

**36<sup>th</sup>**  
**ANNUAL REPORT**

**2015 - 2016**



**SHREYANS INDUSTRIES LIMITED**



**INSPIRING US**



**LATE SH. D.K. OSWAL  
(1940 - 2007)**

**We live by your values.  
Honesty, Generosity, Compassion and Selflessness.**



**BOARD OF DIRECTORS**

SH. RAJNEESH OSWAL, CHAIRMAN AND MANAGING DIRECTOR	(DIN 00002668)
SH. VISHAL OSWAL, VICE-CHAIRMAN AND MANAGING DIRECTOR	(DIN 00002678)
SH. KUNAL OSWAL, WHOLE TIME DIRECTOR	(DIN 00004184)
SH. ANIL KUMAR, EXECUTIVE DIRECTOR AND C.E.O	(DIN 00009928)
SH. A.K. CHAKRABORTY, INDEPENDENT DIRECTOR	(DIN 00133604)
SH. M.L. GUPTA, INDEPENDENT DIRECTOR	(DIN 00272672)
DR. N. J. RAO, INDEPENDENT DIRECTOR	(DIN 01282945)
DR. PRATIBHA GOYAL, ADDITIONAL DIRECTOR (INDEPENDENT)	(DIN 07174666)

CHIEF FINANCIAL OFFICER  
MR. R. K. MAHAJAN

COMPANY SECRETARY  
MR. VIDESHWAR SHARMA

**BANKERS**

STATE BANK OF PATIALA  
STATE BANK OF HYDERABAD  
IDBI BANK LTD

**STATUTORY AUDITORS**

M/s. S.C. VASUDEVA & CO., NEW DELHI

**REGISTRAR & TRANSFER AGENTS**

M/s. SKYLINE FINANCIAL SERVICES (P) LIMITED  
D-153/A, 1ST FLOOR OKHLA INDUSTRIAL AREA PHASE - I  
NEW DELHI - 110020  
TEL: 011 26812682, 83, EMAIL: admin@sklinerta.com

**REGISTERED & CORPORATE OFFICE**

VILLAGE - BHOLAPUR. P.O. SAHABANA  
CHANDIGARH ROAD, LUDHIANA- 141123. (PUNJAB)  
CIN: L17115PB1979PLC003994,  
TEL: +91-161-6574125, 98761-00948 FAX: +91-161-2685270  
EMAIL: atl@shreyansgroup.com, WEB: www.shreyansgroup.com

**WORKS**

- SHREYANS PAPERS, AHMEDGARH, DISTT. SANGRUR (PB.)  
TEL: +91-1675-240347, 240348, 240349, 661300 FAX: +91-1675-240512, EMAIL: spm@shreyansgroup.com
- SHREE RISHABH PAPERS, VILLAGE BANAH, DISTT. S. B. S. NAGAR (PB.)  
TEL: +91-1881-273627, 273628, 273629 FAX: +91-1881-273645, EMAIL: srp@shreyansgroup.com

**BRANCHES**

- 5 A-C, GOPALA TOWER,  
25, RAJENDRA PLACE, NEW DELHI-110008  
TEL: +91-11-25818258, 25818259, 25721042  
FAX: +91-11-2575-2271,  
EMAIL: sil.delhi@shreyansgroup.com
- 302, RAHEJA CHAMBERS, 3RD FLOOR,  
NARIMAN POINT, MUMBAI-400021  
TEL: +91-22-22851025, 22851708  
FAX: +91-22-2284-2825,  
EMAIL: sil.mumbai@shreyansgroup.com

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**NOTICE**

Notice is hereby given that the 36<sup>th</sup> Annual General Meeting of the members of the Company will be held on Wednesday, the 10<sup>th</sup> August, 2016 at 11.00 A.M. at the Registered Office of the Company at Village Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana 141 123 to transact the following business:-

**AS AN ORDINARY BUSINESS**

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2016 and the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend, if any, for the Financial Year ended 31<sup>st</sup> March, 2016.
3. To appoint a Director in place of Sh. Kunal Oswal (DIN: 00004184), who retires by rotation and being eligible offers himself for re-appointment.
4. To ratify the appointment of M/s. S. C. Vasudeva & Co., Chartered Accountants, (Firm Registration No. 000235N) as approved by members at the 34<sup>th</sup> Annual General Meeting as Statutory Auditors of the Company, to hold office until the conclusion of 37<sup>th</sup> Annual General Meeting and to fix their remuneration for the Financial year ending 31<sup>st</sup> March, 2017.

**AS SPECIAL BUSINESS****ITEM NO. 5****TO CONSIDER AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 197, 198 read with Schedule V and other applicable provisions, if any of the Companies Act, 2013 (including statutory modification/re-enactment thereof and subject to the approval of Central Government, if required, the consent of the Company be and is hereby given for payment of remuneration to Sh. Rajneesh Oswal, Chairman & Managing Director (DIN : 00002668) of the Company for remaining tenure of his appointment from 1<sup>st</sup> June, 2016 to 31<sup>st</sup> May, 2018 (two years) on terms and conditions as set out in the revised agreement to be entered into between company and Sh. Rajneesh Oswal, as submitted to this meeting, be and is hereby specifically approved."

"RESOLVED FURTHER THAT Board of Directors be and is hereby authorized to alter or increase/ vary the terms and conditions of the said remuneration and/ or agreement in such form and manner or with such modifications as the Board may deem fit, if required, to comply with approval(s) of shareholders and/or Central Government and as may be acceptable to Sh. Rajneesh Oswal without referring the same to the General Meeting again, subject to consents/ approvals, if any, required in this regard."

"RESOLVED FURTHER THAT where in any Financial Year, the Company has no profits or its profits are inadequate during the tenure of office of Sh. Rajneesh Oswal, the remuneration aforesaid shall be paid as the minimum remuneration."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and to execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolutions."

**ITEM NO. 6****TO CONSIDER AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 197, 198 read with Schedule V and other applicable provisions, if any of the Companies Act, 2013 (including statutory modification/re-enactment thereof) and subject to the approval of Central Government, if required, the consent of the Company be and is

hereby given for payment of remuneration to Sh. Vishal Oswal, Vice-Chairman & Managing Director (DIN : 00002678) of the Company for remaining tenure of his appointment from 1<sup>st</sup> June, 2016 to 31<sup>st</sup> May, 2018 (two years) on terms and conditions as set out in the revised agreement to be entered into between company and Sh. Vishal Oswal, as submitted to this meeting, be and is hereby specifically approved."

"RESOLVED FURTHER THAT Board of Directors be and is hereby authorized to alter, or increase and vary the terms and conditions of the said re-appointment and/ or agreement in such form and manner or with such modifications as the Board may deem fit, if required, to comply with approval(s) of shareholders and/or Central Government and as may be acceptable to Sh. Vishal Oswal without referring the same to the General Meeting again, subject to consents/ approvals, if any, required in this regard."

"RESOLVED FURTHER THAT where in any Financial Year, the Company has no profits or its profits are inadequate during the tenure of office of Sh. Vishal Oswal, the remuneration aforesaid shall be the minimum remuneration."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and to execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolutions."

**ITEM NO. 7****TO CONSIDER AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:**

"Resolved that pursuant to the provisions of Section 149, 152, 160 and other applicable provisions of the Companies Act, 2013 and the rules made there under read with schedule IV to the said Act, the consent of the company be and is hereby accorded to appoint Dr. Pratibha Goyal (DIN- 07174666) who was appointed as an Additional Director (Independent) on the Board of the Company w.e.f. 24<sup>th</sup> May, 2016 and whose term expires at this Annual General Meeting of the company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director of the Company, as an Independent Director to hold office from 10<sup>th</sup> August, 2016 to 9<sup>th</sup> August, 2019 not liable to retire by rotation."

**ITEM NO. 8****TO CONSIDER AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:**

"Resolved that pursuant to section 73(2) of the Companies Act, 2013 and rules made there under and other applicable provisions, if any including any statutory modifications/re-enactments thereof the consent of the Company be and is hereby given to accept deposits from members of the Company within the prescribed provisions and limits."

"Resolved further that the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**ITEM NO. 9****TO CONSIDER AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provision of Section 148(3) and other applicable provisions, if any of the Companies Act, 2013

and the rules made thereunder, the remuneration payable to M/s Rajan Sabharwal & Associates, Cost Accountants (Firm Registration No. 101961), appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2016, amounting to ₹ 45000/- (Rupees Forty Five thousands only) plus service tax as applicable and reimbursement of out of pocket expenses, if any, be and is hereby ratified and confirmed."

"RESOLVED FURTHER THAT pursuant to the provision of Section 148(3) and other applicable provisions, if any of the Companies Act, 2013 and the rules made thereunder, the remuneration payable to M/s Rajan Sabharwal & Associates, Cost Accountants (Firm Registration No. 101961), appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2017, amounting to ₹45000/- (Rupees Forty Five thousands only) plus service tax as applicable and reimbursement of out of pocket expenses, if any, be and is hereby ratified and confirmed."

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

**ITEM NO. 10****TO CONSIDER AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to provisions of Section 20 of the Companies Act, 2013 and other applicable provisions, if any, of the said Act and relevant rules prescribed there under, whereby a document may be served on any member by the company by sending it to him by post or by registered post or by speed post or by courier or by delivering to his office or address, or by such electronic or other mode as may be prescribed, the consent of the company be and is hereby given to charge from the member the fee in advance equivalent to the estimated actual expenses of delivery of the documents, pursuant to any request made by the shareholder for delivery of such document to him, through a particular mode of services mentioned above provided such request along with requisite fee has been duly received by the company at least one week in advance of the dispatch of document by the company and that no such request shall be entertained by the company post the dispatch of such document by the company to the shareholder."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, directors or key managerial personnel of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution."

**NOTES:**

**1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

**2. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

3. Members/proxies are requested to bring their copy of Annual Report to the Meeting and bring in duly filled attendance slips enclosed herewith to attend the meeting. Shareholders/ Proxy holders are requested to produce at the entrance, duly filled and signed attendance slips for admission to the Meeting Hall.

Corporate members are required to send a certified copy of the Board Resolution to the Company, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the AGM.

4. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed herewith.

5. The Register of Members and Share Transfer books of the Company shall remain closed from 4<sup>th</sup> August, 2016 to 10<sup>th</sup> August, 2016 (both days inclusive), for the purpose of Annual General Meeting of the Company and payment of dividend, if any, for both physical and electronic segments.

6. Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the meeting, will be paid within a period of 30 days from the date of declaration, to those members whose name appear on the Register of Members as on 3<sup>rd</sup> August, 2016.

7. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their question in writing to the Company, so as to reach the registered office of the Company at least 10 days before the date of the meeting so that information required may be made available at the time of the Meeting.

8. Copies of the Annual Report are being sent by electronic mode only to those members whose email addresses are registered with the company/depository participants(s) for communication purposes unless any members has requested for hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2016 are being sent by the permitted mode.

9. Members are requested to :

1. Quote their folio number/Client ID & DP-ID in all correspondence with the company.
2. Notify immediately to the company any change in their address/ mandate, if any.
3. Register their e-Mail id with the company or its Registrar or their depository participant to enable the company to send the notices and other reports through email.

10. Shares of the Company are available for De-Materialization under ISIN- INE231C01019. Members who have not opted for De-Materialization are requested to do so in their own interest.

**11. Please note that the meeting is for members or their proxies only. Please avoid being accompanied by non-members and children.**

12. A remote e-voting facility for the members shall also be provided in terms of Section 108 of the Companies Act, 2013 and rules made there under and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The facility for voting through ballot paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise the right at the meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.



