direction of Collector, Rajnandgaon in respect of Plot No.22 which is in the name of Nazul in land record since inception of the Mills and was given on lease to the Mills. However Collector, Rajnandgaon, had agreed vide letter No.Nazul/79/421 dated 17.01.1979 to substitute the land, which is yet to be allotted.

During earlier years, Municipal Corporation Rajnanadgaon had started to construct Community Halls for Muslim Samaj and Bodh Samaj on plot no. 22. Mill had filed Writ Petition before Hon'ble High Court of Chattisgarh against their act. During the hearing question of renewal of lease was came up, which was expired on 05-02-1996. Hon'ble High Court in Case No. WP 1893/2014 vide order dated 23.09.2014 has directed Distt. Collector to decide the matter of lease within a period of 6 months. Renewal of lease is still pending before Distt. Collector.

**However as per The Textile Undertakings (Nationalisation) Laws (Amendment and Validation) Act, 2014: -**

“Notwithstanding the transfer and vesting of any sick textile undertaking to the National Textile Corporation by virtue of sub-section (2), the lease-hold rights of the sick textile undertakings shall continue to remain vested in the Central Government on payment of lease-hold rents and shall be discharged, for and on behalf of that Government, by the National Textile Corporation as and when payment of such leasehold rents or any amount becomes due and payable.

Subject to sub-section (3), no court shall have jurisdiction to order divestment from the National Textile Corporation of the property vested in it by the Central Government.

Notwithstanding the fact that the textile operations have been discontinued in any sick textile undertaking being revived, shall for all effects and purposes be deemed that the textile operations are being continued and no suit or proceeding shall be instituted or if instituted be maintainable against the National Textile Corporation on the ground that it has discontinued such activity in the sick textile undertaking.”

**32.26.16** As per order of the commissioner, Raipur on 28/08/1993, Nazul Officer handed over land of plot no. 28 (Area 2.5 Acres of Motipur Road) to MP housing Board Rajanandgoan out of which 0.50 Acre area was occupied by MP Housing Board, the rest remains with the Mills.



**32.27 Integrated Development Scheme**

**32.27.1** The Municipal Corporation of Greater Mumbai (MCGM) had approved an Integrated Development Scheme (IDS) of 7 mills. The Lay Out Plans of Mills land (for sale) namely Kohinoor Mill No.3, Jupiter Textile Mills, Mumbai Textile Mills (including land known as Kawali Compound, Marwari Chowka and New Jack Printing Press), Elphinstone Spinning and Weaving Mills (including Mills chawl), Apollo Textile Mills (part sale), Moraraka Bungalow (Apollo Textile Mills) and surrender of New Hind Textile Mills to MHADA & India United Mills No. 2 & 3 to MHADA & MCGM were approved on 27.10.2004 as per provisions of Regulation 58 of Development Control Regulations, 1991. Further same were amended on 17.02.2007, 13.12.2007, 13.05.2009, 27.05.2011 & latest on 14.02.2012.

The status of the land sold and surrendered (with details of accounted and yet to be accounted) under this Scheme is as given below:

(Area in sq. mtrs.)

S. No.	Particulars	For MHADA from New Hind Tex. Mills	For MHADA from India United Mills No.2&3	For MCGM from India United Mills No.2&3
a	Total land required to be surrendered as per letter dated 14.02.2012 and to be accounted in the Books.	31,501	7,275	34,584
b	Less:			
	i) Surrender required for Kawali Compound (yet to be sold hence shall be accounted on sale of the same)	552	57	543
	ii) Surrender required for retained area of Apollo Textile Mills as and when comes up for development, which is leased to the Joint Venture Company for Mills activity. (yet to be developed hence shall be accounted as and when developed)	NIL	2,989	2,666
	<b>Total (b) (i + ii)</b>	<b>552</b>	<b>3,046</b>	<b>3,209</b>
c	Balance required to be accounted in the Books as per letter dated 14.02.2012 (a-b)	30,949	4,229	31,375
d.	<b>Less:</b>			
	Total land accounted during earlier years as surrendered as per letter dated 13.12.2007 for Mills land already sold.	30,949	3,161	30,423
e.	Balance yet to be accounted in the books (same shall be accounted on identification of another Mill in place of India United Mill No. 2 & 3 towards the surrender of MHADA component. (c-d)	NIL	1,068	952
f.	Actual Land Surrendered (including 2226.45 sq. mtRs. of set-back area in case of New Hind Textile Mills).	33,727	NIL	61,057
g.	Excess/(short) surrendered (to be adjusted and accounted on approval of the subsequent IDS for remaining Mills land, on identification of the another Mill in place of India United Mill No. 2 & 3 towards the surrender of MHADA component and/or receipt of FSI/TDR towards set back area in case of New Hind Textile Mills.) (f-a)	2,226	(7275)	26,473
h.	Entitlement of Transfer of Development Right (TDR) and Entitlement of Floor Space Index (FSI) in terms of letter dated 14.02.12( Refer "a" above x 1.33)	TDR	TDR	FSI
	<b>Total</b>	<b>41,897</b>	<b>9,676</b>	<b>45,997</b>



S. No.	Particulars	For MHADA from New Hind Tex. Mills	For MHADA from India United Mills No.2&3	For MCGM from India United Mills No.2&3
i.	<b>Less entitlement of TDR/FSI:</b>			
	For Kawali Compound (yet to be sold hence shall be accounted on sale of the same. Refer "b i" above × 1.33)	734	75	722
	For retained area of Apollo Textile Mills as and when comes up for development, which is leased to the Joint Venture Company for mills activity. (yet to be developed hence shall be accounted as and when developed Refer "b ii" above × 1.33)	-	3,976	3,546
	For differential balance accounting of land to be surrendered (same shall be accounted on identification of another mill in place of India United Mill No. 2 & 3 towards the surrender of MHADA component. Refer "e" above × 1.33)	NIL	1,420	1,267
	Less: land accounted as surrender but actually not surrendered for MHADA from India United Mills No. 2 & 3 (Column (d) – (f) × 1.33)	"NIL (Nil since excess land surrendered)"	4,205	"NIL (Nil since excess land surrendered)"
j.	Balance entitlement of FSI/TDR accounted in the books during earlier years as per letter dated 13.12.2007 and also physically surrendered	41,163	"NIL (since land not surrendered)"	40,462
	<b>(Column (d) × 1.33)</b>			
k.	Less: FSI sale accounted during the year 2011-12.	NIL	NIL	18,580
l.	Balance FSI included in the gross block of land	41,163	NIL	21,882
	<b>Amount in Rupees</b>	<b>Rs.92</b>	<b>-</b>	<b>Rs.21,882</b>

**32.27.2** Gross Block of Land and Building of India United Mills No. 2 & 3 and New Hind Textile Mills includes the cost of above referred additional surrender of land including set back area/the land to be surrendered for Kawali Compound (yet to be accounted) which are physically surrendered to MCGM/MHADA and not in a possession of the NTC are as under:

(Rupees in Lakh)

Description	Gross Block (Net Block)	Provision for Depreciation	Area (sq.mtrs)
Land	147.98 (147.98)	-	30,251
Factory Building	8.79 (2.00)	6.79	29,595 built-up
Non-Factory Building	0.16 (0.08)	0.08	1,722 built-up
<b>Total</b>	<b>156.93 (150.06)</b>	<b>6.87</b>	<b>-</b>
Previous Year	156.93 (150.06)	6.87	-

**32.27.3** Further, in respect of surrender of land of India United Mills No. 2 & 3, the cost of demolition of existing structures, clearing of site and levelling of plot, demolition of existing compound wall, and cost of construction of road setback to land, construction of SWD, laying of sewage line/water line & construction of new compound wall are required to be reimbursed by NTC to MCGM. However, the amount is not ascertainable. Hence, necessary accounting entries shall be made as and when actual expenditure is incurred / reimbursed to MCGM.

**32.27.4** New Hind Textile Mill's land was surrendered to MHADA as per the revised IDS during the year 2007-08. The Collector of Mumbai has raised a demand of unearned income amounting to Rs. 3477.62 lakh (Previous year Rs. 3477.62 lakh) payable to the Government of Maharashtra (GOM) in terms of section 84 of the Maharashtra Land Revenue Manual. (Appeal has been filed with GOM & concerned authorities for reconsideration and based on legal opinion, NTC does not envisage any liability towards the said demand). However same has been included in the Contingent Liability as claim of unearned income.

## 32.28 Heritage Structure

Pursuant to the Writ Petition filed by Indian National Trust for Art & Cultural Heritage (INTACH) for declaring certain structures of the various Textile Mills as heritage, the Hon'ble High Court at Bombay on 07.02.2006 granted stay on demolition of 77 structures on the Land of the NTC's Mills at Mumbai. Pending hearing in the matter, the NTC has proposed to the Government of Maharashtra (GOM)/MCGM to consider listing of heritage structures only on one mill instead of 19 mills proposed and considered constructing a textile-cum-heritage museum at that one mill. NTC also offered Rs. 2000.00 lakh for setting up the textile museum, for which the liability has been recognised in the books during the year 2010-11. The GOM having followed due process has issued a notification dated 21.02.2008 declaring only 7 structures of India United Mills No. 2 & 3 as heritage. Accordingly 2 structures at India United Mills No. 2 & 3 and all other structures proposed at remaining 18 mills of NTC stands deleted. The petition is now listed for final hearing and is pending before the said Court. During the year, there is no further development in the matter.

## 32.29 Commissioner of Payments

Other Current Assets include amount claimed from Commissioner of Payments in respect of nine erstwhile subsidiary companies as per details given below:

(Rupees in Lakh)

Description	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Total amount claimed	3601.58	3601.58	3601.58
Amount awarded & received	1681.39	1681.39	1681.39
Rejected & taken-up again for reconsideration	1804.53	1804.53	1804.53
Provision made	1804.53	1804.53	1804.53
Balance claims pending	115.66	115.66	115.66

## 32.30 Other Assets

### 32.30.1 "Receivables from Central Government:-

In terms of Section 5(2) (c) of the Textile Undertakings (Nationalization) Act, 1995, the liabilities pertaining to the Wages, Salaries, Gratuity and Other Dues for the period from 18.10.83 to 31.03.94 of the employees of 13 Textile Undertakings transferred to Western Region Office, Mumbai and sub-office Kanpur were of the Central Government and NTC would pay the liability on behalf of Central Government as and when it becomes due. As on 31.03.2017, NTC has paid Rs. 10886.46 lakh (Previous year Rs. 10701.85 lakh) and shown the same as claim receivable from Central Government.

In addition to above, the balance of un-discharged liability as on 31.03.2017 amounting to Rs. 1141.02 lakh (Previous year Rs. 1325.63 lakh) has also been recognized during the earlier years.

The total amount receivable from Central Government as on 31.03.2017 is Rs. 12027.48 lakh.

**32.30.2** The balance with Central Bank of India at Rabindra Sarani Branch and Esplanade Br, Kolkata has been unilaterally adjusted by the said Bank against Pre-Nationalisation dues of the then Ramporia Cotton Mills taken over by NTC in 1974.

NTC challenged the steps of the Bank before the High Court Calcutta claiming the said amount as per the Nationalisation Act. Hon'ble High Court directed that the said dispute would be decided by the Committee on Dispute (COD).

"Hon'ble High Court directed that the said dispute would be decided by the Committee on Dispute (COD). The COD decided that the matter would be resolved by Permanent Machinery of Arbitration (PMA) at New Delhi. On 20.12.16 the hearing at PMA, New Delhi was concluded by the Arbitrator when both the parties were present. After hearing the Ld. Arbitrator expressed that the Award will be passed within few months. The Ld. Arbitrator yet to pass the order. The balances of Rs. 12.81 lakh at Rabindra Sarani Br, Kolkata and Rs. 4.14 lakh at Esplanade Branch are shown under Cash & Cash Equivalents."

### 32.31 Other Liabilities

**32.31.1** Other Current Liabilities includes Rs. 137.42 lakh (Previous Year – Rs. 137.42 lakh) for Controlled Cloth Subsidy (Note No. - 19).

### 32.32 Other Financial Liabilities

**32.32.1** Earnest Money/Security Deposit of Rs. 11014.85 lakh (Previous Year Rs. 10815.66 lakh) (Note No. 16) includes Rs. 10015.00 lakh (Previous Year Rs. 10015.00 lakh) towards Earnest Money Deposit received against Tender for sale of properties of Mumbai Textile Mills (land at Mathura) and Finlay Mills, Mumbai on account of non-confirmation of the sales by the Company and disputes are also pending in this regard.

**32.32.2** Rs. 599.82 lakh (Previous Year Rs. 571.37 lakh) payable to 1447 employees (Previous Year – 1389 employees) who were relieved under MVRS and did not vacate the staff quarters/chawls and buildings premises etc.

**32.32.3** Ministry of Textile (MOT) has directed National Textile Corporation Ltd. vide letter no: - File 02/08/2014 PP1A dated 13.02.2015 for implementation of Integrated Skill Development Scheme (ISDS) during 12th Plan under certain conditions. Accordingly, company has implemented ISDS scheme at 10 mills.

Company has spent Rs. 362.20 lakh (Previous Year Rs. 166.32 lakh) upto 31.03.2017 under this scheme and trained 3160 trainees (Previous Year 1149 trainees). The Certifying Agencies has issued Certificates for 2590 trainees (Previous Year 347 trainees). As per the scheme, company is entitled to claim Rs.259.00 lakh (No. of Certified trainees X Rs. 10,000.00 per Trainee) as ISDS Grant (Previous Year 34.70 lakh) and the same is recognized as receivable.

The company has received Rs. 167.64 lakh from Ministry of Textile (MOT) under Integrated Skill Development Scheme (ISDS) for the skill development of the people.

### 32.33 Hank Yarn Obligations

Company is required to meet Hank Yarn Obligation in packing of yarn as per Government of India Order. The balance unfulfilled obligation is 643.18 lakh Kgs (Previous Year – 660.31 lakh Kgs). However, the Company has taken up the matter with the government through Ministry of Textiles for waiver to meet out the outstanding Hank Yarn Obligation.

### 32.34 Finance Charges

Government of India has given loan of Rs. 27000.00 lakh in the earlier years @ 15.5% for Rs. 6250.00 lakh & 14.5% for Rs. 20750.00 lakh, in case of default, additional penal rate of 2.75% & 2.50% respectively. These loans were repayable in 4 equal installments after the moratorium period of repayment of one year and are overdue for repayment.

Although the Sanctioned Rehabilitation Modified Scheme (MS-08) requires waiver of loan and interest on the loan outstanding as on 31.03.2007, loans and interest outstanding as on 31.03.2006 has been waived off. Pending approval for waiver by Government of India, interest has been provided during the year for Rs.1140.63 lakh (Previous Year Rs. 1140.62 lakh) on loan of Rs. 6250.00 lakh given during the financial year 2006-07. The cumulative interest from 2006-07 to 31.03.2017 on the above loan outstanding is Rs. 11717.21 lakh (Previous Year Rs. 10576.58 lakh).

Company has also received loan of Rs. 6250 lakh and Rs. 14500.00 lakh during the year 2007-08 & 2008-09 respectively. Company has requested the Government to convert the loan of Rs. 20750.00 lakh into equity and waive off the accrued interest of Rs. 27982.82 lakh (Previous Year – Rs. 24439.70 lakh) on the above loan. Confirmation is awaited from the Government for the request made by Company and as such, the total interest accrued as on 31.03.2017 is Rs. 39700.03 lakh (Previous Year – Rs. 35016.28 lakh) which is shown under Borrowings (Current). (Note No. 20).

### 32.35 Directors Remuneration

During the year, Director’s Remuneration of Rs. 86.68 lakh (Previous Year Rs. 74.36 lakh) has been paid to four Whole-time Directors.

### 32.36 Exceptional Items

(Rupees in Lakh)

Particulars	For the year ending March 31, 2017	For the year ending March 31, 2016
<b>(A) Exceptional Income</b>		
Profit on sale on land	137,962.91	52.94
Profit on sale on other assets	3,275.12	8.38
Debt Written Back	-	2.34
Provision Written Back	178.56	34,024.16
<b>Total (A)</b>	<b>141,416.59</b>	<b>34,087.82</b>
<b>(B) Exceptional Expenses</b>		
Modified Voluntary Retirement Scheme	926.30	671.05
Pre- Nationalisation PF Dues	-	88.02
Loss on sale of Assets	0.08	1.05
<b>Total (B)</b>	<b>926.38</b>	<b>760.12</b>
<b>Net (A-B)</b>	<b>140,490.21</b>	<b>33,327.70</b>



### 32.37 Joint Ventures

**32.37.1** In addition to the formation of 5 Joint Ventures, Company signed an MOU on 14.11.2008 in respect of Joint Ventures arrangements with 3 strategic partners for 11 mills, namely: Chalisingaon Textile Mills, Dhule Textile Mills, Nanded Textile Mills, RBBA Spg. & Wvg. Mills, Savatram Ramprashad Mills, Orissa Cotton Mills, Laxminarain Cotton Mills, Sodepur Cotton Mills, Swadeshi Cotton Mills, Mau, Sri Sarada Mills & Parvathi Mills.

**32.37.2** All the 3 MOUs were terminated vide letter dated 14.09.2010, since definitive agreements were not executed within 240 days from the date of execution of the MOU in the manner specified in the MOU.

**32.37.3** The strategic partners have filed petitions for Arbitration in 2011 claiming Rs. 51362.00 lakh (Previous Year Rs. 51362.00 lakh) for damages towards loss of profit due to cancellation and expenses incurred by them. The proceedings are pending before Arbitration Tribunal. The amount claimed by the parties not accepted but shown as contingent liability. The upfront money of Rs. 840.00 lakh received from the three strategic partners towards surrender of rights of 11 JV mills by the Company refunded to the strategic partner but not accepted and hence, treated as current liabilities payable to them.

### 32.38 General

**32.38.1** Confirmations from trade receivables (Current), Loans (Current), Other Non-Current assets, Other Current Assets, Cash & Cash Equivalents, Bank Balances other than Cash & Cash Equivalents, Borrowings (Current), trade payables (Current), other current liabilities, Other non-current liabilities etc. have been obtained trade receivables (Current) (81.61%), Loans (Current) (100%), Other Non-Current assets (11.99%), Other Current Assets (45.40%), Cash & Cash Equivalents 100%, Bank Balances other than Cash & Cash Equivalents (100%), Borrowings (Current) (99.98%), trade payables (Current) (52.06%), other current liabilities (88.72%), Other non-current liabilities (19.79%).

**32.38.2** Loans (Current) – Due from Others includes a bridge loan of Rs. 5610.00 lakh given to British India Corporation Limited (BIC) for settlement of secured creditors as per directions of Ministry of Textiles with the concurrence of Ministry of Finance. The amount was to be repaid out of the amount sanctioned through budgetary allocation to BIC in 2011-12.

In compliance with the observation of CAG, company has considered the reversal of interest of Rs. 3892.73 lakh (provided upto 31.03.2016) during the current financial year 2016-17. However, in terms of various MoUs with BIC for release of various loans, interest of Rs. 4943.45 lakh is receivable as on 31.03.2017 ( Rs.3892.73 lakh as on 31.03.2016). Out of this amount interest of Rs. 418.61 lakh (Previous Year:- Rs. 340.03 lakh) has not been acknowledged by BIC.

**32.38.3** The branch auditor of Divisional Office, Delhi have reported that stock lying at Indore Showroom, not presently accessible to the management, showroom being sealed on 13.02.2014 by the Court Order in case filed by ex-employees. On the basis of records of Divisional Office, Delhi, under whom the showroom functions, inventory valuing Rs.31.26 lakh is being shown as on 01.04.2015, 31.03.16 and on 31.03.17.





**32.38.4** Arbitration Award: The arbitration award dated 05.04.2015 was passed by the arbitrators in favour of “M/s. Vimal Construction” for its claim against the Unit amounting to Rs. 1,71,29,624/- with simple interest @ 10.00% p.a. from 22/10/2012 till the date of payment.

However against the award of arbitrators, NTC had filed suit in the city Civil court vide CMA/379 dtd 2.7.15 to set aside the award of arbitrators and also against the claim of Rs. 3,27,78,607/- raised by Vimal Construction vide CMA/376 dtd 2.7.15.

Subsequently both the case No CMA/379 and CMA/376 dtd 2.7.15 has been transferred to commercial court vide CMA 17/2016 and CMA 24/2016 respectively.

The applications was filed by NTC before commercial court on 2.9.16 the next hearing of the case had been adjourned to 17.7.2017.

Erstwhile N.T.C.(Gujarat) Ltd. has filed civil suit against M/s. Universal Dyestuff Industries Ltd., New Bank of India and then Financial Adviser of the Corporation in respect of unauthorized and fraudulent transfer of Rs.75.00 lacs in the year 1983-84 to M/s. Universal Dyestuff Industries Ltd., and for non-payment of matured fixed deposits issued by UDI Ltd. together with interest. The said amount is shown under Loans & Advances under Note no.14 and necessary full provision has been made for loss that may arise. In view of full provision, the Corporation has not calculated and provided for the interest accrued thereon.

**32.38.5** There was a fraud detected in the cash and bank transactions of Sri Ranga Vilas (SRV) Mills, SRO, Coimbatore that certain employees of the unit over in the areas of cash and bank transactions by forging certain signatures of one of the authorized signatories of the unit thereby misappropriating the cash and bank balances of the unit to the tune of Rs. 91.86 lakh since the loss is ascertained unit has provided the same in the books of accounts for the year ended 31.03.2016 and the case is still pending.

**32.38.6** There was a fraud detected in waste stock of SRV mills by the vigilance department of SRO, Coimbatore that the unit has dispatched 39935 kgs of waste valued about Rs. 18.26 lakh (approximately) without invoicing and the waste stock book has been altered by reducing the previous day stock quantity by 88489 kgs and the reduced the stock quantity, has been accounted in the stock book. The total amount involved is provisionally valued and reported by internal auditor at Rs. 40.46 lakh. Departmental action is initiated against certain officers of the mills. The investigation is still going on, since the end beneficiaries are not yet identified and hence the actual loss is yet to be ascertained. However by adoption of physical stock of cotton waste for valuation of closing stock, the loss of revenue for goods dispatched without invoicing or invoiced for a lesser weight, got charged off to revenue and not separately quantifiable.

**32.38.7** During the year, the New Minerva Mills has made export of goods for Rs. 591.40 lakh to two parties in Pakistan during the current financial year 2015-16 on the strength of letters of credit issued by a Banker from New Zealand. The Bankers refused to honor their commitment under L/C, recognizing the parties' claim for discounts on the



goods exported, on quality related issues. The management is exploring the avenues for recovery of the receivable, considering the nature of the dispute and the legal remedies available to the Unit as against the L/C opening Bank and the buyer.

**32.38.8** Stock at close as on March 31, 2015 and stock at commencement as on April 01, 2015 differs on account of damage due to flood amounting to Rs. 29,24,262/-, Rs.2,34,697/- & Rs.63656/- in respect of Yarn, Waste and Work-in-Progress respectively.

**32.38.9** The Company has defaulted in the payment of outstanding amount and interest on Cash Credit Accounts to State Bank of Mysore in respect of Kaleeswar Mills and Somasundra Mills to the extent of Rs.75.45 lakh. The Southern Regional Office has submitted application for waiver of entire interest of Rs.75.45 lakh.

**32.38.10** Previous period's figures have been restated as per Ind AS and regrouped and rearranged wherever considered necessary.

As per our separate report of even date attached  
For **TIWARI & ASSOCIATES**  
Chartered Accountants  
Firm Registration Number: 002870N

For and on behalf of Board of Directors of  
**National Textile Corporation Limited**  
CIN: U74899DL1968GOI004866

**Sd/-**  
**(Krishan Kumar)**  
Partner  
Membership Number: 085415

**Sd/-**  
**(Pankaj Agarwal)**  
Company Secretary  
PAN: ACZPA4484D

**Sd/-**  
**(Dr. Anil Gupta)**  
Director (Finance)  
DIN: 07319209

Place of signing: New Delhi  
Date: 25-09-2017

**Sd/-**  
**(R.K. Sinha)**  
Director (HR)  
DIN: 3391787

**Sd/-**  
**(P.C. Vaish)**  
Chairman & Managing Director  
DIN: 03440470



The presentation requirement under the previous GAAP differs from Ind AS and hence, Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The regrouped previous GAAP information is derived from the Financial Statement of the company prepared in accordance with previous GAAP.

