

25th
Annual Report & Accounts
2016-17



VIPPY SPINPRO LTD.

**Vippy Spinpro Ltd.**

Board of Directors	:	Shri Mohan Lal Jain (Chairman of the Board) Shri Piyush Mutha (Managing Director) Shri Praneet Mutha(Director) Shri Mangalore Maruthi Rao(Whole Time Director) Shri Subhash Kocheta(Independent Director) Shri Raghuram Krihnamurthy(Independent Director) Mrs. Deepa Sudhir Mekal(IndependentDirector/Woman Director)
Chief Financial Officer	:	Shri Hassan Ali
Company Secretary	:	Shri Sandeep Nema
Auditors	:	M/s. Sodani & Company Chartered Accountants
Bankers	:	Punjab National Bank
Registered Office	:	414, City Centre, 570, M.G. Road, Indore.-452001 (M.P.) Phone: 0731-2546710
Works Office	:	14-A, Industrial Area A.B Road, Dewas -455001(M.P.) Phone Nos.: 07272-258251/258252/405352 Fax No. 07272-400121
Registrar & Share Transfer Agent	:	Ankit Consultancy Pvt. Ltd. 60, Electronic Complex, Pardeshipura, Indore-452010 (M.P.) Email: ankit_4321@yahoo.com Ph. 0731-2551745-46 Fax. 0731- 4065798

Contents	Page
Notice of AGM	1 - 13
Directors' Report	14 - 39
Management Discussion and Analysis Report	40 - 42
Report on Corporate Governance	43 - 59
Auditors' Report	60 - 65
Balance Sheet	66
Statement of Profit and Loss	67
Cash Flow Statement	68
Notes to Financial Statements	69 - 85



NOTICE

Notice is hereby given that the 25th Annual General Meeting of the Members of the Company will be held on Wednesday, 27th day of September, 2017 at 9.30 a.m. at Hotel Amar Vilas, 1 Chandra Nagar, A.B. Road, Opp. Sony World, Indore - 452010 (M.P.) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statement of the Company for the year ended 31st March, 2017 and Reports of the Board of Directors and Auditors thereon and in this regard, to consider, and if thought fit, to pass, with or without modification(s), if any, the following resolution as an Ordinary Resolution:

“RESOLVED THAT the Audited Financial Statement of the Company for the financial year ended March 31, 2017 and the Reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

2. To appoint a Director in place of Shri Praneet Mutha (DIN-00424250) who retires by rotation and being eligible, offers himself for re-appointment and in this regard to consider, and if thought fit, to pass, with or without modification(s), if any, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of section 152 of the Companies Act, 2013 Shri Praneet Mutha (DIN-00424250), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

3. To appoint Auditors and fix their remuneration and in this regard, to consider, and if thought fit, to pass, with or without modification(s), if any, the following resolution as an Ordinary Resolution:

“RESOLVED THAT subject to the provisions of section 139, 142 and other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s R.S. Bansal & Co., Chartered Accountants (Firm Registration No. 000939C), be and is hereby appointed as Auditors of the Company, in place of retiring Auditors M/s. Sodani & Co., Chartered Accountants (Firm Registration No. 000880C), to hold office for a term of 5 years from the conclusion of this 25th Annual General Meeting (AGM) until the conclusion of the 30th AGM of the Company, subject to ratification by the members every year, as applicable, at such remuneration and out of pocket expenses as may be decided by the Board of Directors of the Company.

SPECIAL BUSINESS

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

“RESOLVED THAT pursuant to the provisions of the section 149, 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mrs. Deepa Sudhir Mekal (DIN: 05222280), who was appointed as an Independent Director as an Additional Director (Woman Director) who holds office upto the date of Annual General Meeting and respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 30th March 2022 and whose office shall not be liable to retire by rotation.”



5. To consider, and if thought fit, to pass, with or without modification(s), if any, the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of section 196, 197,203 and other applicable provisions of the Companies Act,2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V of the Companies Act,2013 and other applicable provisions of the Companies Act, 2013, the consent of the Members be and is hereby accorded for the re-appointment of Shri Mangalore Maruthi Rao (DIN- 00775060), as a Whole Time Director for a period of two (2) years w.e.f 28.10.2016.

“RESOLVED FURTHER THAT Shri Mangalore Maruthi Rao being the Whole Time Director of the Company shall be entitled to get a remuneration of ₹35000/-(Rupees Thirty Five Thousand) per month.

“RESOLVED FURTHER THAT Shri Mangalore Maruthi Rao, Whole Time Director shall not be entitled to get any sitting fee for attending any meeting of the Board of Directors or a committee thereof.

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to increase, reduce, alter or vary the terms of remuneration in such manner from time to time as the Board may deem fit within the limits specified in Schedule V of the said Act, as existing or as amended, modified or re-enacted from time to time.

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and other things ,as they may in their absolute discretion deem necessary expedient usual and proper.”

6. To consider, and if thought fit, to pass, with or without modification(s), if any, the following Resolution as a Special Resolution:

RESOLVED THAT pursuant to the provisions of Section 20 of the Companies Act, 2013 and relevant rules framed thereunder and other applicable provisions, if any, whereby, a document may be served on any member by the Company by sending it to him/her by post, by registered post, by speed post, by electronic mode, or any other modes as may be prescribed, consent of the members be and is hereby accorded to charge from the member such fees in advance equivalent to estimated actual expenses of delivery of the documents delivered through registered post or speed post or by courier service or such other mode of delivery of documents pursuant to any request by the shareholder for delivery of documents, through a particular mode of service mentioned above provided such request along with requisite fees has been duly received by the Company at least 10 days in advance of dispatch of documents by the Company to the shareholder.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors or Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary, proper or desirable to give effect to the resolution.

7. To consider, and if thought fit, to pass, with or without modification(s), if any, the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of section 196, 197,203 and other applicable provisions of the Companies Act,2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V of the Companies Act,2013 , the consent of the Members be and is hereby accorded for the re-appointment of Shri Piyush Mutha (DIN- 00424206), as a Managing Director for a period of two (2) years w.e.f. 01.04.2017 on the terms and conditions of appointment including remuneration as mentioned in the statement annexed hereto.

RESOLVED FURTHER THAT the remuneration as set out in the enclosed statement be paid as minimum remuneration to Shri Piyush Mutha.



RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to increase , reduce, alter or vary the terms of remuneration in such manner from time to time as the board may deem fit .

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors be and is hereby authorised to do all such act, deeds, matters and other things, as they may in their absolute discretion deem necessary expedient usual and proper.”

By Order of the Board
For Vippy Spinpro Ltd.

Sandeep Nema
Company Secretary

Dewas
27th May,2017
CIN: L01710MP1992PLC007043
Registered Office:414, City Centre ,570, M.G. Road,
Indore- 452001 (M.P.)Tele: 0731-2546710
Email: admin@vippyspinpro.com, website: www.vippyspinpro.com

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
2. The instrument appointing proxy should be deposited at the registered office of the Company not less than 48 hours before commencement of the meeting.
3. The register of members and share transfer books will remain closed from Thursday 21st day of September,2017 to Wednesday ,27th day of September, 2017 (both days inclusive) for the purpose of Annual General Meeting.
4. Members/proxies who wish to attend the meeting are requested to bring the attendance slip duly filled and deliver the same at the entrance of the Meeting Hall.
5. Members who hold the shares in dematerialized form are requested to bring details of their DP and client ID number for easier identification and attendance at the meeting.
6. Corporate Members intending to send their authorized representative are requested to send a duly certified copy of Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
7. The route map showing directions to reach the venue of the 25th AGM is annexed.
8. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
9. The Notice of the AGM along with the Annual Report 2016-17 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice and the Annual Report 2016-17 will also be available on the Company's website viz. www.vippyspinpro.com
10. Resolution(s) passed by Members through remote e-voting is/are deemed to have been passed as if they have been passed at the AGM.



11. Mr. Shilpesh Dalal proprietor of the M/s. Shilpesh Dalal & Co., Practicing Company Secretaries appointed as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process in a fair and transparent manner.
12. The Company is providing facility for voting by electronic means and the business set out in the Notice will be transacted through such voting.
13. The facility for voting, either through electronic voting system or polling paper shall also be made available at the AGM and the Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the AGM.
14. Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again. The Members who have cast their vote(s) by using remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
15. Members are requested to notify immediately any change of address to their depository Participant(DPs) in respect of their electronic share accounts and to the Company's Registrar and Share Transfer Agent (RTA), M/s. Ankit Consultancy Pvt. Ltd., 60, Electronic Complex, Pardeshipura, Indore -452010 (M.P.), in respect of their physical share folio, if any.
16. Members are requested to bring their copies of Annual Report at the time of attending the Meeting.
17. The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting and unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make, not later than two days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same and declare the result of voting forthwith.
18. The results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.vippyspinpro.com, CDSL within two days of passing of the Resolutions at the Annual General Meeting of the Company and also be communicated to BSE Limited, where the shares of the Company are listed.
19. The relevant details of the Director seeking appointment /re-appointment (Pursuant to regulation 36 of SEBI(Listing Obligations and Disclosure requirements) Regulation 2015 , are forms part of this Notice.
20. In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, as amended from time to time, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice.

The Company has entered into an arrangement with Central Depository Services Limited for facilitating e-voting for AGM.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Saturday 23rd day of September 2017 at 9.00 a.m. and ends on Tuesday, 26th day of September, 2017 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the Wednesday, 20th day of September 2017 as cut-off date/ (record date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders / Members
- (iv) Now Enter your User ID



- a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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

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



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

By Order of the Board
For Vippy Spinpro Ltd.

Sandeep Nema
Company Secretary

Dewas
27th May, 2017
CIN: L01710MP1992PLC007043
Registered Office: 414, City Centre, 570, M.G. Road,
Indore- 452001 (M.P.) Tele: 0731-2546710
Email: admin@vipspynpro.com, website: www.vipspynpro.com

**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013****Item No.4**

Mrs. Deepa Sudhir Mekal (DIN-05222280) was appointed as a Independent Director as an Additional Director (Woman Director) by the Board w.e.f. 31.03.2017. The Company has received a notice from the shareholder proposing the candidature of Mrs. Deepa Sudhir Mekal (DIN-05222280) to be appointed as a Independent Director under provisions of section 149 and 152 of the Companies Act, 2013.

Except Mrs. Deepa Sudhir Mekal ,none of the Directors/Key Managerial Personnel of the Company/their relatives are in any way, concerned or interested, financially or otherwise in the aforementioned resolution.

The Board of Directors recommends the said resolutions set out at item nos. 4 of the notice for your approval by ordinary resolution.

Item No.5

The tenure of Shri Mangalore Maruthi Rao has expired on 27th October, 2016. The Nomination & Remuneration Committee has considered and recommended to the Board of Directors for re-appointment of Shri Mangalore Maruthi Rao as Whole Time Director w.e.f. 28th October, 2016 for a further period of two years on remuneration of ₹35,000/- per month.

He has practical working experience in various leading textiles mills since 1964. He has in depth experience in cotton industries. The Board of Directors of the Company is of the opinion that under the direction of Shri Mangalore Maruthi Rao, the Company has benefited overall. Hence the Board of Directors decided in their meeting held on 27.10.2016 to re-appoint him as Whole Time Director of the Company w.e.f.28th October, 2016 for further period of two years subject to approval of shareholders.

Except Shri Mangalore Maruthi Rao himself, none other Directors/Key Managerial Personnel of the Company/their relatives are in any way concerned or interested, financially or otherwise in the aforementioned resolution.

The Board of Directors recommends resolution, as set out in item No. 5 of the notice for your approval by special resolution as required in Part I of Schedule V of the Companies Act, 2013 read with section 196 of the Companies Act, 2013, because Shri Mangalore Maruthi Rao has attended the aged 79 years.

Item No.6

As per provisions of section 20 of the Companies Act, 2013, a document may be served on any member by sending it to him by registered post, by speed post, by electronic mode, or any other modes as may be prescribed. Further a member may request the delivery of document through any other mode by paying such fees as maybe determined by the members in the Annual General Meeting.

None of the Directors/Key Managerial Personnel of the Company/their relatives are in any way, concerned or interested, financially or otherwise in the aforementioned resolution.

The Board of Directors recommends the said resolutions set out at item nos. 6 of the notice for your approval by Special resolution.

Item No.7

The Nomination and Remuneration Committee has considered and approved the terms, conditions including remuneration and recommended to the Board of Directors for the re-appointment of Shri Piyush Mutha as a Managing Director for a period of 2 years w.e.f. 01st April, 2017 whose terms has expired on 31.03.2017. The Board of Directors has considered that under his dynamic leadership, initiatives and directions, the Company has benefited in its overall operations since he is managing Director of the Company. He is the key factor behind the overall growth and success of the Company. His devotion, vision and experience are essential for the continuing growth of the Company. The Board of Directors at their meeting held on 30.03.2017 , subject to approval of members in ensuing annual general meeting ,approved his re-appointment as a Managing Director on the following terms and conditions including remuneration :



- I. Basic Salary: ₹ 5,50,000/- (Rupees Five Lacs Fifty Thousands) per month in the scale of ₹ 5,50,000/- ₹1,00,000/- ₹6,50,000/- Annual Increment of ₹ 1,00,000/- per month shall be payable on 1st April each year.
- II. Perquisites & Allowances: subject to ceiling of ₹ 10,00,000/-(Rupees Ten Lacs) per annum.
- Electricity & Water: Expenditure incurred by the Managing Director on Electricity & Water at residence will be provided by the Company.
 - Medical Reimbursement: Reimbursement of medical expenses including insurance premium for medical incurred for self and family.
 - Club Fees: Payment of Club Fees, Subject to a maximum of two clubs excluding life membership fees.
 - Personal Accident Insurance: payment of personal accident insurance premium.
 - Other benefits, perquisites including assignment of insurance policy if any and allowance as specified from time to time as per Company's Rules.
 - Other perquisites excluded from aforesaid limits
 - Telephone: Free Telephone and mobile facility at residence for official use.
 - Car with Driver: Free use of one car with driver for official use.
 - Contribution to provident fund , superannuation fund to the extent not taxable under the Income Tax Act 1961, and Gratuity as per rules of the Company.
 - Encashment of leave at the end of tenure to the extent not taxable under the Income Tax Act 1961.
- III. He shall be entitled to get any loan from the Company as per rules of the Company.

He shall not be entitled to get any sitting fee for attending any meeting of the Board of Directors or a committee thereof.

Shri Piyush Mutha is interested in the resolution set out at item No.7 of the Notice as a Managing Director and also interested to the extent of his shareholding interest in the Company. Shri Praneet Mutha, Director, being relative is interested in the resolution and also interested to the extent of his shareholding interest in the Company .

The Promoter Group, Mrs. Usha Mutha, Mrs. Priti Mutha being relatives of Shri Piyush Mutha, are interested in the resolution to the extent of shareholding interest in the Company.

Save and except the above none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way concerned or interested, financially or otherwise in the aforementioned resolution.

The Board of Directors recommends resolution, as set out in item No. 7 of the notice for your approval by special resolution as required in section II of Part II of Schedule V of the Companies Act, 2013 because the said remuneration exceeds the limits as specified in section II of Part II of Schedule V of the Companies Act,2013.

The statement containing required information as required in section II of Part II of Schedule V of the Companies Act, 2013.

I. GENERAL INFORMATION

- Nature of Industry: The Company is engaged in manufacturing of cotton yarn.
- Date or expected date of commencement of commercial production:
The Company had commenced commercial production on 18th October, 1993.
- In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable
- Financial performance based on given indicators:



(₹ In Lacs)

Financial year ended	March 31,2017	March 31,2016
Income		
Revenue from Operations	9806.89	8775.98
Other Income	140.53	65.31
Total Revenue	9947.42	8841.29
Profit before finance cost, depreciation and amortization , prior period expenditure and tax	689.31	721.03
Less: Finance Costs	36.40	48.94
Less: Depreciation and amortization expenses	186.43	215.35
Less: Prior period expenditure	0.12	0.93
Profit before Tax	466.36	455.81
Less: Tax Expenses	134.76	146.37
Profit for the period	331.60	309.44

5. Foreign Investments or Collaborators if any: N.A.

II. INFORMATION ABOUT THE APPOINTEE

1. Background Details: Shri Piyush Mutha is B.E. and MBA. Shri Piyush Mutha is Director of the Company since 1st April, 1992. He is a Managing Director of the Company since 1st May 2001. He has over 24 years of experience in the industry and business. He is skillfully steering the Company business during his tenure.
2. Past Remuneration :The total remuneration including perquisites paid to Shri Piyush Mutha during the period 01.04.2015 -31.03.2016 and 01.04.2016 -31.03.2017 was ₹ 6176803 & ₹ 6967499 respectively-.
3. Recognition or awards: Nil.
4. Job Profile and his suitability: Shri Piyush Mutha exercises substantial power of management subject to the superintendence, control and direction of the Board of Directors of the Company. He is responsible for the operations and affairs of the Company. He has rich experience in conceptualizing, planning, directing and implementing business decision and translates them in terms of business growth. Under his dynamic leadership, initiatives and directions, the Company has benefited in its overall operations. He is the key factor behind the overall growth and success of the Company. His devotion, vision and experience are essential for continuing growth of the Company. Taking into consideration his qualifications and experience, Shri Piyush Mutha is best suited for the responsibilities assigned to him.
5. Remuneration Proposed: As stated in the statement at item no. 7 of the notice.
6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person: Taking into consideration the size of the Company , the profile of the appointee, the remuneration proposed is commensurate with the remuneration packages paid to similar level appointees in similar cotton yarn companies operating in India.
7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any : Shri Piyush Mutha is one of the promoter of the Company and he is holding 8.89% shares of the Company. Apart from this, he doesn't have any other pecuniary transactions with Company except by way of drawing remuneration during employment with the Company. Shri Piyush Mutha is interested as a Managing Director and also interested to the extent of his shareholding interest in the Company. Shri Praneet Mutha, Director, being relative is interested and also interested to the extent of his shareholding interest in the Company.

The Promoter Group, Mrs. Usha Mutha and Mrs. Priti Mutha being relatives of Shri Piyush Mutha, are interested to the extent of shareholding interest in the Company.

**III. OTHER INFORMATION**

1. Reasons of loss or inadequate profits: external and unexpected circumstances beyond the control of management, viz, global and general economic meltdown, fluctuation in price of raw material, sharp volatility in the prices of textiles products and other factors putting pressure on profits of the Company.
2. Steps taken or proposed to be taken for improvement: Company has taken the following steps for improvement in performance:
 - i) Development of New Export Markets
 - ii) Focus on Value added product
 - iii) Training program for employees
 - iv) Continuous product development and cost reduction

The economic scenario is also continuously improving and the company expects much better performance in the times to come.
3. Expected increase in productivity and profits in measurable terms: With the aforesaid measures taken by the Company and considering the continuously improving economic scenario, the productivity and profitability of the Company is expected to increase in coming years.

IV. DISCLOSURES

The required disclosures have been made in Report on Corporate Governance forms part of Director's Report.

By Order of the Board
For Vippy Spinpro Ltd.