**The instructions for shareholders voting electronically are as under:-**

- (i) The remote e-voting period begins on 6<sup>th</sup> August, 2016 (09.00 A.M.) and ends on 9<sup>th</sup> August, 2016 (5.00 P.M.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) 3<sup>rd</sup> August, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- Any person, who acquires shares of the Company and becomes a shareholder of the Company after dispatch of the Notice of AGM and holds shares as of the cut-off date i.e. 3<sup>rd</sup> August, 2016 may obtain the login ID and password by sending a request at [cs@shreyansgroup.com](mailto:cs@shreyansgroup.com).
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - 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](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are holding shares in physical form or first time user in case holding shares in demat form, follow the steps given below:

	<b>For Members holding shares in Demat Form (First time user) and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both De-mat shareholders as well as physical shareholders) 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 <b>sequence number*</b> 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.
DOB	Please enter the DOB or Dividend Bank Details in order to login. Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or Folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank details as recorded in your demat account or in the Company records for the said demat account or Folio. If the details are not recorded with the depository or company please enter the Member ID / Folio no. in the Dividend Bank details field.

\*sequence number shall be as per separate sheet attached with the Annual Report.

- (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 De-mat 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 De-mat 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 (160625004) or the <Shreyans Industries Limited> 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 out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same 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. iPhone 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](http://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](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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 favor 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](http://www.evotingindia.com) help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
13. M/s P.S. Bathla & Associates, Company Secretaries in practice, Ludhiana have been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner (including the ballot forms). The Scrutinizer shall within a period of two working days from the conclusion of e-voting period, unblock the votes in presence of at least two witnesses not in employment of the Company and make a report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.
14. The Results shall be declared within two working days from the conclusion of the AGM. The results declared along with the Scrutinizer's report shall be placed on the Company's website [www.shreyansgroup.com](http://www.shreyansgroup.com) and on the website of CDSL and communicated to the Stock Exchanges.

**By order of the Board  
For Shreyans Industries Limited  
Sd/-  
Videshwar Sharma  
Company Secretary  
ACS 17201**

**Dated : May 24, 2016**  
**Reg. Office: Village: Bholapur,  
P.O. Sahabana, Chandigarh Road,  
Ludhiana 141 123**  
**CIN: L17115PB1979PLC003994**  
**Tel.: +91-161-6574125, 98761-00948**  
**Fax: +91-161-2685270**  
**Email: [atl@shreyansgroup.com](mailto:atl@shreyansgroup.com)**  
**Website: [www.shreyansgroup.com](http://www.shreyansgroup.com)**

**ANNEXURE TO THE NOTICE  
EXPLANATORY STATEMENT PURSUANT TO SECTION 102  
OF THE COMPANIES ACT, 2013, FORMING PART OF THE  
NOTICE OF ANNUAL GENERAL MEETING**

**ITEM NO. 5**

Sh. Rajneesh Oswal was re-appointed as Chairman & Managing Director of the Company for five years w.e.f. 01st June, 2013 to 31st May, 2018 by special resolution passed at Annual General Meeting held on 30th August, 2013 and the said re-appointment was also approved by Central Government except remuneration, which was approved up to 31st May, 2016 only (three years).

The period of approval of remuneration shall expire on 31st May, 2016, the Board of Directors at its meeting held on 24th May, 2016, has approved the remuneration of Sh. Rajneesh Oswal, Chairman & Managing Director for remaining period of his appointment i.e. from 01st June, 2016 to 31st May, 2018, (two years) as mentioned hereunder and other terms and conditions shall remain unchanged as set out in the draft agreement which is open for inspection at Registered Office of the Company on any working day between 10.30 A.M. to 12.30 P.M. The payment of remuneration to Sh. Rajneesh Oswal, Chairman & Managing Director is subject to the approval of Shareholders and Central Government, if required, in terms of Section 197, 198 read with

Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under including any further amendment, modification or re-enactment thereof.

The Principal terms of remuneration of Sh. Rajneesh Oswal, Chairman & Managing Director as approved by the Nomination and Remuneration Committee of the Company for a period of two years starting from 1<sup>st</sup> June, 2016 are as follows:

**(1) SALARY:**

Sh. Rajneesh Oswal, Chairman & Managing Director shall be paid a salary of ₹ 14,50,000/- per month.

**(2) PERQUISITES AND ALLOWANCES:**

- (i) The expenditure pertaining to gas, electricity, water, furnishings and other utilities including repairs will be borne/reimbursed by the Company and shall be valued as per the Income Tax Rules, 1962 or in accordance with such other directions/ clarifications as may be issued by the Ministry of Corporate Affairs, subject to maximum of ₹ 1,05,000/- per annum.
  - (ii) Reimbursement of expenses on medical treatment incurred by the appointee and his family subject to ceiling of one month salary in a year or two months salary over a period of two years.
  - (iii) Fee of clubs subject to a maximum of two clubs excluding admission and life membership fees and maximum of ₹ 50,000/- per annum.
  - (iv) Leave travel concession for self and family members as per company's rules.
  - (v) Provision of Car for official -cum- personal use, however, the valuation for personal use of car shall be treated as perquisite in the hands of Chairman & Managing Director.
  - (vi) Provision of Telephone at residence for official-cum- personal use. However, the valuation of personal use of telephone shall be treated as perquisite of the Chairman & Managing Director.
- (3) In addition to the perquisites as aforesaid, Sh. Rajneesh Oswal, Chairman & Managing Director shall also be entitled to the following benefits in accordance with the Rules of the Company, which shall not be included in the computation of ceiling on remuneration:
- (i) Contribution to Provident Fund, Super Annuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
  - (ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
  - (iii) Encashment of leave at the end of the tenure.
- (4) Reimbursement of all entertainment, traveling, hotel and other expenses incurred by Sh. Rajneesh Oswal, Chairman & Managing Director during the course of and in connection with the business of the Company.
- (5) No sitting fees shall be paid to Sh. Rajneesh Oswal, Chairman & Managing Director for attending the meeting of Board of Directors or any Committee thereof.

**(6) MINIMUM REMUNERATION**

In the event of inadequacy or absence of profits in any financial year during his tenure, Sh. Rajneesh Oswal, Chairman & Managing Director will be entitled to above remuneration along with the perquisites/ benefits mentioned above by way of minimum remuneration.

Necessary resolution is proposed at item no. 5 of the aforesaid agenda as special resolution.

Directors of your company recommend the above resolution for your consideration and approval.

#### **NOTICE OF INTEREST**

None of the Directors/Key Managerial Personnel of the Company / their relatives, except Sh. Rajneesh Oswal, the appointee himself, Sh. Vishal Oswal and Sh. Kunal Oswal, being relatives of Sh. Rajneesh Oswal, are interested in the proposed resolution.

#### **ITEM NO. 6**

Sh. Vishal Oswal was re-appointed as Vice- Chairman & Managing Director of the Company for five years w.e.f. 01<sup>st</sup> June, 2013 to 31<sup>st</sup> May, 2018 by special resolution passed at Annual General Meeting held on 30<sup>th</sup> August, 2013 and the said re-appointment was also approved by Central Government except remuneration, which was approved up to 31<sup>st</sup> May, 2016 only (three years).

The period of approval of remuneration shall expire on 31<sup>st</sup> May, 2016, the Board of Directors at its meeting held on 24<sup>th</sup> May, 2016, has approved the remuneration of Sh. Vishal Oswal, Vice-Chairman & Managing Director for remaining period of his appointment i.e. from 01<sup>st</sup> June, 2016 to 31<sup>st</sup> May, 2018 (two years) as mentioned hereunder and other terms and conditions shall remain unchanged as set out in the draft agreement which is open for inspection at Registered Office of the Company on any working day between 10.30 A.M. to 12.30 P.M. The payment of remuneration to Sh. Vishal Oswal, Vice- Chairman & Managing Director is subject to the approval of Shareholders and Central Government, if required, in terms of Section 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under including any further amendment, modification or re-enactment thereof.

The Principal terms of remuneration of Sh. Vishal Oswal, Vice-Chairman & Managing Director as approved by the Nomination and Remuneration Committee of the Company for a period of two years starting from 1<sup>st</sup> June, 2016 are as follows:

#### **(1) SALARY**

Sh. Vishal Oswal, Vice-Chairman & Managing Director shall be paid a salary of ₹ 14,50,000/- per month.

#### **(2) PERQUISITES AND ALLOWANCES**

- (i) The expenditure pertaining to gas, electricity, water, furnishings and other utilities including repairs will be borne/reimbursed by the Company and shall be valued as per the Income Tax Rules, 1962 or in accordance with such other directions/ clarifications as may be issued by the Ministry of Corporate Affairs subject to maximum of ₹ 1,05,000/- per annum.
- (ii) Reimbursement of expenses on medical treatment incurred by the appointee and his family subject to ceiling of one month salary in a year or two months salary over a period of two years.
- (iii) Fee of clubs subject to a maximum of two clubs excluding admission and life membership fees and maximum of ₹ 50,000/- per annum.
- (iv) Leave travel concession for self and family members as per company's rules.

(v) Provision of Car for official -cum-personal use, however, the valuation for personal use of car shall be treated as perquisite in the hands of Vice- Chairman & Managing Director.

(vi) Provision of Telephone at residence for official-cum personal use. However, the valuation of personal use of telephone shall be treated as perquisite of the Vice-Chairman & Managing Director.

(3) In addition to the perquisites as aforesaid, Sh. Vishal Oswal, Vice- Chairman & Managing Director shall also be entitled to the following benefits in accordance with the Rules of the Company, which shall not be included in the computation of ceiling on remuneration:

- (i) Contribution to Provident Fund, Super Annuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- (ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- (iii) Encashment of leave at the end of the tenure.

(4) Reimbursement of all entertainment, traveling, hotel and other expenses incurred by Sh. Vishal Oswal, Vice-Chairman & Managing Director during the course of and in connection with the business of the Company.

(5) No sitting fees shall be paid to Sh. Vishal Oswal, Vice-Chairman & Managing Director for attending the meeting of Board of Directors or any Committee thereof.

#### **(6) MINIMUM REMUNERATION**

In the event of inadequacy or absence of profits in any financial year during his tenure, Sh. Vishal Oswal, Vice-Chairman & Managing Director will be entitled to above remuneration along with the perquisites/ benefits mentioned above by way of minimum remuneration.

Necessary resolution is proposed at item no. 6 of the aforesaid agenda as special resolution.

Director of your company recommend the above resolution for your consideration and approval.

#### **NOTICE OF INTEREST**

None of the Directors/Key Managerial Personnel of the Company / their relatives, except Sh. Vishal Oswal, the appointee himself, Sh. Rajneesh Oswal and Sh. Kunal Oswal, being relatives of Sh. Vishal Oswal, are interested in the proposed resolution.

#### **ITEM NO. 7**

Dr. Pratibha Goyal (DIN- 07174666) has been appointed as an Additional Director (Independent) w.e.f. 24<sup>th</sup> May, 2016 on the Board of the Company, who shall hold office up to the date of 36<sup>th</sup> Annual General Meeting of the Company.

The Board, in its meeting held on 24<sup>th</sup> May, 2016, has considered and recommended the appointment of Dr. Pratibha Goyal (DIN- 07174666) as an Independent Director of the Company for the approval of the shareholders.

The company has received a notice under Section 160 of the Act proposing her candidature for the office of the Director of the Company, along with the requisite deposit.

In the opinion of the Board, Dr. Pratibha Goyal fulfills the conditions for her appointment as an Independent Director as specified in the Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Board also opined that she possess appropriate skills, experience and knowledge as required for occupying the position of an Independent Director.

The Board has also received declaration from Dr. Pratibha Goyal that she meets the Criteria of Independence as prescribed under Section 149(6) read with Schedule IV of the Companies Act, 2013 and Regulation 16(b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The Board recommends the appointment of Dr. Pratibha Goyal (DIN- 07174666) as an Independent Director, to hold office from 10<sup>th</sup> August, 2016 to 09<sup>th</sup> August, 2019, not liable to retire by rotation.