1. Reconciliation of Balance Sheet as at April 1, 2015

(Rupees in Lakh)

Particulars	Note No.	Balance Sheet as at April 1, 2015		
		Regrouped previous IGAAP	Ind AS Adjustment	Ind AS
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, Plant and Equipment	(A)	106,800.08	8,219.99	115,020.07
Capital work-in-progress		1,116.14	-0.00	1,116.14
Other Intangible assets	(B)	14.90	-0.97	13.93
<b>Financial Assets</b>				
- Investments	(C)	1,957.39	25.77	1,983.16
- Trade Receivables		-	-	-
- Loans	(D),(E)	9,997.92	-9,997.27	0.65
(iv) Other Financial Assets	(E),(F)	-	2,543.14	2,543.14
Other non-current Assets	(A),(F),(E),(D)	3,812.87	7,718.94	11,531.81
<b>Current Assets</b>				
Inventories	(J)	32,618.83	(0.19)	32,618.64
<b>Financial Assets</b>				
(ii) Trade Receivables	(J)	6,198.81	-73.39	6,125.42
(iii) Cash & Cash Equivalents	(G)	125,559.04	(106,668.38)	18,890.66
(iv) Bank Balances other than Cash & Cash Equivalents	(G)		106,667.94	106,667.94
(v) Loans	(H)	12,092.66	(4,470.81)	7,621.85
(iv) Other Financial Assets	(I),(D)		7,133.37	7,133.37
Other Current Assets	(A),(I),(H),(D)	13,281.35	(11,253.30)	2,028.05
<b>Total Assets</b>		<b>313,449.99</b>		<b>313,294.83</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital		306,216.01	-	306,216.01
Other Equity	(C),(J)	(161,042.70)	(147.00)	-161,189.70
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
<b>Financial Liabilities</b>				
- Other Financial Liabilities	(K)		293.74	293.74
Provisions	(L)	12,829.66	-133.40	12,696.26
Deferred tax liabilities (Net)			-	-
Other non-current liabilities	(K)	3,702.82	(386.96)	3,315.86
<b>Current liabilities</b>				
<b>Financial Liabilities</b>				
- Borrowings	(M)	490.91	57,332.54	57,823.45
- Trade payables	(N)	24,280.58	(4,609.97)	19,670.61
- Other Financial Liabilities	(O)		28,048.56	28,048.56
Other current liabilities	(A)	92,552.56	(80,459.09)	12,093.47
Provisions	(A)	34,420.15	(30,250.69)	4,169.46
Current Tax Liabilities	(A)	-	30,157.13	30,157.13
<b>Total liabilities</b>		<b>313,449.99</b>		<b>313,294.83</b>

**2.**
**A. Reconciliation of Balance Sheet as at March 31, 2016**
**(Rupees in Lakh)**

Particulars	Note No.	Balance Sheet as at March 31, 2016		
		Regrouped previous IGAAP	Ind AS Adjustment	Ind AS
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, Plant and Equipment	(A)	90,821.19	8,462.07	99,283.26
Capital work-in-progress		1,036.54	0.00	1,036.54
Investment Property		-	-	-
Goodwill		-	-	-
Other Intangible assets	(B)	12.79	-0.57	12.22
<b>Financial Assets</b>				
(i) Investments	(C)	1,957.39	21.96	1,979.35
(ii) Trade Receivables			-	-
(iii) Loans	(D)	837.69	-837.69	-
(iv) Other Financial Assets	(E)	-	3,057.17	3,057.17
Other non-current Assets	(A),(F),(E)	16,322.43	(2,022.26)	14,300.17
<b>Current Assets</b>				
Inventories	(J)	34,280.27	(0.29)	34,279.98
<b>Financial Assets</b>				
- Trade Receivables	(J)	5,291.21	-48.15	5,243.06
- Cash & Cash Equivalents	(G)	114,045.89	(102,966.57)	11,079.32
- Bank Balances other than Cash & Cash Equivalents	(G)		102,978.00	102,978.00
- Loans	(H)	10,450.58	(4,590.99)	5,859.59
- Other Financial Assets	(I)	-	8,180.00	8,180.00
Other Current Assets	(A),(I),(H)	14,909.60	(12,285.82)	2,623.78
<b>Total Assets</b>		<b>289,965.58</b>		<b>289,912.45</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital		306,216.01	-	306,216.01
Other Equity	(C),(J)	(159,435.54)	(208.47)	-159,644.01
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
<b>Financial Liabilities</b>				
- Other Financial Liabilities	(K)	-	288.87	288.87
Provisions	(L)	11,429.17	0.01	11,429.18
Deferred tax liabilities (Net)		-	-	-
Other non-current liabilities	(K)	3,652.37	(524.02)	3,128.35
<b>Current liabilities</b>				
<b>Financial Liabilities</b>				
(i) Borrowings	(M)	593.48	62,016.29	62,609.77
(ii) Trade payables	(N)	28,073.21	(8,287.01)	19,786.20
(iii) Other Financial Liabilities	(O)	-	30,462.21	30,462.21
Other current liabilities	(A), (P)	94,984.59	(83,801.01)	11,183.58
Provisions		4,452.29	0.00	4,452.29
Current Tax Liabilities			-	-
<b>Total liabilities</b>		<b>289,965.58</b>		<b>289,912.45</b>

## B. Reconciliation of Statement of Profit &amp; Loss for the year ended March 31, 2016

(Rupees in Lakh)

Particulars	Note No.	Year ended March 31, 2016		
		IGAAP	Effects of transition Ind AS	Ind AS
<b>Income</b>				
Revenue From Operations	(Q)	112,923.79	-2.88	112,920.91
Other Income	(Q)	14,887.34	8.29	14,895.63
<b>Total Income</b>		<b>127,811.13</b>	<b>5.42</b>	<b>127,816.55</b>
<b>Expenses</b>				
Cost of material consumed	(R)	61,666.58	-3.28	61,663.30
Purchase of Stock in Trade	(R)	6,728.23	2.69	6,730.92
Excise Duty	(S)	1.70	-1.70	-
Changes in inventories of finished goods, stock in trade and work in progress	(R)	-370.78	0.11	-370.67
Employees' Benefit Expenses	(R)	30,619.24	1,101.94	31,721.18
Finance Cost	(R)	5,961.72	(8.54)	5,953.18
Depreciation & Amortization Expenses	(R)	16,596.01	(53.78)	16,542.23
Manufacturing, Administrative & Selling Expenses	(R)	38,320.00	54.91	38,374.91
Corporate Social Responsibility Expenses		29.22	0.00	29.22
<b>Total expenses</b>		<b>159,551.92</b>	<b>1,092.35</b>	<b>160,644.27</b>
Profit/(loss) before exceptional items, extraordinary items and tax		(31,740.79)	(1,086.93)	(32,827.72)
Prior Period Items	(J)	60.99	-60.99	-
Debts written off	(K)	-0.31	2.66	2.35
Provisions Written Back	(K)	34,024.14	0.02	34,024.16
MVRS		-671.05	-0.00	-671.05
Profit/(Loss) on sale of Assets		60.27	-0.00	60.27
PF Dues		(88.02)	-0.00	-88.02
Others	(K)	2.53	-2.53	-
<b>Profit Before Tax</b>		<b>1,647.76</b>	<b>(1,147.78)</b>	<b>499.98</b>
Tax expense				
(i) Current tax			-	-
(ii) Deferred tax			-	-
<b>Profit/(loss) for the period from continuing operations</b>		<b>1,647.76</b>	<b>(1,147.78)</b>	<b>499.98</b>
<b>II Other Comprehensive Income</b>				
<b>i) Items that will not be reclassified to profit or loss</b>				

**Items that will not be reclassified to profit or loss**

- Re-measurement gains/(losses) on defined benefit plans	(S)	-	1,049.41	1,049.41
- Revaluation of assets		-	-	-
- Net (loss)/ gain on FVTOCI equity securities	(J)		-3.81	-3.81
<b>Items that will be reclassified to profit or loss</b>				
- Exchange difference on translation of foreign operations				-
- Net (loss)/ gain on FVTOCI debt securities		-		-
<b>Income Tax Effect on above items</b>				
			-	-
<b>Total Comprehensive Income for the period (I+II)</b>		<b>1,647.76</b>	<b>(102.18)</b>	<b>1,545.58</b>



## Reconciliation of transition from IGAAP to Ind AS

The following explains the material adjustment made while transition from previous accounting standard to Ind AS:-

### (A) Property, Plant & Equipment

On transition date i.e. April 01, 2015, asset held for sale have been reclassified to Property, Plant & Equipment as they don't meet the criteria prescribed in Ind AS 105. Depreciation for the period in which the asset were classified as held for sale have been provided taking retrospective effect on April 01, 2015 and March 31, 2016. The difference also reflects the reclassification of silver articles from Property, Plant & Equipment to Other Non-Current Assets as they don't meet the condition specified in Ind AS 16 and the same has been given effect as on April 1, 2015 and March 31, 2016.

### (B) Intangible Assets

On transition date i.e. April 01, 2015, intangible asset(i.e. logo cost, trade mark expenses etc.)s which don't meet the criteria of Ind AS 38 have been derecognized.

### (C) Investment

Under the previous GAAP, investment in equity instrument were classified as long term investment based on the intended holding period and realizability. Long term investment were carried at cost less provision and current investment were carried at lower of cost or fair value. Under Indian Accounting Standard, Investment are required to be measured at fair value.

The resulting in fair value have been recognized in Equity Instrument through OCI as at April 1, 2015 and March 31, 2016.

### (D) Loans

The difference is on account of reclassification of Non-Current Loans to Other Non-Current Assets, Other Current Assets & Other Current Financial Assets as per Indian Accounting Standard.

### (E) Other Financial Assets

On transition date i.e. April 01, 2015, non-current loans and advances and other non-current assets have been classified in non-current financial assets as they meet the definition as prescribed in Ind AS 109 as at April 1, 2015 and March 31, 2016.

### (F) Other Non-Current Assets

As per Indian Accounting Standard, Other Non-Current Assets have been classified in as Other Current Assets, other Non-Current Financial Assets as per the requirement of Ind AS.

### (G) Cash & Cash Equivalent

On transition date i.e. April 01, 2015, reclassification is done in cash & cash equivalent as Balance with post office and employee security deposit have been classified in bank balances other than cash & cash equivalent. Further, loan and advances in the nature of bank deposit have been classified in other bank balances as on April 01, 2015 and March 31, 2016.





## **(H) Loans (Current)**

Under Indian Accounting Standard, Loans have been classified in Other Current Assets, Other Financial Assets. Loans to Employee have been classified in other current assets as on April 01, 2015 and March 31, 2016.

## **(I) Other Financial Assets (Current)**

The difference is on account of reclassification of Security deposit, current account with subsidiary companies and other financial deposits to other financial assets as per the requirement of Ind AS. Further, other current assets have been classified as Other financial assets as it meet the criteria as prescribed in Ind AS.

## **(J) Other Equity**

The difference reflects the adjustment relating to prior period error found and recognized in the year in which it relates and error relating to the year on or before April 01, 2015 have been adjusted to the opening retained earnings. On transition date April 01, 2015, depreciation relating to reclassification of asset held for sale to Property, Plant & Equipment have been adjusted to the retained earnings. Fair value of Investment have been made through Equity Instrument through OCI reserve. Prior period found in the year 2016-17 relating to the year 2015-16 have been adjusted to the respective head in statement of profit & loss and subsequent liability/assets have been recorded. Reversal of depreciation charged on silver coin as it is classified from Property, Plant & Equipment to Other Non-Current Assets.

## **(K) Other Financial Liabilities**

On transition date i.e. April 01, 2015, other non-current liabilities, non-current loans, security deposits have been classified as other financial liabilities as per Indian Accounting Standard.

## **(L) Provisions**

The difference reflects retrospective prior period adjustment relating to provision for employee benefits.

## **(M) Borrowings**

The difference reflects the reclassification of Loan from government of India and interest accrued there of, documentary bill purchased from bank, cash credit from bank, loan from related party from other current liabilities.

## **(N) Trade Payable**

The difference reflects reclassification of trade payable into other current liabilities, other current financial liabilities and adjustment relating to prior period errors.

## **(O) Other Financial Liability (Current)**

The difference reflects the reclassification of items of other current liabilities, other trade payables which meet the definition of Financial liabilities as per the Indian Accounting Standard 32. The difference also includes the effect of retrospective adjustment of prior period expenses recognized during the subsequent year as per the requirement of Indian Accounting Standard 8.

**(P) Other Current Liabilities**

Indian Accounting Standards prescribes the bifurcation of assets and liabilities into financial and non financial as per the nature of the asset/liability. The difference reflects the reclassification adjustment to and fro from other current liabilities, Trade payables, borrowings and other financial liabilities as per the nature of the liabilities as on the end of reporting period. The difference also includes the effect of retrospective adjustments of prior Period Items as per the requirement of Indian Accounting Standard.

**(Q) Revenue from Operation/ Other Income**

On transition date i.e. April 01, 2015, items of income and expenses pertaining to previous year but recognized in current year were adjusted retrospectively which is reflected by the difference.

**(R) Expenses**

The difference is on account of adjustment of prior period adjustment for the FY 2015-16 which has been adjusted to the respective head of statement of profit & loss. Excise duty have been reclassified in manufacturing, administrative and selling expenses. Exceptional items-Other have been reclassified in Exceptional item-debt written off (net).

**(S) Re-measurement gains/(losses) on defined benefit plans**

The difference is on account of actuarial valuation recorded for the year ending March 31, 2016, which has been recognized in other comprehensive income.



**ANNUAL  
ACCOUNTS  
(CONSOLIDATED)**





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**INDIAN AUDIT & ACCOUNTS DEPARTMENT**  
**OFFICE OF THE DIRECTOR GENERAL OF**  
**COMMERCIAL AUDIT & EX-OFFICIO MEMBER,**  
**AUDIT BOARD-II, NEW DELHI**  
 f n u k d @ D A T E : ..... 20.11.2017 .....

सेवा में,

अध्यक्ष एवं प्रबंधक निदेशक,  
 नेशनल टेक्सटाइल कॉरपोरेशन लिमिटेड,  
 कोर-4, स्कोप कॉम्प्लैक्स,  
 7-लोदी रोड,  
 नई दिल्ली - 110003

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महोदय,

मैं कम्पनी अधिनियम 2013 की धारा 143 (6) (b) के साथ धारा 129 (4) अधीन 31 मार्च 2017 को समाप्त हुए वर्ष के लिए नेशनल टेक्सटाइल कॉरपोरेशन लिमिटेड के कॉन्सोलिडेटेड फाइलेन्सअल स्टेटमेन्ट पर भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ अग्रेषित करती हूँ। इन टिप्पणियों को कम्पनी की वार्षिक रिपोर्ट में प्रकाशित किया जाए।

भवदीया,

न. सुब्बा

1/2 u h u k e q k 1/2

महानिदेशक वाणिज्यिक लेखा परीक्षा  
 एवं पदेन सदस्य, लेखा परीक्षा बोर्ड - II  
 नई दिल्ली

l y X u d % ; F k i f j



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF NATIONAL TEXTILE CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2017**

The preparation of consolidated financial statements of National Textile Corporation Limited for the year ended 31 March 2017 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act is responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 25 September, 2017.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) read with section 129(4) of the Act of the consolidated financial statements of National Textile Corporation Limited for the year ended 31 March 2017. We conducted a supplementary audit of the financial statements of National Textile Corporation Limited, but did not conduct supplementary audit of the financial statements of companies mentioned in Annexure- A for the year ended on that date. Further, Section 139(5) and 143(6)(b) of the Act are not applicable to Swadeshi Polytex Limited being private entity, for appointment of their Statutory Auditors and for conduct of supplementary audit. Accordingly, C&AG has neither appointed the Statutory Auditor nor conducted the supplementary audit of the company. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report.

**For and on the behalf of the  
Comptroller & Auditor General of India**

*N. Munshi*  
**(Nandana Munshi)**  
**Director General of Commercial Audit  
& Ex-officio Member, Audit Board-II  
New Delhi**

**Place: New Delhi  
Date: 20.11.2017**



**Name of the Subsidiary companies of which supplementary audit was not conducted**

Sl.No	Name of Companies	Type of company
1	Aurangabad Textiles & Apparel Parks Limited	Subsidiary
2	Goldmohur Design & Apparel Parks Limited	Subsidiary
3	New City of Bombay Mfg. Mills Limited	Subsidiary
4	Apollo Design & Apparels Parks Limited	Subsidiary
5	Indian United Textile Mills Limited	Subsidiary

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF NATIONAL TEXTILE CORPORATION LIMITED

#### Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS Financial Statements of **National Textile Corporation Limited** (hereinafter referred to as “the Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”), its associates and Joint Ventures, comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement for the year ended, the consolidated statement of changes in equity for the year then ended, and significant accounting policies and Additional Notes (hereinafter referred to as “the Consolidated Ind AS Financial Statements”).

#### Management's Responsibility for the Consolidated Ind AS Financial Statements

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

#### Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, and the Rules made there under including the Accounting and Auditing Standards and matters which are required to be included in the Audit Report.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those

Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Ind AS Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Ind AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Consolidated Ind AS 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Ind AS Financial Statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the "Emphasis of Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the Consolidated state of affairs of the Group, its associates and joint venture as at 31st March, 2017, and its Consolidated financial performance including other comprehensive income, its Consolidated cash flows and the consolidated changes in equity for the year ended on that date.

### Emphasis of Matter

*We draw attention to the following matters in the Notes to the Consolidated Financial Statements:*

- a) *Note No.32.17 consolidated financial statement- National Textile Corporation Limited is having 1718344 Shares constituting 97.91% in Swadeshi Mining & Manufacturing Limited but accounts of this subsidiary could not be consolidated due to non finalization of accounts since 1999-2000. The company is under liquidation and the matter is still sub-judice.*
- b) *Note No.32.18 to 32.22 to consolidated financial statement – Notes of Holding Company are not reproduced in Consolidated Financial Statements as a result of which, emphasis of matter reported in Standalone Report cannot be reproduced in Consolidated Financial Statements and reports.*
- c) *Note No.32.18 to consolidated financial statement – Area under encroachment and litigation.*
- d) *Note No.32.19to 32.22 to consolidated financial statement – stamp duty on properties paid but property not registered.*

*Our opinion is not modified in respect of these matters.*



## Other Matters

- a) We did not audit the Financial Statements/Financial Information of the following subsidiaries and jointly controlled entities whose Financial Statements / Financial Information reflect the details given below of total assets as at 31<sup>st</sup> March 2017, total revenues and net cash flows for the year ended on that date to the extent to which they are reflected in the Consolidated Ind AS Financial Statements:

(Rs. in lakhs)

Name of the Companies	Total Assets	Total Revenues	Net Cash Flows
<b>Associates:</b>			
Swadeshi Polytex limited	1359.62	768.34	(91.52)
<b>Subsidiaries:</b>			
Aurangabad Textiles & Apparel Parks Ltd	2961.23	5579.23	(0.63)
New City of Bombay Mfg. Mills Ltd	13022.63	28779.74	4.98
Apollo Design Apparel Parks Ltd.	11757.26	31050.63	(201.16)
Goldmohur Design & Apparel Park Ltd	11843.22	29489.08	(491.87)
India United Textile Mill Ltd	26321.16	41680.55	(15.45)
<b>Total</b>	<b>67265.12</b>	<b>137347.57</b>	<b>(795.65)</b>

These Financial Statements /Financial Information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Ind AS Financial Statements ,in so far as it relates to the amounts and disclosures included in respect of these subsidiary and jointly controlled entities ,and our report in terms of sub-sections(3)and (11) of Section143 of the Act,in so far as it relates to the aforesaid subsidiary and jointly controlled entities is based solely on the reports of the other auditors.

Our opinion on the Consolidated Ind AS Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Statements/Financial Information certified by the Management.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report, to the external applicable that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of statement of Profit and Loss, the Consolidated Cash Flow Statement and the consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the





## Consolidated Ind AS Financial Statements.

- d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint ventures incorporated in India is disqualified as on 31<sup>st</sup> March, 2017 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 Holding Company, its subsidiary companies, associated companies and joint ventures incorporated in India and the operating effectiveness of such controls , as required under Section 143( 3)(i) of the Act, refer to our separate report in “**Annexure-A**”
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to:
- I) The consolidated Ind AS financial statements disclose the impact of pending litigations on the Consolidated Financial position of the Holding Company, its Subsidiary, its associate and joint Ventures.
  - II) The Holding Company, its Subsidiary, its associate and joint Ventures did not have any material foreseeable losses on long term contracts including derivative contracts; and
  - III) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary companies and jointly controlled companies incorporated in India.
  - IV) The Holding Company has provided requisite disclosures in its consolidated Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company .[Refer Note No. 32.09 To the consolidated Ind AS financial statements]

For **TIWARI & ASSOCIATES**  
**Chartered Accountants**  
(Firm Registration No. 002870N)

Sd/-  
**(Krishan Kumar)**  
**(Partner)**  
**Membership No. 085415**

Place : New Delhi  
Date : 25.09.2017



## ANNEXURE – A TO THE INDEPENDENT AUDITOR’S REPORT

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

THE ANNEXURE A REFERRED TO IN PARAGRAPH 1(F) OF REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS PARAGRAPH OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF NATIONAL TEXTILE CORPORATION LIMITED ON THE CONSOLIDATED IND AS FINANACIAL STATEMENTS (CFS) FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2017

In conjunction with our audit of Consolidated Ind AS Financial Statements of the Company as of and for the year ended 31<sup>st</sup> March 2017, We have audited the internal financial controls over financial reporting of National Textile Corporation Limited (“the Holding Company”) and its subsidiaries and its associates and joint Ventures, which are companies incorporated in India as of that date.

#### Management’s Responsibility for Internal Financial Controls

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

#### Auditors’ Responsibility

Our responsibility is to express an opinion on the Group’s internal financial controls over financial reporting, wherever applicable, based on our audit and audit report of the subsidiary companies, associate companies. and joint Ventures. We conducted our audit in accordance with the Standards on Auditing, to the extent applicable to an audit of internal financial controls and the guidance note on audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”), 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 the 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 Ind AS financial statements, whether due to fraud or error.



We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports, are 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 Ind AS 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 authorizations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS 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 explanations given to us and based on the reports received from the auditors who audited the accounts of the concerned Units/Offices/ Companies under The Group, and based on our audit, the following material weaknesses have been identified as at March 31, 2017:

1. ***In respect of Unit - KERALA LAKSHMI MILLS -***

Internal Financial Controls over protection of Fixed Assets is not operating effectively in the light of the fact that 4.8 Acres of land belonging to the Unit has been encroached upon by various outsiders. The land had not been properly protected through fencing/ building a boundary wall, as a result of which it is being encroached. Suits have been filed in the court against the occupiers.

2. ***In respect of Unit – ALAGAPPA TEXTILE MILLS –***

The unit's internal financial control over protection of Fixed asset is not operating effectively particularly in the light of the fact that the land and building has not been protected through proper maintenance.

**3. In respect of Unit - COIMBATORE SPINNING AND WEAVING MILLS -**

- a) *The unit is required to report on its monthly performance to the regional office. We noticed that the unit has reported lower loss to the regional office on account of deferment of certain expenses which has been rectified at the end of the financial year. This could result in reporting of inaccurate monthly results by the unit to the regional office.*
- b) *The unit did not have an appropriate internal control system for seeking and obtaining confirmations from customers, which could potentially result in higher credit risk to the unit/ company and non recovery of dues from customers.*

- 4. (i) Internal check prescribed by the management for physical verification of goods dispatched against sale with reference to goods invoiced and also measures adopted for physical verification of stock delivered lacks effective implementation.
- (ii) The scope of the Internal Audit Programme prescribed by the SRO for Internal Audit of the Mills does not provide for verification of proper invoicing of the goods dispatched for correctness of the weight with reference to the stock record and the weight of the goods at the time of delivery which will avoid leakage of revenue by way of sales either by under invoicing the goods delivered or total evasion of the billing;
- (iii) The present system of outsourcing internal audit functions needs to be strengthened by redefining the scope of the audit programme, to be discharged with manpower of requisite qualification/experience.

**5. In respect of WRO -**

- (i) *Certain Shares held by National Textile Corporation Limited WRO were not in the name of National Textile Corporation Limited (Share certificates were in the name of erstwhile owner) which were shown as Non-Current Investments in the books of the National Textile Corporation Limited's WRO Mumbai and as such internal financial controls over investments appearing in the books not operating effectively which could potentially result in the loss of income and ownership of investments.*
- (ii) *Twenty three properties, where title was not in dispute, properties were not in the name of National Textile Corporation Limited for long time, in case of two properties details about Freehold or leasehold are not available also certain lands were encroached by unauthorized occupants. Also details of rent receivable from chawl occupants are not readily available. Considering these we are the opinion that internal financial controls over assets appearing in the books not operating effectively which could potentially result in the loss of ownership of properties.*

**6. In respect of India United Textile Mill Limited**

The company has not established its internal financial control over financial reporting on criteria based on or considering the essential components of internal control, in as much as there are no formally adopted and documented policies.