Sandeep Nema
Company Secretary

Dewas
27th May,2017
CIN: L01710MP1992PLC007043
Registered Office:414, City Centre ,570, M.G. Road,
Indore- 452001 (M.P.)Tele: 0731-2546710
Email: admin@vippyspinpro.com, website: www.vippyspinpro.com



Details of the Director seeking appointment/re-appointment in the Annual General Meeting as required under regulation 36 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is as follows:

1.) Shri Praneet Mtuha**Promoter/Non Executive Director**

Name of Director	Shri Praneet Mutha
Director Identification Number	00424250
Date of Birth	11.09.1971
Nationality	Indian
Date of Appointment	19.12.2000
Qualification	M.Com
Expertise in specific functional area	He has vast experience in the field of Finance and Marketing. He has more than 21 years experience in cotton industry and other industries.
Disclosure of relationship between directors inter-se	He is brother of Shri Piyush Mutha, Managing Director of the Company.
Name of other listed companies in which he holds directorship	NIL
Chairmanship/Memberships of Committees of the other listed companies in which he is Director	NIL
Number of Shares held in the Company	521050

2.) Mrs. Deepa Sudhir Mekal**Independent /Woman Director**

Name of Director	Mrs. Deepa Sudhir Mekal
Director Identification Number	05222280
Date of Birth	07.10.1956
Nationality	Indian
Date of Appointment	31.03.2017
Qualification	B.A.
Expertise in specific functional area	She has vast experience over 32 years in public relations.
Disclosure of relationship between directors inter-se	NIL
Name of other listed companies in which she holds directorship	NIL
Chairmanship/Memberships of Committees of the other listed companies in which he is Director	NIL
Number of Shares held in the Company	NIL

**3.) Shri Managalore Maruthi Rao****Whole Time Director**

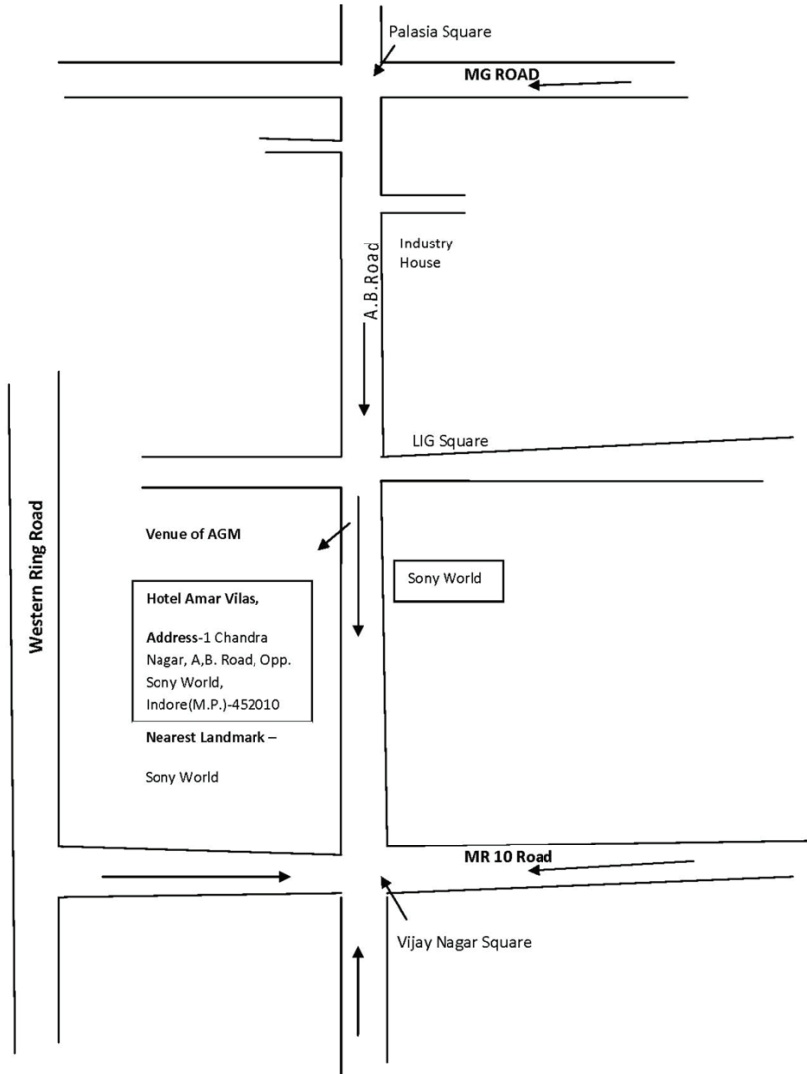
Name of Director	Shri Mangalore Maruthi Rao
Director Identification Number	00775060
Date of Birth	30.01.1938
Nationality	Indian
Date of Appointment	28.10.2002
Qualification	B.Sc. in Textile
Expertise in specific functional area	He has over 53 years practical experience in the area of textiles.
Disclosure of relationship between directors inter-se	NIL
Name of other listed companies in which he holds directorship	NIL
Chairmanship/Memberships of Committees of the other listed companies in which he is Director	NIL
Number of Shares held in the Company	NIL

4.) Shri Piyush Mutha**Promoter/Managing Director**

Name of Director	Shri Piyush Mutha
Director Identification Number	00424206
Date of Birth	23.04.1969
Nationality	Indian
Date of Appointment	01.04.1992
Qualification	BE, MBA.
Expertise in specific functional area	He has over 24 years experience in the cotton industry and business. He has rich experience in conceptualizing, planning, directing and implementing business decision.
Disclosure of relationship between directors inter-se	He is brother of Shri Praneet Mutha, Director of the Company
Name of other listed companies in which the he holds directorship	NIL
Chairmanship/Memberships of Committees of the other listed companies in which he is Director	NIL
Number of Shares held in the Company	521750



Route Map-Venue of 25th Annual General Meeting of the Company



**DIRECTORS' REPORT**

Dear Shareholders,

Your Directors have pleasure in presenting the 25th Annual Report together with the Audited Financial Statement for the year ended 31st March, 2017.

FINANCIAL HIGHLIGHTS

(₹ in Lacs)

Particulars	2016-17	2015-16
Income		
Revenue from Operations	9806.89	8775.98
Other Income	140.53	65.31
Total Revenue	9947.42	8841.29
Profit before finance cost, depreciation & amortization ,prior period expenditure and tax	689.31	721.03
Less: Finance Costs	36.40	48.94
Less: Depreciation and amortization expenses	186.43	215.35
Profit before prior period expenditure and tax	466.48	456.74
Less: prior period Expenditure	0.12	0.93
Profit before Tax	466.36	455.81
Less: Tax Expenses		
Current Tax	147.75	172.10
Deferred Tax(Assets)/Liabilities	(12.99)	(25.73)
Profit for the year	331.60	309.44
Earning per equity share		
Basic	5.65	5.27
Diluted	5.65	5.27

PERFORMANCE REVIEW & COMPANY AFFAIRS

During the year under review, the turnover of the Company increased by 12.51% in comparison to previous year. The Company's revenue for the year under review amounted to ₹ 9947.42 Lacs as compared to ₹ 8841.29 Lacs of the previous year. The Profit before Tax for the year under review amounted to ₹ 466.36 Lacs as compared to ₹ 455.81 Lacs of the previous year and registered growth by 2.31%. The Profit after Tax for the year under review amounted to ₹ 331.60 Lacs as compared to ₹ 309.44 Lacs for the previous year and registered growth by 7.16%. The Company is engaged in the manufacturing of cotton yarn for different applications by Rotor Spinning. The Company is also engaged in generation of power through Wind Mill for captive consumption.

RESERVES

There is no amount proposed to be carried to any Reserve.

DIVIDEND

With a view of conserving resources, your Directors do not recommended any dividend for the year under review.

LISTING OF THE SHARES

The Equity Shares of the Company are presently listed with Bombay Stock Exchange Ltd. (BSE). Further the Company has paid listing fees to Bombay Stock Exchange Ltd. for the year 2017-2018.

**DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of provisions of section 134(3) (c) read with section 134(5) of the Companies Act, 2013, your Directors state that:

- in the preparation of the annual accounts for the year ended 31st March ,2017, the applicable accounting standards have been followed and there are no material departures from the same;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March,2017 and of the profit of the Company for the year ended on that date ;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts on a going concern basis;
- the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DIRECTORS & KEY MANAGERIAL PERSONNEL

Shri Mangalore Maruthi Rao (DIN: 00775060) was re-appointed as Whole Time Director of the Company for a period of 2 years w.e.f.28.10.2016.

During the year under review, Ms. Sanju Patel , Company Secretary & CFO has resigned from the post of Company Secretary & CFO w.e.f. 01.11.2016.

During the year under review, Mr. Sandeep Nema appointed as Company Secretary w.e.f. 23.01.2017 .Mrs. Deepa Mekal , Woman Director has resigned from Directorship of the Company w.e.f. 15.02.2017.Mr. Hassan Ali appointed as Chief Financial Officer of the Company w.e.f. 15.02.2017.

Mrs. Deepa Sudhir Mekal (DIN-05222280) is appointed as Independent Director/Woman Director of the Company w.e.f. 31.03.2017 subject to approval of Shareholders at ensuing Annual General Meeting not liable to retire by rotation. A notice has been received along with deposit of requisite amount from a member proposing Mrs. Deepa Sudhir Mekal as a candidate for the office of Director of the Company.

In accordance with the provisions of section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Shri Praneet Mutha (DIN: 00424250) , retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for his re-appointment .The Board recommends his re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting. A Notice has been received alongwith deposit of requisite amount from a member proposing Shri Praneet Mutha as a candidature to re-appointment him as Director.

Pursuant to the provisions of section 203 of the Act, the key managerial personnel of the Company as on date are – Shri Piyush Mutha, Managing Director,Shri Mangalore Maruthi Rao, Whole Time Director, Mr. Sandeep Nema,Company Secretary, and Mr. Hassan Ali Chief Financial Officer .

DECLARATION BY INDEPENDENT DIRECTORS

The Company had received declaration from all the Independent Directors of the Company confirming that they meet criteria of independence as prescribed under section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**BOARD EVALUATION**

Pursuant to the provisions of Companies Act,2013 and SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out performance evaluation of its own, the Board Committees and of the Independent Directors. Independent Directors at a separate meeting evaluated performance of the Non Independent Directors, Board as whole .The manner in which the evaluation has been carried out has been detailed in Report on Corporate Governance.

INSURANCE

Assets of the Company are adequately insured.

SUBSIDIARIES, ASSOCIATE & JOINT VENTURE COMPANIES

Company does not have any subsidiaries, associates Companies & joint venture companies.

RELATED PARTY TRANSACTIONS

There were no contracts or arrangements entered into by the Company in accordance with provisions of section 188 of the Companies Act, 2013 except payment of remuneration to Managing Director & Whole Time Director during the year. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company except payment of remuneration to Managing Director & Whole Time Director during the year. The Company had adopted a policy on Related Party Transactions & the same is displayed on the website of the Company, weblink: <http://www.vippyspinpro.com/Related-Party-Transaction-Policy.pdf>.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. All the transactions are properly authorized and recorded. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The Internal Audit is conducted by outside auditing firms which evaluate the functioning and quality of internal controls and check; and provides assurance of its adequacy and effectiveness. The Internal Audit Reports are actively reviews by the Audit Committee and adequate remedial measures, if any, are taken and in time. The Internal Audit Reports are also reviews by the Board of Directors periodically. During the year, there are no reportable material weaknesses in the design or operation were observed.

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The Company had adopted Risk Management Policy to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues. The common risks inter alia are: Company Assets and Property, Employees, Foreign Currency Risks, Operational Risks, Non-compliance of statutory enactments, Competition Risks, Contractual Risks, and Volatility in prices of Raw Material.

The management is however , of the view that none of the above risks may threaten the existence of the Company as robust Risk mitigation mechanism is put in place to ensure that there is nil or minimum impact on the Company in case of any of these risks materialize. The risk management framework is reviewed periodically by the Board and Audit Committee.The details of risks and other concerns are included in the Management Discussion and Analysis which is the part of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015,Management Discussion and Analysis Report is appended to and forms part of this Report.

**CORPORATE GOVERNANCE**

Your Company has always strived to maintain appropriate standards of good corporate governance. The Report on Corporate Governance as stipulated under Regulation 34 (3) of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Report. The requisite certificate from Company Secretary in Practice confirming compliance of the conditions of corporate governance is attached to report on corporate governance.

DISCLOSURES**Particulars of Loan given, Investments made, Guarantee given and Securities provided under section 186 of Companies Act, 2013**

During the year ,Company has not given any Loans, Guarantees or has acquired any security covered under the provisions of the Section 186 of the Companies Act,2013.

Conservation of Energy, Technical Absorption and Foreign Exchange Earning & Outgo

The Particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo as required to be disclosed under section 134 (3)(m)the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014, are provided in Annexure -I-to this Report.

Extract of Annual Return

Extract of Annual Return in Form MGT-9 as provided under section 92(3) of the Companies Act, 2013 is annexed herewith as Annexure -II- to this Report.

Meeting of Directors

During the year under review, our Board met nine (9) times. The details of the number of meetings of the board during the year forms part of the Report on Corporate Governance. During the year under review One (1) Board meeting of Independent Directors was held.

Committees of the Board

The Board of Directors has the following committees:

1. Audit Committee
2. Stakeholders Relationship Committee
3. Nomination & Remuneration Committee

The details of the committees along with their composition, number of the meetings and attendance at the meetings are provided in the Report on Corporate Governance.

Remuneration Policy

The Company has a Remuneration policy of the Company for Directors, Key Managerial Personnel & other employee's .The Remuneration Policy is annexed herewith as Annexure-III to this Report.

Vigil Mechanism / Whistle Blower Policy

The Company has a Whistle Blower Policy to report genuine concerns or grievances .This policy may be accessed on the Company's website, Weblink: <http://www.vippyspinpro.com/Whistle-Blower-Policy.pdf> .

Particulars of employees and related disclosures

The information in accordance with the provisions of section 197(12) of the Companies Act,2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014 is annexed herewith as Annexure -IV- to this Report.

CORPORATE SOCIAL RESPONSIBILITY

The Company does not fall under requirement of the section 135 of the Companies Act, 2013 and therefore during the year under review, Company did not carry out any CSR activities as specified under section 135 of the Companies Act, 2013, read with schedule VII of the Act.

**AUDITORS & AUDITORS' REPORT****Statutory Auditors**

Pursuant to the provisions of Section 139 and other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the term of office of the M/s. Sodani & Co., Chartered Accountants (Firm Registration No.000880C) as Statutory Auditors of the Company will conclude from the close of ensuing Annual General Meeting of the Company. The Board of Directors place on record its appreciation to the services rendered by M/s. Sodani & Co., as Statutory Auditors.

Subject to approval of the shareholders, the Board of Directors of the Company has recommended the appointment of M/s.R.S. Bansal & Co., Chartered Accountants (Firm Registration No.000939C) as Statutory Auditors of the Company pursuant to section 139 of the Companies Act, 2013 for a period of 5 years commencing from the conclusion of 25th AGM till the conclusion of the 30th AGM, subject to ratification by shareholders every year, as may be applicable.

M/s.R.S. Bansal & Co., Chartered Accountants (Firm Registration No.000939C) have consented to the said appointment, and confirmed that their appointment, if made would be within the limits specified under section 141 of the Act and they are not disqualified to be appointed as statutory auditors in terms of the provisions of the Companies Act, 2013 read with the provisions of Companies (Audit and Auditors) Rules, 2014.

There being no qualification, reservation or adverse remark in the Auditors' Report, no explanation on part of the Board of Directors is called for.

Secretarial Auditor

The Board appointed M/s Shilpesh Dalal & Co. Practicing Company Secretaries, to conduct Secretarial Audit for the year 2017-18.

The Secretarial Audit Report for the financial year ended 31.03.2017, is annexed herewith as Annexure-V. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark and no explanation on part of the Board of Directors is called for.

Internal Auditor

Pursuant to the provisions of section 138 of the Companies Act, 2013 read with rule 13 of the Companies (Accounts) Rules, 2014, Sri. R.K. Saklecha & Associates, Chartered Accountants was appointed as an Internal Auditor of the Company for the financial year 2017-18.

PREVENTION OF SEXUAL HARASSMENT POLICY

The Company has a Prevention of Sexual Harassment Policy in force in terms of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The objective of this policy is to ensure a safe, secure and friendly work environment where employees will deliver their best without any inhibition, threat of fear. During the year under review, there no complaints were complaint filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

HUMAN RESOURCES

The Company believes that employee plays a pivotal role in achieving a competitive advantage. The Company provides them an environment, where each employee is motivated to contribute his best to achieve the Companies objective. The focus of all aspects of Human Resource Development is on developing a superior workforce so that the organization and individual employee can accomplish their work goals of service to customers. The Company has a progressive HR policy for helping employees to develop their organization skills, knowledge and abilities to achieve greater efficiency. The Industrial Relations of the Company with its personnel has continued to be cordial and friendly during the year. The Company has 101 permanent employees on the rolls of the Company as on 31.03.2017.

**COMPANY POLICY FOR PROMOTION OF EMPLOYMENT OF YOUTH COMING FROM THE UNDER-PRIVILEGED/DISADVANTAGED SECTION OF THE SOCIETY**

The people are recruited in the Company on the basis of their qualification/eligibility and merits without any discrimination against their gender, religion, caste, colour, ancestry, marital status, nationality and disability, and among equally qualified individuals, preference are given to people from the disadvantaged groups.

The Company also conducts training programme from time to time for up-skilling, training of employees from socially disadvantaged sections of society.

ENVIRONMENT & SOCIAL CONCERN

Your Company is committed to build business with save energy and save environment. In line of this, the Company had set up the wind mill that generates electricity and contributed to displace emissions from the nation's coal-fired power plants and eliminates the nation's major source of acid rain, reduce total emissions of CO₂.

Your Company is committed to the sustainable use of all natural resources and minimizes waste at source and recycle where possible. Considering the scarcity of natural resources, the Company continue to maintain "Rain Water Harvesting System" at the factory premises at Dewas. The 8040 sq meters of roof area has been covered under the rain water harvesting and approx 7288 cubic meters of water has been collected at factory premises at Dewas, resulting in saving water and recharging the five bore wells consequently.

In memory of founder Late Shri Prakash Mutha, during the year, Company has involved in inspirable activities in the area around the plant situated at Dewas such as giving awards to meritorious students and distribute bicycle, School Dress, School Bags, School Books & Education Material. Total 32 Students got such benefit during the year.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments, affecting the financial position of the Company which has occurred between the end of the financial year of the Company i.e. 31st March, 2017 and the date of the Directors' report i.e. 27th May 2017.

GENERAL

Yours Directors state that no disclosures or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

-details relating to deposits covered under chapter V of the companies Act,2013

-Issue of shares during the year

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

ACKNOWLEDGEMENTS

The Board of Directors of the Company wish to place on record their thanks and appreciation for co-operations and support received from to all employees, customers, dealers, suppliers, banks, shareholders and other business associates during the year under review.