#### **NOTICE OF INTEREST**

None of the Directors/Key Managerial Personnel of the Company/their relatives, except Dr. Pratibha Goyal (DIN: 07174666) herself, are in any way concerned or interested in the said resolution.

#### **ITEM NO. 8**

Keeping in view the high interest rates charged by banks for working capital borrowings, the Board of Directors proposed to accept deposits from members in terms of provisions of Companies Act, 2013. This would keep a check on finance cost of the Company as there is interest cost differential of about 1.5% between deposits and bank borrowings. So your directors recommend this resolution in the interest of the Company.

#### **NOTICE OF INTEREST**

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

#### **ITEM NO. 9**

The Board of Directors of Company on the recommendation of Audit Committee, approved the appointment and remuneration of M/s. Rajan Sabharwal & Associates (Firm Registration No. 101961), Cost Accountants, Ludhiana, to conduct the audit of cost records of the Company for the Financial Year(s) 2015-16 and 2016-17 in their respective meetings held on 20<sup>th</sup> May, 2015 and 24<sup>th</sup> May, 2016, in terms of provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors is to be ratified by the members of the Company. Accordingly, the resolution(s) are placed for consent of members to ratify the remuneration payable to cost auditors.

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

#### **ITEM NO. 10**

As per the provisions of sections 20 of the Companies Act, 2013, a document may be served on any member by sending it to him by post or by registered post or by speed post or by courier or by delivering to his office or address, or by such electronic or other mode as may be prescribed. Further, a member may request for delivery of any document through a particular mode, for which he shall pay such fees in advance as may be determined by the company in its annual general meeting.

Accordingly, the Board of Directors recommends the resolution for your approval by a special resolution.

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

**Details as required under Schedule V of the Companies Act, 2013 are as under:**

#### **(1) General Information**

##### (1) Nature of Industry :

The Company is engaged in the manufacturing of writing and printing paper from Agricultural residues.

##### (2) Date of Commencement of Commercial Production:

Company started its Commercial Production in May 1982

##### (3) Financial Performance: Financial Performance of the Company for the year ended 31.03.2016 and 31.03.2015 are as under:

(₹ In lac)

	Year ended 31 March 2016	Year ended 31 March 2015
Total Revenues	39097.65	37349.01
Profit Before Interest and Depreciation	2430.35	2790.31
Less. Interest	595.56	698.59
Less. Depreciation	732.93	720.66
Net Profit before Tax	1101.86	1371.06
Provision for Taxation	234.74	391.43
Net Profit after Tax	867.12	979.63

##### (4) Export Performance and Net Foreign Exchange (₹ In lac)

	Year ended 31 March 2016	Year ended 31 March 2015
Foreign Exchange Earning	250.95	305.49
Less. Foreign Exchange Outgo	2946.50	3035.13
Net Foreign Exchange Earning	(2695.55)	(2729.64)

##### (5) Foreign Investments or Collaboration: The Company has not made any investments in foreign funds / securities and has no foreign collaborations.

## **2. INFORMATION ABOUT THE DIRECTOR(S)**

### **A. NAME: Sh. Rajneesh Oswal**

#### **i) Back Ground Details, Job Profile and suitability:**

**Sh. Rajneesh Oswal** aged about 50 years is the Chairman & Managing Director of the Company. He joined the Company as a Director on 30<sup>th</sup> June 1989 and was made the Executive Vice-Chairman of the Company in year 2003. Thereafter he was appointed as the Vice- Chairman & Joint Managing Director of the Company in year 2006. He was appointed as Chairman & Managing Director of the Company on 20<sup>th</sup> March, 2007. He is a Commerce Graduate and has done Masters in Business Management. He has career spanning of over two and half decades in the field of industry and administration. His vast and rich experience has enabled the company to achieve the good

progress.

Sh. Rajneesh Oswal is Director (liable to retire by rotation) of the Company. He is also holding the Office of Whole Time Director designated as Managing Director in Adinath Textiles Ltd. and Director in the following companies.

1. Adeep Investment Co.
2. Virat Investment & Mercantile Co.
3. Jagvallah Parasnath Capital Investments (P) Ltd.
4. Oasis Share Trading (P) Ltd.

#### ii) Past Remuneration

Sh. Rajneesh Oswal is presently working as Chairman & Managing Director of the Company and his present remuneration was approved at 33<sup>rd</sup> Annual General Meeting held on 30<sup>th</sup> August, 2013 and also approved by the Central Government. The remuneration drawn by Sh. Rajneesh Oswal during last three years is as under:

Financial Year ended	(₹ in lac)
31.03.2016	136.85
31.03.2015	119.08
31.03.2014	101.36

#### iii) Remuneration proposed:

The new remuneration package in the shape of Salary and Perquisites has already been stated above in the Explanatory Statement.

#### iv) Pecuniary relationship

Sh. Rajneesh Oswal, except his appointment as Chairman & Managing Director of the company has no pecuniary relation with the company and he is related to Sh. Vishal Oswal, Vice-Chairman & Managing Director and Sh. Kunal Oswal, Whole time Director.

#### B. NAME: Sh. Vishal Oswal

##### i) Back Ground Details, Job Profile and suitability:

**Mr. Vishal Oswal** aged about 43 years is Vice-Chairman & Managing Director of the Company. He joined the Company as Manager (Commercial & Administration). He was inducted to the Board as a Director of the Company on 31st July 1999 and was made Whole Time Director of the Company. Mr. Vishal Oswal was made Vice-Chairman & Managing Director on 20<sup>th</sup> March 2007. He is a Commerce Graduate and has a good experience of more than two decade in the field of management & administration.

Sh. Vishal Oswal is holding the Office of Director in the following companies:

1. Achin Investment & Mercantile Co.
2. Levina Investment & Mercantile Co.
3. Ojasvi Investment & Mercantile Co.
4. Oasis Share Trading (P) Ltd.
5. Vardhman Polytex Ltd.

#### ii) Past Remuneration

Sh. Vishal Oswal is presently working as Vice-Chairman & Managing Director of the Company and his present remuneration was approved at 33<sup>rd</sup> Annual General Meeting held on 30<sup>th</sup> August, 2013 and also approved by the Central Government. The Remuneration drawn by Sh. Vishal Oswal during last three years is as under:

Financial Year ended	(₹ in lac)
31.03.2016	136.77
31.03.2015	119.01
31.03.2014	101.29

#### iii) Remuneration proposed:

The new remuneration package in the shape of Salary and Perquisites has already been stated above in the Explanatory Statement.

#### iv) Pecuniary relationship

Sh. Vishal Oswal, except his appointment as Vice-Chairman & Managing Director of the company has no pecuniary relation with the company and he is related to Sh. Rajneesh Oswal, Chairman & Managing Director and Sh. Kunal Oswal, Whole time Director.

#### 3. Comparative Remuneration

The Remuneration proposed to be paid to the appointee/(s) is in line with the remuneration paid to the Managing / Executive directors of the other companies. Keeping in view the type of industry and the responsibilities and capabilities of the appointee/(s), the proposed remuneration is competitive with remuneration paid by other companies to such similar positions. Details with respect to some other Companies are given hereunder:

Sr. No.	Name of the Company	Name of the Managerial Personnel	Annual Turnover* (₹ In Crore)	Remuneration Paid* (₹ In Crore)
1	UCAL Fuel Systems Ltd.	Mr. Jayakar Krishnamurthy, Chairman and Managing Director	595.67	2.36
2	Star Papers Mills Ltd.	Mr. Madhukar Mishra, Managing Director	272.24	1.46
3	J. K. Paper Ltd.	Sh. Harsh Pati Singhania, Vice Chairman & Managing Director	2514.97	3.03

\*As reported in the Annual Reports of FY 2014-15.

#### 4. OTHER INFORMATION

The efforts of the management during last few years have resulted in turnaround of the company. The Company did not incur losses during 2015-16.

#### DISCLOSURES

1. The remuneration package along with the corresponding details payable to Sh. Rajneesh Oswal, Chairman & Managing Director and Sh. Vishal Oswal, Vice-Chairman & Managing Director have already been mentioned above. Further the remuneration paid to directors has been included in the Board's Report on Corporate Governance.
2. No performance incentive is proposed to be paid to Sh. Rajneesh Oswal or Sh. Vishal Oswal.
3. The tenure of Sh. Rajneesh Oswal as Chairman & Managing Director and Sh. Vishal Oswal as Vice-Chairman & Managing Director shall be governed by a service contract.
4. The aforesaid statements form part of this notice calling the Annual General Meeting.

## ANNEXURE TO ITEM NOS. 3 AND 7 OF THE NOTICE

Details of Directors seeking re-appointment/appointment at the forthcoming Annual General Meeting  
(in pursuance of Regulation 36 (3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

Name of the Director	Sh. Kunal Oswal	Dr. Pratibha Goyal
DIN	00004184	07174666
Date of Birth	22.11.1974	10.08.1968
Date of Appointment on the Board	29.01.2007	24.05.2016
Expertise in specific functional areas	Expeerie in Business Management	Management- Education
Qualification	Commerce Graduate	Ph.D
Directorship of other public limited companies	NIL	Hero Cycles Limited
Memberships of Committees of other public limited companies (mandatory committees only)	NIL	NIL
Disclosure of relationship between directors inter-se	Sh. Kunal Oswal is brother of Sh. Rajneesh Oswal and Sh. Vishal Oswal.	Dr. Pratibha Goyal does not have any relation with other directors, manager and KMPs.
No. of Shares held in the Company	85250	NIL

By order of the Board  
For Shreyans Industries Limited  
Sd/-  
Videshwar Sharma  
Company Secretary  
ACS 17201

Dated : May 24, 2016  
Reg. Office: Village: Bholapur, P.O. Sahabana,  
Chandigarh Road, Ludhiana 141 123  
CIN: L17115PB1979PLC003994  
Tel.: +91-161-6574125, 98761-00948  
Fax: +91-161-2685270  
Email: atl@shreyansgroup.com  
Website: www.shreyansgroup.com

**DIRECTORS' REPORT**

Dear Members,

Your Directors are pleased to present the 36<sup>th</sup> Annual Report on the business and operations of the Company along with audited statements of accounts for the year ended 31<sup>st</sup> March 2016.

Financial Results		₹ In lac	
PARTICULARS	2015-16	2014-15	
Total Revenues	<b>39097.65</b>	37349.01	
Profit before interest & depreciation	<b>2430.35</b>	2790.31	
Less: Financial Expenses	<b>595.56</b>	698.59	
Gross Profit	<b>1834.79</b>	2091.72	
Less: depreciation	<b>732.93</b>	720.66	
Net profit before tax	<b>1101.86</b>	1371.06	
Provision for taxation	<b>236.92</b>	159.55	
Deferred taxes	<b>[-] 12.74</b>	231.91	
Taxes for earlier year	<b>10.56</b>	[-] 0.03	
Net profit after tax	<b>867.12</b>	979.63	

**CORPORATE REVIEW**

Prices of Paper during the year under review continued to rule easy showing some signs of revival towards the end of year. However, prices of inputs also remained soft resulting in stable margins. There was a breakdown in Steam Turbine at Shree Rishabh Papers, which partially affected the operations during first half of year. However, by taking quick remedial measure, the position was corrected and normal operations were restored. Total revenues of the Company at ₹390.97 crores were higher by about 5% as compared to ₹373.49 crores of last year. PBITD of the Company stood at ₹24.30 crores as against ₹27.90 crores of last year due to lower other income of ₹1.49 crores against ₹5.99 crores of last year. Net profit after tax at ₹8.67 crores was marginally lower as compared to ₹9.80 crores of last year. Certain upgradations done during the year have already started showing results and your Management expects that performance of the Company should remain satisfactory in the coming year.