**7. In respect of New City of Bombay Mfg. Mills Ltd.**

- (i) *Attention is invited to document evidencing delivery of goods from supplier to customer needs to be in place as presently lorry receipts and goods received notes are not available. It is informed that delivery of goods*



*is directly taken by Company's customers from Vendor's/ Supplier's godown. However, confirmation is obtained on copy of invoices raised on the customers.*

- (ii) *Presently there are no defined processes for procurement, vendor and customer selection, fixing contractual terms, etc. Currently these processes are carried out on the basis of authority delegated formally.*

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the *National Textile Corporation Limited*'s annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the *National Textile Corporation Limited* has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2017 based on the internal control over financial reporting criteria established by the Group, its associates and joint ventures 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.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2017 financial statements of the *National Textile Corporation Limited* and these material weaknesses do not affect our opinion on the financial statements of the Company.

For **TIWARI & ASSOCIATES**  
**Chartered Accountants**  
(Firm Registration No. 002870N)

Sd/-  
**(Krishan Kumar)**  
**(Partner)**  
**Membership No. 085415**

Place : New Delhi  
Date : **25.09.2017**



**Tiwari & Associates**

**Chartered Accountants**

T-8, Green Park Extn.,  
New Delhi - 110016, India

Tel.: 26166225  
26198237

email: tikaca81@hotmail.com

## Compliance Certificate

We have conducted the audit of the accounts of **National Textile Corporation Limited – Consolidated**, New Delhi for the year ended on 31st March, 2017 in accordance with the directions/ sub- directions issued by the C&AG of India under Section 143 (5) of the Companies Act, 2013 and certify that we have complied with all the directions/ sub directions issued to us.

**For TIWARI & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration Number: 002870N**

**Sd/-**  
**(Krishan Kumar)**  
**Partner**  
**Membership Number 085415**

**Place: New Delhi**  
**Date: 25.09.2017**



## CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2017

(₹ in Lakh)

Particulars	Note No	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, Plant and Equipment	2	91,227.70	103,628.17	119,600.81
Capital work-in-progress	3	1,421.06	1,036.54	1,116.14
Goodwill		14.25	14.25	14.25
Other intangible assets	4	15.23	13.49	14.98
Financial Assets				
- Investments	5	38.26	25.42	29.23
- Trade Receivables	6	-	-	-
- Loans	7	-	-	0.65
- Other Financial Assets	8	3,754.09	3,282.25	2,767.54
Deferred tax Assets (net)	9	210.26	230.54	723.94
Other non-current Assets	10	15,178.47	14,982.21	11,788.39
<b>Current Assets</b>				
Inventories	11	30,600.48	35,709.70	33,969.62
Financial Assets				
- Trade Receivables	12	63,944.66	74,269.89	51,130.08
- Cash & Cash Equivalents	13	29,446.76	12,490.95	19,361.12
- Bank Balances other than Cash & Cash Equivalents	14	69,582.40	102,978.14	107,227.49
- Loans	7	5,728.09	5,731.85	7,494.11
- Other Financial Assets	8	4,235.66	8,090.18	7,036.81
Other Current Assets	10	2,599.69	2,741.17	2,090.41
Assets classified as held for sale	15	141,474.05	-	-
<b>Total Assets</b>		<b>459,471.11</b>	<b>365,224.75</b>	<b>364,365.57</b>

Particulars	Note No	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital	16	306,216.01	306,216.01	306,216.01
Other Equity		(42,723.24)	(140,167.51)	(141,921.25)
<b>Equity Attributable to owners</b>		<b>263,492.77</b>	<b>166,048.50</b>	<b>164,294.76</b>
Non Controlling Interest		19,274.63	18,772.62	18,805.89
<b>Total Equity</b>		<b>282,767.40</b>	<b>184,821.12</b>	<b>183,100.65</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Financial Liabilities				
- Other Financial Liabilities	17	541.14	545.26	550.13
Provisions	18	10,777.57	11,525.78	12,753.76
Other non-current liabilities	19	2,841.71	3,128.35	3,315.86
<b>Current liabilities</b>				
Financial Liabilities				
- Borrowings	20	69,587.85	64,972.97	60,186.64
- Trade payables	21	35,561.16	50,204.28	26,311.01
- Other Financial Liabilities	17	40,712.98	34,163.70	31,408.55
Other current liabilities	19	12,084.96	11,298.11	12,263.14
Provisions	18	4,480.32	4,469.57	4,182.02
Current Tax Liabilities(net)	22	116.02	95.61	30,293.81
<b>Total Equity and Liabilities</b>		<b>459,471.11</b>	<b>365,224.75</b>	<b>364,365.57</b>

**Significant Accounting Policies** 1  
**Notes to the Financial Statements** 32

As per our separate report of even date attached  
**For TIWARI & ASSOCIATES**  
Chartered Accountants  
Firm Registration Number: 002870N

For and on behalf of Board of Directors of  
**National Textile Corporation Limited**  
CIN: U74899DL1968GOI004866

**Sd/-**  
**(Krishan Kumar)**  
Partner  
Membership Number: 085415

**Sd/-**  
**(Pankaj Agarwal)**  
Company Secretary  
PAN: ACZPA4484D

**Sd/-**  
**(Dr. Anil Gupta)**  
Director (Finance)  
DIN: 07319209

Place: New Delhi  
Date: 25.09.2017

**Sd/-**  
**(R.K. Sinha)**  
Director (HR)  
DIN: 3391787

**Sd/-**  
**(P.C. Vaish)**  
Chairman & Managing Director  
DIN: 03440470

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

(₹ in Lakh)

Particulars	Note No	Year ended March 31, 2017	Year ended March 31, 2016
<b>Income</b>			
Revenue From Operations	23	253,427.08	236,709.39
Other Income	24	7,374.71	14,477.32
<b>Total Income</b>		<b>260,801.80</b>	<b>251,186.71</b>
<b>Expenses</b>			
Cost of material consumed	25	66,120.98	65,646.49
Purchase of Stock in Trade		129,686.76	119,078.29
Changes in inventories of finished goods, stock in trade and work in progress	26	8,229.70	(550.60)
Employees' Benefit Expenses	27	32,224.00	32,858.06
Finance Cost	28	13,382.33	6,271.20
Depreciation & Amortization Expenses	29	13,937.11	16,810.32
Manufacturing, Administrative & Selling Expenses	30	36,877.12	40,753.42
Corporate Social Responsibility Expenses	31	0.93	29.22
<b>Total expenses</b>		<b>3,00,458.93</b>	<b>2,80,896.40</b>
<b>Profit/(loss) before exceptional items and tax</b>		<b>(39,657.13)</b>	<b>(29,709.69)</b>
<b>Exceptional Items</b>			
Debts written back/(off)		-	2.34
Provisions Written Back		178.56	34,058.50
Modified voluntary retirement scheme		(926.30)	(671.05)
Profit/(Loss) on sale of assets		141,237.95	60.27
Pre-nationalization PF dues		-	(88.02)
<b>Profit Before Tax</b>		<b>100,833.08</b>	<b>3,652.35</b>
Tax expense	9	-	-
(i) Current tax		1,468.60	1,454.54
(ii) Deferred tax		18.74	496.91
<b>Profit/(loss) for the period from continuing operations</b>		<b>99,345.73</b>	<b>1,700.90</b>
<b>Profit/(loss) for the Period</b>		<b>99,345.73</b>	<b>1,700.90</b>

Particulars	Note No	Year ended March 31, 2017	Year ended March 31, 2016
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
- Re-measurement gains/(losses) on defined benefit plans		(382.89)	1,039.37
- Revaluation of assets		-	-
- Net (loss)/ gain on FVTOCI equity securities		9.56	(3.81)
<b>Items that will be reclassified to profit or loss</b>			
- Exchange difference on translation of foreign operations		-	-
- Net (loss)/ gain on FVTOCI debt securities		-	-
<b>Income Tax Effect on above items</b>	9	(1.52)	3.49
<b>Other Comprehensive Income for the year</b>		<b>(374.85)</b>	<b>1,039.05</b>
<b>Total Comprehensive Income for the period</b>		<b>98,970.88</b>	<b>2,739.95</b>
<b>Profit attributable to</b>			
Owners		97,953.46	864.03
Non Controlling Interest		1,392.27	836.87
<b>Other Comprehensive income attributable to</b>			
Owners		(376.32)	1,042.26
Non Controlling Interest		1.47	(3.21)
<b>Total Comprehensive income attributable to</b>			
Owners		97,577.14	1,906.28
Non Controlling Interest		1,393.74	833.66
<b>Earnings per equity share (for continuing operations) : (Par Value Rs. 1000/- per share)</b>			
(1) Basic		324.43	5.55
(2) Diluted		324.43	5.55

**Significant Accounting Policies**  
**Notes to the Financial Statements**

1  
32

As per our separate report of even date attached  
For **TIWARI & ASSOCIATES**  
Chartered Accountants  
Firm Registration Number: 002870N

For and on behalf of Board of Directors of  
**National Textile Corporation Limited**  
CIN: U74899DL1968GOI004866

**Sd/-**  
**(Krishan Kumar)**  
Partner  
Membership Number: 085415

**Sd/-**  
**(Pankaj Agarwal)**  
Company Secretary  
PAN: ACZPA4484D

**Sd/-**  
**(Dr. Anil Gupta)**  
Director (Finance)  
DIN: 07319209

Place: New Delhi  
Date: 25.09.2017

**Sd/-**  
**(R.K. Sinha)**  
Director (HR)  
DIN: 3391787

**Sd/-**  
**(P.C. Vaish)**  
Chairman & Managing Director  
DIN: 03440470

**CASH FLOW STATEMENT FOR THE  
YEAR ENDING 31<sup>ST</sup> MARCH, 2017**

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/Loss before exceptional items and tax	(39,657.12)	(29,709.69)
<b>Adjustment for:-</b>		
Depreciation and Ammortization	13,937.10	16,810.32
Interest & Other Income	(5,292.03)	(11,760.26)
Remeasurement of net defined benefit plans	(382.89)	1,039.37
Interest & Finance Charges	13,151.91	6,095.02
Provisions	85.70	204.03
<b>Operating Profit before Working Capital Changes</b>	<b>(18,157.33)</b>	<b>(17,321.21)</b>
<b>Cash Flow from Working Capital Changes</b>		
<b>Adjustment for:-</b>		
(Increase)/Decrease in Inventories	5,109.23	(1,740.08)
(Increase)/Decrease in Trade Receivables	10,325.23	(23,139.81)
(Increase)/Decrease in Loans and Current Assets	3,999.75	58.13
(Increase)/Decrease in Other Bank Balances	33,395.74	4,249.35
Increase/(Decrease) in Trade Payables	(14,643.13)	23,893.27
Increase/(Decrease) in Current Tax Liability	20.41	(30,198.20)
(Increase)/Decrease Other non-current assets	(668.10)	(3,708.53)
(Increase)/Decrease Non-current Loans and advances	-	0.65
Increase/(Decrease) Non-current Liabilities and provisions	(1,038.97)	(1,420.36)
Increase/Decrease in Provisions and Other Liabilities	7,346.88	2,077.66
	<b>43,847.05</b>	<b>(29,927.91)</b>
<b>Less :</b>		
<b>Adjustment for Increase/Decrease in Current liabilities</b>		
Adjustment for Advance against Sale of Assets	-	0.09
Adjustment for Sundry Creditors for Machinery	9.40	(3.03)
<b>Net Cash From Operating Activities</b>	<b>25,699.12</b>	<b>(47,252.06)</b>
<b>Adjustment for Exceptional Items</b>		
Debts written back/(off)	-	2.34
Provisions written back	178.56	34,058.50
Reserves written back	-	-
Modified voluntary retirement scheme	(926.30)	(671.05)
Pre-nationalization PF dues	-	(88.02)
Taxes	(1,468.60)	(1,454.54)
Provisions	(85.70)	(204.03)
	<b>(2,302.04)</b>	<b>31,643.20</b>
<b>Net Cash flow from operating Activities (i)</b>	<b>23,397.08</b>	<b>(15,608.86)</b>

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(143,546.52)	(939.26)
Sale of Fixed Assets and FSI	141,411.66	243.01
Advance Against sale of Assets	-	(0.09)
Sundry Creditors for machinery	(9.40)	3.03
Sale/ Purchase of Investments	(3.29)	-
Interest Income	5,292.03	11,760.26
<b>Net Cash from investing activities (ii)</b>	<b>3,144.48</b>	<b>11,066.95</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase/Decrease in Secured Loans	(68.87)	102.58
Dividend and DDT paid	(1,048.72)	(1,019.57)
Finance Charges	(8,468.16)	(1,411.27)
<b>Net Cash from financing activities (iii)</b>	<b>(9,585.75)</b>	<b>(2,328.26)</b>
<b>D. Net changes in Cash &amp; Cash Equivalents (i+ii+iii)</b>	<b>16,955.82</b>	<b>(6,870.17)</b>
<b>E. Opening Cash &amp; Cash Equivalents (Note No 13)</b>	<b>12,490.95</b>	<b>19,361.12</b>
<b>F. Closing Cash &amp; Cash Equivalents (Note No 13)</b>	<b>29,446.76</b>	<b>12,490.95</b>

The accompanying notes are an integral part of these consolidated financial statements

**Notes:**

The cash flow statement has been prepared under the indirect method as set out under Indian Accounting (Ind AS 7) statement of cash flows.

As per our separate report of even date attached  
For **TIWARI & ASSOCIATES**  
Chartered Accountants  
Firm Registration Number: 002870N

For and on behalf of Board of Directors of  
**National Textile Corporation Limited**  
CIN: U74899DL1968GOI004866

**Sd/-**  
**(Krishan Kumar)**  
Partner  
Membership Number: 085415

**Sd/-**  
**(Pankaj Agarwal)**  
Company Secretary  
PAN: ACZPA4484D

**Sd/-**  
**(Dr. Anil Gupta)**  
Director (Finance)  
DIN: 07319209

Place: New Delhi  
Date: 25.09.2017

**Sd/-**  
**(R.K. Sinha)**  
Director (HR)  
DIN: 3391787

**Sd/-**  
**(P.C. Vaish)**  
Chairman & Managing Director  
DIN: 03440470

**Consolidated Statement of Change in Equity**

**A. Equity Share Capital**

(Rupees in Lakh)

Particulars	Notes	Amount
As at 1st April, 2015		30,621,601.41
Changes in Equity Share Capital	16	-
As at 31st March, 2016		30,621,601.41
Changes in Equity Share Capital	16	-
As at 31st March, 2017		30,621,601.41

**B. Other Equity as at March 31, 2017**

(Rupees in Lakh)

Particulars	Reserve and Surplus					Equity instruments through OCI	Revaluation Surplus	Other items of OCI	Total	Attributable to Owners	Non Controlling Interest
	General Reserve	Capital Reserve	Special Reserve u/s 36 (i) of the Income Tax Act	Reserve of (viii) of the Income Tax Act	Capital Redemption Reserve						
<b>Balance as at April 01, 2015</b>	-	345,590.26	242.48	-	-	(523,598.39)	16,722.89	-	(161,042.76)	-	-
Changes in accounting policy or prior period errors	3,561.29	2,116.58	(0.00)	109.75	109.75	(237.66)	(0.00)	(2.37)	35,930.98	-	-
<b>Restated Balance as at April 01, 2015</b>	3,561.29	347,706.84	242.48	109.75	109.75	(523,836.05)	16,722.89	(2.37)	(125,111.78)	(141,921.26)	16,809.48
Profit and loss for the period	-	-	-	-	-	1,700.90	-	-	1,700.90	864.03	836.87
Other comprehensive income for the year	-	-	-	-	-	-	(3.81)	1,042.85	1,039.04	1,042.25	(3.22)
Total comprehensive income for the year	-	-	-	-	-	1,700.90	(3.81)	1,042.85	2,739.94	1,906.28	833.66
Dividend and DDT	-	-	-	-	-	(1,019.57)	-	-	(1,019.57)	(152.63)	(866.94)
Transfer to retained earnings	13.81	-	-	-	-	(13.81)	-	-	-	-	-
Any other changes	-	0.11	-	-	-	-	-	-	0.11	0.11	-
<b>Balance as at March 31, 2016</b>	3,575.10	347,706.95	242.48	109.75	109.75	(523,168.53)	16,722.89	1,040.48	(123,391.30)	(140,167.51)	16,776.21
<b>Balance as at April 01, 2016</b>	3,575.10	347,706.95	242.48	109.75	109.75	(523,168.53)	16,722.89	1,040.48	(123,391.30)	(140,167.51)	16,776.21
Changes in accounting policy or prior period errors	-	-	-	-	-	24.12	-	-	24.12	24.12	-
Profit for the year	-	-	-	-	-	99,345.73	-	-	99,345.73	97,953.46	1,392.27
Other comprehensive income for the year	-	-	-	-	-	-	9.56	(384.41)	(374.85)	(376.33)	1.47
<b>Total comprehensive income for the year</b>	-	-	-	-	-	99,345.73	9.56	(384.41)	98,970.88	97,577.14	1,393.74
Dividend and DDT	-	-	-	-	-	(1,048.72)	-	-	(1,048.72)	(156.96)	(891.73)
<b>Balance as at March 31, 2017</b>	3,575.10	347,706.95	242.48	109.75	109.75	(424,847.40)	16,722.89	656.07	(25,445.02)	(42,723.24)	17,278.22

As per our separate report of even date attached  
 For Tiwari & Associates  
 Chartered Accountants  
 Firm Registration Number: 002870N

For and on behalf of Board of Directors of  
 National Textile Corporation Limited  
 CIN: U74899DL1968GOI004866

**(Krishan Kumar)**  
 Partner  
 Membership No.: 085415

**(Pankaj Agarwal)**  
 Company Secretary  
 PAN: ACZPA4484D

**(Dr. Anil Gupta)**  
 Director (Finance)  
 DIN: 07319209

**(R.K. Sinha)**  
 Director (HR)  
 DIN: 3391787

**(P.C. Vaish)**  
 Chairman & Managing Director  
 DIN: 03440470

Place: New Delhi  
 Date: 25.09.2017

## Notes to Consolidated Financial statements for the year ended March 31, 2017

### Note No 1 - Significant Accounting Policies

#### • General Information

National Textile Corporation Limited, (NTC) “the company” is a Schedule ‘A’ public sector company under the ambit of Ministry of Textile, Government of India, engaged in production of yarn and fabric through its mills in operation, located all over India producing yarn and fabric. NTC also manufactures garments through its JV Companies.

In addition, National Textile Corporation has well established retail network throughout the country with its retail stores.

National Textile Corporation was established in 1968 to look after the functioning of sick textile mills acquired through three Nationalisation Acts. The mills which were not in a position to revive have been closed subsequently.

#### • First time adoption of Indian Accounting Standards (Ind-AS)

The company has adopted Ind-AS, in accordance with Notification dated February 16, 2015 issued by Ministry of Corporate Affairs, Government of India, with effect from April 01, 2016 with a transition date of April 01, 2015.

#### Application of Indian Accounting Standards (Ind-AS)

All companies (listed or unlisted) having net worth of Rs 500 crores or more are required to adopt Ind- AS.

All amounts included in the financial statements are reported in lakhs Indian rupees except number of equity shares and per share data, unless otherwise stated.

### 1. Significant Accounting Policies

#### 1.1. Statement of Compliance and basis of preparation of Consolidated Financial Statements

The Consolidated Financial Statements (CFS) of National Textile Corporation Limited and its 5 subsidiaries and 1 Associate Company have been prepared Indian Accounting Standard (Ind AS) as notified by Ministry of Corporate Affairs pursuant to section 133 of Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act. Accounting policies have been applied consistently to all periods presented in these financial statements. The Financial Statements are prepared under historical cost convention from the books of accounts maintained under accrual basis except for certain financial instruments which are measured at fair value and in accordance with the Indian Accounting Standards prescribed under the Companies Act, 2013, except otherwise stated. The Financial Statements up to the year ended March 31, 2016 were prepared in accordance with the accounting standards notified under the Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the act.

##### i) Basis of preparation of Consolidated Financial Statements

The Consolidated Financial Statements represent consolidation of accounts of National Textile Corporation Limited, its subsidiaries (joint venture companies) and associate as detailed below:

S. No.	Name of Company	Country	No. of Shares	% of Shareholding	Relation
1.	Aurangabad Textiles & Apparel Parks Ltd	India	1060800	51	Subsidiary
2.	New City of Bombay Mfg. Mills Ltd	India	4676700	51	Subsidiary
3.	Apollo Design Apparel Parks Ltd.	India	2881500	51	Subsidiary
4.	Goldmohur Design & Apparel Parks Ltd.	India	2983500	51	Subsidiary
5.	India United Textiles Mills Ltd.	India	6482610	51	Subsidiary
6.	Swadeshi Polytex Limited	India	1311750	33.63	Associate

**Note:** NTC is having 17,18,344 shares (97.91%) in Swadeshi Mining & Manufacturing Limited but the accounts of this subsidiary company could not be consolidated due to non-finalization of accounts since 1999-2000. The company was under liquidation and the matter is still sub-judice.

## ii) Principles of Consolidation

The Financial Statements of the Company and its subsidiary companies & Associate are consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses in accordance with Indian Accounting Standard (Ind AS) as notified by Ministry of Corporate Affairs pursuant to section 133 of Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate Financial Statements except as otherwise disclosed in the other Notes to Accounts.

Minority Interest's share of Net Profit/Loss of Consolidated Subsidiaries & associate for the year is identified and adjusted against the income of the group in order to arrive at the Net Income attributable to the shareholders of the Company.

Minority Interest's share of Net Assets of Consolidated subsidiaries & associate is identified and presented in the Consolidated Balance Sheet separately from liabilities and the equity of the Company's shareholders.

## 1.2. Use of estimates and judgment

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

**Current versus non-current classification.**

The company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The company has identified twelve months as its operating cycle.

**1.3. Functional and presentation currency**

These financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company.

**1.4. Purchase of Raw Materials**

Purchase of Raw Materials is accounted for on invoice value except in the case of supplies from Government agencies where it is accounted on the basis of Pro-forma invoice in the absence of invoice.

**1.5. Revenue Recognition**

***Sale of Goods***

- i) Sales Revenue is recognized, in the case of direct sale on raising of invoice and delivery of goods and in respect of depot/consignment sales, revenue is recognized on the basis of "Accounts Statement" from Depot/Consignment Agent confirming the sale.
- ii) Export sales are accounted for at FOB value basis.



## ***Interest Income***

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

## ***Dividend Income***

Dividend Income is recognized when the company's right to receive the payment is established which is generally when shareholders approve the dividend.

## ***Rent Income***

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

## **1.6. Property, Plant and Equipment**

All Property, Plant and Equipment (PPE) are stated at carrying value in accordance with previous GAAP, which is used as deemed cost on the date of transition to Ind-AS using the exemption granted under Ind AS 101.

The cost of an item of property, plant and equipment is recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The cost of an item of PPE is the cash price equivalent at the recognition date. The cost of an item of PPE comprises:

- i) Purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts, rebates, Excise and Custom duty where CENVAT credit on capital goods is availed, except taken over as a result of nationalisation, which are stated at values then approved by board and re-valued asset at revalue price less accumulated depreciation and impairment (if any).
- ii) Costs directly attributable to bringing the PPE to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company has chosen the cost model for recognition and this model is applied to all class of assets. After recognition as an asset, an item of PPE is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Capital work in progress is stated at cost and such cost includes the cost of property, plant and equipment under installation/ under development as at the balance sheet date.

## ***Stores and Spares***

Significant spare parts qualify as property, plant and equipment when an entity expects to use them during more than one period and when they can be used only in connection with an item of property, plant and equipment.

## ***Major repairs and overhauling cost***

Cost of major repairs/overhauling is capitalised with consequent de-recognition of any remaining carrying amount of the cost of the previous inspection/repairs. The total cost of inspection/repairs is considered as a separate component.



### 1.7. Intangible Assets

All Intangible assets are stated at carrying value in accordance with previous GAAP, which is used as deemed cost on the date of transition to Ind-AS using the exemption granted under Ind AS 101.

Identifiable intangible assets are recognized when the company controls the asset; it is probable that future economic benefits expected with the respective assets will flow to the company for more than one economic period; and the cost of the asset can be measured reliably. At initial recognition, intangible assets are recognized at cost. Intangible assets are amortized on straight line basis over estimated useful life of 5 years and for the assets which are having more life, the periodicity may be decided after seeking approval from the Board.

### 1.8. Depreciation and Amortization

The depreciable amount of an item of Property, Plant and Equipment (PPE) is allocated on a straight line basis over its useful life. The residual value and the useful life of an asset are reviewed at each financial year-end. Each part of an item of PPE with a cost that is significant in relation to the total cost of the asset and useful life of that part is different from remaining part of the asset; such significant part is depreciated separately. Depreciation on all such items have been provided from the date they are 'Available for Use' till the date of sale / disposal and includes amortization of intangible assets and lease hold assets. An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

The depreciation on fixed assets is provided pro-rata on straight line method, as per the useful lives of the assets specified in Part C of Schedule II of the Companies Act, 2013. The residual value of all the assets is taken 5% of the cost of assets.