For and on behalf of the Board of Directors

**Place: Dewas
27th May 2017**

**Piyush Mutha
Managing Director
(DIN-00424206)**

**Mohan Lal Jain
Director
(DIN:00395584)**

**Annexure-I****Details of conservation of energy, technology absorption, foreign exchange earnings and outgo****(a) Conservation of energy**

(i)	the steps taken or impact on conservation of energy	Power Panel prepared and installed in humidification plant no.1 with 9 frequency drivers to regulate/reduce supply air and washer pump motor RPM to utilize outside weather conditions-100 units saving/day.
(ii)	the steps taken by the company for utilizing alternate sources of energy	NIL
(iii)	the capital investment on energy conservation equipments	NIL

(b) Technology absorption

(i)	the efforts made towards technology absorption	NIL
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	NIL
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	
	(a) the details of technology imported	NIL
	(b) the year of import;	NIL
	(c) whether the technology been fully absorbed	NIL
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	NIL
(iv)	the expenditure incurred on Research and Development	NIL

(c) Foreign exchange earning and Outgo

Particulars	Year ended 31.03.2017(₹ in lacs)
Foreign exchange earned in terms of Actual inflows (FOB) basis	837.02
Foreign exchange outgo in terms of Actual outflows (FOB) basis	38.15

For and on behalf of the Board of Directors

Place: Dewas
27th May 2017

Piyush Mutha
Managing Director
(DIN-00424206)

Mohan Lal Jain
Director
(DIN:00395584)



Annexure-II

FORM MGT-9
EXTRACT OF ANNUAL RETURN
as on 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

I. REGISTRATION AND OTHER DETAILS		
i)	CIN	L01710MP1992PLC007043
ii)	Registration Date	01.04.1992
iii)	Name of the Company	Vippy Spinpro Limited
iv)	Category/Sub-category of the Company	Company limited by Shares/Non govt.Company /Public Company
v)	Address of the Registered office & contact details	414,City Centre,570, M.G Road, Indore-452001 (M.P.), Phone: 0731-2546710
vi)	Whether listed company	Yes
vii)	Name , Address & contact details of the Registrar & Transfer Agent	Ankit Consultancy Pvt. Ltd. 60, Electronic Complex, Pardeshipura, Indore -452010 (M.P.) Ph.0731- 2551745-46 Fax.0731- 4065798
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	As per Attachment A
III. PARTICULARS OF HOLDING ,SUBSIDIARY & ASSOCIATES COMPANIES		
		NA.
IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)		
i)	Category -wise Shareholding	As per Attachment B
ii)	Shareholding of Promoters	As per Attachment C
iii)	Change in Promoters Shareholding	As per Attachment D
iv)	Shareholding Pattern of top ten Shareholders(other than Directors, Promoters and Holders of GDRs and ADRs)	As per Attachment E
v)	Shareholding of Directors and Key Managerial Personnel	As per Attachment F
V. INDEBTEDNESS		
	Indebtedness of the Company including interest outstanding/accrued but not due for payment	As per Attachment G
VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL		
A.	Remuneration to Managing Director, Whole-time Directors and/ or Manager	As per Attachment H
B.	Remuneration to other Directors	As per Attachment I
C.	Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD	As per Attachment J
VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES		
		As per Attachment K

**Attachment A****II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the Company are given below:

SI No	Name & Description of main products/services	NIC Code of the Product / service	% to total turnover of the company
1.	Cotton Yarn	13111	100%

Attachment B**IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as percentage of Total Equity)****(i) Category- wise Shareholding**

Category of Shareholders	No. of Shares held at the beginning of the year (As on 1.04.2016)				No. of Shares held at the end of the year (As on 31.03.2017)			% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual/HUF	3083032	0	3083032	52.52	3106922	5300	3112222	53.02	0.50
(b) Central Govt	0	0	0	0	0	0	0	0	0
(c) State Govt(s)	0	0	0	0	0	0	0	0	0
(d) Bodies Corp.	102062	0	102062	1.74	102062	0	102062	1.74	0
(e) Bank/FI	0	0	0	0	0	0	0	0	0
(f) Any other	0	0	0	0	0	0	0	0	0
Sub Total (A) (1):-	3185094	0	3185094	54.26	3208984	5300	3214284	54.76	0.50
(2) Foreign	0	0	0	0	0	0	0	0	0
a) NRIs- Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub Total (A) (2):-	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	3185094	0	3185094	54.26	3208984	5300	3214284	54.76	0.50
B. Public Shareholding									
(1) Institutions									
(a) Mutual Funds	0	3800	3800	0.06	0	3800	3800	0.06	0
(b) Banks/FI	0	0	0	0	0	0	0	0	0
(c) Central Govt	0	0	0	0	0	0	0	0	0
(d) State Govt(s)	0	0	0	0	0	0	0	0	0



Category of Shareholders	No. of Shares held at the beginning of the year (As on 1.04.2016)				No. of Shares held at the end of the year (As on 31.03.2017)			% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
(f) Insurance Companies	0	0	0	0	0	0	0	0	0
(g) FIIs	0	0	0	0	0	0	0	0	0
(h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
(i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub Total (B)(1):-	0	3800	3800	0.06	0	3800	3800	0.06	0
(2) Non Institutions									
(a) Bodies corp.									
(i) Indian	77076	13100	90176	1.54	63838	13100	76938	1.31	-0.23
(ii) Overseas	0	0	0	0	0	0	0	0	0.00
(b) Individuals	0	0	0	0	0	0	0	0	0.00
(i) Individual shareholders holding nominal share capital upto Rs.1 lacs	932255	930770	1863025	31.74	923113	904670	1827783	31.14	-0.60
(ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lacs	421599	87800	509399	8.68	431972	87800	519772	8.86	0.18
(c) Others									
(i) NRI	32203	186300	218503	3.72	39265	185700	224965	3.83	0.11
(ii) Clearing Member	3	0	3	0	2458	0	2458	0.04	0.04
Sub Total (B)(2):-	1463136	1217970	2681106	45.67	1460646	1191270	2651916	45.17	-0.50
Total Public Shareholding (B)= (B)(1)+(B)(2)	1463136	1221770	2684906	45.74	1460646	1195070	2655716	45.24	-0.50
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	4648230	1221770	5870000	100	4669630	1200370	5870000	100	0



Attachment C

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

(ii) Shareholding of Promoters

Sl No.	Shareholders Name	Shareholding at the beginning of the year(As on 01.04.2016)			Shareholding at the end of the year(As on 31.03.2017)			% 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	Usha Mutha	681768	11.61	0.00	681768	11.61	0.00	0.00
2	Sunita Mutha	468400	7.98	0.00	468400	7.98	0.00	0.00
3	Chandrakala Mutha	259550	4.42	0.00	259550	4.42	0.00	0.00
4	Praneet Mutha	521050	8.88	0.00	521050	8.88	0.00	0.00
5	Piyush Mutha	521750	8.89	0.00	521750	8.89	0.00	0.00
6	Sungem Impex Pvt. Ltd	102062	1.74	0.00	102062	1.74	0.00	0.00
7	Priti Mutha	101496	1.73	0.00	106796	1.82	0.00	0.09
8	Piyush Mutha HUF	104491	1.78	0.00	104491	1.78	0.00	0.00
9	Vimal Chand Manmal Mutha HUF	93285	1.58	0.00	117175	1.99	0.00	0.41
10	Rahul Mutha HUF	331242	5.64	0.00	331242	5.64	0.00	0.00
	Total	3185094	54.26	0.00	3214284	54.76	0.00	0.50

Attachment D

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

(iii) Change in Promoters' Shareholding

Sl No.	Name	Shareholding at the beginning(As on 01.04.2016)/ end of the year(31/03/2017)		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No of shares	% of total Shares of the company				No of shares	% of total Shares of the company
1.	Priti Mutha	101496	1.73	01.04.2016				
				30.03.2017	5300	Purchase	106796	1.82
				31.03.2017			106796	1.82
2.	Vimal Chand Manmal Mutha HUF	93285	1.58	01.04.2016				
				07.03.2017	600	Purchase	93885	1.59
				08.03.2017	248		94133	1.60
				09.03.2017	1345		95478	1.63
				10.03.2017	2175		97653	1.66
				14.03.2017	1660		99313	1.69
				15.03.2017	7196		106509	1.81
				16.03.2017	156		106665	1.82
				17.03.2017	2360		109025	1.86
				20.03.2017	4940		113965	1.94
				21.03.2017	3210		117175	1.99
		117175	1.99	31.03.2017			117175	1.99



Attachment E

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

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

Sl No.	Name	Shareholding at the beginning(01.04.2016)/ end of the year(31.03.2017)		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No of Shares	% of total Shares of the company				No of shares	% of total Shares of the company
1	Mahendra Girdharilal	170211	2.90	01.04.2016		Nil movement during the year		
		170211	2.90	31.03.2017			170211	2.90
2	Subramanian P	78370	1.34	01.04.2016				
				22.04.2016	3870	Purchase	82240	1.40
				30.06.2016	450	Purchase	82690	1.41
				08.07.2016	2700	Purchase	85390	1.45
				02.12.2016	3060	Purchase	88450	1.51
				16.12.2016	2250	Purchase	90700	1.55
				27.01.2017	1350	Purchase	92050	1.57
				03.03.2017	803	Purchase	92853	1.58
				24.03.2017	2437	Purchase	95290	1.62
		95290	1.62	31.03.2017			95290	1.62
3	Sachin Suresh Dhoot	58483	1.00	01.04.2016				
				08.04.2016	1322	Purchase	59805	1.02
				22.04.2016	739	Purchase	60544	1.03
				29.04.2016	1838	Purchase	62382	1.06
				27.05.2016	-18943	Sale	43439	0.74
				24.06.2016	2151	Purchase	45590	0.78
				30.06.2016	1500	Purchase	47090	0.80
				08.07.2016	-27321	Sale	19769	0.34
				05.08.2016	6335	Purchase	26104	0.44
				12.08.2016	2415	Purchase	28519	0.49
				19.08.2016	840	Purchase	29359	0.50
				26.08.2016	1927	Purchase	31286	0.53
				02.09.2016	5952	Purchase	37238	0.63
				09.09.2016	30	Purchase	37268	0.63
				23.09.2016	-119	Sale	37149	0.63
				30.09.2016	-2492	Sale	34657	0.59
				07.10.2016	532	Purchase	35189	0.60
				21.10.2016	902	Purchase	36091	0.61



Sl No.	Name	Shareholding at the beginning(01.04.2016)/ end of the year(31.03.2017)		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No of Shares	% of total Shares of the company				No of shares	% of total Shares of the company
				28.10.2016	18520	Purchase	54611	0.93
				04.11.2016	11661	Purchase	66272	1.13
				11.11.2016	6935	Purchase	73207	1.25
				18.11.2016	-3604	Sale	69603	1.19
				25.11.2016	12981	Purchase	82584	1.41
				02.12.2016	-909	Sale	81675	1.39
				23.12.2016	1247	Purchase	82922	1.41
				17.02.2017	75	Purchase	82997	1.41
				24.02.2017	436	Purchase	83433	1.42
		83433	1.42	31.03.2017			83433	1.42
4	Usha Jain	52800	0.90	01.04.2016		Nil movement during the year		
		52800	0.90	31.03.2017			52800	0.90
5	Swastika Investmart Limited*	38407	0.65	01.04.2016				
				08.04.2016	500	Purchase	38907	0.66
				15.04.2016	110	Purchase	39017	0.66
				29.04.2016	230	Purchase	39247	0.67
				06.05.2016	25	Purchase	39272	0.67
				20.05.2016	-500	Sale	38772	0.66
				27.05.2016	-30656	Sale	8116	0.14
				03.06.2016	-194	Sale	7922	0.13
				08.07.2016	1300	Purchase	9222	0.16
				15.07.2016	-900	Sale	8322	0.14
				19.08.2016	-250	Sale	8072	0.14
				09.09.2016	-250	Sale	7822	0.13
				30.09.2016	1100	Purchase	8922	0.15
				04.11.2016	-300	Sale	8622	0.15
				11.11.2016	-100	Sale	8522	0.15
				18.11.2016	-1050	Sale	7472	0.13
				09.12.2016	20	Purchase	7492	0.13
				06.01.2017	-500	Sale	6992	0.12
				27.01.2017	200	Purchase	7192	0.12
				03.02.2017	- 200	Sale	6992	0.12



Sl No.	Name	Shareholding at the beginning(01.04.2016)/ end of the year(31.03.2017)		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No of Shares	% of total Shares of the company				No of shares	% of total Shares of the company
		6992	0.12	31.03.2017			6992	0.12
6	Ashok Kumar Jain	35000	0.60	01.04.2016		Nil movement during the year		
		35000	0.60	31.03.2017			35000	0.60
7	Kusum Agrawal	23261	0.40	01.04.2016				
				13.05.2016	-1	Sale	23260	0.40
				20.05.2016	-3000	Sale	20260	0.35
				08.07.2016	-500	Sale	19760	0.34
				15.07.2016	500	Purchase	20260	0.35
		20260	0.35	31.03.2017			20260	0.35
8	Ranjit Khandubhai Patel*	21000	0.36	01.04.2016				
				27.05.2016	-1002	Sale	19998	0.34
				17.06.2016	980	Purchase	20978	0.36
				08.07.2016	-10000	Sale	10978	0.19
				29.07.2016	1000	Purchase	11978	0.20
				05.08.2016	1420	Purchase	13398	0.23
				12.08.2016	901	Purchase	14299	0.24
				02.09.2016	358	Purchase	14657	0.25
				16.09.2016	343	Purchase	15000	0.26
				23.09.2016	1000	Purchase	16000	0.27
				23.12.2016	-14000	Sale	2000	0.03
				13.01.2017	-233	Sale	1767	0.03
				20.01.2017	-1767	Sale	0	0.00
9	Vishanubhai Karshandas Patel*	15000	0.26	01.04.2016				
				20.05.2016	-5000	Sale	10000	0.17
				27.05.2016	-10000	Sale	0	0.00
10	Sohanlal Chandanmal*	15000	0.26	01.04.2016				
				20.05.2016	-8444	Sale	6556	0.11
				27.05.2016	-6056	Sale	500	0.00
				15.07.2016	-500	Sale	0	0.00



Sl No.	Name	Shareholding at the beginning(01.04.2016)/ end of the year(31.03.2017)		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No of Shares	% of total Shares of the company				No of shares	% of total Shares of the company
11	Nitya Shrishrimal#	0	0.00	01.04.2016				
				03.02.2017	2000	Purchase	2000	0.03
				10.02.2017	150	Purchase	2150	0.04
				17.02.2017	16369	Purchase	18519	0.32
				24.02.2017	4010	Purchase	22529	0.38
				03.03.2017	6548	Purchase	29077	0.50
				10.03.2017	6446	Purchase	35523	0.61
				17.03.2017	-4300	Sale	31223	0.53
				24.03.2017	-10	Sale	31213	0.53
		30998	0.53	31.03.2017	-215	Sale	30998	0.53
12	Kewal Pravinchand Gudhaka#	0	0.00	01.04.2016				
				08.04.2016	10000	Purchase	10000	0.17
				27.05.2016	10000	Purchase	20000	0.34
		20000	0.34	31.03.2017			20000	0.34
13	Bharat Kumar Nahata	0	0.00	01.04.2016				
				08.04.2016	7880	Purchase	7880	0.13
				27.05.2016	-1200	Sale	6680	0.11
				15.07.2016	5000	Purchase	11680	0.20
				22.07.2016	200	Purchase	11880	0.20
		11880	0.20	31.03.2017			11880	0.20
14	Shanal Securities Pvt. Ltd.#	0	0.00	01.04.2016				
		10000	0.17	31.03.2017	10000	Purchase	10000	0.17

Note : * Ceased to be in the list of Top 10 shareholders as on 31-03-2017. The same is reflected above since the shareholder was one of the Top 10 shareholder as on 01-04-2016.

Not in the list of Top 10 shareholders as on 01-04-2016. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 31-03-2017.



Attachment F

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

(v) Shareholding of Directors and Key Managerial Personnel

Sl No.	Name	Shareholding at the beginning (As on 01.04.2016)/ end of the year(31.03.2017)		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No of Shares	% of total Shares of the Company				No of Shares	% of total Shares of the Company
1	Shri Piyush Mutha (Promoter/Managing Director)	521750	8.89	01.04.2016		Nil movement during the year		
		521750	8.89	31.03.2017			521750	8.89
2	Shri Praneet Mutha (Promoter /Non Executive Director)	521050	8.88	01.04.2016		Nil movement during the year		
		521050	8.88	31.03.2017			521050	8.88
3	Shri Mangalore Maruthi Rao (Whole Time Director)	0	0.00	01.04.2016		Nil holding / movement during the year		
		0	0.00	31.03.2017			0	0.00
4	Shri Mohan Lal Jain (Independent Director)	0	0.00	01.04.2016		Nil holding / movement during the year		
		0	0.00	31.03.2017			0	0.00
5	Shri Subhash Kocheta (Independent Director)	0	0.00	01.04.2016		Nil holding / movement during the year		
		0	0.00	31.03.2017			0	0.00
6	Shri Raghuram Krishnamurthy (Independent Director)	0	0.00	01.04.2016		Nil holding/ movement during the year		
		0	0.00	31.03.2017			0	0.00
7	Mrs.Deepa Sudhir Mekal (Independent Director/ Woman Director)*	0	0.00	01.04.2016		Nil holding/ movement during respective period		
		0	0.00	15.02.2017			0	0.00
		0	0.00	31.03.2017			0	0.00
8	Ms. Sanju Patel Company Secretary &CFO**	0	0.00	01.04.2016		Nil holding/ movement during respective period		
		0	0.00	01.11.2016			0	0.00
9	Shri Sandeep Nema, Company Secretary ***	0	0.00	23.01.2017		Nil holding/ movement during respective period		
		0	0.00	31.03.2017			0	0.00
10	Shri Hassan Ali Chief Financial Officer ****	0	0.00	15.02.2017		Nil holding/ movement during respective period		
		0	0.00	31.03.2017			0	0.00

*Resigned from Directorship w.e.f. 15.02.2017and appointed as Independent Director/Woman Director w.e.f. 31.03.2017.

** Resigned from the post of Company Secretary & CFO w.e.f. 01.11.2016.

***Appointed as Company Secretary w.e.f. 23.01.2017.

**** Appointed as Chief Financial Officer w.e.f. 15.02.2017.



Attachment G

V. INDEBTEDNESS

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

Amount (₹In lacs)

Particulars		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
i)	Principal Amount	463.47	-	-	463.47
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	2.59	-	-	2.59
	Total (i+ii+iii)	466.06	-	-	466.06
Change in Indebtedness during the financial year					
•	Addition	1195.04	-	-	1195.04
•	Reduction	143.14	-	-	143.14
	Net Change	1051.90	-	-	1051.90
Indebtedness at the end of the financial year					
i)	Principal Amount	1515.37	-	-	1515.37
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	1.19	-	-	1.19
	Total (i+ii+iii)	1516.56	-	-	1516.56

Attachment H

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No	Particulars of Remuneration	Name of MD/WTD		Total Amount (₹In lacs)
		Piyush Mutha (MD)	Mangalore Maruthi Rao (WTD)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	54.00	3.86	57.86
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	1.09	-	1.09
	(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(PF & other funds)	14.58	-	14.58
	Total (A)	69.67	3.86	73.53
	Ceiling as per the Act	Ceiling limit is ₹ 52Lacs (being 10% of the Profit calculated as per section 198 of the Companies Act, 2013). Remuneration was paid ₹ 73.53 Lacs exceed the above limit which was approved by the members in accordance with the section 197 read with schedule V of the Companies Act, 2013.		