**PERFORMANCE REVIEW****SHREYANS PAPERS**

Total paper production in this unit was marginally higher at 45872 MTs as compared to 43307 MTs of last year. During the year under review, as mentioned in the last year's Directors' Report, major up-gradations in Pulp Mill were undertaken, which have improved the operational parameters. Some modernizations on Paper Machine were also undertaken, which included calendaring machine which has further resulted in improvement in overall quality of paper. Up-gradations of Oxygen Delignification [ODL] Plant are slightly delayed, due to delay in deliveries on part of suppliers and are expected to be completed in first half of the current year. Total revenues of this unit were ₹243.34 crores as against ₹228.43 crores of last year.

**SHREE RISHABH PAPERS**

As stated above, there was some effect on the operations of this unit due to breakdown in Steam Turbine; but still by taking fast corrective actions and improvement in other parameters, the unit could stabilize the operations very fast and could maintain

production levels at 28649 MTs as compared to 28555 MTs of last year and total revenues were also maintained at ₹147.63 crores against ₹145.06 crores of earlier year. Overall performance in this unit was satisfactory.

**FINANCIAL REVIEW****SHARE CAPITAL**

The paid up Equity Share Capital as on March 31, 2016 was ₹13.82 crores. During the year under review, the Company has neither issued any shares nor granted stock options and nor sweat equity.

**FINANCE**

Fresh long term debt of ₹18.18 crores was raised during the year. Also during the year ₹4.18 crores out of existing loans were repaid. Overall financial cost remained under control by judicious use of resources.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

**RESERVES**

Company proposes to transfer ₹20.00 crores to general reserve out of surplus available.

**DIVIDEND**

Your Directors recommend a dividend of ₹1.20 per share [i.e. 12%] for the financial year ended 31<sup>st</sup> March 2016 (previous year 12%). The dividend, if approved by the shareholders, will be paid to all the equity shareholders whose names appear in the Register of Members as on 3<sup>rd</sup> August, 2016. The proposed dividend will cost the Company ₹2.00 crores, inclusive of all taxes.

**DEPOSITS**

(₹ in Crore)

PARTICULARS	From Members	From Directors
(a) accepted during the year;	<b>2.76</b>	<b>0.28</b>
(b) remained unpaid or unclaimed as at the end of the year;	---	---
(c) whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved-		
(i) at the beginning of the year;	---	---
(ii) maximum during the year;	---	---
(iii) at the end of the year;	---	---
(d) The details of deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013.	---	---

At the end of the year, fixed deposits from the members and Directors were outstanding to the tune of ₹3.53 crores and ₹0.55 crore respectively. There were no overdue deposits as on

31st March 2016. The company has accepted deposits from the members falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies [Acceptance of Deposits] Rules, 2014.

#### **FUTURE PLANS/PROSPECTS**

Your Company believes that continuous up-gradation of technology is a pre-requisite for sustaining the performance of the Company. Besides completing on-going project, Company proposes to revamp Shree Rishabh Papers by upgrading Paper Machine and other supporting equipments. Details are under preparation and are likely to be finalized very shortly. Other normal capital expenditure will continue to be incurred wherever necessary to keep the operations healthy.

#### **NUMBER OF MEETINGS HELD**

The details of Board and Committee Meetings are given in the Corporate Governance Report.

#### **DIRECTORS**

Sh. Kunal Oswal, Wholetime Director of the Company, is liable to retire by rotation at the forthcoming Annual General Meeting under article 86 (1) of Article of Association of the Company and being eligible, offer himself for reappointment.

Dr. Shalini Gupta ceased to be Director due to her resignation and in her place the Board has appointed Dr. Pratibha Goyal as an Additional Director (Independent) w.e.f. 24th May, 2016.

All Independent Directors have given declarations that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015)

#### **BOARD EVALUATION**

Pursuant to provisions of the Companies Act, 2013 and Listing Regulations, the Board has carried out an annual performance evaluation of its own performance and the performance of the individual Directors as well as the evaluation of the working of its committees. The manner in which the evaluation was carried out has been explained in the Corporate Governance.

#### **REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their Remuneration. The said policy has been uploaded on the website of the Company. The Key provisions of Nomination and Remuneration policy are appended as an **Annexure I** to the Board's report.

#### **AUDIT COMMITTEE**

The company has duly constituted Audit Committee, the scope of which is quite comprehensive and is in conformity with the provisions of the Companies Act, 2013 and Listing Regulations. The composition of the Audit Committee is given in Corporate Governance Report.

All the recommendations of the Audit Committee were accepted by the Board.

#### **DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The Company has adopted the Whistle Blower Policy/Vigil mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's Code of Conduct and Ethics. Such mechanism/policy is also uploaded on the website of the

Company.

#### **STATUTORY AUDITORS**

At the Annual General Meeting held on 13<sup>th</sup> August, 2014 M/s S. C. Vasudeva & Company, New Delhi, were appointed as statutory auditors of the Company to hold office till the conclusion of the 37<sup>th</sup> Annual General Meeting. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s S.C. Vasudeva & Company, New Delhi, as statutory auditors of the Company, is placed for ratification by the shareholders. In this regard, the Company has received a certificate from the auditors to the effect that their appointment is in accordance with the provisions of Section 141 of the Companies Act, 2013.

The auditors' report on the accounts of the Company for the year under review requires no comments.

#### **COST AUDIT**

M/s Rajan Sabharwal & Associates were appointed as Cost Auditors of your Company for auditing the cost accounts records for the financial year 2015-16 under provisions of Section 148 of the Companies Act, 2013. They are likely to submit Cost Audit Report within the prescribed time limit.

Furthermore the Board has re-appointed M/s Rajan Sabharwal & Associates as Cost Auditors of the Company for the financial year 2016-17.

#### **SECRETARIAL AUDIT**

M/s P. S. Bathla & Associates, Practising Company Secretaries, at Ludhiana, were appointed to conduct the secretarial audit of the Company for the financial year 2015-16, as required under Section 204 of the Companies Act, 2013 and Rules made there under. The secretarial audit report for FY 2015-16 is appended as an **Annexure II** to the Board's report.

The Secretarial auditors' report for the year under review requires no comments.

The Board has re-appointed M/s P. S. Bathla & Associates, Practising Company Secretaries, Ludhiana as secretarial auditor of the Company for the financial year 2016-17.

#### **RELATED PARTY TRANSACTIONS**

All Related Party transactions entered during the financial year were on arm's length basis and in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its omnibus approval.

There was no material contract or arrangement or transactions with Related Party during the year. Thus, disclosure in form AOC-2 is not required.

The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act, 2013, the rules there under and Listing Regulations.



This Policy as considered and approved by the Board has been uploaded on the website of the Company at [http://www.shreyansgroup.com/upload/c1449201532SIL\\_Related\\_Party\\_Transaction\\_Policy\\_07\\_11\\_2015.pdf](http://www.shreyansgroup.com/upload/c1449201532SIL_Related_Party_Transaction_Policy_07_11_2015.pdf)

#### **PARTICULARS OF EMPLOYEES**

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as an **Annexure III** and forms an integral part of this report.

#### **EXTRACT OF ANNUAL RETURN**

In accordance with Section 134(3) (a) of the Companies Act, 2013, an extract of the annual return in the prescribed format is appended as an **Annexure IV** to the Board's report.

#### **INDUSTRIAL RELATIONS**

The company maintained healthy, cordial and harmonious industrial relations at all levels.

#### **DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY**

The Company has been addressing various risks through well defined risk management policy/procedures, which in the opinion of the Board may threaten the existence of the Company.

#### **INTERNAL FINANCIAL CONTROL SYSTEMS**

The Company has laid down adequate internal financial controls with reference to financial statements. During the year such controls were tested and no material weakness in their operating effectiveness was observed.

#### **ASSOCIATES AND SUBSIDIARIES**

The Company has no Associates & Subsidiaries as on March 31, 2016.

#### **CORPORATE GOVERNANCE**

As per the provisions of Listing Regulations, a separate Report on Corporate Governance practices followed by the Company together with a Certificate from the Practising Company Secretary, confirming compliance forms part of this report.

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

As required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 the particulars relating to conservation of energy, technology, absorption and foreign exchange earnings and outgo is appended as an **Annexure V** to the Board's Report.

#### **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

Your company, in collaboration with a local NGO in Ahmedgarh, has set up an Eye Hospital. Besides contributing in setting up of this hospital, financial assistance is extended on monthly basis. Eye care is provided to needy persons on subsidized rates/free of cost.

Your company is also involved with various educational institutions for providing scholarship/financial assistance to deserving students on recommendations of the managements of such institutions. Your company actively participates with number of NGOs for holding medical check-up camps, sports events and other social activities.

Your Company provides fire fighting services, as and when need arises, in nearby areas through its own fire tender and fire fighting staff.

Annual Report on Corporate Social Responsibility [CSR] activities is appended as an **Annexure VI**.

#### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

There were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, your Directors confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis; and
- 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.
- 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.

#### **ACKNOWLEDGEMENT**

Your Directors place on record their sincere appreciation for the contributions made by the employees through their dedication, hard work and commitment in achieving your Company's performance. In an increasingly competitive environment collective dedication of employees is delivering superior and sustainable shareholder value.

The Board has pleasure in recording its appreciation of the assistance, co-operation and support extended to the Company by the Govt. Authorities, Commercial Banks, Financial Institutions and Depositors.

The Board also places on record its sincere appreciation towards the Company's valued customers, vendors, shareholders and investors for their continued support to the Company.

**For and on Behalf of the Board**

**Rajneesh Oswal**  
**Chairman & Managing Director**  
**(DIN : 00002668)**

**Place : Ludhiana**

**Date : May 24, 2016**

**Annexure I****NOMINATION AND REMUNERATION POLICY**

The Key provisions of the Nomination and Remuneration policy are given below:

The guiding principle is that the remuneration and the other terms of employment shall be competitive in order to ensure that the Company can attract and retain competent Executives.

The Nomination and Remuneration policy for executives reflects the remuneration philosophy and principles of the Shreyans Group. When determining the remuneration policy and arrangements for Executive Directors/KMP's, the Nomination and Remuneration Committee shall consider pay and employment conditions with peers / elsewhere in the competitive market to ensure that pay structures are appropriately aligned and that levels of remuneration remain appropriate in this context.

The Committee while designing the remuneration package considers the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate the person to ensure the quality required to run the company successfully.

The Nomination and Remuneration Committee while considering a remuneration package must ensure a balanced approach reflecting short and long term performance objectives appropriate to the working of the company and its goals.

The Committee shall consider that a successful remuneration policy must ensure that any increase in the remuneration package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.

The Nomination and Remuneration policy is guided by a common reward framework and set of principles and objectives as particularly envisaged under section 178 of the Companies Act 2013, inter alia principles pertaining to determining qualifications, positives attributes, integrity and independence etc.

Remuneration packages are designed to attract high-caliber executives in a competitive market and remunerate executives fairly and responsibly. The remuneration shall be competitive and based on the individual responsibilities and performance.

Remuneration is designed to motivate delivery of our key business strategies, create a strong performance-orientated environment and reward achievement of meaningful targets over the short- and long-term.

Executive remuneration shall be proposed by the Committee and subsequently approved by the Board of Directors. Executive remuneration is evaluated annually against performance and a benchmark of other companies, which in size and complexity are similar to Shreyans. Benchmark information is obtained from recognized compensation service consultancies/other relevant sources. In determining packages of remuneration, the Committee may consult with the Chairman/ Managing Director as appropriate.

Information on the total remuneration of members of the Company's Board of Directors and KMPs shall be disclosed in the Company's Annual Report.

The Company may grant any advance salary/loan to employees of the Company at concessional/Nil interest rates as it deems fit subject to tax laws.

The Board may delegate the appointment and remuneration powers in case of Sr. Management Personnel (except KMPs and Directors) to the Chairman & Managing Director and/or

Vice-Chairman & Managing Director and/or Executive Director and CEO by way of Board Resolution.

The appointment letters of all Sr. Management Personnel, KMPs and Directors shall draw reference to the fact that the appointment and remuneration is in accordance with the Nomination and Remuneration Policy of the Company.