### 1.9. Borrowing Costs

The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset as a part of the cost of the asset. The Company recognises other borrowing costs as an expense in the period in which it incurs. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

### 1.10. Foreign Currency Transactions:

Transactions in currencies other than the functional currency are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Differences arising on settlement or translation of monetary items are recognized in profit or loss.

### 1.11. Inventories

**Inventories are valued as follows:**

- i) Raw Material in Stock: At variety-wise monthly weighted average cost or net realizable value whichever is lower.
- ii) Raw material in Transit and finished goods (packed yarn and cloth): At cost or net realizable value whichever is lower.
- iii) Finished Goods at depot (Yarn / Cloth): At lower of cost or net realizable value.



- iv) Finished Goods at retail Marketing Depots / Divisions, Retail Showrooms, and duty paid godowns: Cost including excise duty or net realizable value whichever is lower. The cost is determined by reducing from the sale value appropriate percentage of gross margin. Net realizable value is determined after appropriate discounts for damages, cut pieces, age of stock, market forces, if any.
- v) Stores and Spares: At weighted average cost or net realizable value whichever is lower other than the stores and spares that are to be componentized.
- vi) Materials in Process: At cost or net realizable value whichever is lower.
- vii) Loose yarn & Cloth under process, and with processors etc: At lower of cost or net realizable value less expenses to be incurred to make them ready for sale.
- viii) Scrap and saleable waste: At net realizable price.
- ix) Useable wastes: At weighted average cost or net realizable value whichever is lower

**Note:** Wherever net realisable value is not available, cost is used

## 1.12. Government Grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. These grants are classified as grants relating to assets and revenue based on the nature of the grants.

Grants relating to depreciable assets are initially recognised as deferred revenue and subsequently recognised in the statement of profit and loss on a systematic basis over the useful life of the asset generally in the same proportion in which depreciation is charged on the depreciable assets acquired out of such contribution. Changes in estimates are recognised prospectively over the remaining life of the assets.

Grants in the form of revenue grant are recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

Grants in the form of non-monetary assets such as land and other resources are recognised at fair value and presented as deferred income which is recognized in the statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

## 1.13. Provisions

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

## 1.14. Contingent Liabilities / Assets

### ***Contingent Liabilities***

Contingent liabilities are not recognized but disclosed in Notes to the Accounts when the company has possible obligation due to past events and existence of the obligation depends upon occurrence or non-occurrence of future events not wholly within the control of the company.

Contingent liabilities are assessed continuously to determine whether outflow of economic resources have become probable. If the outflow becomes probable then relative provision is recognized in the financial statements.

Where an entity is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability. The entity recognises a provision for the part of the obligation for which an outflow of resources embodying economic benefits is probable, except in the extremely rare circumstances where no reliable estimate can be made.

Contingent Liabilities are disclosed in the General Notes forming part of the accounts.

### **Contingent Assets**

Contingent Assets are not recognised in the financial statements. Such contingent assets are assessed continuously and are disclosed in Notes when the inflow of economic benefits becomes probable. If it is certain that inflow of economic benefit will arise then such asset and the relative income shall be recognised in financial statements.

## **1.15 Employee benefits**

- i) Provision for gratuity, leave encashment/availment and other terminal benefits is made on the basis of actuarial valuation using the projected unit credit method. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets excluding interest (if applicable), is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Statement of Profit or Loss.
- ii) Contribution to Provident Fund is recorded as expenses on accrual basis.

## **1.16. Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income/statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

### **Deferred tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business

combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

### ***Current and deferred tax for the year***

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

## **1.17. Investment Property**

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. All of the Company's property interests held under operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties.

After initial recognition, the company measures investment property at cost.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

Investment properties to be depreciated in accordance to the class of asset that it belongs and the life of the asset shall be as conceived for the same class of asset at the Company.

## **1.18. Investment in Subsidiary, Joint Venture and Associates**

The company accounts investment in subsidiary, joint ventures and associates at cost. An entity controlled by the company is considered as a subsidiary of the company.

Investments where the company has significant influence are classified as associates. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement is classified as a joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

## **1.19. Financial instruments**

### **i) Non-derivative financial instruments**

Non-derivative financial instruments consist of:

- Financial assets, which include cash and cash equivalents, trade receivables, unbilled revenues, finance lease receivables, employee and other advances, investments in equity and debt securities and eligible current and non-current assets;
- Financial liabilities, which include long and short-term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities.

Non-derivative financial instruments are recognized initially at fair value including any directly attributable transaction costs.

Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

#### **a) Cash and cash equivalents**

For the purposes of the cash flow statement, cash and cash equivalents include cash in hand, at banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system. In the statement of financial position, bank overdrafts are presented under borrowings within current liabilities.

#### **b) Investments in Equity Securities**

Investments in equity securities (other than those in Subsidiaries, Joint Venture and Associates) are valued at their fair value. These investments are measured at fair value and changes therein, other than impairment losses, are recognized in Other Comprehensive Income. The impairment losses, if any, are reclassified from equity into statement of profit and loss. On de-recognition of such assets, the related cumulative gain or losses recognised in other comprehensive income are transferred within equity.

#### **c) Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Loans and receivables are initially recognized at fair value plus directly attributable transaction costs and subsequently measured at amortized cost using the effective interest method, less any impairment losses. Loans and receivables comprise trade receivables, unbilled revenues and other assets.

The company estimates the un-collectability of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

#### **d) Trade and other payables**

Trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short term maturity of these instruments.

#### **ii) Derivative financial instruments/Forward Contract**

The Company is exposed to foreign currency fluctuations on foreign currency assets and liabilities. The Company limits the effect of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The Company enters into derivative financial instruments where the counterparty is primarily a bank.

Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in statement of income as cost.

### **1.20. Impairment**

If the recoverable amount of an asset (or cash-generating unit/Fixed Assets) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a re-valued amount, in which case the impairment loss is treated as a revaluation decrease.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a re-valued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

At the end of each reporting period, the company reviews the carrying amounts of its tangible, intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

### *Impairment of financial assets*

Financial assets, other than those at Fair Value through Profit and Loss (FVTPL), are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected. For Available for Sale (AFS) equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counterparty;
- Breach of contract, such as a default or delinquency in interest or principal payments;
- It becoming probable that the borrower will enter bankruptcy or financial re-organisation; or the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade receivables, assets are assessed for impairment on individual basis. Objective evidence of impairment for a portfolio of receivables could include companies past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets that are carried at cost, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables; such impairment loss is reduced through the use of an allowance account for respective financial asset. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

For financial assets measured at amortised cost, if in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognized.

### *De-recognition of financial assets*

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, The Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety except 1.20(i)(b), the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss.

## 1.21. Earnings per share

A basic earnings per share is computed by dividing the net profit attributable to the equity shareholders of the company by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity shareholders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

## 1.22. Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

## 1.23. Segment Information

The Chief Operating Decision Maker (CODM) as defined by Ind AS-108, "Operating Segments" monitors the operating results of its operating segments based on their revenue growth and operating income. The Company has identified two primary business segments i.e. Yarn & Cloth. The assets and liabilities used in the Company's business that are not identified to any of the operating segments are shown as un-allocable assets/liabilities.

#### **1.24. Prior Period**

Errors of material amount relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively, to the extent practicable along with change in basic and diluted earnings per share. However, where retrospective restatement is not practicable for a particular period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes on Accounts.

#### **1.25. Non-current Assets held for sale**

Non-current assets and disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. These assets and disposal groups are measured at the lower of their carrying amount and fair value less cost to be incurred towards sale. This condition is regarded as met only when the sale is highly probable and the assets or disposal group is available for immediate sale in its present condition.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The company treats sale/ distribution of the asset or disposal group to be highly probable when:

- i) The appropriate level of management is committed to a plan to sell the asset (or disposal group), ii) An active programme to locate a buyer and complete the plan has been initiated (if applicable), iii) The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value, iv) The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and v) Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

The company shall not depreciate (or amortised) a non-current asset while it is classified as held for sale or while it is a part of a disposal group classified as held for sale.

#### **1.26. Leases**

Leases of Property, Plant and Equipment in which a significant portion of risks and rewards of ownership is transferred to the company as lessee are classified as finance lease. Such finance leases are generally capitalised at the inception of lease at the fair value of the leased property which equals the transaction price i.e. lump sum upfront payments. Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases.

## Note No. 2

## Property, Plant and Equipment

(Rupees in Lakh)

Particulars	Gross carrying value as at April 1, 2016	Additions	Adjustments/ sales during the year	Gross carrying value as at March 31, 2017	Accumulated depreciation as at April 1, 2016	Additions	Adjustments/ sales during the year	Accumulated depreciation as at March 31, 2017	Carrying Value as at March 31, 2017
Land - Free Hold	18,022.22	-	43.23	17,978.99	-	-	-	-	17,978.99
Land - Lease Hold	4,070.69	-	-	4,070.69	164.16	164.12	-	328.28	3,742.41
Building - Factory	25,080.80	12.48	2.39	25,090.89	966.04	918.81	19.63	1,865.22	23,225.67
Building - Non Factory	2,099.54	2.72	6.36	2,095.90	152.56	80.58	(19.48)	252.62	1,843.28
Tube Well	48.94	0.23	-	49.17	19.31	18.58	-	37.89	11.28
Plant & Machinery	65,407.14	1,199.54	1,008.11	65,598.57	14,609.97	11,879.25	808.43	25,680.79	39,917.78
Furniture & Fixtures	771.52	38.16	1.86	807.82	95.91	97.46	2.04	191.33	616.49
Vehicles	124.80	19.14	-	143.94	22.06	19.33	-	41.39	102.55
Electrical Fittings	3,904.58	353.25	46.19	4,211.64	587.23	587.86	25.06	1,150.03	3,061.61
Office & Factory Equipments	207.80	139.68	1.69	345.79	60.90	51.31	0.41	111.80	233.99
Bio Gas Plant	0.05	-	-	0.05	-	-	-	-	0.05
Computer	111.09	32.78	3.62	140.25	32.74	33.56	2.80	63.50	76.75
Railway	0.03	-	-	0.03	-	-	-	-	0.03
Lab Equipment	580.07	12.69	1.06	591.70	90.23	84.66	-	174.89	416.81
<b>Total</b>	<b>120,429.27</b>	<b>1,810.67</b>	<b>1,114.51</b>	<b>121,125.43</b>	<b>16,801.11</b>	<b>13,935.52</b>	<b>838.89</b>	<b>29,897.74</b>	<b>91,227.70</b>

Particulars	Deemed Cost as at April 1, 2015	Additions	Adjustments/sales during the year	Gross carrying value as at March 31, 2016	Accumulated depreciation as at April 1, 2015	Additions	Adjustments/sales during the year	Accumulated depreciation as at March 31, 2016	Carrying Value as at March 31, 2016
Land - Free Hold	17,990.45	31.78	0.01	18,022.22	-	-	-	-	18,022.22
Land - Lease Hold	4,070.65	0.04	-	4,070.69	-	164.16	-	164.16	3,906.53
Building - Factory	24,975.02	137.36	31.58	25,080.80	-	966.78	0.74	966.04	24,114.76
Building - Non Factory	2,099.16	0.88	0.50	2,099.54	-	152.85	0.29	152.56	1,946.98
Tube Well	48.15	0.79	-	48.94	-	19.31	-	19.31	29.63
Plant & Machinery	64,866.92	640.83	100.61	65,407.14	-	14,613.35	3.38	14,609.97	50,797.17
Furniture & Fixtures	731.58	40.28	0.34	771.52	-	96.27	0.36	95.91	675.61
Vehicles	94.74	30.11	0.05	124.80	-	22.06	-	22.06	102.74
Electrical Fittings	3,914.87	43.56	53.85	3,904.58	-	589.07	1.84	587.23	3,317.35
Office & Factory Equipments	156.50	52.96	1.66	207.80	-	61.33	0.43	60.90	146.90
Bio Gas Plant	0.05	-	-	0.05	-	-	-	-	0.05
Computer	72.83	38.88	0.62	111.09	-	32.17	(0.57)	32.74	78.35
Railway	0.03	-	-	0.03	-	-	-	-	0.03
Lab Equipment	579.86	0.21	-	580.07	-	90.23	-	90.23	489.84
<b>Total</b>	<b>119,600.81</b>	<b>1,017.68</b>	<b>189.22</b>	<b>120,429.27</b>	<b>-</b>	<b>16,807.58</b>	<b>6.47</b>	<b>16,801.11</b>	<b>103,628.17</b>

**Note No. 3**
**Capital Work-In-Progress**
**(Rupees in Lakh)**

Particulars	For the year ended March 31, 2017			For the year ended March 31, 2016				
	Balance as at April 1, 2016	Additions/ Adjustments during the year	Capitalized during the year	Balance as at March 31, 2017	Balance as at April 1, 2015	Additions/ Adjustments during the year	Capitalized during the year	Balance as at March 31, 2016
Civil Work	92.38	147.41	(2.70)	237.09	108.05	23.77	(39.44)	92.38
Plant & Machinery	822.71	589.73	(326.13)	1,086.31	814.03	212.29	(203.61)	822.71
Others	121.45	61.38	(85.17)	97.66	194.06	18.08	(90.69)	121.45
<b>Total</b>	<b>1,036.54</b>	<b>798.52</b>	<b>(414.00)</b>	<b>1,421.06</b>	<b>1,116.14</b>	<b>254.14</b>	<b>(333.74)</b>	<b>1,036.54</b>

## Note No. 4

## Other Intangible Assets

(Rupees in Lakh)

Particulars	Computer Softwares
<b>Gross carrying value as at April 1, 2016</b>	<b>16.27</b>
Additions	3.33
Disposal/adjustments	-
<b>Gross carrying value as at March 31, 2017</b>	<b>19.60</b>
Accumulated Amortization/Impairment as at April 1, 2016	2.78
Additions	1.59
Disposal/adjustments	-
<b>Accumulated Amortization/Impairment as at March 31, 2017</b>	<b>4.37</b>
<b>Carrying Value as at March 31, 2017</b>	<b>15.23</b>

Particulars	Computer Softwares
<b>Deemed cost as at April 01, 2015</b>	<b>14.99</b>
Additions	1.28
Disposal/adjustments	-
<b>Gross carrying value as at March 31, 2016</b>	<b>16.27</b>
Accumulated Amortization/Impairment as at April 1, 2015	-
Additions	2.78
Disposal/adjustments	-
<b>Accumulated Amortization as at March 31, 2016</b>	<b>2.78</b>
<b>Carrying Value as at March 31, 2016</b>	<b>13.49</b>

## Non Current Investments

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Total Value	Provision	Total Value	Provision	Total Value	Provision
<b>A. Investment in Equity Instrument</b>						
<b>i) Investment in Subsidiary</b>						
<b>Equity Instrument at cost</b>						
<b>Investment in Subsidiary</b>						
<b>Swadeshi Mining &amp; Manufacturing Limited*</b> 17,18,344 shares (17,18,344 shares, March 31, 2016 and 17,18,344 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	16,580,153.00	16,580,153.00	16,580,153.00	16,580,153.00	16,580,153.00	16,580,153.00
*Refer Note No. 32.17						
<b>ii) Other Equity Instruments</b>						
<b>(Quoted)</b>						
<b>At Fair Value through Other Comprehensive Income</b>						
<b>Lakshmi Machine Works Limited</b> 480 shares (480 shares, March 31, 2016 and 480 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	2,025,216.00	-	1,600,896.00	-	1,861,056.00	-
<b>Century Tex &amp; Ind Ltd.</b> 480 shares (480 shares, March 31, 2016 and 480 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	505,584.00	-	253,776.00	-	305,832.00	-
<b>Standard Ind Limited</b> 84 shares (84 shares, March 31, 2016 and 84 shares, April 01, 2015) fully paid up equity shares of Rs. 5 each	1,831.20	-	1,999.20	-	1,839.60	-
<b>Binny Mills Ltd</b> 67 shares (67 shares, March 31, 2016 and 67 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	13,296.15	-	11,222.50	-	22,806.80	-
<b>S.V. Gloabal Mills Ltd</b> 470 shares (470 shares, March 31, 2016 and 470 shares, April 01, 2015) fully paid up equity shares of Rs. 5 each	58,938.00	-	57,340.00	-	68,056.00	-
<b>Akzo Nobel India Ltd</b> 15 shares (15 shares, March 31, 2016 and 15 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	28,573.50	-	20,445.75	-	20,982.75	-
<b>Arvind Limited</b> 13 shares (13 shares, March 31, 2016 and 13 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	5,119.40	-	3,553.55	-	3,469.05	-
<b>The Mafat Lal Fine Spg &amp; Mfg Co Ltd</b> 1 shares (1 shares, March 31, 2016 and 1 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	445.00	445.00	445.00	445.00	445.00	445.00

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Total Value	Provision	Total Value	Provision	Total Value	Provision
<b>The Khatau Makanhi Spg &amp; Wvg Mills Limited</b> 1 shares (1 shares, March 31, 2016 and 1 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	128.00	128.00	128.00	128.00	128.00	128.00
<b>The Shree Niwas Cotton Mills Ltd.</b> 5 shares (5 shares, March 31, 2016 and 5 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	765.00	765.00	765.00	765.00	765.00	765.00
<b>Mafatal Engg. Ind. Ltd.</b> 356 shares (356 shares, March 31, 2016 and 356 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	35,600.00	35,600.00	35,600.00	35,600.00	35,600.00	35,600.00
<b>The Phoenix Mills Ltd</b> 250 shares (250 shares, March 31, 2016 and 250 shares, April 01, 2015) fully paid up equity shares of Rs. 2 each	94,287.50	-	75,012.50	-	87,862.50	-
<b>The Century Spg. &amp; Wvg. Co. Ltd.(Now Century Text. and Ind. Ltd.)</b> 250 shares (250 shares, March 31, 2016 and 250 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	263,325.00	-	132,175.00	-	159,287.50	-
<b>The Simplex Mills Co. Ltd.</b> 7 shares (7 shares, March 31, 2016 and 7 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	136.50	-	56.00	-	82.60	-
<b>The Morarjee Gokuldas Spg. &amp; Wvg. Co Ltd. (Now- Peninsual Land Ltd.)</b> 400 shares (400 shares, March 31, 2016 and 400 shares, April 01, 2015) fully paid up equity shares of Rs. 7 each	7,500.00	-	6,880.00	-	11,100.00	-
<b>The Bombay Dying &amp; Mfg Co. Ltd.</b> 125 shares (125 shares, March 31, 2016 and 125 shares, April 01, 2015) fully paid up equity shares of Rs. 2 each	10,375.00	-	5,943.75	-	7,987.50	-
<b>The Swan Mills Co. Ltd.(Now Swan Energy Ltd)</b> 500 shares (500 shares, March 31, 2016 and 500 shares, April 01, 2015) fully paid up equity shares of Rs. 2 each	141,200.00	-	30,850.00	-	30,850.00	-
<b>The Dawn Mills Co. Ltd. (Peninsual Land)</b> 100 shares (100 shares, March 31, 2016 and 100 shares, April 01, 2015) fully paid up equity shares of Rs. 2 each	1,875.00	-	1,720.00	-	2,775.00	-
<b>The Victoria Mills Ltd.</b> 1 shares (1 shares, March 31, 2016 and 1 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	3,100.00	-	2,907.00	-	1,842.00	-
<b>Total</b>	<b>3,197,295.25</b>	<b>36,938.00</b>	<b>2,241,715.25</b>	<b>36,938.00</b>	<b>2,622,767.30</b>	<b>36,938.00</b>
<b>(Unquoted)</b>						
<b>Kohinoor Mills Co. Ltd.</b> 1 shares (1 shares, March 31, 2016 and 1 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	175.00	175.00	175.00	175.00	175.00	175.00

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Total Value	Provision	Total Value	Provision	Total Value	Provision
<b>Tata Mill Ltd.</b> 1 shares (1 shares, March 31, 2016 and 1 shares, April 01, 2015) fully paid up equity shares of Rs. 25 each	33.00	33.00	33.00	33.00	33.00	33.00
<b>Mafatial Engg. Ind. Limited</b> 929 shares (929 shares, March 31, 2016 and 929 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	92,900.00	92,900.00	92,900.00	92,900.00	92,900.00	92,900.00
<b>Indore Cloth Market Warehouse Ltd</b> 21 shares (21 shares, March 31, 2016 and 21 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	2,100.00	-	2,100.00	-	2,100.00	-
<b>Delhi Ahiya New Cloth market Co ltd</b> 20 shares (20 shares, March 31, 2016 and 20 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	2,000.00	-	2,000.00	-	2,000.00	-
<b>Dhanlaxmi Mills Ltd.</b> 15 shares (15 shares, March 31, 2016 and 15 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each"	2,603.00	2,603.00	2,603.00	2,603.00	2,603.00	2,603.00
<b>C.P. Properties Ltd.</b> 6900 shares (6900 shares, March 31, 2016 and 6900 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	697,775.00	697,775.00	697,775.00	697,775.00	697,775.00	697,775.00
<b>Beardsheel Ltd.</b> 90 shares (90 shares, March 31, 2016 and 90 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	2,380.00	2,380.00	2,380.00	2,380.00	2,380.00	2,380.00
<b>Mafatial Engg. Industries Ltd.</b> 100 shares (100 shares, March 31, 2016 and 100 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
<b>Dalhousie Holding Limited</b> 3650 shares (3650 shares, March 31, 2016 and 3650 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	381,619.00	381,619.00	381,619.00	381,619.00	381,619.00	381,619.00
<b>Elgin Mills Co. Ltd.</b> 50 shares (50 shares, March 31, 2016 and 50 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	275.00	275.00	275.00	275.00	275.00	275.00
<b>Cawnpore Textile Mills</b> 50 shares (50 shares, March 31, 2016 and 50 shares, April 01, 2015) fully paid up equity shares of Rs. 5 each	112.00	112.00	112.00	112.00	112.00	112.00
<b>Shree Nivas Cotton Mills Ltd.</b> 1 shares (1 shares, March 31, 2016 and 1 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	168.00	168.00	168.00	168.00	168.00	168.00
<b>Swadeshi Mill Co. Ltd.</b> 10 shares (10 shares, March 31, 2016 and 10 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	178.00	178.00	178.00	178.00	178.00	178.00

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Total Value	Provision	Total Value	Provision	Total Value	Provision
<b>Khetau Makanji Spg. &amp; Wvg. Co. Ltd.</b> 1 shares (1 shares, March 31, 2016 and 1 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	1.00	1.00	1.00	1.00	1.00	1.00
<b>Standard Mills Co. Ltd.</b> 60 shares (60 shares, March 31, 2016 and 60 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	1,204.00	1,204.00	1,204.00	1,204.00	1,204.00	1,204.00
<b>Mafatial Fine Spg. &amp; Wvg. Co. Ltd.</b> 5 shares (5 shares, March 31, 2016 and 5 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	361.00	361.00	361.00	361.00	361.00	361.00
<b>Bradbury Mills Ltd.</b> 5 shares (5 shares, March 31, 2016 and 5 shares, April 01, 2015) fully paid up equity shares of Rs. 50 each	845.00	845.00	845.00	845.00	845.00	845.00
<b>Laxmi Vishnoo Cotton Mills Ltd.</b> 1 shares (1 shares, March 31, 2016 and 1 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	63.00	63.00	63.00	63.00	63.00	63.00
<b>Mafatial Engineering Ind. Ltd. Mumbai</b> 251 shares (251 shares, March 31, 2016 and 251 shares, April 01, 2015) fully paid up equity shares of Rs. 200 each	25,100.00	25,100.00	25,100.00	25,100.00	25,100.00	25,100.00
<b>Tata Services Ltd.</b> 175 shares (175 shares, March 31, 2016 and 175 shares, April 01, 2015) fully paid up equity shares of Rs. 1000 each	175,000.00	-	175,000.00	-	175,000.00	-
<b>Associated Buildings Ltd.</b> 250 shares (250 shares, March 31, 2016 and 250 shares, April 01, 2015) fully paid up equity shares of Rs. 1000 each	75,000.00	-	75,000.00	-	75,000.00	-
<b>Cesta Bella Co-Hsg Soc.</b> 50 shares (50 shares, March 31, 2016 and 50 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	500.00	-	500.00	-	500.00	-
<b>Rosary Co-Hsg Soc.</b> 10 shares (10 shares, March 31, 2016 and 10 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each	1,000.00	-	1,000.00	-	1,000.00	-
<b>Gulmohur Co-Hsg Soc.</b> 5 shares (5 shares, March 31, 2016 and 5 shares, April 01, 2015) fully paid up equity shares of Rs. 50 each"	250.00	-	250.00	-	250.00	-
<b>New Piece Goods Bazar Co. Ltd.</b> 240 shares (240 shares, March 31, 2016 and 240 shares, April 01, 2015) fully paid up equity shares of Rs. 100 each (192 bonus shares fully paid up equity shares of Rs. 100)	24,000.00	-	24,000.00	-	24,000.00	-
<b>OPG Power Generation Pvt. Ltd.</b> 83,200 equity shares, partly paid upto Rs. 3.95433 per share. (Face value Rs 10 per share)	329,000.00	-	-	-	-	-