Attachment I

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

B. Remuneration to other directors

Sl. No	Particulars of Remuneration	Name of Directors					Total Amount (In ₹)
		Mohan Lal Jain	Subhash Kocheta	Raghuram Krishnamurthy	Praneet Mutha	Deepa Sudhir Mekal	
1	Independent Directors						
	• Fee for attending board/ committee meetings	4500	3500	500	-	-	8500
	• Commission						
	• Others, please specify						
	Total B(1)	4500	3500	500	-	-	8500
2.	Other Non-Executive Directors						
	• Fee for attending board/ committee meetings	-	-	-	4500	1500	6000
	• Commission	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-
	Total B(2)	-	-	-	4500	1500	6000
	Total = B(1 + 2)	4500	3500	500	4500	1500	14500
	Ceiling as per the Act	Ceiling limits is ₹ 5 Lacs(1% of the Profit calculated as per section 198 of the Companies Act,2013)					
	Total Managerial Remuneration(being total of A and B)						₹ 73.68Lacs
	Overall Ceiling as per the Act	Ceiling limits is ₹ 57 Lacs(11% of the Profit calculated as per section 198 of the Companies Act,2013)					

Attachment J

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (₹In lacs)
		Sanju Patel Company Secretary & CFO(Resigned w.e.f. 01.11.2016	Sandeep Nema(appointed as Company Secretary w.e.f. 23.01.2017)	Hassan Ali(appointed as Chief Financial Officer w.e.f. 15.02.2017)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1.68	0.56	0.23	2.47
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961			-	-
	(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 (PF)		0.04	0.01	0.05
	Total (C) (₹In lacs)	1.68	0.60	0.24	2.52



Attachment K

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

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

For and on behalf of the Board of Directors

Place: Dewas
27th May 2017Piyush Mutha
Managing Director
(DIN-00424206)Mohan Lal Jain
Director
(DIN:00395584)

Annexure-III

REMUNERATION POLICY**TERMS OF REFERENCE OF NOMINATION AND REMUNERATION COMMITTEE**

- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- Removal should be strictly in terms of the applicable law/s and in compliance of principles of natural justice.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on the Board diversity.
- Recommend to the Board, remuneration including salary, perquisite and commission to be paid to the Company's Executive Directors on an annual basis or as may be permissible by laws applicable.
- Recommend to the Board, the Sitting Fees payable for attending the meetings of the Board/Committee thereof, and, any other benefits such as Commission, if any, payable to the Non- Executive Directors.
- Setting the overall Remuneration Policy and other terms of employment of Directors, wherever required.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of the independent directors.

**CRITERIA FOR DETERMINING THE FOLLOWING****Qualifications for appointment of Directors (including Independent Directors)**

- Persons of eminence, standing and knowledge with significant achievements in business, professions and/or public service.
- Their financial or business literacy/skills.
- Their industrial experience.
- Appropriate other qualification/experience to meet the objectives of the Company.
- As per the applicable provisions of Companies Act 2013, Rules made there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 .

The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

Positive attributes of Directors (including Independent Directors)

- Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively, and the willingness to address issues proactively.
- Actively update their knowledge and skills with the latest developments in the industry, market conditions and applicable legal provisions.
- Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities
- To assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.
- Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company.
- To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees
- Independent Directors to meet the requirements of the Companies Act, 2013 read with the Rules made there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

Criteria for appointment of KMP/Senior Management

- To possess the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities.
- To practice and encourage professionalism and transparent working environment.
- To build teams and carry the team members along for achieving the goals/objectives and corporate mission.
- To adhere strictly to code of conduct

POLICY RELATING TO REMUNERATION OF DIRECTORS, KMP & SENIOR MANAGEMENT PERSONNEL

- To ensure that the level and components of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and other employees of the quality required to run the Company successfully.

No director/KMP/ other employee is involved in deciding his or her own remuneration and the trend prevalent in the similar industry, nature and size of business is kept in view and given due weightage to arrive at a competitive quantum of remuneration & It is to be ensured that relationship of remuneration to the performance is clear & meets appropriate performance benchmarks which are unambiguously laid down and communicated.

- Improved performance should be rewarded by increase in remuneration and suitable authority for value addition in future.



- Remuneration packages should strike a balance between fixed and incentive pay, where applicable, reflecting short and long term performance objectives appropriate to the Company’s working and goals.
- Following criteria are also to be considered:-
 - Responsibilities and duties;
 - Time & efforts devoted; Value addition;
 - Profitability of the Company & growth of its business;
 - Analyzing each and every position and skills for fixing the remuneration yardstick;
 - Standards for certain functions where there is a scarcity of qualified resources.
 - Ensuring tax efficient remuneration structures.
 - Ensuring that remuneration structure is simple and that the cost to the Company (CTC) is not shown inflated and the effective take home remuneration is not low.
 - Other criteria as may be applicable.
- Consistent application of remuneration parameters across the organisation.
- Provisions of law with regard making payment of remuneration, as may be applicable, are complied.
- Whenever, there is any deviation from the Policy, the justification /reasons should also be indicated / disclosed adequately.

REVIEW

The policy shall be reviewed by the Nomination & Remuneration Committee and the Board, from time to time as may be necessary.

For and on behalf of the Board of Directors

Place: Dewas
27th May 2017

Piyush Mutha
Managing Director
(DIN-00424206)

Mohan Lal Jain
Director
(DIN:00395584)

Annexure-IV**Information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- (i) The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, and Company Secretary of the Company in the financial year 2016-17.

Name & Designation	Remuneration# of each Director & KMP for Financial Year 2016-17 (in ₹)	% increase/ decrease in remuneration in the Financial Year 2016-17	Ratio of remuneration of each Directors to median remuneration of employees
A. Directors			
Shri Piyush Mutha (Promoter/Managing Director)	6967499	12.80%	56.65
Shri Manglore Murthy Rao (Whole Time Director)	385667	7.13%	3.14



Name & Designation	Remuneration# of each Director& KMP for Financial Year 2016-17 (in ₹)	% increase/ decrease in remuneration in the Financial Year 2016-17	Ratio of remuneration of each Directors to median remuneration of employees
Shri Praneet Mutha## (Promoter/Non-Executive Director)	4500	-	-
Smt. Deepa Sudhir Mekal### (Independent Director/Woman Director)	1500	-	-
Shri Mohan Lal Jain### (Independent Director)	4500	-	-
Shri Raghuram Krishnamurthy### (Independent Director)	500	-	-
Shri Subhash Kocheta### (Independent Director)	3500	-	-
B. Key Managerial Personnel			
Ms. Sanju Patel (Company Secretary & CFO)*	168298	-	-
Mr. Sandeep Nema(Company Secretary**)	59248		
Mr. Hassan Ali(Chief Financial Officer***)	24161		

Remuneration excludes provision for gratuity.

only sitting fee paid, have not been considered as remuneration.

*Resigned w.e.f. 01.11.2016 , therefore the remuneration figures of F.Y 2016-17 & 2015-16 is not comparable.

** Appointed as Company Secretary w.e.f.23.01.2017, thus the figure is not comparable.

*** Appointed as Chief Financial Officer w.e.f.15.02.2017, thus the figure is not comparable.

(ii) The percentage increase/ decrease in the median remuneration of employees in the financial year 2016-17 is 15.66% .

(iii) The number of permanent employees on the rolls of Company:

There were 101 permanent employees on the rolls of Company as on 31st March, 2017.

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

Average percentile increase in the salaries of employee other than the Managerial personnel in the Financial Year 2016-17 was 13.16 % and the increase in the salary of the Managerial personnel was 12.49%. There is no direct relationship between the average increase in remuneration and Company performance. The Company takes various things like inflation, market trend and other related issue at the time of increase in remuneration of the employee. The Individual Performance is also one of the major criteria in increase of remuneration.

(v) Affirmation that the remuneration is as per the Remuneration Policy of the Company:

It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.

(vi) Details of employees as per rule 5 (2) read with rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 :



(a) Name of the top 10 employees in terms of remuneration drawn during the financial year 2016-17:

S. No.	Name of Employee	Designation of the Employee	Remuneration received (in ₹)	Nature of employment whether contractual or otherwise	Qualification and experience of the employee	Date of commencement of employment	The age of such employee	The last employment held by such employee before joining the company	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager
1	Shri Piyush Mutha	Managing Director	69,67,499	Permanent Employee	B.E & MBA, 24 years Experience	Re- appointment for 2 years w.e.f. 01.04.2017	48	-	He is brother of Shri Praneet Mutha, Director of the Company
2	Shri Ashwani Kamra	General Manager(Works)	12,42,146	Permanent Employee	B.Tech(Textile), 25 years	02.12.2012	47	Ginni Filaments Ltd.	-
3	Shri Chandra Shekhar Sharma	Manager Commercial	7,18,750	Permanent Employee	B.Com,25 years	15.10.2011	49	Pratibha Syntex Ltd.	-
4	Shri Arvind Deshmuh	Sr.Manager (Production)	7,01,040	Permanent Employee	Diploma in Electronics & Textile, 20 years	30.07.2006	47	Sanjay Gandhi Co-operative Spinning Mills	-
5	Shri Sanjeev Kumar Gupta	Joint Manager (Production)	5,10,133	Permanent Employee	B.E. (Mech.), 22 Years	01.06.1999	47	Sulony Fibre Glass Pvt. Ltd.	-
6	Shri Rajendra Pal Singh	Joint Manager (Maintenance)	4,97,052	Permanent Employee	Diploma in Mech, 23 years	01.09.1998	43	Swastik Spintex Ltd.	-
7	Shri Sanjay Kumar Dubey	Deputy Manager (Production)	4,95,567	Permanent Employee	Diploma in Textile Technology,24 years	20.06.2005	48	Skumars Nationwide Ltd	-
8	Shri Raju Gupta	Deputy Manager (P&A)	4,92,307	Permanent Employee	Master in Personnel Management, 12 years	25.12.2013	38	SEL Manufacturing Company Ltd.	-
9	Shri Sharad Tyagi	Deputy Manager (Electrical)	4,72,573	Permanent Employee	Diploma in Electronics & Telecommunication, 16 years	01.08.2013	32	Shree Ram Spintex Pvt. Ltd.	-
10	Shri Harishankar Parashar	Shift Manager	4,50,912	Permanent Employee	Diploma in Mech, 26 years	07.04.2015	51	Moenus Textile Pvt. Ltd.	-

(b) During the financial year, none of the employees received remuneration of Rs. One Crore and Two Lakh or more per annum.

(c) During a part of the financial year, none of the employees received remuneration of Rs. Eight Lakh and Fifty Thousand or more per month.

(d) During the year or a part thereof, none of the employees received remuneration is excess of that drawn by the Managing Director or Whole Time Director and holds himself or alongwith his spouse and dependent children, 2% or more of the equity shares of the Company.

For and on behalf of the Board of Directors

**Place: Dewas
27th May 2017**

**Piyush Mutha
Managing Director
(DIN-00424206)**

**Mohan Lal Jain
Director
(DIN:00395584)**

**Annexure-V****SECRETARIAL AUDIT REPORT**

For the Financial Year ended on 31st March, 2017

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

To,
The Members,
Vippy Spinpro Limited
414, City Centre,
570, M.G. Road,
Indore-452001

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

Based on your verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Vippy Spinpro Ltd. for the financial year ended on 31st March, 2017 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the Audit Period, as there was no such transaction)
5. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz. :-
 - (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the Audit Period, as there was no such transaction);
 - (iv) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October, 2014; (Not applicable to the Company during the Audit Period, as there was no such transaction)
 - (v) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period, as there was no such transaction)
 - (vi) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;



- (vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period, as there was no such transaction).
- (viii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Period, as there was no such transaction).
- (vii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

- (i) Secretarial Standards on Board and General Meetings, as issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreements as entered into by the Company with Bombay Stock Exchange Limited.

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

I further report that on the representation made by the Company and its Officer for system and mechanism formed by the Company for compliances, and examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws/acts specifically applicable to the Company:

- (i) The Factories Act, 1948
- (ii) Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, Compensation etc.;
- (iii) Labour Welfare Acts of State.
- (iv) Acts prescribed under Direct and Indirect Taxes
- (v) The Competition Act, 2002
- (vi) The Negotiable Instruments Act, 1881
- (vii) Environment Laws
- (viii) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

I further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act .

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

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

For Shilpesh Dalal & Co.,
Company Secretary

Shilpesh Dalal
(Proprietor)
M.No. FCS-5316
C.P. No. 4235

Indore
27th May, 2017

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



To,
The Members,
Vippy Spinpro Limited
414, City Centre,
570, M.G. Road,
Indore-452001

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

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

For Shilpesh Dalal & Co.,
Company Secretary

SHILPESH DALAL
(Proprietor)
M.No. FCS-5316
C.P. No. 4235

Indore
27th May, 2017



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMY-OVERVIEW

Global economic activity is picking up with a long awaited cyclical recovery in investment, manufacturing, and trade, according to World Economic Outlook of IMF. World growth is expected to rise from 3.1 % in 2016 to 3.5% in 2017 and 3.6% in 2018. Emerging market and developing economies have become increasingly important in the global economy in recent years. The IMF maintains a positive outlook on the Indian Economic growth and expected to rebound to 7.2 per cent in the 2017-18 fiscal and 7.7 per cent in 2018-19 after "disruptions" caused by demonetization.

INDUSTRY STRUCTURE AND DEVELOPMENT

Indian Textiles Industry has an overwhelming presence in the economic life of the country. The Indian Textile Industry has inherent linkage with agriculture and with the culture and traditions of the country making for its versatile spread of products appropriate for both domestic and the export markets. The textile industry contributes to 10% of Industrial production, 2% to India's GDP and to 13% to the country's export earnings. With over 45 million people employed directly, the textile industry is one of the largest sources of employment generation in the country. In terms of the capacity, the industry has second largest vertically integrated textiles production base in the world after China.

Currently Indian apparel and home textiles rated as one of the key suppliers to all leading buying houses across the World. The strength of the industry lies in its production base with the wide range of fibre/yarns from cotton, jute, silk, wool, synthetic/MMF products like polyester, viscos, nylon and acrylic.

OPPORTUNITY AND THREATS

Opportunity

The emerging tendency to spend more on life style products and the spread of organized retailing and e-retailing to smaller towns and even rural areas, the demand for textile products in the domestic market is expected to grow substantially in coming years and also in the long run.

Increasing population with growing purchasing capacity is the major driver. Urban population accounts for 32 % of the total population of India. Rising female workforce will increase the consumption of textile items; the increased investment in rural India has a direct impact on consumption growth.

The future for the Indian textile industry looks promising, sustained by strong domestic consumption. The Indian Government has come up with a number of export promotion policies for the textiles sector. It has also allowed 100% FDI in the Indian textiles sector under the automatic route.

Threats

However, there are several challenges ahead for the textile industry for enhancing its competitive strength in terms of inflexible labour laws, poor infrastructure, competition from low cost neighboring countries which will have to be addressed to sustain the growth momentum of the industry.

The volatility in price of cotton , volatility in price of transportation charges , shortage of manpower , expectation of increasing of oil prices are the major threaten to the company.

SEGMENTWISE PERFORMANCE

The Company generates power through wind mill for captive use. Hence no Segment reported.

OUTLOOK

Going by the potential consumption in India, driving by changing lifestyles, the future for the Indian textile industry looks promising. The Company is taking various initiatives to reduce the operational cost, development of new innovative value added products, and exploring new markets to achieve better margins in the future.

**RISK AND CONCERNS**

The Company had adopted Risk Management Policy to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business.

The common risks inter alia are: Company Assets and Property, Employees, Foreign Currency Risks, Operational Risks, Non-compliance of statutory enactments, Competition Risks, Contractual Risks, and Volatility in prices of Raw Material.

Cotton is raw material for our company, which we source from the domestic market. Cotton is an agriculture product and its supply and quality are subject to force of nature. Any material shortage or interruption in the domestic supply or deterioration in the quality of cotton due to natural causes or other factors could result in increased production costs, which may have adverse impact on the business of the company.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place adequate internal financial controls with reference to financial statements. All the transactions are properly authorized and recorded. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The Internal Audit is conducted by outside auditing firms which evaluate the functioning and quality of internal controls and check; and provides assurance of its adequacy and effectiveness. The Internal Audit Reports are actively reviewed by the Audit Committee and adequate remedial measures, if any, are taken and in time. The Internal Audit Reports are also reviewed by the Board of Directors periodically. During the year, there are no reportable material weaknesses in the design or operation were observed.

OPERATIONAL & FINANCIAL PERFORMANCE**OPERATIONAL PERFORMANCE****(Qty. in MT.)**

Particulars	2016-17	2015-16
Production	8681.416	8581.916
Sales	8706.559	8566.118

FINANCIAL PERFORMANCE**(₹ In Lacs)**

Particulars	2016-17	2015-16
Total Revenue	9947.42	8841.29
Profit before Financial Costs, Depreciation and Amortization , Prior Period Expenditure and Tax	689.31	721.03
Less: Financial Costs	36.40	48.94
Less: Depreciation and Amortization	186.43	215.35
Less: Prior period expenditure	0.12	0.93
Profit before Tax	466.36	455.81
Less: Tax Expenses	134.76	146.37
Profit after Tax	331.60	309.44

The Company's revenue for the year under review amounted to ₹ 9947.42 Lacs as compared to ₹ 8841.29 Lacs for the previous year. The Profit before Tax for the year under review amounted to ₹ 466.36 Lacs as compared to ₹ 455.81 Lacs for the previous year. The Profit After Tax for the year under review amounted to ₹ 331.60 Lacs as compared to ₹ 309.44 Lacs for the previous year.

**MATERIAL DEVELOPMENT IN HUMAN RESOURCE AND INDUSTRIAL RELATIONS**

The Company believes that employee plays a pivotal role in achieving a competitive advantage. The Company provides them an environment, where each employee is motivated to contribute his best to achieve the Companies objective. The focus of all aspects of Human Resource Development is on developing a superior workforce so that the organization and individual employee can accomplish their work goals of service to customers. The Company has a progressive HR policy for helping employees to develop their organization skills, knowledge and abilities to achieve greater efficiency. The Industrial Relations of the Company with its personnel has continued to be cordial and friendly during the year. The Company has 101 permanent employees on the rolls of the Company as on 31.03.2017.

CAUTIONARY STATEMENT

Statement in the “Management Discussion and Analysis” describing the Company’s objectives, estimates, expectations or projections may be “forward looking statements” within the meaning of applicable laws and regulations. These statements are based on certain assumptions and expectation of future events. Actual results could, however, differ materially from those expressed or implied. Important factors that could make a difference to the Company’s operations include demand/supply conditions, finished goods, prices, raw material costs, changes in government regulations, tax laws and other statues and other incidental factors.

The Company assumes no responsibility in respect of the forward looking statements herein, which may undergo changes in future on the basis of subsequent developments, information or events.

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

Your Company is committed to attain the highest standard of Corporate Governance by placing emphasis on transparency, accountability, integrity and to promote ethical conduct throughout the organization with the main object to enhance the value of all stakeholders.

Report on Corporate Governance for the year ended 31.03.2017, in terms of regulation 34(3) read with schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is set out below:

2. Board of Directors**Composition and Attendance**

The Company has total Seven(7) Directors out of which four (4) Independent Non -Executive Directors, One (1) Non Executive Promoter Director, One(1) Executive Promoter Director and One (1) Non Independent Executive Director, and it meets the stipulated requirement.

The details of Board composition, attendance of Directors at the Board Meetings and at the last Annual General Meeting held during the year and the number of directorship and committee chairmanship/membership held by the Directors in other companies are given below.

Name	Category	Attendance		Total No of Directorship in other Public companies incorporated in India	No of committees positions #held in other Public companies incorporated in India	
		Board Meeting	Last AGM		Chairman	Member
Shri Piyush Mutha	Promoter/Managing Director	9	Yes	-	-	-
Shri Praneet Mutha	Promoter /Non-Executive Director	9	Yes	1	-	-
Shri Mohan Lal Jain	Independent Director	9	Yes	-	-	-
Shri Mangalore Maruthi Rao	Whole Time Director	7	Yes	-	-	-
Shri Subhash Kocheta	Independent Director	7	No	-	-	-
Shri Raghuram Krishnamurthy	Independent Director	1	No	-	-	-
Smt. Deepa Sudhir Mekal*	Independent Director/ Woman Director	3	No	1	-	-

#Only Audit Committee and Stakeholders Relationship Committee have been considered.