**Annexure II****Form No. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016**

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

To,

The Members,

Shreyans Industries Limited

Vill. Bholapur, P. O. Sahabana

Chandigarh Road, Ludhiana-141123

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

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the **financial year** 1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by Shreyans Industries Limited ("the Company") for the financial year ended on 31<sup>st</sup> March, 2016 according to the provisions of:
  - I. The Companies Act, 2013 (the Act) and the rules made there under;
  - II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - III. The Depositories Act, 1996 and the Regulations and By-laws framed there under;
  - IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

- (c) 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 event in this regard);
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not Applicable to the Company during the Audit Period as there was no event in this regard);
- (e) 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 event in this regard);
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not Applicable to the Company during the Audit Period as there was no event in this regard);
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not Applicable to the Company during the Audit Period as there was no event in this regard);
- (h) 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 event in this regard);
- (VI) The Company has informed that there are no Sector Specific laws which are applicable to the Company. I have also examined compliance with the applicable clauses of the following:
- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange and National 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.

## 2. 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 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.

Unanimous decision have been carried through hence there were no dissenting members' views to be captured and recorded as a part of minutes.

I further report that based on the information received and

records maintained 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 P S Bathla & Associates  
Company Secretaries**

**Parminder Singh Bathla  
Proprietor**

**Place : Ludhiana  
Dated : May 24, 2016**

**FCS No. 4391  
C.P No. 2585**

**Note: This Report is to be read with my Letter of even date which is annexed as Annexure A and forms an integral part of this report.**

**'Annexure A'**

To,

The Members,  
Shreyans Industries Limited  
Vill. Bholapur, P.O. Sahabana  
Chandigarh Road, Ludhiana-141123

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

- Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express as opinion on these secretarial records based on my audit.
- I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.
- I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- Where ever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
- The Compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
- 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 P S Bathla & Associates  
Company Secretaries**

**Parminder Singh Bathla  
Proprietor**

**Place : Ludhiana  
Dated : May 24, 2016**

**FCS No. 4391  
C.P No. 2585**

## Annexure III

**REMUNERATION RATIO OF THE DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / EMPLOYEES**

The information required pursuant to Section 197 read with Rule 5 of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company and Directors is furnished hereunder:

1 (i)

Name of the Director/KMP and Designation	Remuneration in Fiscal 2016 ₹ in lac	% Increase in remuneration from previous year	Ratio of Remuneration to MRE*	Comparison of the remuneration of the KMP against the Performance of the Company	
				% of Net Profits	% of Turnover
Sh Rajneesh Oswal (Chairman and Managing Director)	136.85	14.92	79.56	12.42	0.35
Sh Vishal Oswal (Vice Chairman and Managing Director)	136.77	14.93	79.52	12.41	0.35
Sh Kunal Oswal (Whole Time Director)	17.20	0.00	10.00	1.56	0.04
Sh Anil Kumar (Executive Director & CEO)	107.65	4.99	62.59	9.77	0.28
Sh R K Mahajan (Chief Financial Officer)	11.10	5.71	6.45	1.01	0.03
Sh Videshwar Sharma (Company Secretary)	8.18	4.47	4.76	0.74	0.02

Note: For this purpose, sitting fees paid to the Directors have not been considered as remuneration.

\*MRE-Median Remuneration of Employee based on annualized salary

(ii) **The median remuneration of employees of the Company during the financial year was ₹ 1.72 Lac p.a.;**

(iii) In the financial year, there was an increase of 19.44 % in the median remuneration of employees;

(iv) There were 1340 permanent employees on the rolls of the Company as on March 31, 2016;

(v) Relationship between average increase in remuneration and Company performance: The following factors are considered while giving increase in the remuneration:

- Financial performance of the Company,
- Comparison with peer companies, and
- Industry benchmarking and consideration towards cost of living adjustment/ inflation.

(vi) Comparison of the remuneration of the Key Managerial Personnel(s) against the performance of the Company:- For the financial year 2015-16 Key Managerial Personnel were paid 37.91 % and 1.07 % of the net profit and turnover respectively of the Company.

(vii) (a) Variation in market capitalisation of the Company: The market capitalisation as on March 31, 2016 was ₹ 3801.88 lac (March 31, 2015 was ₹ 4852.58 lac)

(b) Price Earnings ratio of the Company was 4.39 as at March 31, 2016 and was 4.95 as at March 31, 2015;

(c) Percent increase or decrease in the market quotations of the shares of the Company as compared to the rate at which the Company came out with the last public offer in the year:- There has not been any public offer by the Company in last year.

(viii) Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year i.e 2015-16 was 5.90% whereas the percentile increase in the managerial remuneration for the same financial year was 11.06%;

(ix) The key parameters for the variable component of remuneration availed by the Executive Director and CEO is based on his performance and Company's performance

(x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year :- Not applicable; and

(xi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel, Senior Management Personnel and other employees.

2 (i) Employed throughout the year and were in receipt of remuneration at the rate of not less than ₹ 60,00,000/- per annum.

Name of Employee	Designation of the employee	Remuneration received* ₹ in lac	Qualifications	Experience (No. of Years)	Date of Commencement of employment	Age (years)	The last employment held by such employee before joining the Company	The percentage of equity shares held by the employee in the Company
Sh Rajneesh Oswal	Chairman Managing Director	136.85	MBA from USA	27	30-06-1989	50	Executive Director, Adinath Textiles Limited	0.05%
Sh Vishal Oswal	Vice Chairman Managing Director	136.77	B.Com	21	03-08-1995	43	---	---
Sh Anil Kumar	Executive Director & CEO	107.65	MBA BSc (Engg)	43	01-04-1983	66	General Manager Vardhman Group, Ludhiana	0.01%

(ii) Employed for a part of the financial year and separated, were in receipt of remuneration at the rate of not less than ₹ 5,00,000/- per month.. Nil

**Annexure IV**

**FORM NO. MGT 9**

**EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2016 Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014

**I. REGISTRATION & OTHER DETAILS:**

1	CIN	L17115PB1979PLC003994
2	Registration Date	11/06/1979
3	Name of the Company	SHREYANS INDUSTRIES LIMITED
4	Category/Sub-category of the Company	Company having share capital
5	Address of the Registered office & contact details	Village Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana 141 123. Tel.: 161-6574125, 98761-00948 Email: atl@shreyansgroup.com Web: www.shreyansgroup.com
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Skyline Financial Services Private Limited, D-153 A, 1st Floor, Okhla Industrial Area, Phase- I, New Delhi-110 020. Tel.: 011 26812682, 83 & 011 41044923 Email: info@skylinerta.com Web: www.skylinerta.com

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

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Writing and Printing Paper	17093	91.74

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

S. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
	The Company has no holding, subsidiary and associate company.				

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

A) Category-wise Share Holding	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual / HUF	37551	13850	51401	0.37	44651	---	44651	0.32	(-)0.05
b) Central Govt	---	---	---	---	---	---	---	---	---
c) State Govt(s)	---	---	---	---	---	---	---	---	---
d) Bodies Corp.	6284036	2050	6286086	45.47	6284036	---	6284036	45.46	(-)0.01
e) Banks / FI	---	---	---	---	---	---	---	---	---
f) Relatives of Individual Promoters	204200	---	204200	1.48	204200	---	204200	1.48	---
<b>Sub Total (A) (1):</b>	<b>6525787</b>	<b>15900</b>	<b>6541687</b>	<b>47.32</b>	<b>6532887</b>	<b>---</b>	<b>6532887</b>	<b>47.26</b>	<b>(-)0.06</b>
(2) Foreign									
a) NRIs- Individuals	---	---	---	---	---	---	---	---	---
b) Other- Individuals	---	---	---	---	---	---	---	---	---
c) Bodies Corporate	---	---	---	---	---	---	---	---	---
d) Banks / FI	---	---	---	---	---	---	---	---	---
e) Any Other....	---	---	---	---	---	---	---	---	---
<b>Sub Total (A) (2)</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>
<b>Total Shareholding of Promoter(A)= (A)(1)+(A)(2)</b>	<b>6525787</b>	<b>15900</b>	<b>6541687</b>	<b>47.32</b>	<b>6532887</b>	<b>---</b>	<b>6532887</b>	<b>47.26</b>	<b>(-)0.06</b>

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>B. Public Shareholding</b>									
1. Institutions	---	---	---	---	---	---	---	---	---
a) Mutual Funds	---	4250	4250	0.03	---	4250	4250	0.03	---
b) Banks / FI	1550	---	1550	0.01	1550	---	1550	0.01	---
c) Central Govt	---	---	---	---	---	---	---	---	---
d) State Govt(s)	---	---	---	---	---	---	---	---	---
e) Venture Capital Funds	---	---	---	---	---	---	---	---	---
f) Insurance Companies	---	---	---	---	---	---	---	---	---
g) FIs	---	---	---	---	---	---	---	---	---
h) Foreign Venture Capital Funds	---	---	---	---	---	---	---	---	---
i) Others (specify)	---	---	---	---	---	---	---	---	---
<b>Sub-total (B)(1) :-</b>	<b>1550</b>	<b>4250</b>	<b>5800</b>	<b>0.04</b>	<b>1550</b>	<b>4250</b>	<b>5800</b>	<b>0.04</b>	<b>---</b>
<b>2. Non- Institutions</b>									
a) Bodies Corp.	554940	2070060	2625000	18.99	592369	2070010	2662379	19.26	0.27
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lac	748224	907234	1655458	11.97	923402	897049	1820451	13.17	1.19
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lac	2557104	---	2557104	18.50	2382165	---	2382165	17.23	(-1.27)
c) Others (specify)	---	---	---	---	---	---	---	---	---
Non Resident Indians	160194	60500	220694	1.60	158173	60450	218623	1.58	(-0.01)
Clearing Members / Trusts	823	---	823	0.01	3658	---	3658	0.03	0.02
HUF	217879	105	217984	1.58	198482	105	198587	1.44	(-0.14)
<b>Sub-total (B)(2) :-</b>	<b>4239164</b>	<b>3037899</b>	<b>7277063</b>	<b>52.64</b>	<b>4258249</b>	<b>3027614</b>	<b>7285863</b>	<b>52.70</b>	<b>0.06</b>
<b>Total Public Shareholding (B)=(B)(1) + (B)(2)</b>	<b>4240714</b>	<b>3042149</b>	<b>7282863</b>	<b>52.68</b>	<b>4259799</b>	<b>3031864</b>	<b>7291663</b>	<b>52.74</b>	<b>0.06</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	---	---	---	---	---	---	---	---	---
<b>Grand Total(A+B+C)</b>	<b>10766501</b>	<b>3058049</b>	<b>13824550</b>	<b>100.00</b>	<b>10792686</b>	<b>3031864</b>	<b>13824550</b>	<b>100.00</b>	<b>---</b>

**B) Shareholding of Promoters**

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year [As on 31-March-2015]			No. of Shares held at the end of the year [As on 31-March-2016]			% Change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Sh. D. K. Oswal	31301	0.23	---	31301	0.23	---	---
2	Sh. Rajneesh Oswal	6250	0.05	---	6250	0.05	---	---
3	D. K. Oswal & Sons Ist HUF	13850	0.10	---	7100	0.05	---	(-0.05)
4	Mrs. Nirmal K. Oswal	58950	0.43	---	58950	0.43	---	---
5	Mrs. Priti Oswal	60000	0.43	---	60000	0.43	---	---