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Total Value	Provision	Total Value	Provision	Total Value	Provision
United Bleachers Limited	120,000.00	120,000.00	120,000.00	120,000.00	120,000.00	120,000.00
Kerala State Handloom Development Corporation Ltd.	5,000.00	-	5,000.00	-	5,000.00	-
Western India Ind. Corp. Ltd.	15,000.00	-	15,000.00	-	15,000.00	-
Others	166,895.00	131,223.00	166,895.00	131,223.00	166,895.00	131,223.00
<b>Total</b>	<b>2,131,537.00</b>	<b>1,467,015.00</b>	<b>1,802,537.00</b>	<b>1,467,015.00</b>	<b>1,802,537.00</b>	<b>1,467,015.00</b>
<b>B. Investment in Government or Trust securities</b>						
<b>(Quoted)</b>						
<b>At Amortized cost</b>						
Government Securities	6,811.91	6,811.91	6,811.91	6,811.91	6,811.91	6,811.91
<b>(Unquoted)</b>						
UCM Sehkari Ubbhokta Bandar, Udaipur 10 shares (10 shares, March 31, 2016 and 10 shares, April 01, 2015) fully paid up equity shares of Rs. 10 each	100.00	100.00	100.00	100.00	100.00	100.00
Government Securities	9,100.00	8,100.00	9,100.00	8,100.00	9,100.00	8,100.00
<b>Total</b>	<b>9,200.00</b>	<b>8,200.00</b>	<b>9,200.00</b>	<b>8,200.00</b>	<b>9,200.00</b>	<b>8,200.00</b>

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Total Value	Total Value	Total Value	Total Value	Total Value	Total Value
Total value of investment	219.25	206.41	210.22	210.22	210.22	210.22
Aggregate amount of impairment in the value of investment	180.99	180.99	180.99	180.99	180.99	180.99
Carrying value of investment	38.26	25.42	29.23	29.23	29.23	29.23
Market Value of quoted investment	32.04	22.49	26.30	26.30	26.30	26.30
Aggregate amount of unquoted investment	187.21	183.92	183.92	183.92	183.92	183.92
Aggregate amount of impairment in the value of investment	180.99	180.99	180.99	180.99	180.99	180.99

## Note No. 6

## Trade Receivables (Non - Current)

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Secured, considered Good	-	-	-
Unsecured, considered good	-	-	-
Unsecured, considered doubtful	749.54	748.36	748.36
Allowances for doubtful debts	(749.54)	(748.36)	(748.36)
<b>Total</b>	-	-	-

## Movement in allowances for doubtful debt

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Balance at the beginning of the year	(748.36)	(748.36)
Loss Allowances recognised	(1.18)	-
<b>Balance at the end of the year</b>	<b>(749.54)</b>	<b>(748.36)</b>

## Note No. 7

## Loans

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Non-Current</b>			
<i>Unsecured (considered good)</i>			
Others	-	-	0.65
<b>Sub- Total (A)</b>	-	-	<b>0.65</b>
<i>Unsecured (doubtful)</i>			
Loans to Related Parties	1,111.75	1,111.75	1,111.75
Allowance for bad and doubtful loans	(1,111.75)	(1,111.75)	(1,111.75)
Others (Specify)	3,736.87	3,736.83	4,310.19
Allowance for bad and doubtful loans	(3,736.87)	(3,736.83)	(4,310.19)
<b>Sub- Total (B)</b>	-	-	-
<b>Total Non- Current ( A+B)</b>	-	-	<b>0.65</b>
<b>Current</b>			
Secured (considered good)			
Loans to Employee	-	0.41	0.58
<b>Sub- Total (A)</b>	-	<b>0.41</b>	<b>0.58</b>
<i>Unsecured (considered good)</i>			
Others	5,728.09	5,731.44	7,493.53
<b>Sub- Total(B)</b>	<b>5,728.09</b>	<b>5,731.44</b>	<b>7,493.53</b>
<b>Total Current (A+B)</b>	<b>5,728.09</b>	<b>5,731.85</b>	<b>7,494.11</b>



## Note No. 8

## Other Financial Assets

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Non Current</b>			
Bank Deposits with more than 12 months maturity	179.03	182.17	189.09
Bank Deposits with more than 12 months maturity - Earmarked	16.28	0.44	0.44
Security Deposits	3,558.78	3,099.64	2,578.01
<b>Total</b>	<b>3,754.09</b>	<b>3,282.25</b>	<b>2,767.54</b>
<b>Current</b>			
Security Deposits	25.96	20.33	60.99
Interest accrued on Short Term Deposits, Loans and Advances	357.41	4,342.76	3,390.74
Current Account with Subsidiary Companies	51.46	39.99	37.11
Others	3,800.83	3,687.10	3,547.97
<b>Total</b>	<b>4,235.66</b>	<b>8,090.18</b>	<b>7,036.81</b>

## Note No. 9 Tax Expense

## Tax recognised in Statement of profit and loss

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>Current income tax</b>		
Current year	1,481.45	1,448.71
Adjustments for prior years	(12.85)	5.83
<b>Sub Total (A)</b>	<b>1,468.60</b>	<b>1,454.53</b>
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences	18.74	496.91
<b>Sub Total (B)</b>	<b>18.74</b>	<b>496.91</b>
<b>Total (A+B)</b>	<b>1,487.34</b>	<b>1,951.45</b>

## Tax recognised in other comprehensive income

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Defined benefit plan actuarial gains (losses)	(1.52)	3.49
<b>Total</b>	<b>(1.52)</b>	<b>3.49</b>



Reconciliation of effective tax rates

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit before tax	101,603.67	4,384.65
Enacted tax Rate	0.19	0.19
Computed Expected Tax Expenses	35,122.57	1,560.32
Non-deductible expenses	39.50	46.75
Others	(19,526.21)	10.56
Tax due to temporary difference	1,670.69	501.01
Tax exempt income	(15,806.36)	(173.02)
Change in estimates related to prior years	(12.85)	5.83
<b>Tax Expenses for the year</b>	<b>1,487.34</b>	<b>1,951.45</b>

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Deferred Tax Liability</b>			
Property, plant and equipment	10,840.13	11,626.73	13,782.31
<b>Sub Total</b>	<b>10,840.13</b>	<b>11,626.73</b>	<b>13,782.31</b>
<b>Deferred tax Assets</b>			
Unabsorbed Depreciation as per Income Tax	7,946.02	8,838.56	7,516.00
Short Term Capital Loss as per Income Tax	-	-	4.77
Employee benefits	61.09	29.04	22.18
Provisions	3,043.28	2,989.68	6,963.31
<b>Sub Total</b>	<b>11,050.39</b>	<b>11,857.28</b>	<b>14,506.25</b>
<b>Net Deferred tax liability/(assets)</b>	<b>(210.26)</b>	<b>(230.54)</b>	<b>(723.95)</b>

**Movement in deferred tax balances during the year ended March 31, 2017**

Particulars	Balance As at March 31, 2016	Recognised in Profit and Loss	Recognised in OCI	Balance As at March 31, 2017
Property, plant and equipment	11,323.78	(774.01)	-	10,549.77
Employee benefits	2.74	(22.60)	0.72	(19.14)
Provisions	2,989.68	(49.46)	(0.10)	2,940.12
Unabsorbed Depreciation as per Income Tax	7,859.44	892.54	-	8,751.98
Short Term Capital Loss as per Income Tax	-	-	-	-
Deferred Government Grant	10.83	(0.96)	-	9.87

**Movement in deferred tax balances during the year ended March 31, 2016**

Particulars	Balance As at April 01, 2015	Recognised in Profit and Loss	Recognised in OCI	Balance As at March 31, 2016
Property, plant and equipment	13,465.02	(2,141.24)	-	11,323.78
Employee benefits	3.57	(0.46)	(0.38)	2.74
Provisions	6,963.31	3,974.22	(0.18)	2,989.68
Unabsorbed Depreciation as per Income Tax	6,517.01	(1,322.56)	-	7,859.44
Carried forward Business Losses	4.77	4.77	-	-
Deferred Government Grant	9.46	1.37	-	10.83

Note No. 10

Other Assets

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Non-Current</b>			
<b>Capital Advances</b>			
Secured, considered Good	-	-	-
Unsecured, considered good	100.78	72.52	120.17
Unsecured, considered doubtful	132.33	132.33	110.09
Allowances for doubtful debts	(132.33)	(132.33)	(110.09)
	<b>100.78</b>	<b>72.52</b>	<b>120.17</b>
<b>Loans to Employees</b>			
Secured, considered Good	-	-	-
Unsecured, considered good	23.60	26.30	25.05
Unsecured, considered doubtful	70.34	70.81	69.33
Allowances for doubtful debts	(70.34)	(70.81)	(69.33)
Interest accrued on Loans to Employees	-	-	-
	<b>23.60</b>	<b>26.30</b>	<b>25.05</b>
Silver Coins/Vessels	18.07	18.07	18.07
MAT Credit Entitlement	-	-	9,230.26
Deposit with Govt. Bodies	690.97	601.05	534.25
Advance against Tax Payments	811.11	1,146.46	931.41
Sundry Deposits	281.57	280.30	288.55
Less: Provision for govt. and sundry deposits	(300.68)	(299.55)	(292.50)
Employee's Family Welfare Fund Deposits/ Securities	107.57	103.38	81.87
Commissioner of Payment (Doubtful)	1,804.53	1,804.53	1,804.53
Less: Provision for doubtful commissioner of payments	(1,804.53)	(1,804.53)	(1,804.53)
Deposit with PF authorities under Protest	85.05	81.25	148.72
Less: Provision for Deposit with PF authorities	(47.36)	(47.36)	(135.48)
Deposit with ESI authorities	364.16	364.17	364.16
Less: Provision for Deposit with ESI authorities	(1.31)	(1.31)	(352.95)
Claim receivable from Central Government	12,027.48	12,027.48	12,027.48
Less: Provision for Claim receivable from Central Government	-	-	(12,027.48)
Others	1,017.46	609.45	826.81
Other Considered Doubtful	866.14	866.71	793.03
Less: Provision for doubtful	(866.14)	(866.71)	(793.03)
<b>Total</b>	<b>15,178.47</b>	<b>14,982.21</b>	<b>11,788.39</b>

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Current</b>			
<b>Loans to employees</b>			
Secured, considered Good	47.32	22.94	16.30
Unsecured, considered good	347.49	397.83	345.98
Interest accrued on Loans to Employees	2.88	1.95	1.55
Balance with Excise Authorities	1.94	2.08	2.78
Deposit with Govt. Bodies	311.30	314.77	38.17
Advance against Tax Payments	210.04	242.59	317.88
Commissioner of Payment (Good)	115.66	115.66	115.66
Prepaid Expenses	157.13	147.54	141.03
Claim Receivable	211.54	141.50	356.35
Sundry Deposits	68.17	65.03	102.59
Others	1,126.22	1,289.28	652.12
<b>Total</b>	<b>2,599.69</b>	<b>2,741.17</b>	<b>2,090.41</b>

**Note No. 11**
**Inventories**

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Raw Materials	7,860.75	4,954.92	3,877.53
Raw Materials in transit	467.78	146.46	91.97
Work in process	4,264.51	5,359.48	4,786.31
Finished Goods	14,890.88	21,789.94	21,542.96
Finished Goods in transit	11.97	117.12	332.42
Stock in trade	2,002.24	1,988.03	2,153.46
Stock in trade in transit	41.23	35.17	2.62
Stores and Spares	666.00	732.13	673.70
Stores and Spares in transit	54.80	95.42	31.01
Less: Provision for obsolete stores	(163.85)	(163.94)	(130.93)
Waste	316.82	437.20	420.17
Scrap	187.35	217.77	188.40
<b>Total</b>	<b>30,600.48</b>	<b>35,709.70</b>	<b>33,969.62</b>

Note No. 12

Trade Receivables (Current)

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Outstanding for a period exceeding 6 months from the date of due payment</b>			
Secured, considered Good	-	-	-
Unsecured, considered good	16,703.20	29,720.22	12,313.09
Unsecured, considered doubtful	663.03	505.24	462.71
Allowances for doubtful debts	(663.03)	(505.24)	(462.71)
<b>Sub-Total(A)</b>	<b>16,703.20</b>	<b>29,720.22</b>	<b>12,313.09</b>
<b>Others</b>			
Secured, considered Good	-	-	-
Unsecured, considered good	47,241.46	44,549.67	38,816.99
Unsecured, considered doubtful	12.14	4.54	4.22
Allowances for doubtful debts	(12.14)	(4.54)	(4.22)
<b>Sub-total (B)</b>	<b>47,241.46</b>	<b>44,549.67</b>	<b>38,816.99</b>
<b>Total A+B</b>	<b>63,944.66</b>	<b>74,269.89</b>	<b>51,130.08</b>

Movement in allowances for doubtful debt

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016
Balance at the beginning of the year	(509.78)	(466.93)
Loss Allowance recognised	(165.39)	(42.85)
<b>Balance at the end of the year</b>	<b>(675.17)</b>	<b>(509.78)</b>

Note No. 13

Cash & Cash Equivalents

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Cash on hand	33.32	62.11	76.48
Cheques, Drafts, stamps on hand	0.61	127.95	2.22
Remittance in transit	108.92	128.38	144.11
Balances with Banks	6,118.57	4,639.72	4,244.44
<b>Sub-total (A)</b>	<b>6,261.42</b>	<b>4,958.16</b>	<b>4,467.25</b>
Other Bank Balances	-	-	-
- Fixed Deposits	540.34	852.36	498.77
- Deposits for Margin Money	778.40	657.56	571.64
- In term deposit with original maturity upto 3 months	21,866.60	6,022.87	13,823.46
<b>Sub-total (B)</b>	<b>23,185.34</b>	<b>7,532.79</b>	<b>14,893.87</b>
<b>Total</b>	<b>29,446.76</b>	<b>12,490.95</b>	<b>19,361.12</b>



## Note No. 14

## Bank Balances other than Cash &amp; Cash Equivalents

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Employee Security Deposits	4.83	0.87	3.22
Balance with Post Office	0.29	0.30	0.30
- In term deposit with original maturity more than 3 months but less than 12 months - Earmarked	11,221.66	11,360.50	12,071.43
- In term deposit with original maturity more than 3 months but less than 12 months	58,355.62	91,616.47	95,152.54
<b>Total (A)</b>	<b>69,582.40</b>	<b>102,978.14</b>	<b>107,227.49</b>

## Note No. 15

## Assets classified as held for sale

(₹ in Lakh)

Particulars	As at March 31, 2017			As at March 31, 2016			As at April 1, 2015		
	Gross Block	Accumulated Depreciation	Net Block	Gross Block	Accumulated Depreciation	Net Block	Gross Block	Accumulated Depreciation	Net Block
Plant & Machinery	1,448.36	1,322.98	125.38	-	-	-	-	-	-
Furniture & Fixtures	1.68	1.60	0.08	-	-	-	-	-	-
Electrical Fittings	6.23	5.70	0.53	-	-	-	-	-	-
Office & Factory Equipments	0.88	0.82	0.06	-	-	-	-	-	-
TDR	141,348.00	-	141,348.00	-	-	-	-	-	-
<b>TOTAL</b>	<b>142,805.15</b>	<b>1,331.10</b>	<b>141,474.05</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Note No. 16

## Equity Share Capital

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Authorized</b>			
Equity shares of Rs. 1000 Each	500,000.00	500,000.00	500,000.00
<b>Issued, subscribed and fully paid</b>			
Equity shares of Rs. 1000 each	306,216.01	306,216.01	306,216.01
<b>Total</b>	<b>306,216.01</b>	<b>306,216.01</b>	<b>306,216.01</b>

## Reconciliation of number of Equity Shares

Particulars	No of Shares
Equity Shares as on April 01, 2015	30621601
Add: -No. of Shares, Share Capital issued/ subscribed during the year	-
Equity Shares as on March 31, 2016	30621601
Equity Shares as on April 01, 2016	30621601
Add: -No. of Shares, Share Capital issued/ subscribed during the year	-
<b>Equity Shares as March 31, 2017</b>	<b>30621601</b>

## Shares in the company held by shareholder holding more than 5 percent

Name of the Shareholder	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
- Government of India	99.76%	99.76%	99.76%

## Note No. 17

### Other Financial Liabilities

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Non Current</b>			
Earnest Money/Security Deposit	279.69	280.43	283.28
Employees Security Deposit	11.62	8.44	10.46
Other Payables	249.83	256.39	256.39
<b>Total</b>	<b>541.14</b>	<b>545.26</b>	<b>550.13</b>
<b>Current</b>			
Sundry Creditors for Machinery	620.66	630.06	627.03
Trade Deposits	924.48	693.26	721.32
Earnest Money/Security Deposit	11,014.90	10,815.71	10,888.46
Current Account with subsidiary companies	375.60	493.31	1,258.75
Others	27,777.34	21,531.36	17,912.99
<b>Total</b>	<b>40,712.98</b>	<b>34,163.70</b>	<b>31,408.55</b>

## Note No. 18

## Provisions

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Non Current</b>			
<b>FOR EMPLOYEE BENEFITS</b>			
Gratuity	9,070.60	9,786.32	10,693.93
Leave Salary/ Wages	1,577.30	1,640.17	1,952.66
LTC	54.48	31.38	37.57
Terminal Benefits	75.19	67.91	69.60
<b>Total</b>	<b>10,777.57</b>	<b>11,525.78</b>	<b>12,753.76</b>
<b>Current</b>			
<b>FOR EMPLOYEE BENEFITS</b>			
Gratuity	2,917.82	2,640.75	2,415.33
Leave Salary/ Wages	750.46	738.04	712.56
Sick Leave	800.22	1,068.63	1,033.81
LTC	4.53	5.80	6.86
Terminal Benefits	7.29	16.35	13.46
<b>Total</b>	<b>4,480.32</b>	<b>4,469.57</b>	<b>4,182.02</b>

## Note No. 19

## Other Liabilities

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Non Current</b>			
Employee's Family Welfare Fund Deposits/ Securities	107.57	103.38	81.87
Others	2,734.14	3,024.97	3,233.99
<b>Total</b>	<b>2,841.71</b>	<b>3,128.35</b>	<b>3,315.86</b>
<b>Current</b>			
Controlled Cloth subsidy Balance	137.42	137.42	707.15
Advance against Sale of Assets	1,204.51	1,204.51	1,204.60
Others	10,743.03	9,956.18	10,351.39
<b>Total</b>	<b>12,084.96</b>	<b>11,298.11</b>	<b>12,263.14</b>





**Note No. 20**

**Borrowings (Current)**

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Secured</b>			
Cash Credit from Banks	75.45	75.54	260.29
Documentary Bill Purchase from Bank	421.54	483.00	230.62
Other Short term Loans from Banks	27.63	34.95	-
Loan from Related Parties	2,363.20	2,363.20	2,363.20
<i>(Secured by hypothecation of Stores, Raw Materials, Finished Goods, Work in Progress and Trade Deposits)</i>			
<b>Unsecured</b>			
Loan from Government of India	27,000.00	27,000.00	27,000.00
Interest accrued and due on Loan from Government of India	39,700.03	35,016.28	30,332.53
<b>Total</b>	<b>69,587.85</b>	<b>64,972.97</b>	<b>60,186.64</b>

**Note No. 21**

**Trade Payables ( Current )**

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
A ) Total outstanding dues to MSMEs	120.54	132.49	79.26
B) Total outstanding dues to other than MSMEs			
- Sundry Creditors for Raw Material	14,822.82	17,566.86	14,595.82
- Sundry Creditors for Stores, Spare and Tools	639.62	676.71	585.77
- Hank Yarn obligations(transferred)	80.62	51.75	7.67
- Others	19,897.56	31,776.47	11,042.49
<b>Total</b>	<b>35,561.16</b>	<b>50,204.28</b>	<b>26,311.01</b>

**Note No. 22**

**Current tax liabilities**

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Income tax	116.02	95.61	20,883.61
Income tax under Minimum Alternate Tax - MAT	-	-	9,230.26
Wealth Tax	-	-	179.94
<b>Total</b>	<b>116.02</b>	<b>95.61</b>	<b>30,293.81</b>





## Note No. 23

## Revenue from Operations

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>A. Sale of Products(including excise duty)</b>		
Cloth	47,742.76	42,002.45
Yarn	97,559.24	91,016.16
Readymade	104,934.62	101,051.39
<b>Total A</b>	<b>250,236.62</b>	<b>234,070.00</b>
<b>B. Sale of Services</b>		
Job Conversion Charges	3.34	142.68
<b>Total B</b>	<b>3.34</b>	<b>142.68</b>
<b>C. Other Operating Revenue</b>		
Sale of Waste	2,976.86	2,313.87
Other	210.26	182.84
<b>Total C</b>	<b>3,187.12</b>	<b>2,496.71</b>
<b>Total A+B+C</b>	<b>253,427.08</b>	<b>236,709.39</b>

## Note No. 24

## Other Income

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>A. Interest Income</b>		
Interest on Bank Deposits	8,144.52	10,038.00
Interest on Others	(2,852.49)	1,722.26
<b>Total A</b>	<b>5,292.03</b>	<b>11,760.26</b>
<b>B. Dividend Income</b>		
Dividend from Other Companies	1.43	1.46
<b>Total B</b>	<b>1.43</b>	<b>1.46</b>
<b>C. Other Non Operating Revenue</b>		
Rent income	956.49	733.47
Insurance and other claims	35.83	17.45
Sale of Scrap and other unserviceable stores	122.96	86.47
Stock deficit recovered	13.68	9.17
Sundry Balances written back	28.78	1,334.23
Cash Discount	403.32	187.50
Forfeiture of Security Deposit (Other than Sale of Assets)	1.63	0.85
Foreign Exchange Rate Difference	28.76	26.52
Miscellaneous Receipts	486.47	316.61
Government Grant Income	3.33	3.33
<b>Total C</b>	<b>2,081.25</b>	<b>2,715.60</b>
<b>Total A+B+C</b>	<b>7,374.71</b>	<b>14,477.32</b>



## Note No. 25

## Cost of Materials Consumed

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>Raw Materials/ Semi Finished</b>		
Stock at the beginning of the year	5,101.39	3,969.51
Add : Purchases	68,031.88	65,260.36
Less : Stock sold	-	41.38
Less : Stock at the end of the year	8,328.53	5,101.39
<b>Raw Materials/ Semi Finished Consumed - Sub Total</b>	<b>64,804.74</b>	<b>64,087.10</b>
Add : Packing material consumed	1,316.24	1,559.39
<b>Total</b>	<b>66,120.98</b>	<b>65,646.49</b>

## Note No. 26

## Changes in Inventory

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>Opening Balance</b>		
Finished Goods		
Cloth	4,937.97	4,562.28
Yarn	16,969.09	17,283.85
Work-In-Process	5,359.48	4,785.66
Stock-In-Trade	2,023.20	2,156.08
Waste	437.19	417.82
Scrap	217.76	188.40
<b>Total opening inventories</b>	<b>29,944.69</b>	<b>29,394.09</b>
<b>Closing Balance</b>		
Finished Goods		
Cloth	5,024.92	4,937.97
Yarn	9,877.93	16,969.09
Work-In-Process	4,264.51	5,359.48
Stock-In-Trade	2,043.46	2,023.20
Waste	316.82	437.19
Scrap	187.35	217.76
<b>Total Closing Balance</b>	<b>21,714.99</b>	<b>29,944.69</b>
<b>Total changes in inventory</b>	<b>8,229.70</b>	<b>(550.60)</b>



## Note No. 27

## Employees' Benefit Expenses

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Salaries, Wages, Allowances	22,740.63	22,401.81
Bonus	879.47	846.27
Contribution to PF & Pension Scheme	2,187.76	2,132.26
Contribution to E.S.I, DLI & Admin. Charges	537.49	605.74
Workman & Staff Welfare Expenses	1,505.58	1,476.41
Leave Salary (Provision)	701.22	459.28
Sick Leave (Provisoin)	(168.00)	81.04
Termainal Benefits (Provision)	10.12	8.25
Contract Labour Charges	2,102.64	2,060.91
Gratuity (Provision)	1,559.84	2,682.62
LTC (Provision)	80.57	29.11
Remuneration to directors	86.68	74.36
<b>Total</b>	<b>32,224.00</b>	<b>32,858.06</b>