*Resigned from Directorship of the Company w.e.f. 15.02.2017 and appointed as Independent Director/ Woman Director w.e.f. 31.03.2017.

As detailed in the table above, none of the Directors is a member of more than 10 board-level committees of companies in which they are Directors, nor Chairman of more than five such committees ,as per the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the Financial year ended 31st March, 2017, total nine (9) meetings of Board Of Directors were on, 23.05.2016,12.08.2016,03.10.2016,27.10.2016,11.11.2016,21.01.2017,14.02.2017,15.03.2017,and 30.03.2017. Maximum gap between two meetings was less than four months.



There has been no pecuniary transaction or relationship between the Company and its Non-Executive Directors during the year ended 31st March , 2017 apart from paying sitting fees.

No Director is related to any other Director except Shri Piyush Mutha and Shri Praneet Mutha who are related to each other.

Number of shares held by Non-Executive Directors as on 31st March, 2017

Name	No. of Shares held	%
Shri Praneet Mutha	521050	8.88
Shri Mohan Lal Jain	-	-
Shri Subhash Kocheta	-	-
Shri Raghuram Krishnamurthy	-	-
Mrs. Deepa Sudhir Mehal	-	-

Familiarization Programme

The Company has put in place a system to familiarize its Independent Directors with the Company ,covering the area as:-nature of the industry in which Company operates, business model of Company, roles, rights & responsibilities of the independent Directors etc. The details of programme for familiarization is placed on the website of the Company, Weblink: <http://www.vippyspinpro.com/Familiarisation-Programme.pdf>

Re-appointment of Director: Particulars of Directors seeking appointment/re-appointment are given in the Annexure annexed to the notice for the ensuing Annual General Meeting.

Board Procedures

The Company has established systems and procedures to ensure that its Board of Directors is well informed and well equipped to discharge its overall responsibilities and provide the Management with the strategic direction catering to exigency of long term shareholders value. The Board reviews periodically compliance report of all laws applicable to the Company, and takes steps to rectify instance of non-compliance, if any.

All information as required under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were placed before the Board of Directors.

Apart from receiving sitting fees, Independent Directors do not have any material relationship or transaction with the Company, its promoters, its directors, and its senior management which may affect independence of directors.

Separate Meeting of the Independent Directors:

The meeting of Independent Directors held on 21.01.2017, without the attendance of Non-Independent Directors and members of Management. The following issues were discussed in detail:

- I) reviewed the performance of non-independent directors and the Board as a whole;
- II) assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Code of Conduct

The Company had laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. The Code of Conduct is available on the website of the Company www.vippyspinpro.com. All the Board Members and Senior Management Personnel have affirmed compliances with the Code of Conduct, as on 31.03.2017.

A declaration by Managing Director regarding compliance by the Board Members and Senior Management Personnel, with the said Code of Conduct is enclosed and form part of this report.

**3. Audit Committee****Composition and Attendance**

The Audit Committee comprises of three members who are independent- non-executive directors. The Committee composition meets with the requirements of section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the members of the Committee have relevant experience in financial matters.

During the year under review, Four (4) meeting of Audit Committee were held on 23.05.2016, 12.08.2016, 11.11.2016 and 14.02.2017.

As on 31st March 2017, the composition of the Audit Committee and details of meeting attended by the members are as under:

Name	Position	Category	No. of Meetings during the year	
			Held	Attended
Shri Mohan Lal Jain	Chairman	Independent Director	4	4
Shri Subhash Kocheta	Member	Independent Director	4	4
Shri Raghuram Krishnamurthy	Member	Independent Director	4	-

Company Secretary acts as Secretary to the Audit Committee.

Terms of reference the Audit Committee

Role of the Audit Committee shall include the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending to the Board, the appointment/re-appointment, remuneration and terms of appointment of Statutory Auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors;
- Reviewing, with the management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
 - (a) matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (b) changes, if any, in accounting policies and practices and reasons for the same;
 - (c) major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) significant adjustment made in the financial statements arising out of audit findings;
 - (e) compliance with listing and other legal requirements relating to financial statements;
 - (f) disclosure of any related party transactions;
 - (g) qualification/modified opinion(s) in the draft audit report;
- Reviewing with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
- Approving or subsequently modification of transactions of the Company with related parties;



- Scrutiny of inter-corporate loans and investments;
- Valuation of undertaking or assets of the company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control system;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- 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;
- Looking 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;
- Reviewing the functioning of the Vigil Mechanism/Whistle Blower Policy;
- Approving the appointment of chief financial officer after assessing the qualifications, experience and background etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- Reviewing the financial statements, in particular, the investments made by the unlisted subsidiaries, if any

The Company has systems and procedures in place to ensure that the Audit Committee mandatorily reviews:

- Management Discussion and Analysis of financial condition and results of operations;
- Statement of significant related party transactions(as defined by the audit committee), submitted by management;
- Management letters/letters of internal control weaknesses issued by the statutory auditors;
- Internal Audit Reports relating to internal control weakness; and
- The appointment, removal and terms of remuneration of the chief internal auditor.
- Statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulations 32(1) of SEBI Listing Regulations.
 - (b) annual statement of funds utilized for purpose other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI Listing Regulations.

Apart from the above, the Audit Committee also exercises the role and powers entrusted upon it by the Board of Directors from time to time.

The Audit Committee Meetings are usually held at the works Office of the Company and the Audit Committees invites the CFO, Internal Auditor & Statutory Auditors, and Managing Director. Chairman of the Committee has attended previous Annual General Meeting of the Company held on 31st day of August, 2016.



4. Nomination & Remuneration Committee

Composition and Attendance

The Nomination & Remuneration Committee comprises of three members who are independent- non-executive directors. The Committee composition meets with the requirements of section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015.

During the year under review, Five (5) meeting of Nomination & Remuneration Committee were held on 23.05.2016, ,27.10.2016,21.01.2017,14.02.2017 and 30.03.2017.

As on 31st March, 2017, the composition of the Nomination & Remuneration Committee and details of meeting attended by the members are as under:

Name	Position	Category	No. of Meetings during the year	
			Held	Attended
Shri Raghuram Krishnamurthy	Chairman	Independent Director	5	1
Shri Mohan Lal Jain	Member	Independent Director	5	5
Shri Subhash Kocheta	Member	Independent Director	5	5

Company Secretary acts as Secretary to the Nomination & Remuneration Committee.

Terms of reference

- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- Removal should be strictly in terms of the applicable law/s and in compliance of principles of natural justice.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on the Board diversity.
- Recommend to the Board, remuneration including salary, perquisite and commission to be paid to the Company’s Executive Directors on an annual basis or as may be permissible by laws applicable.
- Recommend to the Board, the Sitting Fees payable for attending the meetings of the Board/Committee thereof, and, any other benefits such as Commission, if any, payable to the Non- Executive Directors.
- Setting the overall Remuneration Policy and other terms of employment of Directors, wherever required.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of the independent directors.

Apart from the above, the Nomination & Remuneration Committee also exercises the role and powers entrusted upon it by the Board of Directors from time to time.

Performance Evaluation

The Company has devised a policy for performance evaluation of Independent Directors, Board, Committees and other Individual Directors. The said Policy is in consonance with the existing industry practice.

The said policy sets out criteria for performance evaluation of Board, Executive Directors, Non Executive Directors including Independent Directors, Chairperson of the Company and Board’s Committees.

Performance Evaluation of Board, Committees & Directors

The Independent Directors of the Company shall hold at least one meeting in a year, without attendance of non independent Directors and members of management.



The Independent Directors in the meeting shall:

- (i.) Review the performance of non-independent directors and the Board as a whole;
- (ii.) Review the performance of the Chairperson of the Company, taking into account the views of executive directors and non executive directors;
- (iii.) Assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The performance evaluation of its own, the Board Committees and of the Independent Directors shall be carried by the Board.

The evaluation of Independent Directors shall be carried out by the entire Board excluding the Director being evaluated.

In accordance with Schedule IV of the Companies Act, 2013, the extension or continuance of the term of appointment of Independent Directors would be determined based on their evaluation.

Criteria for Evaluation of the Board & their Committees and Directors

The criteria for evaluation of performance of the Board, Executive Directors, Non Executive Directors including Independent Directors, Chairperson of the Company and Board's Committees are as follows:

(I) Board

Evaluation criteria for evaluation of Board inter- alia shall covers: Composition in light of business complexities and statutory requirements; establishment of vision, mission, objectives and values for the Company; laying down strategic road map for the Company , growth attained by the Company; providing leadership and directions to the Company and employees; effectiveness in ensuring statutory compliances and discharging its duties/ responsibilities towards all stakeholders ; identification, monitoring & mitigation of significant corporate risks; composition of various committees, laying down terms of reference and reviewing committee's working etc.

(II) Chairperson of the Company

Evaluation criteria for evaluation of Chairperson of the Company are : providing guidance and counsel in strategic matters; providing overall direction to Board towards achieving Company's objectives; effectiveness towards ensuring statutory compliances; maintain critical balance between the views of different Board Members; ensuring maximum participation and contribution by each Board Member; monitoring effectiveness of Company's governance practices; conducting Board and Shareholders meetings in effective and orderly manner etc.

(III) Committees of the Board

Committees of the Board shall be evaluated for their performance based on: effectiveness in discharging duties and functions conferred; setting up and implementation of various policies, procedures and plans, effective use of committee's powers as per terms of reference, periodicity of meetings, attendance and participation of Committee members, providing strategic guidance to the Board on various matters coming under committee's purview etc.

IV) Executive Directors

The performance of Managing Director , Chief Executive Officer and other Executive Directors, if any, shall be evaluated on the basis of achievement of performance targets/ criteria given to them by the Board from time to time.

(V) Non Executive Directors including Independent Directors

The performance of Non Executive Directors including Independent Directors shall be evaluated based on :Objectivity & constructivity while exercising duties, providing independent judgment on strategy, performance, risk management and Board's deliberations; devotion of sufficient time for informed decision making; exercising duties in bonafide manner; safeguarding interest of all shareholders; upholding ethical standards of integrity & probity; updating knowledge of the Company & its external environment etc.



The Board has carried out performance evaluation of its own , the Board Committees and of the Independent Directors, whereas at a separate meeting Independent Directors evaluated performance of the Non Independent Directors, Board as whole . All the Non-executive and Independent Directors having wide experience in their field. Their presence on the Board is advantageous and fruitful in taking business decisions.

5. Director Remuneration

a) The Company did not have any pecuniary relationship or transactions with non executive directors during the year ended 31st March, 2017 except for payment of sitting fees.

b) Criteria of making payment to non-exucative director

The following is the Criteria of making payment to non-executive director

- Sitting fees are paid to Non Executive Directors of the Company for attending of meeting of the Board of Directors.

c) Remuneration to Directors

(i) The details of remuneration paid to Directors for the year ended 31st March, 2017 are as under.

Name of Director	Designation	Salary (₹)	Perquisites and other benefits (₹)	PF& other Fund (₹)	Bonus (₹)	Pension (₹)	Stoc k Option (₹)	Sitting Fees (₹)	Total (₹)
Shri Piyush Mutha	Promoter/ Managing Director	54,00,000	1,09,449	14,58,000	-	-	-	-	69,67,499
Shri Mangalore Maruthi Rao	Whole Time Director	3,85,667	-	-	-	-	-	-	3,85,667
Shri Mohan Lal Jain	Independent Director	-	-	-	-	-	-	4500	4500
Shri Praneet Mutha	Promoter/ Non-Exucative Director	-	-	-	-	-	-	4500	4500
Shri Subhash Kocheta	Independent Director	-	-	-	-	-	-	3500	3500
Shri Raghuram Krishnamurthy	Independent Director	-	-	-	-	-	-	500	500
Smt. Deepa Sudhir Mekal	Independent Director/ Woman Director	-	-	-	-	-	-	1500	1500

(ii) Details of fixed component and performance linked incentives along with performance criteria.

Fixed component given as above. Presently no performance linked incentives are given by the Company.

(iii) Service contracts, notice of period, severance fees:

There is no severance fees prescribed by the Company. The notice period is 1 month from either side.

(iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable: N.A.

The Company had adopted Remuneration Policy, annexed as Annexure-III- to the Directors Report.



6. Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprises of three members who are independent non –executive directors. The committee composition and terms of reference meet the requirements of section 178 of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

The Stakeholders Relationship Committee is primarily responsible to review all matters connected with the Company’s transfer /transmission of securities , dematerialization/ rematerialisation of shares, and redressal of shareholder’s/investors/security holder’s complaints including complaints related to transfer /transmission of shares, non receipt of annual report and non-receipt of declared dividends and other related matters.

The Secretarial Department of the Company and the Registrar and Share Transfer Agents (Ankit Consultancy Pvt. Ltd. Indore), attend all grievances of the Shareholders/Investors received directly or through SEBI, Stock Exchange, Ministry of Company Affairs, Registrar of Companies, etc.

During the year under review, four (4) meetings of Stakeholders Relationship Committee were held on 23.05.2016,12.08.2016,11.11.2016 and 14.02.2017.

Composition and Attendance

The composition of the Stakeholders Relationship Committee and attendance by members are as under.

Name	Position	Category	No. of Meetings during the year	
			Held	Attended
Shri Subhash Kocheta	Chairman	Independent Director	4	4
Shri Mohan Lal Jain	Member	Independent Director	4	4

Company Secretary acts as Secretary to the Stakeholders Relationship Committee.

[a] Name and Designation of Compliance Officer : Mr. Sandeep Nema,
 Company Secretary (w.e.f. 23.01.2017)
 Email-id- cs@vipppspinpro.com

[b] Details of number of complaints received and replied/resolved during the year are as under:

Complaints as on 01.04.2016	Total Complaints Received during the year	Total Complaints Resolved during the year	Pending Complaints as on 31.03.2017
0	10	8	2

The number of pending share transfer request as on 31st March 2017 is Nil.

In compliance of regulation 13(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has submitted the statement for investor complaints on quarterly basis to the Bombay Stock Exchange Ltd..

**7. General Body Meeting**

The details of Annual General Meeting held in last three years are given below:

Year	Annual General Meeting AGM)	Day, Date & Time	Venue
2015-16	24 th	Wednesday, August,31 st , 2016, 09.00 a.m	Hotel Amar Vilas,1, Chandra Nagar, A.B. Road, Opp. Sony World, Indore-452010(M.P.)
2014-15	23 rd	Monday, Sept.21 st , 2015, 09.00 a.m	Hotel Amar Vilas,1, Chandra Nagar, A.B. Road, Opp. Sony World, Indore-452010(M.P.)
2013-14	22 nd	Monday, Sept.29 th , 2014, 09.00 a.m	Hotel Amar Vilas,1, Chandra Nagar, A.B. Road, Opp. Sony World, Indore-452010(M.P.)

The following are the special resolutions passed at the Annual General Meeting held in the last three years:

AGM held on	Special Resolutions passed	Summary
31.08.2016	NIL	NIL
21.09.2015	YES	a) Re-appointment of Whole Time Director b) Re-appointment of Managing Director
29.09.2014	YES	a) Approved borrowing powers of the Board Directors of the Company upto an aggregate ₹1,50,00,00,000/- (Rupees One Hundred Fifty Crores only) under section 180(1)(c) of the Companies Act,2013. b)Approved creation of mortgage/charges on the movable and immovable properties of the Company , both present and future, in respect of borrowings upto an aggregate amount not exceeding ₹1,50,00,00,000/- (Rupees One Hundred Fifty Crores only) under Section 180(1)(a) of the Companies Act,2013.

Extra Ordinary General Meeting: No Extra Ordinary General Meeting of the Company was held during the last three years.

Passing of resolution by postal ballot:

During the year under review, there was no special resolution was passed through Postal Ballot. None of the business proposed to be transacted in the ensuing Annual General Meeting require passing Special Resolution through postal ballot.

8. Means of Communication

The Company communicates with the shareholders at large through its Annual Report, and filing report & returns with Statutory Bodies like the Registrar of Companies and Stock Exchange. The Quarterly Results / Half Yearly / Audited Annual Financial Results are published in English (Pioneer) and Hindi (Swadesh) Newspapers.

The Quarterly Results / Half Yearly / Audited Annual Financial Results, Shareholding Pattern, Quarterly Report on Corporate Governance etc. & other official news releases, if any, are also made available at the Company's website www.vippyspinpro.com.

The Company has designated the following exclusive e-mail Id for the convenience of investors: admin@vippyspinpro.com.

No presentation was made to the Institutional Investors or to the Analysts during the year under review.