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year [As on 31-March-2015]			No. of Shares held at the end of the year [As on 31-March-2016]			% Change in share-holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
6	Mr. Kunal Oswal	85250	0.62	---	85250	0.62	---	---
7	Jagvallah Parasnath Capital Investment (P) Ltd.	912751	6.60	---	912501	6.60	---	---
8	Adeep Investment Company	738245	5.34	---	737395	5.33	---	(-)0.006
9	Ojasvi Investment & Mercantile Company	752700	5.44	---	752500	5.44	---	---
10	Levina Investment & Mercantile Company	782150	5.66	---	782250	5.66	---	---
11	Virat Investment & Mercantile Company	595050	4.30	---	595100	4.30	---	---
12	Achin Investment & Mercantile Company	717150	5.19	---	717150	5.19	---	---
13	Noble Share Trading (P) Ltd.	486000	3.51	---	486000	3.51	---	---
14	Limelite Consultants (P) Ltd.	489640	3.54	---	489640	3.54	---	---
15	Sulzer Investments (P) Ltd.	489000	3.54	---	489000	3.54	---	---
16	Shreyans Financial & Capital Services Ltd.	323400	2.34	---	322500	2.33	---	(-)0.006
	<b>TOTAL</b>	<b>6541687</b>	<b>47.32</b>	<b>---</b>	<b>6532887</b>	<b>47.26</b>	<b>---</b>	<b>(-)0.06</b>

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

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year [As on 31-March-2015]			No. of Shares held at the end of the year [As on 31-March-2016]			% Change in share-holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Sh. D. K. Oswal	31301	0.23	---	31301	0.23	---	---
2	Sh. Rajneesh Oswal	6250	0.05	---	6250	0.05	---	---
3	D. K. Oswal & Sons 1st HUF	13850	0.10	---	7100	0.05	---	(-)0.05
4	Mrs. Nirmal K. Oswal	58950	0.43	---	58950	0.43	---	---
5	Mrs. Priti Oswal	60000	0.43	---	60000	0.43	---	---
6	Mr. Kunal Oswal	85250	0.62	---	85250	0.62	---	---
7	Jagvallah Parasnath Capital Investment (P) Ltd.	912751	6.60	---	912501	6.60	---	---
8	Adeep Investment Company	738245	5.34	---	737395	5.33	---	(-)0.006
9	Ojasvi Investment & Mercantile Company	752700	5.44	---	752500	5.44	---	---
10	Levina Investment & Mercantile Company	782150	5.66	---	782250	5.66	---	---
11	Virat Investment & Mercantile Company	595050	4.30	---	595100	4.30	---	---
12	Achin Investment & Mercantile Company	717150	5.19	---	717150	5.19	---	---
13	Noble Share Trading (P) Ltd.	486000	3.51	---	486000	3.51	---	---



14	Limelite Consultants (P) Ltd.	489640	3.54	---	489640	3.54	---	---
15	Sulzer Investments (P) Ltd.	489000	3.54	---	489000	3.54	---	---
16	Shreyans Financial & Capital Services Ltd.	323400	2.34	---	322500	2.33	---	(-)0.006
<b>TOTAL</b>		<b>6541687</b>	<b>47.32</b>	<b>---</b>	<b>6532887</b>	<b>47.26</b>	<b>---</b>	<b>(-)0.06</b>

**D) Shareholding Pattern of top ten Shareholders:  
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

S. No.	For Each of the Top 10 Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]		No. of Shares held at the end of the year [As on 31-March-2016]		% Change in shareholding during the year
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	
1	Mood Dealers Pvt. Ltd.	2060000	14.90	2060000	14.90	---
2	Lalit Gupta	376400	2.72	376400	2.72	---
3	Pat Financial Consultants Pvt. Ltd.	246753	1.78	246753	1.78	---
4	Nilima Upendra Mehta	223381	1.62	223381	1.62	---
5	Amit ShantiLal Motla	166954	1.21	153000	1.11	(-)0.10
6	Bharat JayantiLal Patel	156855	1.13	156855	1.13	---
7	Bhavna Amit Motla	142272	1.03	138360	1.00	(-)0.03
8	Sangeetha S	142360	1.03	193100	1.40	0.37
9	Bharati Bharat Dattani	79586	0.58	316051	2.29	1.71
10	BJD Securities Private Limited	77211	0.56	231057	1.67	1.11

**E) Shareholding of Directors and Key Managerial Personnel:**

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
<b>Directors</b>					
1	<b>Sh. Rajneesh Oswal</b>				
	At the beginning of the year	6250	0.05	6250	0.05
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer / bonus/ sweat equity etc.):	---	---	---	---
	At the end of the year	6250	0.05	6250	0.05
2	<b>Sh. Vishal Oswal</b>				
	At the beginning of the year	NIL	---	NIL	---
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer / bonus/ sweat equity etc.):	---	---	---	---
	At the end of the year	NIL	---	NIL	---

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
<b>Directors</b>					
3	<b>Sh. Kunal Oswal</b>				
	At the beginning of the year	85250	0.62	85250	0.62
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer / bonus/ sweat equity etc.):	---	---	---	---
	At the end of the year	85250	0.62	85250	0.62
4	<b>Sh. Anil Kumar</b>				
	At the beginning of the year	1000	0.01	1000	0.01
	31.03.2016 - Transfer	325	---	325	---
	At the end of the year	1325	0.01	1325	0.01
5	<b>Sh. A. K. Chakraborty</b>				
	At the beginning of the year	NIL	---	NIL	---
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer / bonus/ sweat equity etc.):	---	---	---	---
	At the end of the year	NIL	---	NIL	---
6	<b>Sh. M. L. Gupta</b>				
	At the beginning of the year	NIL	---	NIL	---
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer / bonus/ sweat equity etc.):	---	---	---	---
	At the end of the year	NIL	---	NIL	---
7	<b>Dr. N. J. Rao</b>				
	At the beginning of the year	NIL	---	NIL	---
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer / bonus/ sweat equity etc.):	---	---	---	---
	At the end of the year	NIL	---	NIL	---
8	<b>Dr. Shalini Gupta</b>				
	At the beginning of the year	NIL	---	NIL	---
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer / bonus/ sweat equity etc.):	---	---	---	---
	At the end of the year	NIL	---	NIL	---

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
<b>Key Managerial Personnel</b>					
1	<b>Mr. Videshwar Sharma (Company Secretary)</b>				
	At the beginning of the year	NIL	---	NIL	---
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer / bonus/ sweat equity etc.):	---	---	---	---
	At the end of the year	NIL	---	NIL	---
2	<b>Mr. R. K. Mahajan (CFO)</b>				
	At the beginning of the year	NIL	---	NIL	---
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer / bonus/ sweat equity etc.):	---	---	---	---
	At the end of the year	NIL	---	NIL	---

**V. INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment. (₹ in lac)

	Secured Loans excluding deposits Term Loans	Secured Loans Working Capital	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>					
i) Principal Amount	1119.42	2537.47	316.42	377.02	4350.33
ii) Interest due but not paid	---	1.57	---	---	1.57
iii) Interest accrued but not due	---	0.24	---	24.35	24.59
<b>Total (i+ii+iii)</b>	<b>1119.42</b>	<b>2539.28</b>	<b>316.42</b>	<b>401.37</b>	<b>4376.49</b>
<b>Change in Indebtedness during the financial year</b>					
Addition	1817.82	---	397.71	304.05	2519.58
Reduction	-417.82	-619.46	-20.00	-284.91	-1342.19
<b>Net Change</b>	<b>1400.00</b>	<b>-619.46</b>	<b>377.71</b>	<b>19.14</b>	<b>1177.39</b>
<b>Indebtedness at the end of the financial year</b>					
i) Principal Amount	2519.42	1918.38	683.47	407.81	5529.08
ii) Interest due but not paid	---	0.98	10.66	---	11.64
iii) Interest accrued but not due	---	0.46	---	12.70	13.16
<b>Total (i+ii+iii)</b>	<b>2519.42</b>	<b>1919.82</b>	<b>694.13</b>	<b>420.51</b>	<b>5553.88</b>

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

(₹ in lac)

S. No.	Particulars of Remuneration	Name of MD/WTD / Manager				
		Sh Rajneesh Oswal	Sh Vishal Oswal	Sh Anil Kumar*	Sh Kunal Oswal	Total Amount
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	135.41	135.41	81.85	16.80	369.47
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1.44	1.36	25.80	0.40	29.00
	(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	---	---	---	---	---
	Total (A)	136.85	136.77	107.65	17.20	398.47
	Ceiling as per the Act	₹ 141.78 lac being 10% of Net Profit of the Company calculated as per Section 198 of the Companies Act, 2013. The Central Government approval(s) has been taken as the Managerial remuneration exceeds the ceiling provided under the Companies Act, 1956/2013 (as applicable)				

**B. Remuneration to other directors**

(₹ in lac)

S. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Sh. A. K. Chakraborty	Sh. M. L. Gupta	Dr. N. J. Rao	Dr. Shalini Gupta	
1	Independent Directors					
	Fee for attending board committee meetings	0.55	0.50	0.10	0.45	1.60
	Commission	NII	NII	NII	NII	NII
	Others, please specify	NII	NII	NII	NII	NII
	Total (1)	0.55	0.50	0.10	0.45	1.60
2	Other Non-Executive Directors					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify	---	---	---	---	---
	Total (2)	---	---	---	---	---
	Total (B)=(1+2)	0.55	0.50	0.10	0.45	1.60
	Total Managerial Remuneration (A+B)					400.07
	Overall Ceiling as per the Act	₹ 155.96 lac being 11% of Net Profit of the Company calculated as per Section 198 of the Companies Act, 2013. The Central Government approval(s) has been taken as the Managerial remuneration exceeds the ceiling provided under the Companies Act, 1956/2013 (as applicable)				

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

(₹ in lac)

SN.	Particulars of Remuneration	Key Managerial Personnel		
		CFO : Sh Rakesh Mahajan	CS : Sh Videshwar Sharma	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	11.10	8.18	19.28
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	---	---	---
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	---	---	---
	Stock Option	---	---	---
2	Sweat Equity	---	---	---
3	Commission	---	---	---
4	- as % of profit	---	---	---
	others, specify...	---	---	---
5	Others, please specify	---	---	---
	Total	11.10	8.18	19.28

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

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

**Annexure V****INFORMATION UNDER SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE REPORT OF THE BOARD OF DIRECTORS****A) CONSERVATION OF ENERGY**

Energy Conservation is an ongoing process in the Company. New areas of power savings are continuously identified and action being taken wherever feasible. The Company continued its efforts to improve energy usage efficiencies and increase the share of renewable energy. Various key performance indicators like specific energy (energy consumed per unit of production), specific energy costs and renewable energy contributions were continuously tracked to monitor alignment with the Company's overall sustainability approach.

**(i) Steps taken or impact on conservation of energy:**

- a. Improvement in energy usage efficiency in lighting systems by installation of more efficient lighting solutions such as Light Emitting Diodes in phased manner.
- b. Retrofitting and replacement of motors, pumps, fans, air compressors, vacuum and air conditioning systems with higher energy efficiency equipment in phased manner.
- c. Installation of variable frequency drives to optimise energy consumption in a phased manner.
- d. Reduction in line losses from steam pipelines by optimising the network.
- e. Implementation of waste heat recovery in boilers to improve efficiency.
- f. Optimisation of compressed air systems to minimise losses and reduce energy consumption.
- g. Replacement of old transformer with new energy efficient transformer.
- h. Installation of Spoiler bars in dryers for optimum usage of steam.

**(ii) Steps taken for utilising alternate sources of energy:**

- a. Generation of biogas from waste to meet process heating requirements.
- b. The Company is exploring potential of using alternate source of energy, which may be considered for implementation in future

**(iii) Capital investment on energy conservation equipment during the year: NIL****B) TECHNOLOGY ABSORPTION**

Your company is keeping a close eye on the new product development in paper and upgradation of technology in existing products. Upgradation and automation in various areas of plant and machinery is continuously carried out.

**(i) Efforts made towards technology absorption:**

- a. Installation of Spoiler Bars in Dryers at unit Shreyans Paper at Ahmedgarh.
- b. Upgradation of Brown Stock Washers at unit Shreyans Paper at Ahmedgarh.
- c. Installation of New heated Calendar in Paper Machine at unit Shreyans Paper at Ahmedgarh.