## Note No. 28

## Finance Cost

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>Interest Expenses</b>		
Interest on Loan from GOI	4,683.75	4,683.75
Interest on Bank Loan for Working Capital	2.55	96.37
Interest on Trade Credits	16.17	20.10
Interest on Cotton Dues	887.29	683.69
Interest on Other Loans and Deposits	25.99	28.78
Interest on Provident fund and ESI dues	9.47	-
Surcharge on Water/Electricity etc.	4.80	5.11
Interest on other	7,467.69	530.27
<b>Other Borrowing Costs</b>		
Bank Charges and Loan Processing Fee	57.97	51.29
Cash Discount Allowed	219.50	171.01
Foreign Exchange Rate Difference	6.12	0.06
Guarantee fee	1.03	0.77
<b>Total</b>	<b>13,382.33</b>	<b>6,271.20</b>





Note No. 29

Depreciation And Amortization Expenses

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Depreciation on PPE	13,935.52	16,807.58
Amortization of Intangible Assets	1.59	2.78
<b>Total</b>	<b>13,937.11</b>	<b>16,810.32</b>

Note No. 30

Other Expenses

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>A. MANUFACTURING EXPENSES</b>		
Stores, Spares, Dyes & Chemicals	3,839.22	3,689.85
Power, Fuel & Water	23,304.40	25,896.36
Excise Duty	83.26	12.53
Repairs to Machinery	485.74	458.94
Repairs to Building	258.93	273.28
Repairs to Other Assets	27.01	25.74
Processing/washing Charges	792.82	1,096.90
Job Charges	32.38	317.20
Stiching Charges	133.02	744.23
Hank Yarn obligation	75.53	90.67
<b>Total A</b>	<b>29,032.31</b>	<b>32,605.70</b>
<b>B. ADMINISTRATIVE EXPENSES</b>		
Rent	233.08	202.91
Rates & Taxes	958.33	1,008.28
Insurance	168.38	146.65
Publication of Notices	40.36	30.74
Entertainment Expenses	26.59	24.25
Hotel and Incidental	34.87	30.59
<b>Payment to Statutory Auditors</b>		
– For Statutory Audits	41.86	42.61
– For Tax Audits	12.37	12.21
– For Other Services	3.15	3.59
– Reimbursement of expenses	9.25	10.09

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>Payment to Other Auditors</b>		
For Internal Audits	30.59	29.40
For Cost Audits	7.80	7.37
For Taxation work	3.97	3.85
For Management Services	6.10	4.48
Postage, Telegram & Fax	39.62	40.00
Telephones	92.68	92.82
Printing & Stationery	94.09	103.94
Vehicles Running & Maintenance	63.85	59.86
Legal and Professional Charges	1,012.54	1,153.21
Traveling Expenses	282.79	256.95
Local Conveyance	198.91	237.93
Director's Traveling Expenses	25.04	48.55
Director's Sitting Fees	6.36	11.92
Water and Electricity Charges	301.06	350.04
Provident Fund Administration Charges	138.75	135.26
Miscellaneous Expenses	237.06	269.73
Data Processing Charges	36.42	49.17
Watch and Ward Expenses	615.55	576.01
Repair to Other Assets	47.53	54.13
Festival Expenses	20.30	22.65
Annual Maintenance Charges	11.33	15.76
Fee and subscription	15.77	10.52
Filing Fee	0.51	0.62
Maintenance of office Building	175.28	127.24
Other Administrative Expenses	164.49	192.03
Carrying charges on cotton	19.43	32.99
Training & Development	127.62	136.03
Meeting/ Committee Expenses	34.14	58.26
<b>Provisions</b>		
- Doubtful Debts	76.58	62.72
- Other Current Assets	8.57	76.92
- Doubtful Advances	-	29.24
- Obsolete Stores	0.55	35.15
<b>Total B</b>	<b>5,423.52</b>	<b>5,796.66</b>

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>C. DISTRIBUTION EXPENSES</b>		
Brokerage	426.96	390.07
Commission on sales	1,109.17	1,103.80
Sales Expenses	140.39	189.88
Publicity Expenses	286.41	140.61
Export Expenses	73.11	40.28
Other incidental, forwarding Expenses	385.24	486.42
<b>Total C</b>	<b>2,421.28</b>	<b>2,351.06</b>
<b>Grand Total (A+B+C)</b>	<b>36,877.12</b>	<b>40,753.42</b>

**Note No. 31****Corporate Social Responsibility Expenses**

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Corporate Social Responsibility Expenses	0.93	29.22
<b>Total</b>	<b>0.93</b>	<b>29.22</b>

**Note No. 32 Disclosure Notes****32.1 Contingent Liabilities:**

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>a) Claims against the group not acknowledged as debts including foreign currency claim towards:</b>			
- Workmen Compensation	7,049.45	7,813.69	13,933.02
- Excise and Custom Duty	680.19	721.69	743.09
- Sales Tax/Purchase Tax Disputed	5,789.92	6,254.96	6,400.18
- Disputed Claims in appeals	465.40	27.32	279.77
- Disputed property tax and other taxes	1,751.38	1,931.08	1,871.16
- Interest claim of suppliers/ claim not provided as per BIFR Order	-	57,129.03	47,622.60
- Resale loss of cotton bales and carrying charges	-	689.95	689.95
- Premium claimed by Government of Maharashtra – New Hind Textile Mills	3,477.62	3,477.62	3,477.62
- Disputed Market fee under appeal (post nationalisation)	278.54	278.54	278.54

Particulars		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
	- Claims by the parties for 11 JVs mills for damages towards loss of profits due to cancellation of JVs	51,362.00	51,362.00	51,362.00
	- Interest on Income tax dues – case pending before BIFR	-	-	13,662.46
	- Others	3,781.81	3,258.47	4,100.17
<b>b)</b>	<b>Guarantees given by Group to Banks/Financial Institutions/ Others</b>	564.31	643.79	1,709.17
<b>c)</b>	<b>Others</b>			
	- Disputed Income Tax Demand	3,721.98	1,309.82	2,188.51
	- Estimated damages and interest on PF & ESI dues (pre nationalisation)	118.44	1,820.02	1,756.76
	- Estimated damages on PF & ESI dues (post nationalisation)	10,288.02	7,648.85	9,016.50
	- Electricity Dues (pre nationalisation/ under litigation)	143.03	101.68	100.44
	- Stamp Duty Liability for the issue of shares for which exemption is available as per BIFR orders	-	-	252.51
	- Liability Towards export obligations	600.78	1,060.32	1,072.29
<b>Total</b>		<b>90,072.87</b>	<b>145,528.83</b>	<b>160,516.74</b>

**32.2 Contingent Assets:**

(₹ in Lakh)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Contingent Assets	Nil	Nil	Nil

**32.3 Commitments:**

Estimated amount of contracts remaining to be executed on capital accounts and not provided for as on reporting periods are as follows:-

(₹ in Lakh)

S. No.	Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
1	Estimated amount of contract remaining to be executed on Capital Account	320.64	609.52	123.93
	<b>Total</b>	<b>320.64</b>	<b>609.52</b>	<b>123.93</b>

**32.4 Payment to the Statutory Auditors**

(₹ in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Audit Fees	41.86	42.61
Tax Audit Fees	12.37	12.21
Other Services	3.15	3.59
Reimbursements	9.25	10.09

Disclosure requirements of Indian Accounting Standards

32.5 Disclosures in respect of Ind AS 107 - Financial Instruments

A. Financial Instruments by Categories

The carrying value and fair value of financial instruments by categories are as follows:

(₹ in Lakh as at March 31, 2017)

Particulars	Amortized cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
<b>Assets:</b>					
Investments in Equity Instruments	-	-	38.26	-	38.26
Cash & Cash Equivalents	29,446.76	-	-	29,446.76	29,446.76
Bank Balances other than Cash and Cash Equivalents	69,582.40	-	-	69,582.40	69,582.40
Trade Receivables	63,944.66	-	-	63,944.66	63,944.66
Loans	5,728.09	-	-	5,728.09	5,728.09
Other Financial Assets	7,989.75	-	-	7,989.75	7,989.75
<b>Liabilities:</b>					
Trade Payables	35,561.16	-	-	35,561.16	35,561.16
Borrowings	69,587.85	-	-	69,587.85	69,587.85
Other Financial Liabilities	41,254.12	-	-	41,254.12	41,254.12

The carrying value and fair value of financial instruments by categories are as follows:

(₹ in Lakh as at March 31, 2016)

Particulars	Amortized cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
<b>Assets:</b>					
Investments in Equity Instruments	-	-	25.42	-	25.42
Cash & Cash Equivalents	12,490.95	-	-	12,490.95	12,490.95
Bank Balances other than Cash and Cash Equivalents	102,978.14	-	-	102,978.14	102,978.14
Trade Receivables	74,269.89	-	-	74,269.89	74,269.89
Loans	5,731.85	-	-	5,731.85	5,731.85
Other Financial Assets	11,372.43	-	-	11,372.43	11,372.43
<b>Liabilities:</b>					
Trade Payables	50,204.28	-	-	50,204.28	50,204.28
Borrowings	64,972.97	-	-	64,972.97	64,972.97
Other Financial Liabilities	34,708.96	-	-	34,708.96	34,708.96

The carrying value and fair value of financial instruments by categories are as follows:

(₹ in Lakh as at April 1, 2015)

Particulars	Amortized cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
<b>Assets:</b>					
Investments in Equity Instruments	-	-	29.23	-	29.23
Cash & Cash Equivalents	19,361.12	-	-	19,361.12	19,361.12
Bank Balances other than Cash and Cash Equivalents	107,227.49	-	-	107,227.49	107,227.49
Trade Receivables	51,130.08	-	-	51,130.08	51,130.08
Loans	7,494.76	-	-	7,494.76	7,494.76
Other Financial Assets	9,804.35	-	-	9,804.35	9,804.35
<b>Liabilities:</b>					
Trade Payables	26,311.01	-	-	26,311.01	26,311.01
Borrowings	60,186.64	-	-	60,186.64	60,186.64
Other Financial Liabilities	31,958.68	-	-	31,958.68	31,958.68

## B. Fair Value Hierarchy

All the financial assets and liabilities for which fair value is measured or disclosed are categorised within the fair value hierarchy described as follows:

- **Level 1** - Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets.
- **Level 2** - Level 2 hierarchy includes financial instruments measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3** - Level 3 hierarchy includes financial instruments measured using inputs that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of financial assets and liabilities measured at fair value:

(₹ in Lakh as at March 31, 2017)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs	Significant unobservable inputs
<b>Financial Assets</b>						
Investment in Equity Instruments - Quoted	31.97	-	-	31.97		Market Price
Investment in Equity Instruments - Unquoted	-	-	18.64	18.64	Cost adopted as best estimated of fair value	
Investments in Government or Trust Securities - Quoted	0.07	0	-	0.07	-	Market Price
Investments in Government or Trust Securities- Unquoted	-	-	0.09	0.09	Cost adopted as best estimated of fair value	-
Others Investments	-	-	2.67	2.67	Cost adopted as best estimated of fair value	
<b>Total</b>	<b>32.04</b>	<b>-</b>	<b>21.40</b>	<b>53.44</b>		

The following table present fair value hierarchy of financial assets and liabilities measured at fair value

(₹ in Lakh as at March 31, 2016)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs	Significant unobservable inputs
<b>Financial Assets</b>						
Investment in Equity Instruments - Quoted	22.42	-	-	22.42		Market Price
Investment in Equity Instruments - Unquoted	-	-	15.35	15.35	Cost adopted as best estimate of fair value	
Investments in Government or Trust Securities - Quoted	0.07	-	-	0.07		Market Price
Investments in Government or Trust Securities- Unquoted	-	-	0.09	0.09	Cost adopted as best estimate of fair value	
Others Investments	-	-	2.67	2.67	Cost adopted as best estimate of fair value	
<b>Total</b>	<b>22.49</b>	<b>-</b>	<b>18.11</b>	<b>40.60</b>		

The following table present fair value hierarchy of financial assets and liabilities measured at fair value

(₹ in Lakh as at Aril 1, 2015)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs	Significant unobservable inputs
<b>Financial Assets</b>						
Investment in Equity Instruments - Quoted	26.22	-	-	26.22		Market Price
Investment in Equity Instruments - Unquoted	-	-	15.35	15.35	Cost adopted as best estimate of fair value	
Investments in Government or Trust Securities - Quoted	0.07	-	-	0.07		Market Price
Investments in Government or Trust Securities - Unquoted	-	-	0.09	0.09	Cost adopted as best estimate of fair value	
Others Investments	-	-	2.67	2.67	Cost adopted as best estimate of fair value	
<b>Total</b>	<b>26.29</b>	<b>-</b>	<b>18.11</b>	<b>44.40</b>		



Financial assets and liabilities which are measured at amortized cost for which fair values are disclosed

(₹ in Lakh as at March 31, 2017)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Loans	-	-	5,728.09	5,728.09
Other financial assets	-	-	7,989.75	7,989.75
<b>Total financial assets</b>	-	-	<b>13,717.84</b>	<b>13,717.84</b>
<b>Financial Liabilities</b>				
Borrowings	-	-	69,587.85	69,587.85
Other financial liabilities	-	-	41,254.12	41,254.12
<b>Total financial liabilities</b>	-	-	<b>110,841.97</b>	<b>110,841.97</b>

Financial assets and liabilities which are measured at amortized cost for which fair values are disclosed

(₹ in Lakh as at March 31, 2016)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Loans	-	-	5,731.85	5,731.85
Other financial assets	-	-	11,372.43	11,372.43
<b>Total financial assets</b>	-	-	<b>17,104.28</b>	<b>17,104.28</b>
<b>Financial Liabilities</b>				
Borrowings	-	-	64,972.97	64,972.97
Other financial liabilities	-	-	34,708.96	34,708.96
<b>Total financial liabilities</b>	-	-	<b>99,681.93</b>	<b>99,681.93</b>

Financial assets and liabilities which are measured at amortized cost for which fair values are disclosed

(₹ in Lakh as at April 1, 2015)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Loans	-	-	7,494.76	7,494.76
Other financial assets	-	-	9,804.35	9,804.35
<b>Total financial assets</b>	-	-	<b>17,299.11</b>	<b>17,299.11</b>
<b>Financial Liabilities</b>				
Borrowings	-	-	60,186.64	60,186.64
Other financial liabilities	-	-	31,958.68	31,958.68
<b>Total financial liabilities</b>	-	-	<b>92,145.32</b>	<b>92,145.32</b>

### C. Financial risk management

#### Financial risk factors

The group's activities expose it to a variety of financial risks: credit risk and liquidity risk. The group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

## a) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables and unbilled revenue. Accordingly, credit risk from trade receivables has been separately evaluated from all other financial assets in the following paragraphs.

### Trade Receivables

The group has outstanding trade receivables amounting to Rs. 63,944.66 Lakh, Rs.74,269.89 Lakh and Rs. 51,130.08 Lakh as of March 31, 2017, March 31, 2016 and April 01, 2015 respectively. Trade receivables are generally unsecured and are derived from revenue earned from customers.

On account of adoption of Ind-AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available credit risk factors such as the group's historical experience for customers.

### Credit risk exposure

An analysis of age of trade receivables at each reporting date is summarized as follows:

(₹ in Lakh)

Particulars	As on March 31, 2017		As on March 31, 2016		As on April 01, 2015	
	Gross	Impairment	Gross	Impairment	Gross	Impairment
Not past due	21,322.23	-	20,583.10	-	20,741.86	-
Past due less than three months	24,546.90	-	28,743.51	-	19,709.62	-
Past due more than three months but not more than six months	12,380.36	-	8,690.29	-	8,425.34	-
Past due more than six months but not more than one year	4,260.81	7.60	13,675.28	-	2,100.40	-
More than one year	2,859.07	1,417.11	3,835.85	1,258.14	1,368.16	1,215.30
<b>Total</b>	<b>65,369.37</b>	<b>1,424.71</b>	<b>75,528.03</b>	<b>1,258.14</b>	<b>52,345.38</b>	<b>1,215.30</b>

Generally trade receivables are impaired after three years when recoverability is considered doubtful based on the Group Trend. The Group considers that all the above financial assets that are not impaired and past due for each reporting dates under review are of good credit quality. *(Not past due are the amounts which are yet to be received and is receivable as due date of invoice has not arrived. In case there is no credit period the date of invoice is the due date.)*

The group does not hold any collateral or other enhancements to cover its credit risks associated with its financial assets.

### Other financial assets

Credit risk relating to cash and cash equivalents is considered negligible since our counterparties are banks which are majorly owned by Government of India and are have oversight of Reserve Bank of India. We consider the credit quality of term deposits with such banks to be good, and we review these banking relationships on an ongoing basis. We consider all the above financial assets as at the reporting dates to be of good credit quality.

**b) Liquidity Risk**

Our liquidity needs are monitored on the basis of yearly projections. The group's principal sources of liquidity are cash and cash equivalents and cash generated from operations.

We manage our liquidity needs by continuously monitoring cash inflows and by maintaining adequate cash and cash equivalents. Net cash requirements are compared to available cash in order to determine any shortfalls.

Short term liquidity requirements consist mainly of Trade payables, expense payables, employee dues arising during the normal course of business as of each reporting date. We maintain a sufficient balance in cash and cash equivalents to meet our short term liquidity requirements.

We assess long term liquidity requirements on a periodical basis and manage them through internal accruals.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities. The table has been drawn up based on the earliest date on which the group can be required to pay the financial liabilities. The table includes both principal & interest cash flows.

(Rupees in Lakh as at March 31, 2017)

Particulars	Upto 6 months	More than 6 months upto 1 year	More than 1 year upto 3 years	More than 3 years upto 5 years	More than 5 years	Total
Trade Payables	26,473.00	575.46	682.67	204.11	7,625.93	35,561.16
Borrowings	67,149.20	-	-	-	2,438.65	69,587.85
Other Financial Liabilities	23,682.52	5,236.73	3,660.96	987.39	7,686.52	41,254.12
<b>Total</b>	<b>117,304.72</b>	<b>5,812.19</b>	<b>4,343.63</b>	<b>1,191.50</b>	<b>17,751.09</b>	<b>146,403.13</b>

(Rupees in Lakh as at March 31, 2016)

Particulars	Upto 6 months	More than 6 months upto 1 year	More than 1 year upto 3 years	More than 3 years upto 5 years	More than 5 years	Total
Trade Payables	37,912.32	1,996.64	2,384.17	349.87	7,561.28	50,204.28
Borrowings	62,534.33	-	-	-	2,438.65	64,972.97
Other Financial Liabilities	17,054.83	5,517.40	4,026.43	665.92	7,444.39	34,708.96
<b>Total</b>	<b>117,501.48</b>	<b>7,514.04</b>	<b>6,410.60</b>	<b>1,015.79</b>	<b>17,444.31</b>	<b>149,886.21</b>

(Rupees in Lakh as at April 1, 2015)

Particulars	Upto 6 months	More than 6 months upto 1 year	More than 1 year upto 3 years	More than 3 years upto 5 years	More than 5 years	Total
Trade Payables	13,643.68	1,447.03	553.96	259.84	10,406.50	26,311.01
Borrowings	57,679.85	-	-	9.40	2,497.40	60,186.64
Other Financial Liabilities	17,408.30	5,329.73	4,369.80	457.46	4,393.39	31,958.68
<b>Total</b>	<b>88,731.83</b>	<b>6,776.76</b>	<b>4,923.76</b>	<b>726.69</b>	<b>17,297.29</b>	<b>118,456.33</b>

## Notes to Consolidated Financial Statements for the year ended March 31, 2017

### 32.6 Disclosure in respect of Indian Accounting Standard (Ind AS)-21 “The Effects of changes in Foreign Exchange Rates”

The amount of exchange differences (net) credited to the Statement of Profit & Loss Rs. 22.64 Lakh (P.Y. Rs. 26.46 Lakh).

### 32.7 Disclosure in respect of Indian Accounting Standard (Ind AS)-36 “Impairment of Assets”

During the year, the Group assessed the impairment loss of assets and is of the opinion that no asset of the group is required for impairment as the recoverable amount is estimated to be higher than the book value.

### 32.8 Disclosure in respect of Indian Accounting Standard (Ind AS)-19 “Employee Benefits”

#### A. General description of various defined employee’s benefits schemes are as under:

##### (i) Provident Fund:

The Group’s contribution paid/payable during the year to Provident Fund Trust/ Regional Provident Fund and the liability is recognized on accrual basis. The group’s Provident Fund Trusts are exempted under Section 17 of Employees’ Provident Fund and Miscellaneous Provisions Act, 1952. The conditions for grant of exemptions stipulate that the employer shall make good deficiency, if any, in the interest rate declared by the Trusts vis-à-vis statutory rate. The group does not anticipate any further obligations in the near foreseeable future having regard to the assets of the funds and return on investment.

##### (ii) Gratuity:

Gratuity is paid to all employees on retirement/separation based on the number of years of service. The disclosure of information as required under Ind AS-19 has been made in accordance with the actuarial valuation.

As per Actuarial Valuation, the estimate for FY 2016-17 towards Provision for Gratuity is Rs. 1,942.73 Lakh. (Rs. 1,559.84 Lakh recognised in Statement of Profit and Loss and Rs. 382.89 Lakh recognised in OCI) and for FY 2015-16 Rs. 1,643.25 Lakh (expense of Rs. 2,682.62 Lakh recognised in Statement of Profit and Loss and gain of Rs. 1,039.37 Lakh recognised in OCI).

##### (iii) Sick Leave:

Employees who are entitled for sick leave on full pay for each calendar year and can be carried forward/ availed till the date of retirement/separation. The liability on this account is recognized on the basis of actuarial valuation.

##### (iv) Leave Encashment:

Payable on separation to eligible employees who have accumulated earned leave. Encashment of accumulated earned leave is also allowed during service to eligible employees. The liability on this account is recognized on the basis of actuarial valuation.

##### (v) LTC:

Provided to eligible employees for the sanctioned tours during employment as per the Companies Policy. The liability on this account is recognized on the basis of actuarial valuation.

**(vi) Terminal Benefits**

Provided to the employees after retirement and may also include relocation expenses if the employee was out stationed from his place of residence. The liability on this account is recognized on the basis of actuarial valuation.

**B. The summarized position of various defined benefits recognized in the Statement of Profit & Loss, Other Comprehensive Income (OCI) and Balance Sheet & other disclosures are as under:**
**(i) Actuarial Assumption:**

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Method used	Projected Unit Credit Method	
Discount rate	7.26%-7.29%	7.99%-8.00%
Rate of salary increase	5.00%-6.00%	5.00%-6.00%
Rate of Employee Turnover	2.00%	2.00%
Mortality rate during Employment	Indian Assured Lives Mortality Rate (2006-2008)	

**(ii) Change in Present Value of Projected Benefit Obligation (Rupees in Lakh)**

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
	Gratuity	
Present value of obligations as at beginning of year	12,427.05	13,232.05
Interest cost	992.77	1,051.95
Current Service Cost	517.90	482.06
Benefits paid	(2,330.56)	(1,299.64)
Past Service Cost	(1.64)	-
Actuarial (gain)/loss on Obligations due to change in financial assumption	377.15	(61.91)
Actuarial (gain)/loss on Obligations due to experience	5.75	(977.46)
Present value of obligations as at end of year	11,988.42	12,427.05

**(iii) Net Interest Cost for the period (Rupees in Lakh)**

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Present Value of Benefit Obligation at the beginning of the period	12,427.05	13,232.05
Fair Value of Plan Assets at the beginning of the Period	-	-
Net Liability / (Assets) at the beginning	12,427.05	13,232.05
Interest Cost	992.77	1,051.95
Net Interest Cost for the Current Period	992.77	1,051.95

(iv) The amounts recognized in the balance sheet

(Rupees in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
	Gratuity	
Present value of obligations as at the end of year	(11,988.42)	(12,427.05)
Fair value of plan assets as at the end of the year	-	-
Funded status - Surplus/(Deficit)	(11,919.13)	(12,378.74)
Net Asset/(liability) recognized in balance sheet	(11,988.42)	(12,427.05)

(v) Expenses Recognized in Statement of Profit and Loss

(Rupees in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
	Gratuity	
Current Service Cost	517.91	482.06
Past Service Cost and Loss(Gain) on curtailments and Settlement	(1.64)	-
Interest cost	992.77	1,051.94
Expenses Recognised	1,509.04	1,534.00

(vi) Amount recognized in Other Comprehensive Income (OCI)

(Rupees in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
	Gratuity	
Actuarial (gain)/loss on Obligation for the period	382.89	(1,039.36)
Net(Income)/Expenses recognised for the period recognised in OCI	382.89	(1,039.36)

(vii) Balance Sheet Reconciliation

(Rupees in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
	Gratuity	
Opening net liability	12,427.05	13,232.05
Expenses recognised in statement of profit and loss	1,509.04	1,534.00
Expenses recognised in Other comprehensive Income	382.89	(1,039.36)
Net liability/ (Assets) Transfer In	-	-
Net liability/ (Assets) Transfer out	-	-
Benefit paid directly by the employer	(2,330.56)	(1,299.64)
Net liability/ (assets) recognised in Balance Sheet	11,988.42	12,427.05

## (viii) Sensitivity Analysis

(Rupees in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
	Gratuity	
Projected Benefit Obligation on Current Assumptions	11,988.42	12,427.05
Delta Effect of +.50% change in Discounting	(322.10)	(465.94)
Delta Effect of -.50% change in Discounting	349.61	516.22
Delta Effect of +.50% change in rate of Salary Increase	355.09	523.85
Delta Effect of -.50% change in rate of Salary Increase	(327.27)	(480.71)
Delta Effect of + .50% change in rate in Rate of Employee Turnover	31.55	67.90
Delta Effect of -.50% change in rate in Rate of Employee Turnover	(33.65)	(75.77)

## (x) Expected Benefit Payments

(Rupees in Lakh)

Year of payment	For the year ended March 31, 2017	For the year ended March 31, 2016
	Gratuity	
First Following Year	2,933.34	2,631.87
Second Following Year	1,002.80	1,381.88
Third Following Year	1,745.79	1,958.22
Fourth Following Year	1,559.60	1,769.65
Fifth Following Year	1,341.38	1,560.49
Sum of 6 to 10 years	3,924.56	4,731.19

## 32.09 Disclosure on Specified Bank Notes (SBNs)

During the year, the Group had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

(Rupees in Lakh)

Particulars	SBN*	Other Denomination Notes	Total
Closing cash in hand as on November 8, 2016	166.59	47.93	214.52
(+) Permitted receipts	4.52	342.77	347.29
(-) Permitted payments	0.96	303.42	304.38
(-) Amount deposited in Banks	170.15	28.44	198.59
Closing cash in hand as on December 30, 2016	-	58.84	58.84

\*For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.