**9. General Shareholders Information****(a) Annual General Meeting**

Day, Date & Time	Wednesday, 27 th day of September,2017 at 9.30 a.m.
Venue	Hotel Amar Vilas,1, Chandra Nagar, A.B. Road, Opp. Sony World, Indore-452010(M.P.)
Financial Calendar for F.Y.2017-18	
1st Quarter Results	1st /2nd Week of September
2nd Quarter Results	1st /2nd Week of December
3rd Quarter Results	1st /2nd Week of February
4th and Audited Annual Financial Statements for the FY 2017-18	3rd /4th Week of May
Date of Book Closure	Thursday 21 st day of September ,2017 to Wednesday 27 th day of September,2017 (both days inclusive)
Dividend Payment Date	No Dividend has been proposed by Board of Director of the Company for the year 2016-17
Listing of Securities on the Stock Exchanges& payment of listing fees.	Bombay Stock Exchange Ltd. (BSE) Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai -400051 The Company has paid Annual listing fee for the year 2017-18
Stock Code/Symbol	Scrip Code: 514302 Scrip ID : VIPPYSP
ISIN Number	INE660D01017

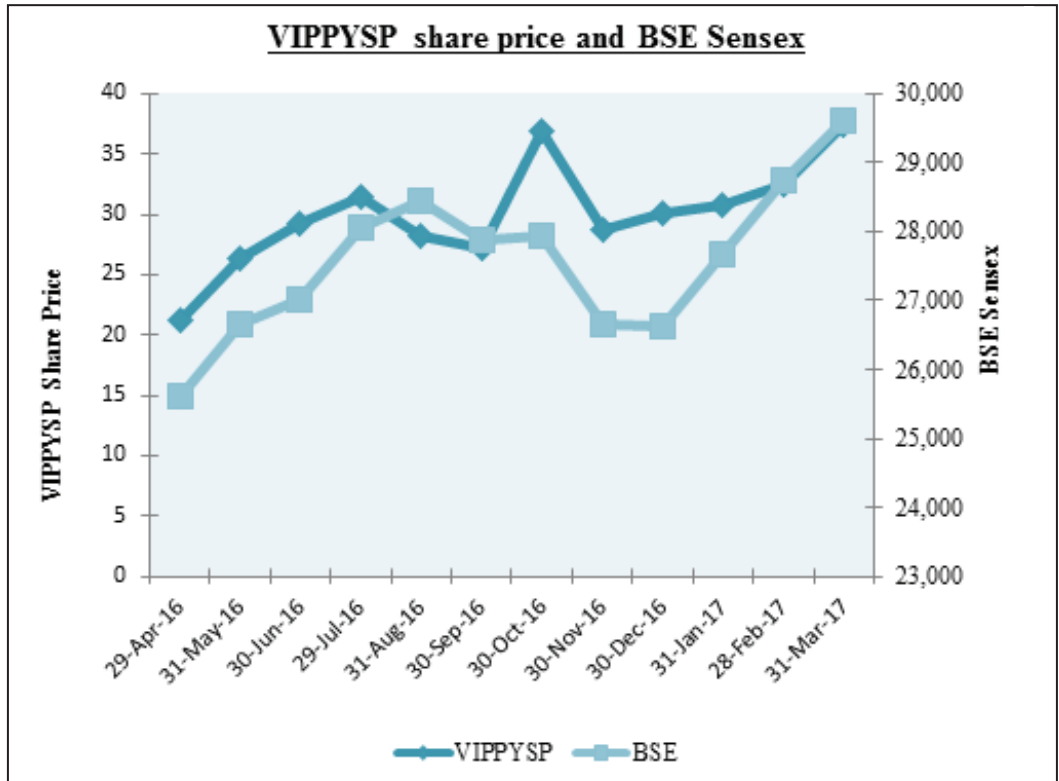
(b) Market Price Data

The monthly high and low quotation of shares at the Bombay Stock Exchange Ltd., Mumbai during the year ended 31st March, 2017 are as under:

Month	High(in ₹)	Low(in ₹)
April,2016	25.80	20.60
May,2016	34.95	21.50
June,2016	30.55	25.30
July,2016	42.00	27.50
August,2016	36.00	27.30
Spetember,2016	30.95	26.15
October, 2016	39.40	26.00
November,2016	37.90	27.50
December,2016	33.85	26.05
January,2017	35.30	29.50
February,2017	35.00	30.70
March,2017	40.70	32.00



(c) Performance of Company’s Equity Share’s price in comparison to BSE Sensex:



(d) Distribution of Shareholdings as on 31st March, 2017

Distribution	No. of share holders	%	No. of Shares	%
Upto 100	6958	76.69	674212	11.48
101-200	584	6.44	113527	1.93
201-300	233	2.57	67846	1.16
301-400	128	1.41	49887	0.85
401-500	526	5.80	262140	4.47
501-1000	364	4.01	300928	5.13
1001-2000	158	1.74	235789	4.02
2001-3000	39	0.43	99821	1.70
3001-4000	11	0.12	38797	0.66
4001-5000	33	0.36	160739	2.74
5001-10000	20	0.22	144558	2.46
10000 and above	19	0.21	3721756	63.40
TOTAL	9073	100	5870000	100



(e) Shareholding Pattern of the Company as on 31st March , 2017

Sr. No	Particulars	No. of Shares	% of holding
(A)	Promoter and Promoter Group		
	1.Indians		
(a)	Individuals/Hindu undivided Family	3112222	53.02
(b)	Central Government/State Government(s)	0	0.00
(c)	Financial Institutions/Banks	0	0.00
(d)	Any other (Specify) Bodies Corporate	102062	1.74
	Sub Total(A)(1)	3214284	54.76
	2.Foreign		
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	0	0.00
(b)	Government	0	0.00
(c)	Institutions	0	0.00
(d)	Foreign Portfolio Investor	0	0.00
(e)	Any other (Specify)	0	0.00
	Sub-Total (A)(2)	0	0.00
	Total Shareholding of Promoter and Promoter Group (A)=(A)1+(A)2	3214284	54.76
(B)	Public shareholding		
	1. Institutions		
(a)	Mutual Funds	3800	0.06
(b)	Venture Capital funds	0	0.00
(c)	Alternate Investment Funds	0	0.00
(d)	Foreign venture Capital Investors	0	0.00
(e)	Foreign Portfolio Investors	0	0.00
(f)	Financial Institutions/Banks	0	0.00
(g)	Insurance Companies	0	0.00
(i)	Provident Funds/Pension Funds	0	0.00
(j)	Any other (Specify)	0	0.00
	Sub-Total (B)(1)	3800	0.06
	2. Central Government/State Government(s)/President of India	0	0.00
	Sub-Total (B)(2)	0	0.00
	3. Non-institutions		
	Individuals		
(a)	i. Individual Shareholders holding nominal share capital up to Rs 2 Lacs	1859663	31.68
(b)	ii. Individual Shareholders holding nominal share capital in excess of Rs 2 Lacs	487892	8.31
(c)	NBFCs registered with RBI	0	0.00
(d)	Employee Trusts	0	0.00



(e)	Overseas Depositories(Holding DRs)	0	0.00
(f)	Any other (Specify)		
	Bodies Corporate	76938	1.31
	NRI/OCB	224965	3.83
	Clearing Member	2458	0.04
	Sub-Total (B)(3)	2651916	45.18
	Total Public Shareholding(B)=(B)(1)+ (B)(2)+ (B)(3)	2655716	45.24
(C)	(1)Custodians/DR Holder	0	0.00
	(2)Employee Benefit Trust(under SEBI(Share based Employee benefit Regulation,2014)	0	0.00
	Total Non-Promoter-Non Public Shareholding (C)=(C)(1)+(C)(2)	0	0.00
	Total(A)+(B)+(C)	5870000	100

(f) Registrar and Share Transfer Agents of the Company

Ankit Consultancy Pvt. Ltd.
60, Electronic Complex, Pardeshipura,
Indore -452010 (M.P.)
Ph. 0731- 2551745-46,
Fax.0731- 4065798
e-mail: ankit_4321@yahoo.com
Time : 10.00 a.m. to 6.00 p.m.

(g) Share Transfer System

The transfer of shares in physical form are completed & returned within 15 days from the date of receipt thereof provided all the documents are in order and in respect of shares held in dematerialized mode, the transfer take place instantly between the transferor and transferee at the depository participant(s) through which electronics debit/credit of the accounts are involved. In compliance with the Listing Regulation, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

(h) Dematerialization of Shares and Liquidity: The details of shares under dematerialized and physical mode as on 31st March,2017 are as under:

Particulars	As on 31st March, 2017	
	No. of Equity Shares	% percentage
National Securities Depository Ltd.(NSDL)	4103927	69.91
Central Depository Services (India) Ltd.(CDSL)	565703	9.64
Total Dematerialized	4669630	79.55
Physical	1200370	20.45
TOTAL	5870000	100

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Bombay Stock Exchange where the company's shares are Listed the audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.



- (i) **Outstanding Securities:** There are no securities outstanding at the end 31st March ,2017.
- (j) **Disclosures with respect to demat suspense account/unclaimed suspense account :**Not Applicable.
- (k) **Commodity price risk or foreign exchange risk and hedging activities-** The Company has robust Risk mitigation mechanism is put in place to ensure that there is nil or minimum impact on the Company. The price of the products of the Company are market driven and is fixed based on the prevailing market price. In respect of foreign exchange Commitments hedging has been made.

(l) Plant Location

14-A, Industrial Area

A. B Road, Dewas -455001 (M.P.)

(m) Address for correspondence

Works Office: 14-A, Industrial Area A.B. Road, Dewas -455001(M.P.) Phone Nos.: 07272-258251/258252/405352 Fax No. 07272-40012 website : www.vippyspinpro.com Email: admin@vippyspinpro.com	Registered Office: 414, City Centre, 570, M.G. Road, Indore - 452001 (M.P.) Phone: 0731-2546710
---	--

10. Disclosures

- The Company has not entered into any transaction of material nature with related parties that may have potential conflict with the interest of the Company at large, except payment of Remunerations to Managing Director and Whole Time Director during the year which are disclosed in the Notes to the Financial Statements of the Company forming part of the Annual Report. The Company had adopted a policy on Related Party Transactions and the same is displayed on the website of the Company, weblink: <http://www.vippyspinpro.com/Related-Party-Transaction-Policy.pdf>
- The Company has complied with all requirement specified under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as well as other regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or the Stock Exchange or any statutory authority for non compliance of any matter related to the capital markets during the last three years.
- The Company had adopted a Whistle Blower Policy to provide a vigil mechanism to Directors, employees for reporting illegal & unethical behaviour. It also provides adequate safeguards against the victimization of employees who avail of this mechanism and allows direct access to the Chairman of the Audit Committee in exceptional cases. The details of the said mechanism has been disclosed on the website of the Company, weblink:<http://www.vippyspinpro.com/Whistle-Blower-Policy.pdf>. During the year under review, no employee was denied access to the Audit Committee.
- In preparation of the financial statements, the Company has followed the accounting standards issued by the Institute of Chartered Accountants of India to the extent applicable.
- There are no subsidiaries of the company. The policy for determination of materiality, which has been put up on the website of the company, weblink: <http://www.vippyspinpro.com/Policy for Determination of Materiality.pdf>
- Commodity price risk and commodity hedging risk - The Company has robust Risk mitigation mechanism is put in place to ensure that there is nil or minimum impact. The price of the products of the Company are market driven and is fixed based on the prevailing market price. In respect of foreign exchange commitments hedging has been made.



- There has been no instance of non compliance of any requirement of corporate governance report as specified in paras (2) to (10) of schedule V (c) of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.
 - The Company complies with all the mandatory requirement and also complied following non-mandatory requirements as specified in part E of Schedule II of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as follows:
 - **Modified opinion(s) in Audit Report:** During the year under review, there were no audit qualifications in the Company's financial statements. The Company continues to adopt best practices to ensure regime of unqualified financial statements.
 - **Reporting of Internal Auditor:** Reporting by Internal Auditor directly to the Audit Committee.
 - The Company has complied with all the requirement of corporate governance requirements, as specified in regulations 17 to 27 and clauses (b) to (i) of sub-regulation 2 of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
- 11.** The certificate from Company Secretary in Practice confirming compliance of the conditions of corporate governance requirements as specified in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is attached to this report.
- 12. Management discussion and Analysis:** The Management Discussion and Analysis Report forms part of the Directors Report.
- 13. CEO/CFO Certification**
- The Managing Director and CFO have certified to the Board with regard to the compliance made by them in terms of Regulation 17(8) of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 for financial year 2016- 17 is attached with this report. The Managing Director and CFO of the company also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) (a) of the Listing Regulations.
- 14. Insider Trading**
- The Company had adopted a Code of Practice & Procedure for fair disclosure of Unpublished Price Sensitive Information and Code of Conduct for Prevention of Insider Trading of the Company pursuant to SEBI(Prohibition of Insider Trading) Regulations,2015.This code is applicable to all Directors/Promoters/ Key Managerial Personnel /Designated Employees and other connected persons etc.. The Code ensures the prevention of dealing in Company's Shares by person having access to unpublished price sensitive information in relation to the Company. The same is displayed on the website of the Company.



CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of Vippy Spinpro Ltd.

We have examined the compliance of conditions of Corporate Governance by Vippy Spinpro Ltd. (“the Company”) for the year ended 31st March, 2017, as stipulated in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

The compliance of conditions of Corporate Governance is the responsibility of the Company’s management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable.

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 Shilpesh Dalal & Co.,
Company Secretary

SHILPESH DALAL
(Proprietor)
M.No. FCS-5316
C.P. No. 4235

Indore
27th May, 2017



CEO/ CFO CERTIFICATION

To,
The Board of Directors
Vippy Spinpro Ltd.

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Vippy Spinpro Ltd. (“the Company”) to the best of our knowledge and belief certify that :

- (a) We have reviewed the financial statements and the cash flow statement for the year ended 31st March 2017 and to best of our knowledge and belief , we state that:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true & fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company’s Code of Conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control system of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and Audit Committee:
 - (i) significant changes, if any, in the internal control over financial reporting during the year;
 - (ii) significant changes, if any, in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company’s internal control system over financial reporting.

Place: Dewas
Date: 27th May, 2017

Piyush Mutha
Managing Director

Hassan Ali
Chief Financial Officer

DECLARATION

As per the requirements of Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that member of the Board of Directors and Senior Management Personnel, affirmed that they have complied with the Code of Conduct of Board of Directors and Senior Management for the year ended 31st March, 2017.

Place: Dewas
Date: 27th May ,2017

Piyush Mutha
Managing Director

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VIPPY SPINPRO LTD.****Report on the Financial Statements**

We have audited the accompanying financial statements of **VIPPY SPINPRO LTD.** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, and the Statement of Profit and Loss, the Cash Flow Statement for the year ended, March 31, 2017 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143(11) of the Act, we give in the **Annexure 'A'** a statement on the matters specified in paragraphs 3 and 4 of the Order.



- 2) As required by Section 143 (3) of the Act, based on our audit we report, to the extent applicable that :
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st 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 Company, refer to our separate report in **Annexure 'B'**. Our report expresses an unmodified opinion on the adequacy and the operating effectiveness of the Company's internal financial controls over financial reporting.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company has disclosed the impact of pending litigations on its financial position in its financial statements. (Refer Note 26 (b))
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the financial statements as regards its holding and dealings in Specified Bank Notes (SBN) as defined in the Notification S.O.3407 (E) dated the 8th November, 2016 of the Ministry of Finance during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management. Refer note no 33 to the financial statement.

For **Sodani & Company**
Chartered Accountants
Firm Registration No. 000880C

Place: Dewas
Date : May 27th, 2017

Rajesh Sodani
Partner
M. No. 077005

**ANNEXURE TO INDEPENDENT AUDITOR'S REPORT****ANNEXURE 'A'**

(Referred in paragraph first of our report of even date to the members of VIPPY SPINPRO LTD. for the year ended 31st March, 2017)

- I.
 - a) The Company has maintained proper record showing full particulars, including quantitative details and situation of fixed assets.
 - b) As informed to us, the management of the Company has physically verified fixed assets at reasonable intervals, which in our opinion is reasonable, having regards to the size of the Company and nature of its assets and no material discrepancies were noticed on such verification.
 - c) In our opinion and according to the information and explanations given to us and on the basis of our examination the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- II.
 - a) The inventory of the company has been physically verified during the year by the management at regular intervals.
 - b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the company and nature of its business
 - c) In our opinion and according to the information and explanation given to us, the Company has maintained proper records of its inventories. No material discrepancies have been noticed on physical verification of stock.
- III. As per information and explanation given to us, the Company has not granted any secured/unsecured loans to companies, firms, LLP or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- IV. As per information and explanation given to us, the Company has not granted any loan or given any guarantee on such loans covered under section 185 and neither it has made any investment covered under section 186 of the Companies Act, 2013.
- V. The company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Act and rules framed there under to the extent notified.
- VI. We have broadly reviewed the books of accounts maintained by the Company in respect of products where, pursuant to the rule made by the Central Government of India, the maintenance of cost records has been specified under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- VII.
 - a) According to the information and explanation given to us, the Company has been generally regular in depositing undisputed dues relating to Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Duties of Customs, Duties of Excise, Value Added Tax, cess and other material statutory dues applicable to it with appropriate authorities. There are no undisputed statutory dues payable which are outstanding as at March 31st, 2017 for a period of more than 6 months from the date they became payable.



- b) According to the information and explanations given to us, there are no dues of VAT, Income Tax, Customs Duty, Excise Duty & cess which have not been deposited on account of any dispute, except the following –

S. No.	Name of the Statute (Nature of the Dues)	Forum where Matter is pending	Period to which the amounts relates	Amount (in ₹)
1.	Entry Tax Act	M.P.Tax Tribunal Board, Bhopal	2007-2008	6,31,496.00

VIII Based on our audit and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of any loan to Banks. No debentures have been issued by the Company till date and hence there are no debenture holders .

IX. According to the information and explanations given to us, and based on documents provided to us, term loans availed by the Company were, prima-facie, applied by the Company for the purposes for which the loans were obtained. However, there were no new term loans that had been obtained during the year and neither any money was raised by way of further public offers.

X. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year nor have we been informed of such case by the management.

XI. According to the information and explanation given to us, and based on documents provided to us, the managerial remuneration has been paid/ provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013

XII. As explained and informed to us, the Company is not a Nidhi Company and hence this clause is not applicable on it.

XIII. According to the information and explanation given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 & section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

XIV. According to the information and explanation given to us, the Company has not made any preferential allotment/private placement of shares or fully or partly convertible debenture during the year.

XV. According to the information and explanation given to us, the Company has not entered into any non-cash transactions with Directors or Persons connected with him.

XVI. The Company is a manufacturing concern and therefore, the Company is not require to be registered under section 45-IA of the Reserve Bank of India Act, 1934

For **Sodani & Company**
Chartered Accountants
Firm Registration No. 000880C

Place: Dewas
Date : May 27th, 2017

Rajesh Sodani
Partner
M. No. 077005

**ANNEXURE ‘B’**

(Referred to in paragraph 2(f) of our report of even date to the members of VIPPY SPINPRO LTD. for the year ended 31st March, 2017).

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 **VIPPY SPINPRO LTD** (“the Company”) as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Sodani & Company**
Chartered Accountants
Firm Registration No. 000880C

Rajesh Sodani
Partner
M. No. 077005

Place: Dewas

Date : May 27th, 2017

BALANCE SHEET AS AT 31ST MARCH, 2017

	Notes	March 31, 2017 (₹)	March 31, 2016 (₹)
EQUITY AND LIABILITIES			
Shareholders' fund			
(a) Share capital	3	5,87,00,000	5,87,00,000
(b) Reserves and surplus	4	26,39,70,056	23,08,09,570
		<u>32,26,70,056</u>	<u>28,95,09,570</u>
Non-current liabilities			
(a) Long term borrowings	5	26,07,922	1,06,31,014
(b) Deferred tax liability (Net)	6	96,05,989	1,09,05,727
(c) Long term provisions	7	3,20,856	28,07,073
		<u>1,25,34,767</u>	<u>2,43,43,814</u>
Current liabilities			
(a) Short term borrowings	8	13,85,13,373	1,99,70,208
(b) Trade payables	9	7,93,096	37,36,509
(c) Other current liabilities	10	2,81,18,802	2,92,37,022
(d) Short term provisions	11	2,11,73,903	2,42,89,170
		<u>18,85,99,174</u>	<u>7,72,32,909</u>
	TOTAL	<u>52,38,03,997</u>	<u>39,10,86,293</u>
ASSETS			
Non-current assets			
(a) Fixed assets			
Tangible assets	12	10,67,46,904	11,32,94,900
Capital Work in progress	12	2,68,465	-
(b) Non-current investments	13	4,30,180	4,30,180
(c) Long-term loans and advances	14	79,60,567	82,81,519
		<u>11,54,06,116</u>	<u>12,20,06,599</u>
Current assets			
(a) Inventories	15	25,87,79,032	16,50,79,145
(b) Trade receivables	16	8,53,81,033	7,41,20,952
(c) Cash and bank balances	17	22,29,190	5,40,669
(d) Short term loan and advances	18	6,20,08,626	2,93,38,928
		<u>40,83,97,881</u>	<u>26,90,79,694</u>
	TOTAL	<u>52,38,03,997</u>	<u>39,10,86,293</u>

Significant accounting policies and notes to the account

2

The accompanying notes form an integral part of the financial statements.

As per our report of even date.