**(ii) Benefits derived:**

- a. Improved Paper quality.
- b. Improved productivity and process control.

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

Sr. No.	a. Details of Technology	b. Year of Import
1	Heated Calendar Roll	2015-16
2	Spoiler Bars	2015-16
3	Head Box	2014-15
4	Online quality control system	2013-14

c. whether the technology has been fully absorbed: Yes

d. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof – N.A

**(iv) Expenditure incurred on Research and Development**

₹ In lac

[a] Capital	19.95
[b] Recurring	148.67
[c] Total	168.62

**C. FOREIGN EXCHANGE EARNING AND OUTGO**

Details of expenditure in foreign exchange are given in Notes 45 (a & b) and earnings in foreign exchange are given in Note 45 (c) of Notes to Financial Statements.

## Annexure VI

**Corporate Social Responsibility (CSR)**

[Pursuant to Section 134 (3) (o) of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

**Weblink of CSR Policy:** [http://www.shreyansgroup.com/upload/c1426228101Corporate\\_Social\\_Responsibility\\_Policy.pdf](http://www.shreyansgroup.com/upload/c1426228101Corporate_Social_Responsibility_Policy.pdf)

2. **The Composition of the CSR Committee.**

Name	Designation
Sh. Rajneesh Oswal, Chairman & Managing Director	Chairman
Sh. Vishal Oswal, Vice-Chairman & Managing Director	Member
Sh. Anil Kumar, Executive Director & CEO	Member
Sh. A. K. Chakraborty, Independent Director	Member

3. **Average net profit of the company for last three financial years (₹ in lac)**

Particulars	Year ended			Average
	31.03.2015	31.03.2014	31.03.2013	
<b>Net Profit</b>	1086.90	2188.88	1141.13	1472.30

4. **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)**

Two Percent of the amount as in item 3 above: ₹ 29.45 lac

Unspent amount from previous year: ₹ 4.67 lac

The Company is required to spend ₹ 34.12 lac towards CSR.

5. **Details of CSR spent during the financial year.**

(a) **Total amount spent for the financial year;** ₹ 35.72 lac

(b) **Amount unspent, if any ;** NIL

(c) **Manner in which the amount spent during the the financial year.**

S. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period	Amount spent : Direct or through implementing agency*
				₹ in lac			
1	Promoting education, eradicating poverty, hunger and malnutrition, especially in rural areas, empowering women economically, supplementing primary education and participating in rural capacity building programmes and such other initiatives	Literacy	Ahmedgarh, Ropar, Ludhiana (Punjab)	9.00	8.94	18.42	*
2	Promoting preventive healthcare, sanitation, family welfare, community hospitals and rural development programmes especially in rural areas.	Health Care	Ahmedgarh, (Punjab)	25.00	24.72	32.13	*

S. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period	Amount spent : Direct or through implementing agency*
₹ in lac							
3	Contribute towards improvement in standard of Environment, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water.	Live Stock	Ahmedgarh, Ludhiana (Punjab)	1.00	0.60	1.71	*
4	Contribute towards training to promote cultural & rural sports, nationally recognized sports, Paralympics and Olympics sports	Sports	Ahmedgarh, (Punjab)	0.50	0.42	0.85	*
5	Contribute towards development of infrastructure of village's schools, health care centers and hospitals	Community Welfare	Ahmedgarh, (Punjab)	1.00	1.04	2.64	*
<b>Total</b>				<b>36.50</b>	<b>35.72</b>	<b>55.75</b>	

**\* Details of the Implementing Agencies :**

- |   |   |
|---|---|
| 1. Darshan Kumar Oswal Public Charitable Trust, Ludhiana          | 11 Social Welfare Organization Regd., Ahmedgarh,                |
| 2. Friends of Tribals Society , Kolkatta                          | 12 Lions Club, Ahmedgarh  |
| 3. SOS Children Villages of India, New Delhi                      | 13 Shree Sanatan Dharam Mahavir Dal Parcharak Sabha, Ahmedgarh, |
| 4. Victoria Public School , Ahmedgarh                             | 14 Shree Radhey Krishna Gau Dham Trust Regd., Ludhiana          |
| 5. Sewa Bharti Regd., Ahmedgarh                                   | 15 CRY, New Delhi   |
| 6. Rotary Club of Bombay Bandra Charitable Trust, Mumbai          | 16 R.S.Friends Club, Ahmedgarh                                  |
| 7. New Yellow Welfare Club Regd., Ahmedgarh                       | 17 Malwa Sports Kabaddi Club, Ahmedgarh                         |
| 8. Lions Club Greater, Ahmedgarh                                  | 18 Shri Laxmi Narayan Sewa Dal, Ahmedgarh                       |
| 9. Sh Sh 1008 Swami Rameshwar Giri Charitable Hospital, Ahmedgarh | 19 Shri Parasnath Public Charitable Trust, Ludhiana             |
| 10 Palampur Rotary Eye Foundation, Himachal Pradesh               | 20 Yog Dhyan Foundation, New Delhi                              |

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report. - Not Applicable.

7. The CSR Committee do hereby undertakes that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

(Sd/-)  
RAJNEESH OSWAL  
CHAIRMAN & MANAGING DIRECTOR  
(CHAIRMAN- CSR COMMITTEE)

(Sd/-)  
ANIL KUMAR  
EXECUTIVE DIRECTOR & CEO  
(MEMBER- CSR COMMITTEE)



**MANAGEMENT DISCUSSIONS AND ANALYSIS**

Your Company is a public limited Company established in 1979 to manufacture Writing and Printing Paper with a capacity of 10,000 MTs per annum. The mill is located at Ahmedgarh, District Sangrur [Punjab]. In 1994, your Company purchased the paper division of M/s Zenith Limited situated at village Banah, District S.B.S. Nagar in Punjab. After certain modifications in both the paper divisions, the combined present capacity for manufacture of Writing and Printing Paper stands at 85,000 MTs per annum.

India ranks 15th among the paper producing countries in the world. Paper industry in India is highly fragmented. There are over 700 mills spread across the country, capacity ranging from 5 TPD to over 1200 TPD. Total installed capacity is estimated at 15 million tones with production of about 14 million tones. The products are broadly classified as [1] Newsprint, [2] Writing and Printing Paper, and [3] Industrial and specialty papers. Your Company produces Writing and Printing Paper.

Based on usage of raw material, Paper Mills are divided into three categories namely, wood-based, agro-based and waste paper based [recycled fiber]. Your Company uses agro waste raw materials, viz. wheat straw, sarkanda as the primary raw materials.

Writing and Printing Paper accounts for about 35%, Newsprint 20% and Industrial and specialty papers 45%. The per capita consumption of paper is about 12 Kg. against the world average of 50 Kg. and Asian average of 40 Kg. With the continuous growth of economy and improvement in literacy rate and standard of living, the demand for paper and paper products is growing at an annual average rate of 5–6%.

The demand growth in the next three years is likely to be the same in Writing and Printing Paper. However, there could be some pressure on consumption of this variety of paper due to increasing emphasis on e-governance and motivation towards "Digital India". Your company is keeping a close watch on the developments to take corrective actions, if found necessary. Raw materials availability and strict environment regulations are the major entry barriers for the industry.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has well defined internal control system. The Company takes abundant care to design, review and monitor the working of internal control system. Internal Audit in the organization is an independent appraisal activity and it measures the efficiency, adequacy and effectiveness of other controls in the organization. All significant issues are brought to the attention of the Audit Committee of the Board.

**HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS**

The human resources development function of the Company is guided by a strong set of values and policies. Your company strives to provide the best work environment with ample opportunities to grow and explore. Your company maintains a work environment that is free from any harassment. Company enjoys excellent relationship with its

personnel and considers them as an essential part of the organization.

Development and well being of people working for the Company has been a corner stone of management policy. This is reflected through very low employees' turnover at all levels including workers, staff, officers and managers. Company lays special emphasis on staff training and retraining through internal workshops and also nominating staff/officers to various training programmes. As on 31st March 2016, Company has 1340 employees consisting of 89 managers, 328 staff/officers and 923 workers.

**CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

Your company, in collaboration with a local NGO in Ahmedgarh, has set up an Eye Hospital. Besides contributing in setting up of this hospital, financial assistance is extended on monthly basis. Eye care is provided to needy persons on subsidized rates/free of cost.

Your company is also involved with various educational institutions for providing scholarship/financial assistance to deserving students on recommendations of the managements of such institutions.

Your company actively participates with number of NGOs for holding medical check-up camps, sports events and other social activities. Your Company provides fire fighting services, as and when need arises, in nearby areas through its own fire tender and fire fighting staff.

**OUTLOOK**

As mentioned in the earlier part of the report, there are certain causes of concern as far as demand for writing and printing paper is concerned. These include significant quantity of cheaper imports of material from nearby countries, increasing emphasis on e-governance and e-learning, which directly affect the consumption of cultural varieties of paper. However, increasing emphasis on education, faster growth rate in economy and increasing standards of living, shall support increase per capita paper consumption. Company expects that it shall be able to meet its products comfortably in years to come. However, a close watch is constantly kept on various developments and diversification of product range whenever found necessary will be undertaken. Company shall also look forward business opportunities, if situation so warrants. Eco-friendly technology adopted by the Company, motivated manpower and market leadership vision makes future outlook quite optimistic.

**CAUTIONARY STATEMENT**

This discussion contains certain forward looking statements based on current expectations, which entail various risk and uncertainties that could cause the actual results to differ materially from those reflected in them. The actual could be materially different from the ones stated in this report. Market data and product information contained in this report is gathered from published and unpublished reports and their accuracy cannot be assured.

**REPORT ON CORPORATE GOVERNANCE****1. Company's philosophy of Corporate Governance**

At Shreyans, we believe that corporate governance is a powerful medium of serving the long term interests of all the stakeholders. The company seeks to achieve the goal by ensuring that timely and accurate disclosures are made in an easily understood manner on all matters relating to the financial situation, performance, ownership and governance of the company.

The company is in compliance with the requirements of the guidelines on corporate governance stipulated under listing regulations. The company has adopted a Code of Conduct for members of the Board and senior management and the same has been posted on the website of the company. All Directors and other officials have affirmed in writing their adherence to the above code.

**2. Board of Directors****(a) Composition**

The company has an Executive Chairman and the number of independent directors is not less than half of the total strength of the Board. The company has complied with the requirements of listing regulations in respect of composition of Board of Directors. None of the independent directors have any pecuniary relationship (except sitting fee) or transactions with the company.

**(b) Attendance of each Director at the Board Meetings and the last Annual General Meeting (AGM):**

Name of the Director	DIN	Category of Directorship	No. of Board Meetings attended	Attendance at the last AGM
Sh. Rajneesh Oswal Chairman & Managing Director	00002668	Promoter & Executive Director	4	Yes
Sh. Vishal Oswal Vice Chairman & Managing Director	00002678	Promoter & Executive Director	4	Yes
Sh. Kunal Oswal Whole time Director	00004184	Promoter & Executive Director	4	Yes
Sh. Anil Kumar Executive Director & CEO	00009928	Executive Director	4	Yes
Dr. N.J. Rao Independent Director	01282945	Non Executive Director	1	No
Sh. A. K. Chakraborty Independent Director	00133604	Non Executive Director	3	No
Sh. M. L. Gupta Independent Director	00272672	Non Executive Director	3	Yes
Dr. Shalini Gupta Independent Director	07128078	Non Executive Director	3	Yes

**(c) Number of Companies or Committees in which the Director of the Company is a Director/Member/Chairman: -**

Name of the Director	No. of Directorships in all public companies*	Membership of the Board Committees in all Public Companies**	Chairmanship of the Board Committees in all Public Companies**
Sh. Rajneesh Oswal	2	2	---
Sh. Vishal Oswal	2	---	---
Sh. Kunal Oswal	1	1	---
Sh. Anil Kumar	2	2	---
Dr. N.J. Rao	1	---	---
Sh. A. K. Chakraborty	6	1	5
Sh. M. L. Gupta	4	2	2
Dr. Shalini Gupta	3	2	1

\*including Shreyans Industries Ltd. and excluding private limited companies, foreign companies, unlimited liability companies and Companies under section 8 of the Companies Act, 2013.