Notes to Consolidated Financial Statements for the year ended March 31, 2017

**32.10 Disclosure in respect of Indian Accounting standard (Ind AS)-108: “Operating Segments”**

Based on the “management approach” as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Group’s performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented for each business segment. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual business segments, and are as set out in the significant accounting policies. The Group has identified two primary business segments i.e. Yarn & Cloth.

Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. The revenue/expenses which are not directly relatable to the Business Segments are shown as unallocated revenue/expenses. Assets & Liabilities that cannot be allocated between the segments are shown as unallocated Assets & Liabilities respectively.

**a) Segment Revenue and Expense**

**Details regarding revenue and expenses attributable to each segment**

Segment assets include all operating assets in respective segments comprising of net fixed assets and current assets, loans and advances etc. Assets relating to corporate and others are included in unallocated segments. Segment liabilities include liabilities and provisions directly attributable to respective segment.

**Segment revenues and results**

**(Rupees in Lakh for the year ended March 31, 2017)**

Particulars	Cloth	Yarn	Others	Unallocated	Sub-total	Elimination	Total
<b>REVENUE</b>							
External Sales	151,868.39	97,337.68	1,239.25	-	250,445.32	-	250,445.32
Other Operating Revenue	-	2,981.77	-	-	2,981.77	-	2,981.77
Revenue from operations	151,868.39	100,319.45	1,239.25	-	253,427.09	-	253,427.09
Other Income	-	-	-	8,145.86	8,145.86	(771.15)	7,374.71
<b>Total Revenue</b>	<b>151,868.39</b>	<b>100,319.45</b>	<b>1,239.25</b>	<b>8,145.86</b>	<b>261572.95</b>	<b>(771.15)</b>	<b>260,801.80</b>
Total Revenue from each segment as a percentage of total revenue of all segment	58.2	38.5	0.5	3.1	100.30	(0.30)	100.00
<b>EXPENSES</b>							
Segment expenses	(145,857.33)	(129,190.46)	(1,682.17)	(10,678.42)	(287,408.39)	0.01	(287,408.38)
<b>Total Expenses</b>	<b>(145,857.33)</b>	<b>(129,190.46)</b>	<b>(1,682.17)</b>	<b>(10,678.42)</b>	<b>(287,408.39)</b>	<b>0.01</b>	<b>(287,408.38)</b>



Particulars	Cloth	Yarn	Others	Unallocated	Sub-total	Elimination	Total
<b>RESULTS</b>							-
Segments results (Profit/Loss)	6,011.05	(28,871.02)	(442.92)	(2,532.56)	(25,835.43)	(771.14)	(26,606.57)
Interest expenses (external)	-	-	-	(13,050.56)	(13,050.56)	-	(13,050.56)
Profit/(loss) before exceptional items and tax	6,011.05	(28,871.02)	(442.92)	(15,583.12)	(38,885.99)	(771.14)	(39,657.13)
Exceptional items	-	-	-	-	140,490.20	-	140,490.20
Tax expenses	-	-	-	-	(1,487.34)	-	(1,487.34)
<b>Net Profit/loss</b>	-	-	-	-	<b>100,116.87</b>	<b>(771.14)</b>	<b>99,345.73</b>

(Rupees in Lakh for the year ended March 31, 2016)

Particulars	Cloth	Yarn	Others	Unallocated	Sub-total	Elimination	Total
<b>REVENUE</b>							
External Sales	140,904.35	91,015.93	2,366.57	-	234,286.85	-	234,286.85
Other Operating Revenue	104.03	2,318.51	-	-	2,422.54	-	2,422.54
Revenue from operations	141,008.38	93,334.44	2,366.57	-	236,709.39	-	236,709.39
Other Income	-	-	-	15,227.01	15,227.01	(749.69)	14,477.32
<b>Total Revenue</b>	<b>141,008.38</b>	<b>93,334.44</b>	<b>2,366.57</b>	<b>15,227.01</b>	<b>251,936.40</b>	<b>(749.69)</b>	<b>251,186.71</b>
Total Revenue from each segment as a percentage of total revenue of all segment	56.14	37.16	0.94	6.06	100.30	(0.30)	100.00
<b>EXPENSES</b>							
Segment expenses	(134,115.89)	(120,661.68)	(2,335.13)	(17,512.51)	(274,625.21)	-	(274,625.21)
<b>Total Expenses</b>	<b>(134,115.89)</b>	<b>(120,661.68)</b>	<b>(2,335.13)</b>	<b>(17,512.51)</b>	<b>(274,625.21)</b>	<b>-</b>	<b>(274,625.21)</b>

Particulars	Cloth	Yarn	Others	Unallocated	Sub-total	Elimination	Total
<b>RESULTS</b>							-
Segments results (Profit/Loss)	6,892.49	(27,327.24)	31.44	(2,285.50)	(22,688.81)	(749.69)	(23,438.50)
Interest expenses (external)	-	-	-	(6,271.20)	(6,271.20)	-	(6,271.20)
Profit/(loss) before exceptional items and tax	6,892.49	(27,327.24)	31.44	(8,556.70)	(28,960.01)	(749.69)	(29,709.70)
Exceptional items	-	-	-	33,362.05	33,362.05	-	33,362.05
Tax expenses	-	-	-	-	(1,951.45)	-	(1,951.45)
<b>Net Profit/loss</b>	-	-	-	-	<b>2,450.59</b>	<b>(749.69)</b>	<b>1,700.90</b>

## b) Segment assets and liabilities

(Rupees in Lakh for the year ended March 31, 2017)

Particulars	Cloth	Yarn	Others	Unallocated	Sub-total	Elimination	Total
<b>SEGMENT ASSETS</b>							
Segment assets	80,140.68	99,775.93	1,291.05	280,701.71	461,909.37	(2,438.26)	459,471.11
<b>Total Assets</b>	<b>80,140.68</b>	<b>99,775.93</b>	<b>1,291.05</b>	<b>280,701.71</b>	<b>461,909.37</b>	<b>(2,438.26)</b>	<b>459,471.11</b>
<b>SEGMENT LIABILITIES</b>							
Segment Liabilities	44,527.70	99,775.93	1,291.05	316,314.69	461,909.37	(2,438.26)	459,471.11
<b>Total Liabilities</b>	<b>44,527.70</b>	<b>99,775.93</b>	<b>1,291.05</b>	<b>316,314.69</b>	<b>461,909.37</b>	<b>(2,438.26)</b>	<b>459,471.11</b>
Capital Expenditure	394.95	733.69	13.73	58.83	58.83	-	58.83
Depreciation/Amortization	2,404.47	10,318.88	15.08	1,136.04	1,136.04	-	1,136.04

(Rupees in Lakh for the year ended March 31, 2016)

Particulars	Cloth	Yarn	Others	Unallocated	Sub-total	Elimination	Total
<b>SEGMENT ASSETS</b>							
Segment assets	88,614.10	114,082.77	8,289.32	156,676.47	367,662.66	(2,437.91)	365,224.75
Inter unit assets	-	-	-	-	-	-	-
Inter sub office assets	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>88,614.10</b>	<b>114,082.77</b>	<b>8,289.32</b>	<b>156,676.47</b>	<b>367,662.66</b>	<b>(2,437.91)</b>	<b>365,224.75</b>
<b>SEGMENT LIABILITIES</b>							
Segment Liabilities	46,705.44	110,738.81	8,346.76	201,871.65	367,662.66	(2,437.91)	365,224.75
<b>Total Liabilities</b>	<b>46,705.44</b>	<b>110,738.81</b>	<b>8,346.76</b>	<b>201,871.65</b>	<b>367,662.66</b>	<b>(2,437.91)</b>	<b>365,224.75</b>
Capital Expenditure	43.37	183.57	1.09	57.90	285.93	-	20.53
Depreciation/Amortization	2,529.74	13,409.14	15.43	791.57	16,745.88	-	89.02



### 32.11 Disclosure in respect of Indian Accounting Standard 24 “Related Parties Disclosures”

#### A Disclosure for Other than Govt. Related Entities

##### a) Subsidiaries

S. No.	Name of Subsidiary	% of Shareholding
1	Aurangabad Textiles & Apparel Parks Ltd.	51
2	New City of Bombay Mfg. Mills Ltd. (SP – Alok Industries Ltd.)	51
3	Apollo Design Apparel Parks Ltd.	51
4	Goldmohur Design & Apparel Parks Ltd.	51
5	India United Textiles Mills Ltd.	51
6	Swadeshi Mining & Manufacturing Limited	97.91

##### b) Associates

S. No.	Associate	% of Shareholding
1	Swadeshi Polytex Limited	33.63

##### c) List of key management personnel

S. No.	Name	Designation
1	Sh. P C Vaish	Chairman & Managing Director
2	Sh. R K Sinha	Director (Human Resource)
3	Dr. Anil Gupta	Director (Finance)
4	Sh. Alokendra Banerjee	Director (Marketing)

##### d) Government and its related entities

- i) Government of India - holds 99.76% of equity shares of the company and exercise control over the company.
- ii) Central Public Sector Enterprises in which Government of India exercise control.

##### e) Compensation of key management personnel

(Rupees in Lakh)

S. No.	Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
1	Short-term benefits	198.43	112.09
2	Post-employment benefits	16.29	13.12
3	Other long-term benefits	63.28	66.93
4	Terminal benefits	-	-
	<b>Total</b>	<b>278.00</b>	<b>192.14</b>

## f) Disclosure for transactions entered with Govt. and Govt. Entities

(Rupees in Lakh as at March 31, 2017)

S. No.	Name of Govt/ Govt. Entities	Nature of relationship with the company	Nature of transaction	Amount	Outstanding Balances	
					Receivable	Payable
1	Govt. of India (GOI)	Majority Owner	Interest on Loan	4,683.75	-	66,700.03
2	Dept. of GOI	Majority Owner	Sales of products	513.16	240.20	513.16
3	CPSEs	Related through GOI	Purchase of goods	25,586.61	0.82	3,535.46
			Sale of Products	84.69	-	-
			Rental Income	414.42	14.05	-

(Rupees in Lakh as at March 31, 2016)

S. No.	Name of Govt/ Govt. Entities	Nature of relationship with the company	Nature of transaction	Amount	Outstanding Balances	
					Receivable	Payable
1	Govt. of India (GOI)	Majority Owner	Interest on Loan	4,683.75	-	62,016.28
2	Dept. of GOI	Majority Owner	Sales of products	1,471.72	449.39	-
3	CPSEs	Related through GOI	Purchase of goods	35,430.65	-	7,494.14
			Sale of Products	20.39	0.63	-
			Rental Income	389.38	14.05	-

## 32.12 Disclosure in respect of Indian Accounting standard (Ind AS) 17 “Leases”

## A) As lessee

a) **Finance leases** : The company does not have any finance lease arrangement during the period.b) **Operating lease**

Future minimum lease payments under non-cancellable operating leases

(Rupees in Lakh)

Particulars	Aa at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Not later than 1 year	1.6	1.6	1.6
Later than 1 year and not later than 5 years	6.4	6.4	6.4
Later than 5 years	7.73	10.13	11.73

Payments recognised as an expense

(Rupees in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Rent Expenses	233.08	202.91

- 
- i) Leasing arrangement: 40 Acres of land is taken on lease by New Minerva Mills, Hassan from Karnataka Industrial Area Development Board, Hassan for 20 years effective from 09.02.2007. The minimum lease payments in the above table, is calculated at an amount of Rs 1.60 lakh per annum for the for the remaining lease period.
- ii) An amount of Rs. 313.85 lakh was paid in 2012-2013 towards upfront fee for land acquired on lease at Achalpur and the same was treated under PPE, considering financial lease. In the absence of renewal clause same has been treated as operating lease on the transition date and necessary adjustments has been made in the books. An amount of Rs. 276.87 lakh has been treated as prepayment towards lease rent as on 31.03.2017 and an amount of Rs. 8.50 lakh (Rs. .36.98 lakh till 31.03.2017) has been charged under rent.

### 32.13 Disclosure in respect of Indian Accounting Standard (Ind AS)-33 “Earnings Per Share(EPS)”

#### a) Basic & Diluted EPS

The earnings and weighted average number of ordinary shares used in the calculation of basic & diluted EPS and basic & diluted EPS is as follows:-

(Rupees in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit (loss) for the year, attributable to the owners of the company	99,345.74	1,700.90
Weighted average number of ordinary shares for the purpose of basic earnings per share	30,621,601	30,621,601
<b>Basic &amp; Diluted EPS</b>	<b>324.43</b>	<b>5.55</b>

### 32.14 Dues to Micro, Small and Medium Enterprises

As at March 31, 2017 and March 31, 2016 the group has dues to micro, small and medium enterprises amounting to Rs. 120.54 lakh and Rs. 132.49 lakh including overdue interest thereon of Rs. 0.01 lakh (Previous Year Rs. 0.12 lakh).

### 32.15 Transition from IGAAP to Ind AS

These financial statements, for the year ended March 31st, 2017, are first financial statements prepared by National Textile Corporation Limited “the Company” in accordance with Ind AS. For years up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance with IGAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended).

Accordingly, the Company has prepared Ind AS compliant financial statements for the year ended March 31st, 2017. In preparing these financial statements, the Company has prepared opening Ind AS balance sheet as at 1st April, 2015 the Company’s date of transition to Ind-AS in accordance with requirement of Ind AS 101, “First time Adoption of Indian Accounting Standards”. The principal adjustments made by the Company in restating its IGAAP financial statements,

including the balance sheet as at 1st April, 2015 and the financial statements as at and for the year ended 31 March 2016 are quantified and explained in detail as Appendix. However the basic approach adopted is again summarized hereunder:

- i) All assets and liabilities have been classified into financial assets/liabilities and non-financial assets/liabilities.
- ii) All non-current financial assets/liabilities at below market rate of interest or zero interest and outstanding as on 1st April, 2015 have been measured at fair value.
- iii) In accordance with Ind AS 101, the resulting adjustments are considered as arising from events and transactions entered before the date of transition and recognized directly in the retained earnings at the date of transition to Ind AS.
- iv) The estimates as at 1 April 2015 and at 31 March 2016 are consistent with those made for the same dates in accordance with IGAAP (after adjustments to reflect any differences in accounting policies).
- v) Ind AS 101 also allows to first time adopter certain exemptions from the retrospective application of certain requirements under Ind AS. Accordingly, the company has availed the following exemptions/mandatory exceptions as per Ind AS 101:
  - a) Deemed Cost for Property, Plant & Equipment and Intangible Assets: The Company has availed exemption under para D7AA of appendix D to Ind AS 101 which permits a first time adopter to continue with the carrying values for its PPE as at date of transition to Ind ASs measured as per previous GAAP.
  - b) Classification & Fair value measurement of financial assets or financial liabilities at initial recognition: The financial assets and financial liabilities have been classified on the basis of facts existing as at the date of transition to Ind AS. In addition, the exemption permits prospective application of requirements of Ind AS 109 to transactions entered into on or after date of transition.
  - c) Impairment of financial assets: The Company has availed exemption under para B8D of Appendix B which permits the first time adopter to apply the impairment requirement of Ind AS 109 prospectively.

### 32.16 Discontinued Operations

'The Company is in the process of restructuring and modernizing the units. In this process some of the unviable units are closed down and the company is in the process of modernizing some units through Joint Ventures. The discontinuing activities do not represent separate major line of business or geographical areas of operations as the Company continues all its activities. As such, company is continuing all activities of operation and hence in the opinion of management Ind AS -105 related to Discontinued Operation is not applicable.'

### 32.17 Group Information

#### i) Subsidiaries and Associates

The group's subsidiaries and associates are set out below. They have share capital consisting solely of equity shares that are held directly by the group and the proportion of ownership interests held equals to the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

S. No.	Name of Subsidiary or associate	Relation with Group	Principal Activity	Place of Incorporation	Ownership held by the group		
					31-Mar-17	31-Mar-16	1-Apr-15
1	Aurangabad Textiles & Apparel Parks Ltd.	Subsidiary	Engaged in manufacturing and trading in textiles.	India	51%	51%	51%
2	New City of Bombay Mfg. Mills Ltd.	Subsidiary	Engaged in manufacturing and trading in textiles.	India	51%	51%	51%
3	Apollo Design Apparel Parks Ltd.	Subsidiary	Engaged in manufacturing and trading in textiles.	India	51%	51%	51%
4	Goldmohur Design & Apparel Parks Ltd.	Subsidiary	Engaged in manufacturing and trading in textiles.	India	51%	51%	51%
5	India United Textiles Mills Ltd.	Subsidiary	Engaged in manufacturing and trading in textiles.	India	51%	51%	51%
6	Swadeshi Mining & Manufacturing Ltd.*	Subsidiary	Others	India	97.91%	97.91%	97.91%
7	Swadeshi Polytex Limited	Associate	Engaged in real estate business	India	33.63%	33.63%	33.63%

(\*) Group is having 17,18,344 shares (97.91%) of Swadeshi Mining & Manufacturing Limited however, the accounts of this subsidiary company could not be consolidated due to non-finanzation of accounts since 1999-2000. The company was under liquidation and the matter is still sub-judice.

#### Quoted Fair Value:

All the above entities except associate entity i.e. Swadeshi Polytex Limited, are unlisted entities hence no quoted price is available for the subsidiaries. The quoted price of share of Swadeshi Polytex Limited is Rs. 14.25 per share as at March 31, 2017 (Rs. 21.00 per share as at March 31, 2016 & Rs. 26.50 per share as at April 1, 2015)

ii) Additional Information relating to Subsidiaries and Associates(As per Schedule III of the Companies Act, 2013)

(Rupees in Lakh)

Name of entity	Net Assets, i.e Total assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comperhensive Income		Share in Total Comperhensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Other Comperhensive Income	Amount	As % of total Comperhensive Income	Amount
National Textile Corporation Ltd.	91.69	241,594.20	98.56	96,544.50	100.41	(377.86)	98.55	96,166.64
Subsidiaries and Associates								
Aurangabad Textiles & Apparel Parks Ltd.	0.64	1,676.31	0.06	58.05	(0.06)	0.23	0.06	58.28
New City of Bombay Mfg. Mills Ltd.	2.81	7,416.35	0.45	437.58	(0.39)	1.46	0.45	439.04
Apollo Design Apparel Parks Ltd.	4.08	10,761.03	0.74	726.12	(0.11)	0.41	0.74	726.53
India United Textiles Mills Ltd.	6.09	16,043.54	0.82	807.46	0.10	(0.36)	0.83	807.10
Goldmohur Design & Apparel Parks Ltd.	3.97	10,459.99	0.67	658.78	(0.34)	1.27	0.68	660.05
Swadeshi Polytex Ltd.	(1.97)	(5,184.03)	0.12	113.26	-	-	0.12	113.26
Less: Non Controlling Interest	(7.32)	(19,274.63)	(1.42)	(1,392.28)	0.39	(1.47)	(1.43)	(1,393.75)
<b>Total</b>	<b>100.00</b>	<b>263,492.77</b>	<b>100.00</b>	<b>97,953.46</b>	<b>100.00</b>	<b>(376.32)</b>	<b>100.00</b>	<b>97,577.14</b>

The specific notes to accounts of NTC Limited are set out in the Company's Standalone financial statements. In respect of subsidiary & associate, the following specific notes to Accounts are disclosed below.

### **32.18 Aurangabad Textiles & Apparel Parks Ltd.**

Out of the total area of land owned by it of 108235.01 sq. mtrs., area under encroachment comes to around 45027.25 sq. mtrs & area under litigation comes to around 11137.96 sq. mtrs. The Company has paid property tax in respect of properties in its possession; however property tax has not been paid for area under encroachment or litigation for last many years. So the Company is contingently liable for property tax in respect of such properties & also for consequences of outcome of pending litigations.

### **32.19 Goldmohur Design & Apparel Parks Ltd.**

The Company has paid stamp duty of Rs.741.95 Lakhs as adjudicated by Collector of Stamps, Maharashtra, Mumbai for registration of lease deed dated 15.11.2007 for leasehold land in the financial year 2010-11 but registration of lease deed is still pending as the holding company yet to appoint its authorized representative to present the document for registration with concerned Sub Registrar. The Company will be able to implement the original business plan as provided under Shareholder's Agreement dated 22.11.2007 only after completion of registration process in respect of the lease deed.

### **32.20 New City of Bombay Mfg. Mills Ltd.**

The capital reserve of Rs. 362.66 lakh represents the amount received from strategic partner (SP0), M/s Alok Industries Ltd. on account of stamp duty paid by the company. As per the share subscription and shareholders agreement between NTC Ltd. and Alok Industries Ltd. (SP) & New City of Bombay Mfg. Mills Ltd., all the Government duties including stamp duty or any other liability payable by the company will be borne by the SP & the SP will bring an additional amount into the company for making such payment which shall be considered as share premium for subscribing to the SP share. However the allotment of the shares to the SP, had been completed in the financial year 2007-08, while the amount of stamp duty got recognized & paid in the financial year 2011-12.

### **32.21 Apollo Design & Apparel Parks Ltd.**

The Company has paid stamp duty of Rs.678.16 Lakhs as adjudicated by Collector of Stamps, Maharashtra, Mumbai for registration of lease deed dated 15.11.2007 for leasehold land in the financial year 2010-11 but registration of lease deed is still pending as the holding company yet to appoint its authorized representative to present the document for registration with concerned Sub Registrar. The Company will be able to implement the original business plan as provided under Shareholders Agreement dated 22.11.2007 only after completion of registration process in respect of the lease deed.

### **32.22 India United Textile Mills Ltd.**

The stamp duty liability on account of the execution of the lease deed entered by company for leasing of land (Mill Land and surplus land) along with building and structure thereon, in view of the fact that in terms of subscription and shareholders agreement, strategic partners are to bear the cost of the stamp duty as additional share premium. But the allotment of shares is completed in the financial year 2007-08 while the amount of stamp duty has been identified/ arrived & confirmed by the Collector of Stamp Duty, Mumbai in the financial year 2010-11 and the same has been paid in FY 2011-12 hence the said amount received from Strategic Partners has been shown as Capital Reserve . The company has filed an application for the registration of the lease deed before the Collector of stamps, Mumbai. The

Company has received a demand notice on 23.02.2011 of Rs. 1759.51 Lakhs on account of stamp duty payable to the Registering Authority with in 60 day from the date of issue of demand notice i.e. from 23.02.2011. The same has been paid by the company on 21.04.2011. The registration is still pending for want of execution from the lessor i.e. from the NTC Ltd. The stamp duty has been capitalized during the financial year 2010-11 and amortization is done w.e.f. FY 2010-11 and same will be amortized for over the remaining period.

## 32.23 Exceptional Items

(Rupees in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>(A) Exceptional Income</b>		
Profit on sale on land	137,962.91	52.94
Profit on sale on other assets	3,275.11	8.38
Debt Written Back	-	2.34
Provision Written Back	178.56	34,058.50
<b>Total (A)</b>	<b>141,416.58</b>	<b>34,122.16</b>
<b>(B) Exceptional Expenses</b>		
Modified Voluntary Retirement Scheme	926.30	671.05
Pre- Nationalisation PF Dues	-	88.02
Loss on sale of Assets	0.08	1.05
<b>Total (B)</b>	<b>926.38</b>	<b>760.12</b>
<b>Net (A-B)</b>	<b>140,490.20</b>	<b>33,362.04</b>

**32.24** Previous period's figures have been restated as per Ind AS and regrouped and rearranged whenever considered necessary.