For Sodani & Company

Chartered Accountants

Firm registration No. 000880C

For and on behalf of the Board of Directors**Rajesh Sodani**

Partner

Membership No. 077005

Dewas

May 27th, 2017Piyush Mutha
Managing DirectorMohan Lal Jain
DirectorSandeep Nema
Company SecretaryHassan Ali
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

	Notes	March 31, 2017 (₹)	March 31, 2016 (₹)
INCOME			
Revenue from operations	19	98,06,89,624	87,75,97,520
Other income	20	1,40,52,538	65,31,606
Total revenue		<u>99,47,42,162</u>	<u>88,41,29,126</u>
EXPENSES			
Cost of material consumed	21	74,07,65,877	64,19,82,944
Change in inventories of finished goods and work in progress	22	7,59,672	(17,50,639)
Employees benefits expense	23	3,30,14,324	2,93,31,861
Financial costs	24	36,39,986	48,93,823
Depreciation and amortization expenses	12	1,86,43,291	2,15,35,393
Other expenses	25	15,12,71,149	14,24,62,056
Total expenses		<u>94,80,94,299</u>	<u>83,84,55,438</u>
Profit before prior period expenditure and tax		4,66,47,863	4,56,73,688
Less: Prior period expenditure		<u>12,115</u>	<u>92,595</u>
Profit before tax		4,66,35,748	4,55,81,093
Tax expense			
Current tax		1,47,75,000	1,72,10,000
Deferred tax (Assets)/Liabilities		<u>(12,99,738)</u>	<u>(25,73,381)</u>
Profit for the year		<u>3,31,60,486</u>	<u>3,09,44,474</u>
Earnings per equity share of nominal value of ₹ 10/- each			
Basic		5.65	5.27
Diluted		5.65	5.27
Significant accounting policies and notes to the account	2		
The accompanying notes form an integral part of the financial statements.			

As per our report of even date.

For Sodani & Company

Chartered Accountants

Firm registration No. 000880C

For and on behalf of the Board of Directors**Rajesh Sodani**

Partner

Membership No. 077005

Dewas

May 27th, 2017Piyush Mutha
Managing DirectorMohan Lal Jain
DirectorSandeep Nema
Company SecretaryHassan Ali
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

		(₹)	
		March 31, 2017	March 31, 2016
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before Tax and extraordinary items:	4,66,47,863	4,56,73,688
	Adjustment For :		
	Depreciation & Write offs	1,86,43,291	2,15,35,393
	Loss/ (Profit) on sale of Fixed assets	(5,81,839)	-
	Financial Charges	36,39,986	48,93,823
	Dividend Income	(400)	(1,23,038)
	Interest Income	(11,24,783)	(19,87,157)
	Prior period Adjustment	(12,115)	(92,595)
	Operating Profit before Working Capital Changes	6,72,12,003	6,99,00,114
	Adjustment For :		
	Increase / (Decrease) in trade payable	(29,43,413)	26,41,573
	Increase / (Decrease) in other current liabilities	(11,18,220)	(12,29,193)
	Increase / (Decrease) in short term provisions	(31,15,267)	(17,68,700)
	Increase / (Decrease) in long term provisions	(24,86,217)	-
	Decrease / (Increase) in trade receivable	(1,12,60,081)	2,55,24,221
	Decrease / (Increase) in short term loan & advances	(3,26,69,698)	(5,46,794)
	Decrease / (Increase) in inventories	(9,36,99,887)	(20,40,122)
	Decrease / (Increase) in other current assets	-	7,961
	Decrease / (Increase) in long term loan & advances	3,20,952	(11,00,954)
	Cash Generated from operation	(7,97,59,828)	9,13,88,106
	Financial Charges	(36,39,986)	(48,93,823)
	Direct Taxes paid	(1,47,75,000)	(1,72,10,000)
	NET CASH FROM OPERATING ACTIVITIES:	(9,81,74,814)	6,92,84,283
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Fixed Assets	(1,35,12,521)	(37,06,418)
	Sale of Fixed Assets	17,30,600	-
	Dividend Income	400	1,23,038
	Interest Income	11,24,783	19,87,157
	NET CASH USED IN INVESTING ACTIVITIES	(1,06,56,738)	(15,96,223)
C.	CASH FLOW FROM FINANCING ACTIVITIES:		
	Proceeds from long term borrowings	-	-
	Repayment of long term borrowings	(80,23,092)	(1,50,22,896)
	Proceeds from Short term borrowings	11,85,43,165	(5,29,22,654)
	NET CASH FLOW FROM FINANCING ACTIVITIES:	11,05,20,073	(6,79,45,550)
	NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	16,88,521	(2,57,490)
	Cash and Cash Equivalents as at 1/4/2016 (Opening Balance)	5,40,669	7,98,159
	Cash and Cash Equivalents as at 31/3/2017 (Closing Balance)	22,29,190	5,40,669

As per our report of even date.

For Sodani & Company

Chartered Accountants

Firm registration No. 000880C

For and on behalf of the Board of Directors**Rajesh Sodani**

Partner

Membership No. 077005

Dewas

May 27th, 2017Piyush Mutha
Managing DirectorMohan Lal Jain
DirectorSandeep Nema
Company SecretaryHassan Ali
Chief Financial Officer

**Notes to the financial statements as at March 31, 2017****(annexed to and forming part of the financial statement for the year ended 31st March , 2017)****Note 1 CORPORATE INFORMATION**

Vippy Spinpro Ltd. was incorporated in 1992 as a public limited company under the provisions of Companies Act, 1956. Its shares are listed on Mumbai Stock Exchange. The company is engaged in manufacturing of Cotton Yarn. The factory is situated at Dewas, with close proximity to Indore, a main commercial city of Madhya Pradesh. Company specialises in slub yarns, fancy yarns, multi count yarns and multi twist yarns, waxed yarn plied yarn etc. The company has an ISO certification, certified by Bureau Veritas ISO 9001:2008 since 2004

Note 2 SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES**2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on the accrual basis, except for certain financial instruments which measured at fair value. Indian GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 ("the Act") read with rule 7 of the companies (Accounts) Rule, 2014 and the provision of the Companies Act, 2013 ("the Act").

2.2 USE OF ESTIMATES

The preparation of financial statements is in conformity with the Generally Accepted Accounting Principles ("GAAP") in India requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, assets and liabilities and disclosures relating to contingent liabilities as of the date of the financial statements. Actual result could differ from those estimates. Any revision to accounting estimates is recognised prospectively in future periods.

2.3 FIXED ASSETS AND CAPITAL WORK IN PROGRESS

2.3.1 Fixed assets, are stated at cost of acquisition inclusive of duties (net of TED) taxes, less accumulated depreciation and impairment losses. Cost comprises the purchase price and any attributable cost related to the acquisition and installation of the respective asset to bring the asset to its working condition for its intended use.

2.3.2 Interest on borrowed money allocated to and utilized for fixed assets, pertaining to the period up to the date of put to use is capitalized.

2.3.3 Capital work-in-progress comprises the cost of fixed assets that are not yet ready for their intended use at the Balance Sheet date.

2.4 GOVERNMENT GRANTS & SUBSIDIES

Government grants are accounted when there is reasonable assurance that the enterprises will comply with the conditions attached to them and it is reasonably certain that the ultimate collection will be made. Capital subsidy in nature of Government Grant related to specific fixed assets is accounted for where collection is reasonably certain and the same is shown as a deduction from the gross value of the assets concerned in arriving at its book value and accordingly the depreciation is provided on the reduced book value. Other revenue grants are credited to the statement of profit and loss account.

2.5 IMPAIRMENT OF ASSETS

The Company assesses at each Balance Sheet date whether there is any indication that an assets may be impaired. If any such indication exist, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If



at the balance date there is an indication that a previously assessed impairment loss no longer exist, the recoverable amount is reassessed and the assets is reflected at the lower of recoverable amount and the carrying amount that would have been determined had no impairment loss been recognised.

2.6 INVESTMENT

2.6.1 Non current investments are carried at cost less any other than temporary diminution in value, determined on the specific identification basis

2.6.2 Current investments are carried at lower of cost or fair value. The comparison of cost and fair value is carried out separately in respect of each investment.

2.6.3 Profit or loss on sale of investments is determined as the difference between the sale price and carrying value of investment, determined individually each investment.

2.7 INVENTORIES

Raw materials, packing materials, stores and spares are valued at the lower of cost and net realisable value; cost being computed on "Weighted Average" basis. Finished goods (ascertained on FIFO basis) and stock in process valued at lower of estimated cost and net realisable value (cost being a composition of direct material cost, direct labour cost and overheads necessary to bring the inventories to their present location and condition).

2.8 DEPRECIATION

Company has charged the Written Down Value (WDV) Method in respect of Assets acquired under Technology Upgradation Fund Scheme and all Assets acquired after 31st March 2002, excluding Wind Mill, at the rate as per the useful life prescribed in schedule II to the Companies Act, 2013. On Wind Mill depreciation is charged on straight line method (SLM) at the rate as per useful life prescribed in Schedule II of the Companies Act, 2013. Depreciation on all fixed assets acquired before 31st March 2002 is provided on the straight-line method basis at the rate as per useful life prescribed in schedule II of the Companies Act.2013. Depreciation on fixed assets added/disposed off during the year is provided on pro-rata basis

2.9 REVENUE RECOGNITION

Sales are recognized on delivery or on passage of title of the goods to the customer. They are accounted net of trade discounts and rebates but exclusive of CST /VAT.

2.10 BORROWING COSTS

Borrowing Cost that are directly attributable to the acquisition or construction of fixed assets are capitalized up to the time all substantial activities necessary to prepare such assets for their intended use and complete or put to use. Other borrowing costs are recognized as an expense in the period in which they are incurred.

2.11 EMPLOYEE BENEFITS**2.11.1 Post Employment Benefits:**

Defined Benefit Plans: The Company's Gratuity scheme and Superannuation Scheme for key persons are defined benefit plans. In accordance with the requirements of Accounting Standard-15 "Employee Benefits", the Company provides for gratuity covering eligible employees on the basis of actuarial valuation. Under the gratuity plan, every employee who completed atleast five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The both schemes are funded with Life Insurance Corporation of India in the form of qualifying insurance policy.

2.11.2 Defined Contribution Plans

Contributions payable by the Company to the concerned government authorities in respect of provident fund, family pension fund and employees state insurance are defined contribution plans. The contributions are recognized as an expense in the Statement of Profit and Loss Account during the



period in which the employee renders the related service. The Company does not have any further obligation in this respect, beyond such contribution.

Other employee benefits are accounted for on accrual basis.

2.12 FOREIGN CURRENCY TRANSACTIONS AND TRANSLATIONS

Initial recognition Transactions in foreign currencies entered into by the Company are accounted at the exchange rate prevailing on the date of the transaction.

Measurement at the balance sheet date Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost. Accounting for forward contracts Premium/discount on forward exchange contract, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the balance sheet date. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal is made.

2.13 COMMODITY HEDGING TRANSACTION

In respect of derivative contracts, premium paid, gains/losses on settlement and losses on restatement are recognised in statement of the profit and loss account

2.14 TAXES ON INCOME

2.14.1 The accounting treatment followed for taxes on income is to provide for Current Tax and Deferred Tax. Provision for current income tax is made for the tax liability payable on taxable income ascertained in accordance with the applicable tax rates and laws.

2.14.2 Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods

2.15 EARNINGS PER SHARE

Basic Earning per Share ("EPS") is computed by dividing the net profit/(loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earning per share, net profit/(loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.16 CASH AND CASH EQUIVALENTS

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity period of three months or less.

2.17 CASH FLOW STATEMENT

The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard (AS) - 3 on Cash Flow Statement as specified under Section 133 of the Companies Act, 2013 and relevant provisions of the Companies Act, 2013.

2.18 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by uncertain future events not wholly within the control of the Company or (ii) Present obligation arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent Assets are not recognised in the financial statements.



	March 31, 2017 (₹)	March 31, 2016 (₹)
Note 3 SHARE CAPITAL		
Authorised		
70,00,000 (70,00,000) equity shares of ₹10 (₹10) each	7,00,00,000	7,00,00,000
Issued, subscribed, and paid up		
58,70,000 (58,70,000) equity shares of ₹10 (₹10) each fully paid up	5,87,00,000	5,87,00,000
	5,87,00,000	5,87,00,000

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	March 31, 2017		March 31, 2016	
	Nos.	(₹)	Nos.	(₹)
Equity				
Outstanding at the beginning of the year	58,70,000	5,87,00,000	58,70,000	5,87,00,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	58,70,000	5,87,00,000	58,70,000	5,87,00,000

b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each shareholder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Detail of shareholders holding more than 5% shares in the Company

S.No.	Name of shareholder	March 31, 2017		March 31, 2016	
		Nos.	%ge	Nos.	%ge
Equity Shares of ₹ 10/- each fully paid up					
(i)	Smt. Usha Mutha	6,81,768	11.61%	6,81,768	11.61%
(ii)	Smt. Sunita Mutha	4,68,400	7.98%	4,68,400	7.98%
(iii)	Shri Piyush Mutha	5,21,750	8.89%	5,21,750	8.89%
(iv)	Shri Praneet Mutha	5,21,050	8.88%	5,21,050	8.88%
(v)	Shri Rahul Mutha HUF	3,31,242	5.64%	3,31,242	5.64%



	March 31, 2017	March 31, 2016
	(₹)	(₹)
Note 4 RESERVES AND SURPLUS		
Capital reserve		
Balance at the beginning of the year	5,80,000	5,80,000
Balance at the end of the year	(a) <u>5,80,000</u>	<u>5,80,000</u>
General reserve		
Balance at the beginning of the year	25,00,000	25,00,000
Add: Amount transferred from surplus	-	-
Balance at the end of the year	(b) <u>25,00,000</u>	<u>25,00,000</u>
Surplus		
Balance at the beginning of the year	22,77,29,570	19,67,85,096
Add: Profit for the year	3,31,60,486	3,09,44,474
Balance at the end of the year	(c) <u>26,08,90,056</u>	<u>22,77,29,570</u>
	(a+b+c) <u>26,39,70,056</u>	<u>23,08,09,570</u>

Note 5 LONG TERM BORROWINGS

(a) Term loans from Banks (secured)		
Punjab National Bank-Term loan- IV	-	21,03,231
Punjab National Bank-Term loan- V	16,09,929	80,49,930
(b) Vehicle Loan	9,97,993	4,77,853
	<u>26,07,922</u>	<u>1,06,31,014</u>

a) Term loan

- i) Term loan- IV and V under Technology upgradation fund scheme (TUFS), secured against, (i) Charge by way of equitable mortgage of Land and Building. (ii) first charge land and Building, plant and machinery both present and future. The above said term loans are also collaterally secured by way of personal guarantees of 2 (two) directors/promoters of the Company.

- ii) The Term loan is repayable as under

S. No.	Term Loan	No. of Instl	Periodicity	Insrtallment
1	Term Loan IV	32	Quarterly	21,87,000
2	Term Loan V	20	Quarterly	16,10,000

- iii) The Company has not made any default as at the reporting date in repayment of term loan installment and interest.

- iv) The Term loan carries interest @ 5.95% / 6.95% (net of interest subvention under TUF Scheme @ 5% except 4% on T/L No. V)

b) Vehicle Loan HDFC Bank

- i) Vehicle loan secured by hypothecation of vehicle.
- ii) Vehicle loan is repayable 36 monthly installment
- iii) The Company has not made any default as at the reporting date in repayment of vehicle loan installment and interest.
- iv) The vehicle loan carries interest @ 9.25%

**Note 6 DEFERRED TAX LIABILITY (NET)**

	As at April 1, 2016	(Charged)/credited to Profit and Loss Account	As at March 31, 2017
	(₹)	(₹)	(₹)
Deferred tax Liability			
Fixed assets (Depreciation)	1,09,05,727	(12,99,738)	96,05,989
Net deferred tax liability	<u>1,09,05,727</u>	<u>(12,99,738)</u>	96,05,989

- i) In accordance with the provisions of the Accounting Standard-22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the Company has recognised deferred tax liability of ₹ 96,05,989/- (₹ 1,09,05,727) as at March 31, 2017.
- ii) The net deferred tax Assets amounting to ₹ 12,99,738/- (₹25,73,381/-) for the year has been recognised in the Statement of Profit and Loss.

March 31, 2017	March 31, 2016
(₹)	(₹)

Note 7 LONG TERM PROVISIONS

Other Provisions	3,20,856	28,07,073
	<u>3,20,856</u>	<u>28,07,073</u>

Note 8 SHORT TERM BORROWINGS**Secured**

Loans repayable on demand

From Banks

Working capital facilities from Punjab National Bank	13,85,13,373	1,99,70,208
	<u>13,85,13,373</u>	<u>1,99,70,208</u>

a) Working capital facilities from Punjab National Bank

- i) Working capital facilities, fund based of ₹ 18,00,00,000/- and non fund based of ₹ 1,00,00,000/- (Previous year ₹ 18,00,00,000/- and ₹ 1,00,00,000/-) is secured by hypothecation of stock of raw material, semi finished goods, work in progress/process, stores and spares, packing materials and books debts. (ii) first pari passu charge on all the Company's current assets. The above said working capital facilities is also collaterally secured by way of (i) personal guarantee of 2 (two) directors of the Company.
- ii) The Company has not made any default with respect to working capital facilities as at the reporting date.
- iii) Working capital facilities carries interest @ 10.65% while on Packing Credit interest rate is 10.15%



	March 31, 2017 (₹)	March 31, 2016 (₹)															
Note 9 TRADE PAYABLES																	
For goods, services and expenses	7,90,765	34,66,143															
For capital goods	2,331	2,70,366															
	<u>7,93,096</u>	<u>37,36,509</u>															
<p>Payments against small scale and ancillary undertakings are made in accordance with the agreed credit terms and to the extent ascertained from available information, there was no amount overdue for more than 30 days as on 31st March, 2017. A Small Scale Industrial undertaking has the same meaning as assigned to it under clause (j) of section 3 of the Industries (Development and Regulation) Act, 1951.</p> <p>The Company has not received the necessary information from the supplier/ service provider covered under Micro Small & Medium Enterprises Development Act 2006 with respect to their registration with the appropriate authority. Hence the information required to be disclosed U/s 22 of the said act is not given or nil.</p>																	
Note 10 OTHER CURRENT LIABILITIES																	
Current maturities of long term borrowing	1,09,74,005	1,60,04,439															
Other payables																	
Duties and taxes	9,20,848	13,36,465															
Employees salary and other payable	26,73,557	14,63,137															
Advances from customers	44,62,721	26,33,062															
Other Payable (Exps)	90,87,671	77,99,919															
	<u>2,81,18,802</u>	<u>2,92,37,022</u>															
a) Term loan																	
i) Term loan- IV and V under Technology upgradation fund scheme (TUFS), secured against, (i) Charge by way of equitable mortgage of Land and Building. (ii) first charge land and Building, plant and machinery both present and future. The above said term loans are also collaterally secured by way of personal guarantees of 2 (two) directors/promoters of the Company.																	
ii) The Term loan is repayable as under																	
	<table border="0"> <thead> <tr> <th style="text-align: center;">S. No.</th> <th style="text-align: center;">Term Loan</th> <th style="text-align: center;">No. of Instl</th> <th style="text-align: center;">Periodicity</th> <th style="text-align: center;">Insrallment (₹)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td>Term Loan IV</td> <td style="text-align: center;">32</td> <td>Quarterly</td> <td style="text-align: right;">21,87,000</td> </tr> <tr> <td style="text-align: center;">2</td> <td>Term Loan V</td> <td style="text-align: center;">20</td> <td>Quarterly</td> <td style="text-align: right;">16,10,000</td> </tr> </tbody> </table>	S. No.	Term Loan	No. of Instl	Periodicity	Insrallment (₹)	1	Term Loan IV	32	Quarterly	21,87,000	2	Term Loan V	20	Quarterly	16,10,000	
S. No.	Term Loan	No. of Instl	Periodicity	Insrallment (₹)													
1	Term Loan IV	32	Quarterly	21,87,000													
2	Term Loan V	20	Quarterly	16,10,000													
iii) The Company has not made any default as at the reporting date in repayment of term loan installment and interest.																	
iv) The Term loan carries interest @ 5.95%/ 6.95% (net of interest subvention under TUF Scheme @ 5% except 4% on T/L No. V)																	
vi) There are no outstanding dues to be paid to investor education and protection fund.																	
Note 11 SHORT TERM PROVISIONS																	
Provision for employee benefits	-	-															
Others																	
Income tax	1,47,75,000	1,72,10,000															
Other Provisions	63,98,903	70,79,170															
	<u>2,11,73,903</u>	<u>2,42,89,170</u>															