As per our separate report of even date attached  
For **TIWARI & ASSOCIATES**  
Chartered Accountants  
Firm Registration Number: 002870N

For and on behalf of Board of Directors of  
**National Textile Corporation Limited**  
CIN: U74899DL1968GOI004866

**Sd/-**  
**(Krishan Kumar)**  
Partner  
Membership Number: 085415

**Sd/-**  
**(Pankaj Agarwal)**  
Company Secretary  
PAN: ACZPA4484D

**Sd/-**  
**(Dr. Anil Gupta)**  
Director (Finance)  
DIN: 07319209

Place: New Delhi  
Date: 25.09.2017

**Sd/-**  
**(R.K. Sinha)**  
Director (HR)  
DIN: 3391787

**Sd/-**  
**(P.C. Vaish)**  
Chairman & Managing Director  
DIN: 03440470

**Transition from IGAAP to Ind AS**
**Appendix to Note No. 32.15**

The presentation requirement under the previous GAAP differs from Ind AS and hence, Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The regrouped previous GAAP information is derived from the Financial Statement of the Group prepared in accordance with previous GAAP.

**1. Reconciliation of Balance Sheet as at April 1, 2015**
**(Rupees in Lakh)**

Particulars	Note No.	Balance Sheet as at April 1, 2015		
		Regrouped previous IGAAP	Ind AS Adjustment	Ind AS
<b>ASSETS</b>				
<i>Non-current assets</i>				
Property, Plant and Equipment	(A), (H)	111,344.77	8,256.04	119,600.81
Capital work-in-progress	(A)	1,148.24	(32.10)	1,116.14
Goodwill		14.25	-	14.25
Other Intangible assets	(B)	15.97	(0.99)	14.98
<b>Financial Assets</b>				
- Investments	(C)	3.45	25.78	29.23
- Trade Receivables		-	-	-
- Loans	(D)	10,428.42	(10,427.77)	0.65
- Other Financial Assets	(E)	-	2,767.54	2,767.54
Deferred tax Assets	(F)	760.15	(36.21)	723.94
Other non-current Assets	(G)	3,845.40	7,942.99	11,788.39
<i>Current Assets</i>				
Inventories		33,969.81	(0.19)	33,969.62
<b>Financial Assets</b>				
- Trade Receivables	(H)	51,211.96	(81.88)	51,130.08
- Cash & Cash Equivalents	(I)	126,588.94	(107,227.82)	19,361.12
-Bank Balances other than Cash & Cash Equivalents	(I)	-	107,227.49	107,227.49
-Loans	(J)	12,025.23	(4,531.12)	7,494.11
- Other Financial Assets	(K), (H)	-	7,036.81	7,036.81
Other Current Assets	(K), (H)	13,214.03	(11,123.62)	2,090.41
<b>Total Assets</b>		<b>364,570.62</b>		<b>364,365.57</b>
<b>EQUITY AND LIABILITIES</b>				
<i>Equity</i>				
Equity Share Capital		306,216.01	0.00	306,216.01
Other Equity	(H)	(141,905.08)	(16.17)	(141,921.25)
<b>Equity Attributable to owners</b>		<b>164,310.93</b>	<b>(16.17)</b>	<b>164,294.76</b>
Non Controlling Interest	(H)	18,684.18	121.71	18,805.89
<b>Total Equity</b>		<b>182,995.11</b>	<b>105.54</b>	<b>183,100.65</b>
<i>Liabilities</i>				
<i>Non-current liabilities</i>				
<b>Financial Liabilities</b>				
- Other Financial Liabilities	(L)	-	550.13	550.13
Provisions	(H), (M)	12,919.14	(165.38)	12,753.76
Other non-current liabilities		3,959.20	(643.34)	3,315.86
<i>Current liabilities</i>				
<b>Financial Liabilities</b>				
- Borrowings	(N)	2,854.12	57,332.52	60,186.64
- Trade payables	(H), (O)	30,980.22	(4,669.21)	26,311.01
- Other Financial Liabilities	(H), (P)	-	31,408.55	31,408.55
Other current liabilities	(H), (Q)	95,989.99	(83,726.85)	12,263.14
Provisions	(H), (M)	34,872.84	(30,690.82)	4,182.02
Current Tax Liabilities	(Q)	-	30,293.81	30,293.81
<b>Total liabilities</b>		<b>364,570.62</b>		<b>364,365.57</b>

## 2.

## A. Reconciliation of Balance Sheet as at March 31, 2016

(Rupees in Lakh)

Particulars	Note No.	Balance Sheet as at March 31, 2016		
		IGAAP	Effects of transition to Ind AS	Ind AS
<b>ASSETS</b>				
<i>Non-current assets</i>				
Property, Plant and Equipment	(A), (H)	95,133.44	8,494.73	103,628.17
Capital work-in-progress	(A)	1,068.64	(32.10)	1,036.54
Goodwill		14.25	-	14.25
Other Intangible Assets	(B)	14.09	(0.60)	13.49
<b>Financial Assets</b>				-
- Investments	(C)	3.45	21.97	25.42
- Trade Receivables		-	-	-
- Loans	(D)	1,231.18	(1,231.18)	-
- Other Financial Assets	(E)	-	3,282.25	3,282.25
Deferred tax Assets (Net)	(F)	266.72	(36.18)	230.54
Other non-current Assets	(G)	16,359.44	(1,377.23)	14,982.21
<i>Current Assets</i>				
Inventories		35,709.99	(0.29)	35,709.70
<b>Financial Assets</b>				
- Trade Receivables	(H)	74,296.17	(26.28)	74,269.89
- Cash & Cash Equivalents	(I)	115,489.74	(102,998.79)	12,490.95
- Bank Balances other than Cash & Cash Equivalents	(I)	-	102,978.14	102,978.14
- Loans	(J)	10,465.83	(4,733.98)	5,731.85
- Other Financial Assets	(K), (H)	-	8,090.18	8,090.18
Other Current Assets	(K), (H)	15,250.58	(12,509.41)	2,741.17
<b>Total Assets</b>		<b>365,303.52</b>		<b>365,224.75</b>
<b>EQUITY AND LIABILITIES</b>				
<i>Equity</i>				
Equity Share Capital		306,216.01	0.00	306,216.01
Other Equity	(H)	(140,097.32)	(70.19)	(140,167.51)
<b>Equity Attributable to owners</b>		<b>166,118.69</b>	<b>(70.19)</b>	<b>166,048.50</b>
Non Controlling Interest	(H)	18,646.73	125.89	18,772.62
<b>Total Equity</b>		<b>184,765.42</b>	<b>55.70</b>	<b>184,821.12</b>
<i>Liabilities</i>				
<i>Non-current liabilities</i>				
<b>Financial Liabilities</b>				
- Other Financial Liabilities	(L)	-	545.26	545.26
Provisions	(H), (M)	11,557.77	(31.99)	11,525.78
Other non-current liabilities		3,908.75	(780.40)	3,128.35
<i>Current liabilities</i>				
<b>Financial Liabilities</b>				
(i) Borrowings	(N)	2,956.70	62,016.27	64,972.97
(ii) Trade payables	(H), (O)	58,489.87	(8,285.59)	50,204.28
(iii) Other Financial Liabilities	(H), (P)	-	34,163.70	34,163.70
Other current liabilities	(H), (Q)	98,751.09	(87,452.98)	11,298.11
Provisions	(H), (M)	4,873.92	(404.35)	4,469.57
Current Tax Liabilities	(Q)	-	95.61	95.61
<b>Total liabilities</b>		<b>365,303.52</b>	<b>(93.26)</b>	<b>365,224.75</b>

**B. Reconciliation of Statement of Profit & Loss for the year ended March 31, 2016**
**(Rupees in Lakh)**

Particulars	Note No.	Balance Sheet as at March 31, 2016		
		IGAAP	Effects of transition to Ind AS	Ind AS
<b>Income</b>				
Revenue From Operations	(R)	236,712.25	(2.86)	236,709.39
Other Income		14,465.72	11.60	14,477.32
<b>Total Income</b>		<b>251,177.97</b>	<b>8.74</b>	<b>251,186.71</b>
<b>Expenses</b>				
Cost of material consumed	(S), (H)	65,650.09	(3.60)	65,646.49
Purchase of Stock in Trade	(S), (H)	119,075.60	2.69	119,078.29
Excise Duty	(S)	13.21	(13.21)	-
Changes in inventories of finished goods, stock in trade and work in progress	(S), (H)	(550.71)	0.11	(550.60)
Employees' Benefit Expenses	(S), (H)	31,766.17	1,091.89	32,858.06
Finance Cost	(S), (H)	6,288.92	(17.72)	6,271.20
Depreciation & Amortization Expenses	(S), (H)	16,860.76	(50.44)	16,810.32
Manufacturing, Administrative & Selling Expenses	(S), (H)	40,425.01	328.41	40,753.42
<i>Corporate Social Responsibility Expenses</i>		29.22	-	29.22
Provisions	(S)	252.51	(252.51)	-
<b>Total expenses</b>		<b>279,810.78</b>	<b>1,085.62</b>	<b>280,896.40</b>
<b>Profit/(loss) before exceptional items, extraordinary items and tax</b>		<b>(28,632.81)</b>	<b>(1,076.89)</b>	<b>(29,709.70)</b>
Prior Period Items	(H)	95.34	(95.34)	-
Debts written off	(S)	(0.31)	2.65	2.34
Old Assets written off		-	-	-
Provisions Written Back		34,024.14	34.36	34,058.50
MVRS		(696.26)	25.21	(671.05)
Profit/(Loss) on sale of Assets			60.27	60.27
PF Dues			(88.02)	(88.02)
<b>Profit Before Tax</b>		<b>4,790.10</b>	<b>(1,137.75)</b>	<b>3,652.35</b>
<b>Tax expense</b>				
Current Tax	(U)	1,448.70	5.83	1,454.53
Deferred tax	(F)	493.43	3.48	496.91
<b>Profit/(loss) for the period from continuing operations</b>		<b>2,847.97</b>	<b>(1,147.07)</b>	<b>1,700.90</b>
<b>Profit/(loss) from discontinued operations</b>				
<i>Tax expense of discontinued operations</i>				
<i>Tax adjustment for previous years</i>	(U)	5.84		
<b>Profit/(loss) from discontinued operations after tax</b>		<b>2,842.13</b>	<b>(1,141.23)</b>	<b>1,700.90</b>
<b>II Other Comprehensive Income</b>				
i) Items that will not be reclassified to profit or loss				
Items that will not be reclassified to profit or loss				
-Re-measurement gains/(losses) on defined benefit plans	(T)	-	1,041.65	1,041.65
-Revaluation of assets		-	-	-
-Net (loss)/ gain on FVTOCI equity securities	(C)		(3.81)	(3.81)
Items that will be reclassified to profit or loss				
-Exchange difference on translation of foreign operations		-	-	-
-Net (loss)/ gain on FVTOCI debt securities		-	-	-
Income Tax Effect on above items		-	2.73	2.73
<b>Total Comprehensive Income for the period (I+II)</b>		<b>2,842.13</b>	<b>(100.66)</b>	<b>2,741.47</b>





#### **(H) Other equity**

The difference reflects the adjustment relating to prior period error found and recognized in the year in which it relates and error relating to the year on or before April 01, 2015 have been adjusted to the opening retained earnings. Prior period found in the year 2016-17 relating to the year 2015-16 have been adjusted to the respective head in statement of profit & loss and subsequent liability/assets have been recorded. Fair value of investment have been made through equity instrument through OCI reserve. Reversal of depreciation charged on silver coin as it is classified from Property, Plant & Equipment to other non-current assets.

#### **(I) Cash & Cash Equivalent and Other Bank Balances**

On transition date i.e. April 01, 2015, reclassification is done in cash & cash equivalent as balance with post office, bank deposit maturing less than 12 months and employee security deposit have been regrouped in bank balances other than cash & cash equivalent.

#### **(J) Loans (current)**

Under Indian Accounting Standard, Loans have been classified in Other Current Assets, Other Financial Assets. Loans to Employee have been classified in other current assets as on April 01, 2015 and March 31, 2016.

#### **(K) Other financial assets (current)/ Other current assets**

The difference is on account of reclassification of security deposit, current account with subsidiary companies and other financial deposits to other financial assets. Further, other current assets have been classified as other financial assets as it meet the criteria as prescribed in Ind AS.

#### **(L) Other financial liabilities (non-current)**

On transition date i.e. April 01, 2015, other non-current liabilities and refundable security deposits with company have been classified as other financial liabilities as per Indian Accounting Standard.

#### **(M) Provisions**

The difference reflects retrospective prior period adjustment relating to provision for employee benefits. Adjustment reflects dividend (including corporate dividend tax), declare and approved post reporting period.

#### **(N) Borrowings**

The difference reflects the reclassification of loan from government of India and interest accrued thereof, documentary bill purchased from bank, cash credit from bank, loan from related party from other current liabilities to borrowing.

#### **(O) Trade payable**

The difference reflects reclassification of Trade payable into Other Current liabilities, other current financial liabilities and adjustment relating to prior period errors.



### **(P) Other financial liabilities (current)**

The difference reflects the reclassification of items of other current liabilities, other trade payables which meet the definition of Financial liabilities as per the Indian Accounting Standard 32. The difference also includes the effect of retrospective adjustment of prior period expenses recognized during the subsequent year as per the requirement of Indian Accounting Standard 8.

### **(Q) Other current liabilities**

Indian Accounting Standards prescribes the bifurcation of assets and liabilities into financial and non financial as per the nature of the asset/liability. The difference reflects the reclassification adjustment to and fro from other current liabilities, Trade payables, borrowings and other financial liabilities as per the nature of the liabilities as on the end of reporting period. As per the requirement of Indian Accounting Standard 12 - Income Taxes, current tax liabilities is separately shown in Balance sheet.

### **(R) Revenue from operation/ Other income**

On transition date i.e. April 01, 2015, items of income and expenses pertaining to previous year but recognized in current year were adjusted retrospectively which is reflected by the difference.

### **(S) Expenses**

The difference is on account of adjustment of prior period adjustment for the FY 2015-16 which has been adjusted to the respective head of statement of profit & loss. Excise duty have been reclassified in manufacturing, administrative and selling expenses. Extraordinary items- Others have been reclassified in Exceptional item-debt written off (net). Provisions are reclassified to administrative expenses.

### **(T) Re-measurement gains/(losses) on defined benefit plans**

The difference is on account of actuarial valuation recorded for the year ending March 31, 2016, which has been recognized in other comprehensive income.

### **(U) Tax Expenses**

On transition date, tax expenses for earlier years have been shown along with current year tax expenses.

## DETAIL OF LOANS RECEIVED FROM GOVT. OF INDIA FROM 1994-95 ONWARDS

(₹ In Lacs)

Financial Yr.	LOAN						INTEREST					
	Opening Balance	Loan for the Yr.	Managed Mills	Conversion into equity	Loan Written Off	Closing Balance	Opening Balance	Interest for the Yr.	Interest adjustment	Interest Waived Off	Closing Balance	
1994-1995	2,02,848.47	12,300.00	(25,106.26)			190,042.21	80,637.88	3,154.97	(26,689.06)		57,103.79	
1995-1996	1,90,042.21	23,500.00				213,542.21	57,103.79	655.97			57,759.76	
1996-1997	2,13,542.21	33,300.00				246,842.21	57,759.76	6,133.03			63,892.79	
1997-1998	2,46,842.21	49,964.00				296,806.21	63,892.79	20,834.68			84,727.47	
1998-1999	2,96,806.21	40,800.00				337,606.21	84,727.47	27,032.81			1,11,760.28	
1999-2000	3,37,606.21	49,400.00				387,006.21	1,11,760.28	34,661.05			1,46,421.33	
2000-2001	3,87,006.21	49,400.00				436,406.21	1,46,421.33	45,935.43			1,92,356.76	
2001-2002	4,36,406.21	38,500.00		(2,800.00)		472,106.21	1,92,356.76	55,125.70		(833.41)	2,46,649.05	
2002-2003	4,72,106.21	35,047.00				507,153.21	2,46,649.05	62,244.08			3,08,893.13	
2003-2004	5,07,153.21	32,470.45		(2,51,479.00)		288,144.66	3,08,893.13	46,500.76	(45,291.78)	(1,44,568.00)	1,65,534.11	
2004-2005	2,88,144.66	25,717.00				313,861.66	1,65,534.11	51,152.55			2,16,686.66	
2005-2006	3,13,861.66	26,400.00				340,261.66	2,16,686.66	55,427.51			2,72,114.17	
2006-2007	3,40,261.66	6,250.00				346,511.66	2,72,114.17	60,945.06			3,33,059.23	
2007-2008	3,46,511.66	6,250.00				352,761.66	3,33,059.23	61,977.37			3,95,036.60	
2008-2009	3,52,761.66*	14,500.00			(3,40,261.66)	27,000.00	3,95,293.60**	2,014.78	(1,20,579.85)	(2,72,713.00)	4,015.53	
2009-2010	27,000.00	-				27,000.00	4,015.53	4,069.46			8,084.99	
2010-2011	27,000.00	-				27,000.00	8,084.99	4,157.66			12,242.65	
2011-2012	27,000.00	-				27,000.00	12,242.65	4,334.32			16,576.97	
2012-2013	27,000.00	-				27,000.00	16,576.97	4,476.53			21,053.50	
2013-2014	27,000.00	-				27,000.00	21,053.50	4,595.28			25,648.78	
2014-2015	27,000.00	-				27,000.00	25,648.78	4,683.75			30,332.53	
2015-2016	27,000.00	-				27,000.00	30,332.53	4,683.75			35,016.28	
2016-2017	27,000.00	-				27,000.00	35,016.28	4,683.75			39,700.03	
<b>TOTAL</b>		<b>443,798.45</b>	<b>(25,106.26)</b>	<b>(254,279.00)</b>	<b>(340,261.66)</b>			<b>569,480.25</b>	<b>(192,560.69)</b>	<b>(418,114.41)</b>		

Note: \* Includes Loan of ₹ 175.00 Lacs directly given by GOI to erstwhile NTC (MN) LTD

\*\*Includes Interest of ₹ 257.00 Lacs provided on above loan given to erstwhile NTC (MN) Ltd.



**Form No. MGT-11**

**PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN No.: U74899DL1968PLC004866

Name of the Company: National Textile Corporation Limited

Registered Office: SCOPE Complex, Core-IV, 7, Lodhi Road, New Delhi - 110 003

Name of the Member(s):
Registered address:
E-mail Id:
Folio No./Client Id
DP. Id:

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:....., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 49<sup>th</sup> Annual General Meeting of the Company, to be held on the 15<sup>th</sup> day of December 2017 at 3.00 PM at Registered Office of Company at SCOPE Complex, Core-IV, 7, Lodhi Road, New Delhi - 110 003 and at any adjournment thereof in respect of such resolutions as are indicated below:-

**Resolution No.**

- 1.
- 2.
- 3.
- 4.

Signed this.....day of .....2017.

Signature of shareholder(s)



Signature of Proxy holder(s)

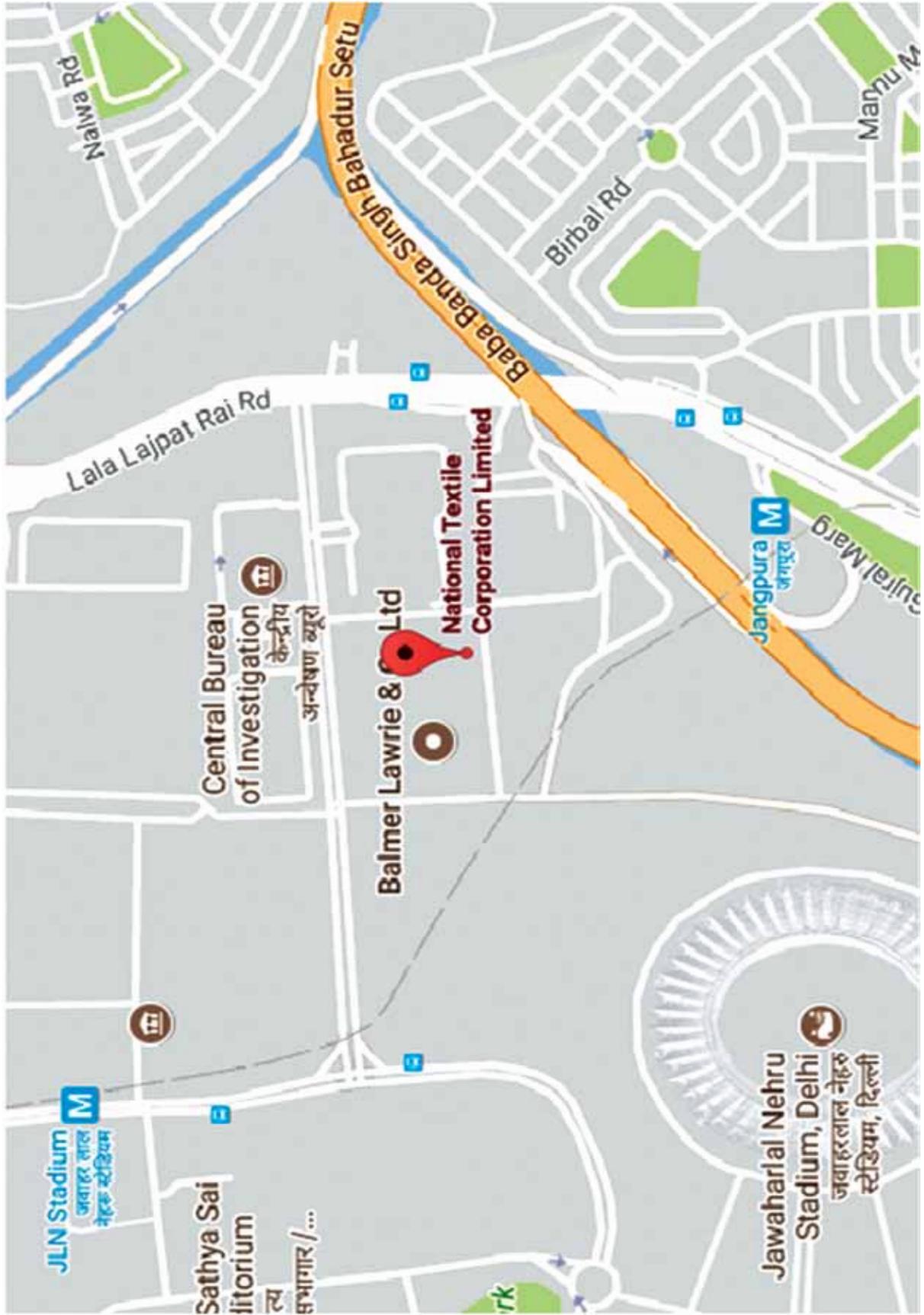
**Notes: 1.** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.





ROUTE MAP OF 49TH ANNUAL GENERAL MEETING

VENUE: SCOPE COMPLEX, CORE – IV, 7, LODHI ROAD, NEW DELHI – 110003





**ATTENDANCE SLIP**

**49<sup>th</sup> Annual General Meeting, Friday, the December 15, 2017 at 3.00 P.M.**

CIN : U74899DL1968GOI004866

Name of the Company: National Textile Corporation Limited

Registered Office: SCOPE Complex, Core-IV, 7, Lodhi Road, New Delhi - 110 003

<b>Regd. Folio No.</b>		<b>* DP ID:</b>	
<b>No. of Equity Shares held</b>		<b>* Client ID:</b>	

<b>Name of the Member</b>	
<b>Name of Proxy</b>	

I/We hereby record my / our presence at the 49th Annual General Meeting of the members of the Corporation held on Friday, the December 15, 2017 at 3:00 P M. at the registered office of the Corporation at SCOPE Complex, Core-IV, 7, Lodhi Road, New Delhi - 110 003.

**SIGNATURE OF THE MEMBER OR THE PROXY ATTENDING THE MEETING**

\_\_\_\_\_  
If Member, Please sign here

\_\_\_\_\_  
If Proxy, Please sign here

*Note:* This form should be signed and handed over at the Meeting Venue.

\* Applicable for investors holding shares in electronic form.





Observance of Vigilance Awareness Week from 30<sup>th</sup> Oct 2017 to 4<sup>th</sup> Nov-17







स्वच्छ भारत पखवाड़ा 15 सितंबर से 2 अक्टूबर 2017 के अवसर पर एनटीसी टीम  
NTC team on the occasion of Swachha Bharat Pakhwada from 15<sup>th</sup> Sep 2017 to 2<sup>nd</sup> Oct 2017



एनटीसी  
NTC

**नेशनल टेक्सटाइल कारपोरेशन लिमिटेड**

भारत सरकार का उपक्रम

कोर-4, स्कोप कॉम्प्लेक्स, 7, लोधी रोड, नई दिल्ली-110003

**National Textile Corporation Limited**

Government of India Undertaking

Core-IV, Scope Complex, 7, Lodhi Road, New Delhi - 110 003