Note - 12

TANGIBLE ASSETS

(In ₹)

S. No.	Particulars	GROSS BLOCK		DEPRECIATION			NET BLOCK				
		As at April 1, 2016	Additions during the year	Sales during the year	As at March 31, 2017	Upto March 31, 2016	During the Year	Written back	Upto March 31, 2017	As at March 31, 2017	As at March 31, 2016
TANGIBLE ASSETS											
1	Leasehold Land	8,67,683	-	-	8,67,683	-	-	-	-	8,67,683	8,67,683
2	Land	-	6,50,160	-	6,50,160	-	-	-	-	6,50,160	-
3	Plant & Machinery	31,00,11,905	1,07,69,160	74,32,410	31,33,48,655	23,83,95,040	1,44,32,540	62,83,649	24,65,43,931	6,68,04,724	7,16,16,865
4	Office equipments	4,45,486	-	-	4,45,486	4,23,211	-	-	4,23,211	22,275	22,275
5	Furniture fixtures	20,42,085	-	-	20,42,085	18,61,346	39,692	-	19,01,038	1,41,047	1,80,739
6	Vehicles	54,31,117	18,24,736	-	72,55,853	26,70,267	9,14,990	-	35,85,257	36,70,596	27,60,850
7	Building	5,82,94,877	-	-	5,82,94,877	3,57,55,968	20,07,732	-	3,77,63,700	2,05,31,177	2,25,38,909
8	Computers	28,64,405	-	-	28,64,405	25,48,148	1,20,525	-	26,68,673	1,95,732	3,16,257
9	Wind Mill	2,91,51,490	-	-	2,91,51,490	1,41,60,168	11,27,812	-	1,52,87,980	1,38,63,510	1,49,91,322
	Total	40,91,09,048	1,32,44,056	74,32,410	41,49,20,694	29,58,14,148	1,86,43,291	62,83,649	30,81,73,790	10,67,46,904	11,32,94,900
	Previous Year (2015-16)	40,54,02,630	37,06,418	-	40,91,09,048	27,42,78,755	2,15,35,393	-	29,58,14,148	11,32,94,900	-
	Capital Work in Progress									2,68,465	0



	March 31, 2017 (₹)	March 31, 2016 (₹)
Note 13 NON CURRENT INVESTMENTS		
Investment in Companies		
Other Companies		
i) 20,000 Shares of Asit C. Mehta Financial Services Ltd. (Previous year 20,000, shares)	32,200	32,200
ii) 36,860 Shares of Punjab National Bank (Previous year 36,860, shares)	3,97,980	3,97,980
iii) 400 Shares of Mastek Ltd. (Previous year 400 shares)	-	-
Aggregate amount of quoted investments	<u>4,30,180</u>	<u>4,30,180</u>
Aggregate market value of quoted investments	<u>61,14,907</u>	<u>36,72,482</u>
Note 14 LONG TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Security deposits MPEB	79,14,484	82,35,436
Security deposits Sales Tax	10,000	10,000
Security deposits Others	36,083	36,083
	<u>79,60,567</u>	<u>82,81,519</u>
Note 15 INVENTORIES		
(Valued at lower of cost and net realizable value)		
(a) Raw materials	22,59,73,556	12,87,90,393
(b) Goods in Process	50,54,392	70,63,013
(c) Finished goods:		
Yarn	1,67,87,600	1,55,18,531
Saleable Waste	14,30,965	14,51,085
(d) Stores and spares	94,55,011	1,21,88,457
(e) Fuel	77,508	67,666
	<u>25,87,79,032</u>	<u>16,50,79,145</u>



	March 31, 2017	March 31, 2016
	(₹)	(₹)
Note 16 TRADE RECEIVABLES		
Outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less:	-	-
	(a) <u> </u>	<u> </u>
Other trade receivables		
Secured, considered good	-	-
Unsecured, considered good	8,53,81,033	7,41,20,952
Doubtful	-	-
	(b) <u> </u>	<u> </u>
	(a+b) <u> </u>	<u> </u>
	8,53,81,033	7,41,20,952
Note 17 CASH AND BANK BALANCES		
Cash and cash equivalents		
Balances with Banks		
On current accounts	92,160	68,993
Cash on hand	41,230	3,15,146
Other bank balances		
Deposits with original maturity for more than 12 months	20,95,800	1,56,530
Deposits with original maturity for more than 3 months but less than 12 months	-	-
Embarked balances with Banks	<u> </u>	<u> </u>
	22,29,190	5,40,669
Deposits with Banks ₹ 82000/- given to bank as margin money against bank guarantee issued by bank.		
Note 18 SHORT TERM LOAN AND ADVANCES		
Unsecured, considered good		
Capital Advances	3,22,99,580	1,39,961
Loans and advances for goods and Exps	65,19,074	5,34,793
Security deposits	-	-
Others		
Advance tax	97,00,000	1,09,10,000
VAT Receivable	1,06,11,298	1,42,10,194
Advance to employee	3,54,573	1,48,132
TED Receivable	-	1,15,763
Tax deducted at Sources	1,91,053	1,57,135
Prepaid expenses	5,97,487	6,21,302
Others	17,35,561	25,01,648
	<u> </u>	<u> </u>
	6,20,08,626	2,93,38,928



	March 31, 2017	March 31, 2016
	(₹)	(₹)
Note 19 REVENUE FROM OPERATIONS		
Sales		
Sale of Finished Goods	97,07,38,358	86,87,39,515
Sale of Waste	84,47,688	77,96,664
Sales of Others	94,374	78,822
Other operating revenue		
Sales of Scrap	14,09,204	9,82,519
	98,06,89,624	87,75,97,520
Less: Excise duty	-	-
	98,06,89,624	87,75,97,520
Note 20 OTHER INCOME		
Interest income from		
Banks deposits	2,90,883	5,98,571
Customers	8,33,900	13,88,586
Net gain on sale of fixed assets	5,81,839	-
Income from Wind Mill	54,84,038	38,42,223
Income from investment	400	1,23,038
Profit on Mutual Fund Investment	50,28,459	3,18,088
Provision no longer required	16,74,878	-
Other Income	1,58,141	2,61,100
	1,40,52,538	65,31,606
Note 21 COST OF RAW MATERIAL CONSUMED		
Material consumed		
Opening stock	12,87,90,393	13,21,48,801
Add: Purchases	83,79,49,040	63,86,24,536
	96,67,39,433	77,07,73,337
Less: Closing stock	22,59,73,556	12,87,90,393
	74,07,65,877	64,19,82,944



	March 31, 2017	March 31, 2016
	(₹)	(₹)
Note 22 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS		
Inventories at the beginning of the year		
Finished goods	1,55,18,531	1,45,39,524
Saleable Waste	14,51,085	17,20,665
Work in progress	70,63,013	60,21,801
	(a) <u>2,40,32,629</u>	<u>2,22,81,990</u>
Inventories at the end of the year		
Finished goods	1,67,87,600	1,55,18,531
Saleable Waste	14,30,965	14,51,085
Work in progress	50,54,392	70,63,013
	(b) <u>2,32,72,957</u>	<u>2,40,32,629</u>
	c=(a-b) <u>7,59,672</u>	<u>(17,50,639)</u>
Note 23 EMPLOYEE BENEFITS COST		
Salary, wages, bonus and allowances	2,78,22,052	2,57,43,796
Contribution to provident and other funds	37,36,083	25,26,979
Gratuity	9,11,121	6,97,412
Staff welfare	5,45,068	3,63,674
	<u>3,30,14,324</u>	<u>2,93,31,861</u>
Note 24 FINANCE COST		
Interest expense on		
Borrowings from banks	27,00,921	37,08,472
Others	820	576
Other borrowing costs		
Bank charges	9,38,245	11,84,775
	<u>36,39,986</u>	<u>48,93,823</u>



	March 31, 2017 (₹)	March 31, 2016 (₹)	
Note 25 OTHER EXPENSES			
Manufacturing Exps			
Stores and spares consumed	1,16,40,425	1,22,95,540	
Power and fuel consumed	6,51,01,417	6,12,47,280	
Repairs to Plant & Machinery	25,20,857	22,85,069	
Testing Charges	36,796	16,336	
Water Charges	1,85,660	3,31,225	
Other manufacturing Exps	<u>57,11,314</u>	<u>37,00,026</u>	7,98,75,476
Administrative Exps			
Lease Rent	18,879	22,686	
Vehicle running & Maintenance	4,11,666	3,96,966	
Travelling and conveyance	5,81,359	5,21,079	
Printing and stationery	2,81,436	2,41,920	
Telephone Exps	1,83,623	1,94,435	
Directors Travelling	8,57,824	5,90,686	
Repair and maintenance Bldg	4,76,653	14,51,718	
Legal and professional Fees	11,19,507	16,20,090	
Rates and taxes	1,96,214	2,41,431	
Insurance	10,28,192	8,04,397	
Advertisement	1,35,979	1,29,625	
Directors sitting Fees	14,500	11,500	
Membership fee and subscription	1,64,908	1,47,884	
Payments to Auditors	2,58,750	2,32,688	
Other Administrative Exps	<u>10,31,492</u>	<u>9,76,358</u>	75,83,463
Selling & distribution Exps			
Packing Materials & Exps	2,14,37,789	1,96,41,056	
Sales commission	1,37,37,320	1,30,25,030	
Freight on Sales	1,83,39,338	1,43,78,572	
Export Exps	56,62,126	77,54,992	
Sales Promotion Exps	42,290	1,15,878	
TCS Paid	<u>94,835</u>	<u>87,589</u>	5,50,03,117
	<u>15,12,71,149</u>	<u>14,24,62,056</u>	
Payment to Auditors			
Statutory Audit Fees	2,07,000	1,71,750	
Tax Audit Fees	51,750	42,938	
Cast Audit Fees	0	18,000	
	<u>2,58,750</u>	<u>2,32,688</u>	

**Note 26 CONTINGENT LIABILITIES****(to the extent not provided for)**

- a) Company has given counter guarantee for ₹ 4,33,000/- (₹12,03,500) to Punjab National Bank for Guarantee given by them to Custom/DGFT department against which Company has given to bank FDR for ₹ 82,000/- as margin money.
- b) Demand of Entry Tax by commercial tax department ₹ 6,31,496/- for assessment year 2007-08. Case pending with M.P. Tax Tribunal Board Bhopal. Company has provided liabilities for ₹ 3,20,856/- in the financial year 2007-08.

Note 27 In the opinion of the management and to the best of their knowledge and belief, the value on realisation of current assets, loans and advances in the ordinary course of business would not be less than the amount at which they are stated in the balance sheet. The provision for known liabilities is adequate and not in excess of the amount considered reasonable and necessary

Note 28 In Union Budget 2004-05 textile goods have been exempted from excise duty provided no credit under CENVAT Rule 2002 is taken. The company has decided to opt for exemption i.e. zero excise duty w.e.f. 9th July, 2004 under notification No. 30 dated 09.07.2004.

Note 29 The company in accordance with its risk management policies and procedure enters in to foreign currency forward contracts to manage its exposure in foreign exchange rates. These contracts are for period between one day and one year.

Note 30 Balances of creditors, debtors, and advances are almost confirmed.

Note 31 RELATED PARTY DISCLOSURE

a) Managerial Remuneration

₹

1	Shri Piyush Mutha	Managing Director	Remuneration	54,00,000
			Provident Fund	6,48,000
			Super Annuation	8,10,000
			Perquisite	1,09,499

Note 32 EARNING PER SHARES

	2016-17	2015-16
a) Net Profit after tax (₹)	3,31,60,486	3,09,44,474
b) Number of weighted average equity shares	58,70,000	58,70,000
c) Nominal value of shares (₹)	10	10
d) Earning per shares (₹)	5.65	5.27

**Note 33 DISCLOSURE ON SPECIFIED BANK NOTES**

During the year, the Company had Specified Bank Notes (SBNs) or other denomination notes as defined in MCA notification, G.S.R. 308(E), dated March 31, 2017. The details of SBNs 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 are as follows:

Particulars	SBNs	(₹)	
		Other denomination notes	Total
Closing cash in hand as on November 8, 2016	14000.00	185725.00	199725.00
Add: Petmitted Receipts	-	1934453.00	1934453.00
Less: Petmitted Payments	14000.00	2029983.00	2043983.00
Less: Amount deposited in Bank	-	-	-
Closing cash in hand as on December 30, 2016	-	90195.00	90195.00

Note 34 MANAGERIAL REMUNERATION TO DIRECTORS

	2016-17	2015-16
	(₹)	(₹)
1. To the Managing Director		
a) Remuneration	54,00,000	48,00,000
b) Contribution to PF	6,48,000	5,76,000
c) Perquisites	1,09,499	80,803
d) Meeting Fees	Nil	Nil
e) Commission	Nil	Nil
2. To the Director other than Managing Director		
a) Remuneration	3,85,667	3,60,000
b) Contribution to PF	Nil	Nil
c) Perquisites	Nil	Nil
d) Meeting Fees	Nil	Nil
e) Commission	Nil	Nil
3. To Non executive Director		
a) Sitting Fees	14,500	11,500

Note 35 PARTICULARS OF LICENCED & INSTALLED CAPACITIES

	2016-17	2015-16
	Rotors	Rotors
a) Licensed Capacity	N.A.	N.A.
b) Installed Capacity	3168	3168

**Note 36 PRODUCTION & SALES**

	Production			Sales		
	2016-17	2015-16		2016-2017		2015-2016
	M.T.	M.T.	M.T.	(₹)	M.T.	(₹)
Cotton Yarn	8681.416	8581.916	8706.559	87,07,38,358	8566.118	86,92,45,174
Waste	703.983	749.821	711.380	84,47,688	774.701	77,96,664
Scrap/Others	-	-	-	15,03,578	-	10,61,340

Note 37 RAW MATERIALS CONSUMED

	2016-17		2015-16	
	M.T.	(₹)	M.T.	(₹)
a) Cotton	9477.078	74,07,65,877	9422.189	64,19,82,944

Note 38 CLOSING STOCK OF FINISHED PRODUCTS

	M.T.	M.T.
	2016-17	2015-16
a) Cotton yarn	163.811	188.954
a) Waste	136.237	143.634
	March 31,2017	March 31,2016
	(₹)	(₹)

Note 39 VALUE OF IMPORTS (On CIF Basis)

1. Capital Goods (Spares Parts)	30,71,581	60,36,123
---------------------------------	------------------	-----------

Note 40 EXPENDITURE IN FOREIGN EXCHANGE

1. Brokerage, Quality Allowance, travel etc	7,42,995	5,57,975
---	-----------------	----------

Note 41 EARNING IN FOREIGN EXCHANGE

1. Export of Goods (FOB Basis)	8,37,02,538	16,24,46,554
--------------------------------	--------------------	--------------

**Note 42 IMPORTED AND INDIGENOUS RAW MATERIALS COMPONENTS AND SPARE PARTS CONSUMED**

	Value in (₹)		Percentage	
	2016-17	2015-16	2016-17	2015-16
a) Raw Materials				
1 Imported	-	-	-	-
2 Indigenous	74,07,65,877	64,19,82,944	100%	100%
b) Stors & Spares				
1 Imported	27,42,923	30,75,785	23.56%	25.02%
2 Indigenous	88,97,502	92,19,755	76.44%	74.88%

Note 43 Figures of the previous year have been regrouped wherever required

As per our report of even date.

For Sodani & Company

Chartered Accountants

Firm registration No. 000880C

For and on behalf of the Board of Directors**Rajesh Sodani**

Partner

Membership No. 077005

Dewas

May 27th, 2017Piyush Mutha
Managing DirectorMohan Lal Jain
DirectorSandeep Nema
Company SecretaryHassan Ali
Chief Financial Officer



Vippy Spinpro Ltd.

CIN: L01710MP1992PLC007043

Regd. Office: 414, City Centre, 570,M.G. Road, Indore-452001, Madhya Pradesh

Email:admin@vippyspinpro.com

Website:www.vippyspinpro.com, Phone:91-731-2546710.

Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule (19)(3) of the Companies (Management and Administration) Rules, 2014]

Name of Member(s):

Registered Address:

E-mail Id:

Folio No./Client Id:

DP ID:

I/We, being the member(s) of _____ shares of the Vippy Spinpro Ltd., 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 25th Annual General Meeting of the Company, to be held on the Wednesday, 27th day of September, 2017 at 09.30 a.m. at Hotel Amar Vilas, 1 Chandra Nagar, A.B. Road, Opp. Sony World, Indore - 452010 (M.P.), India and at any adjournment thereof in respect of such resolutions are indicated overleaf:



Vippy Spinpro Ltd.

CIN: L01710MP1992PLC007043

Regd. Office: 414, City Centre, 570,M.G. Road, Indore-452001, Madhya Pradesh

Email:admin@vippyspinpro.com

Website:www.vippyspinpro.com, Phone:91-731-2546710..



ATTENDANCE SLIP

25th Annual General Meeting on Wednesday 27th September 2017, at 9.30a.m.

At Hotel Amar Vilas, 1 Chandra Nagar, A.B. Road, Opp. Sony World, Indore - 452010 (M.P.)

Folio No. _____ **DP ID No.*** _____ **Client ID No.*** _____

Name of the Member _____ **Signature** _____

Name of the Proxy holder _____ **Signature** _____

I/We hereby record my/our presence at the 25th Annual General Meeting of the Company at 9.30 a.m. at Hotel Amar Vilas, 1 Chandra Nagar, A.B. Road, Opp. Sony World, Indore - 452010 (M.P.), India

*Applicable for members holding shares in electronic form.

1. Only Member/Proxy holder can attend the meeting
2. Member/Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.

Resolutions		
Ordinary Business		
1.	Adoption of Financial Statement for the year ended 31st March, 2017(Ordinary Resolution)	
2.	Re-appointment of Shri Praneet Mutha(DIN:00424250), who retires by rotation(Ordinary Resolution)	
3.	Appointment of M/s. R.S. Bansal & Company., Chartered Accountants (Firm Registration No. 000939C) as Auditors of the Company, in place of retiring Auditor M/s. Sodani & Co., Chartered Accountants, to hold office for a term of 5 years(Ordinary Resolution)	
Special Business		
4.	Appointment of Mrs. Deepa Sudhir Mekal (DIN: 05222280) as Independent Director for five consecutive years for a term up to 30th March 2022(Ordinary Resolution)	
5.	Re-appointment of Shri Mangalore Maruthi Rao(DIN: 00775060) as a Whole Time Director for a period of 2 years w.e.f. 28.10.2016 (Special Resolution)	
6.	Approval to deliver document through a particular mode as may be sought by the Member (Special Resolution)	
7.	Re- appointment of Shri Piyush Mutha(DIN: 00424206) as a Managing Director for a period of 2 years w.e.f. 01.04.2017(Special Resolution)	

Signed this -----day of-----2017

Signature of shareholder.....

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

Affix Revenue Stamp

Note : : This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