\*\*Board Committee for this purpose includes Audit Committee and Stakeholder's Relationship Committee of Public Limited companies (including committees of Shreyans Industries Ltd.)

(d) Four Board Meetings were held during the financial year 2015-16 on 20<sup>th</sup> May, 2015, 12<sup>th</sup> August, 2015, 7<sup>th</sup> November, 2015 and 04<sup>th</sup> February, 2016.

During the year all the relevant information required were placed before the Board and decisions taken at the Board Meeting are promptly communicated to the concerned Unit(s)/ Department(s). Actions taken on the decisions on the previous meeting are reported at the succeeding meeting of the Board. Board periodically reviews the compliance of various laws and regulations applicable to the company.

#### **Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, a system has been put in place to carry out performance evaluation of the Board, its Committees and individual directors. An appraisal format has been devised covering various aspects of the Board's functioning such as adequacy of composition of the board and its Committees, board process, culture and accountability etc. Similarly, a separate format is also formulated for carrying out evaluation of the performance of individual Directors including the Chairman of the Board, which inter-alia include parameters such as level of engagement and contribution, understanding of industry and global trends, and independence of judgement etc.

#### **Board Familiarization Programme**

At the time of appointing a Director, a formal letter of appointment is given to him / her, which inter alia explains the role, functions, duties and responsibilities expected from him / her as a Director of the Company. The Director is also explained in detail the compliance required from him / her under the Companies Act, 2013, Listing Regulations and other relevant laws/regulations.

The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him/ her to effectively fulfil his/her role as Director of the Company. The details of familiarization programmes have been posted on the website of the Company.

### **3. Audit Committee**

#### **i. Terms of Reference:**

The company has duly constituted Audit Committee, the scope of which is quite comprehensive and is in conformity with the provisions of the Companies Act, 2013 and Listing Regulations.

All the financial statements of the company are first reviewed by the Audit Committee before presentation to the Board of Directors. Audit committee discusses the reports of Statutory Auditors, Internal Auditors, Secretarial Auditors as well as Cost Auditors of the company. The appointment of Statutory, Secretarial and Cost Auditors are recommended by the Audit Committee. Audit Committee also reviews the company's financial and risk management policies, management discussion and analysis of financial condition, results of operations and statement of related party transactions at periodic basis. including omnibus approval and review thereof.

#### **ii. Composition, Name of Members, Chairperson and attendance:**

<b>Name of Member</b>	<b>Designation</b>	<b>Meetings Attended</b>
Sh. M. L. Gupta	Chairman	3
Sh. A. K. Chakraborty	Member	3
Dr. Shalini Gupta	Member	3
Sh. Anil Kumar	Member	4

iii. Four Meetings of the Audit Committee were held during the financial year 2015-16 on 20<sup>th</sup> May, 2015, 12<sup>th</sup> August, 2015, 7<sup>th</sup> November, 2015 and 04<sup>th</sup> February, 2016.

The Company Secretary acts as Secretary to the Committee.

**4. Nomination and Remuneration Committee****i. Terms of Reference:**

The terms of reference of this Committee are wide enough covering the matters specified under the Companies Act, 2013 and Listing Regulations.

**ii. Composition, Name of Members, Chairperson and attendance:**

One meeting of the Nomination and Remuneration Committee was held during the Financial Year 2015-16 on 04<sup>th</sup> February, 2016.

Name of Member	Designation	Meetings Attended
Sh. M. L. Gupta	Chairman	1
Sh. A. K. Chakraborty	Member	1
Dr. Shalini Gupta	Member	---

The Company Secretary acts as Secretary to the Committee.

**iii. Nomination and Remuneration Policy**

The Nomination and Remuneration policy of the Company is designed to attract, motivate and retain manpower in competitive market. The Key provisions of such policy are given in Board's Report.

**iv. Remuneration of Directors****A. Executive Directors**

(₹ in lac)

Name and Designation	Remuneration				
	Basic Salary	Provident Fund	Other Benefits	Performance Incentive	Total
Sh. Rajneesh Oswal Chairman & Managing Director	120.90	14.51	1.44	---	136.85
Sh. Vishal Oswal Vice- Chairman & Managing Director	120.90	14.51	1.36	---	136.77
Sh. Kunal Oswal Whole time Director	15.00	1.80	0.40	---	17.20
Sh. Anil Kumar Executive Director and CEO	38.61	4.63	25.80	38.61	107.65

The appointment and remuneration of the Managing Directors and Executive Director & CEO are subject to the respective agreements executed with them. Notice period from either party has been fixed at six months. Company shall be liable to pay severance fee as per the individual contract.

Sh. Anil Kumar, Executive Director & CEO is entitled to the performance Incentive, as may be decided by the Board, along with fixed salary in terms of resolution passed at the Annual General Meeting held on 13<sup>th</sup> August, 2014.

**B. Non- Executive Directors**

The Non Executive Directors are paid the sitting fee or reimbursement of out of pocket expenses incurred by them for attending the meeting of Board or any committee thereof. The sitting fee amount is within the limits prescribed under the Companies Act, 2013 and rules made there under. No other payment is made to any of the Non executive Director. No stock option has been given to any of the Directors, including Executive Directors.

(₹ in lac)

Name	Sitting Fees for Board Meeting	Sitting Fees for Committee Meeting	Total
Sh. A.K. Chakraborty	0.30	0.25	0.55
Sh. M. L. Gupta	0.30	0.20	0.50
Dr. N. J. Rao	0.10	----	0.10
Dr. Shalini Gupta	0.30	0.15	0.45

**5. Stakeholders Relationship Committee**

The Board has formed an investors' Grievance Committee named as Stakeholder's Relationship Committee to specifically look into the redressal of investors' complaint like transfer of shares, non receipt of balance sheet or non receipt of credit of shares into the Demat account etc. The committee also approves issue of duplicate share certificate(s) and other related matters and oversees and reviews all matters connected with the share transfer.

**i. Composition**

Name of Member	Designation	Meetings Held	Meetings Attended
Dr. Shalini Gupta	Chairman	7	5
Sh. Rajneesh Oswal	Member	7	6
Sh. Anil Kumar	Member	7	6
Sh. Kunal Oswal	Member	7	7

ii. Mr. Videshwar Sharma, Company Secretary is the compliance officer and acts as secretary to the committee(s). The company has designated the email id cs@shreyansgroup.com for the purpose of registering complaints by investors electronically. The email id is displayed on the company's website.

iii. The details regarding the investor's complaints are as under:

Particulars	No. of Complaints	Particulars	No. of Complaints
Pending as on 01-04-2015	0	Resolved during the year	17
Received during the year	17	Pending as on 31-03-2016	0

**6. Corporate Social Responsibility**

In compliance with the provisions of Section 135 of the Companies Act, 2013, the Board has constituted "Corporate Social Responsibility Committee." One meeting of the Corporate Social Responsibility Committee was held during the financial year 2015-16 on 20<sup>th</sup> May, 2015.

The composition of the committee as at March 31, 2016 and details of member's participation at the meeting of the committee are as under:

Name of Member	Designation	Meetings Held	Meetings Attended
Sh. Rajneesh Oswal Chairman & Managing Director	Chairman	1	1
Sh. Vishal Oswal Vice Chairman & Managing Director	Member	1	1
Sh. Anil Kumar Executive Director & CEO	Member	1	1
Sh. A. K. Chakraborty Independent Director	Member	1	1

The Company Secretary acts as Secretary to the Committee.

**7. Independent Director's Meeting**

During the year, the Independent Directors met on 4th February, 2016 to:

- ♦ Review the performance of Non-Independent Directors and the Board as a whole.
- ♦ Review the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors.
- ♦ Evaluate 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 their duties.

**8. General Body Meetings****(i) Location and time where last three Annual General Meetings were held:**

Financial Year	Date of A.G.M.	Time	Venue	No. of Special Resolution Passed
2014-15	12th August, 2015	11.00 A.M.	Regd. Office of the Company at Vill. Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana-141 123	---
2013-14	13th August, 2014	11.00 A.M.	Regd. Office of the Company at Vill. Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana-141 123	2
2012-13	30th August, 2013	11.00 A.M.	Regd. Office of the Company at Vill. Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana-141 123	2

**(ii) Postal Ballot**

During the year under review, no resolution was passed through Postal Ballot. Further, no resolution is proposed to be passed through postal ballot.

**9. Disclosures**

- i. The details of related party transactions are placed before Audit Committee and these are disclosed in the Notes on Account to the Balance Sheet. For the year 2015-16, there was no transaction of material nature with related parties, which are not in the normal course of business.
- ii. The company is in compliance with the requirements of the Stock exchanges, SEBI and other statutory authorities on all matters relating to the capital market during the last three years. The company has complied with all mandatory requirements of Listing Regulations on corporate governance. The company has followed accounting treatment as prescribed in Accounting Standards applicable to the Company. There were no penalties or strictures imposed on the company by Stock Exchanges or SEBI, any statutory authority on any matter related to the above.
- iii. The company has a Whistle Blower Policy in place for employees to report concerns about unethical behaviour. No personnel have been denied to approach the Management or the Audit Committee on any issue.
- iv. Sh. Rajneesh Oswal, Chairman & Managing Director, Sh. Vishal Oswal, Vice Chairman & Managing Director and Sh. Kunal Oswal, Whole time Directors are real brothers. No other director is having any relationship with each other.

**10. Means of Communication**

i	Quarterly Results	Published in the newspapers every quarter
ii	Newspapers wherein results normally published	The Economic Times and Desh Sewak
iii	Any website, where results are displayed	<a href="http://www.shreyansgroup.com">www.shreyansgroup.com</a>
iv	Whether it also displays official news releases	No
v	The presentations made to Institutional Investors or to the Analysts	No

**Online Filing:** Periodical compliance filings like shareholding pattern, corporate governance report, announcements, corporate actions etc. have been filed electronically on NSE-NEAPS and BSE –Corporate Compliance & Listing Centre.

**SCORES (Sebi Complaints Redressal System):** The Investor Complaints are processed in a centralized web based complaints redressal system on [www.scores.gov.in](http://www.scores.gov.in), a website maintained by SEBI (Securities and Exchange Board of India). The main feature of this system is central database of all complaints, online upload of action taken reports (ATR's) by the concerned companies and online view by investors of action taken on complaints and its current status. The Company had dispose of all the pending complaints filed through scores.

**11. General Shareholder Information****i. AGM: Date, Time and Venue**

Date & Time: Wednesday, 10<sup>th</sup> August, 2016 at 11.00 A.M.

Place: Regd. office of the Company at Village Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana -141 123

**ii. Financial Year**

The company's Financial Year starts from 1<sup>st</sup> April every year and conclude on 31<sup>st</sup> March, next year.

**iii. Date of Book Closure**

The Register of Members and Share Transfer books of the Company shall remain closed from 4<sup>th</sup> August, 2016 to 10<sup>th</sup> August, 2016 (both days inclusive), for the purpose of payment of dividend, if any and AGM, for both physical and electronic segments.

**iv. Dividend Payment date (tentative)**

Credit or dispatch of dividend warrants tentatively between 16<sup>th</sup> August, 2016 to 5<sup>th</sup> September, 2016.

**v. Listing on Stock Exchanges**

The Equity shares of the Company are listed at the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

Company has paid up to date listing fee to the Bombay Stock Exchange Limited and the National Stock Exchange of India limited.

**Stock Code**

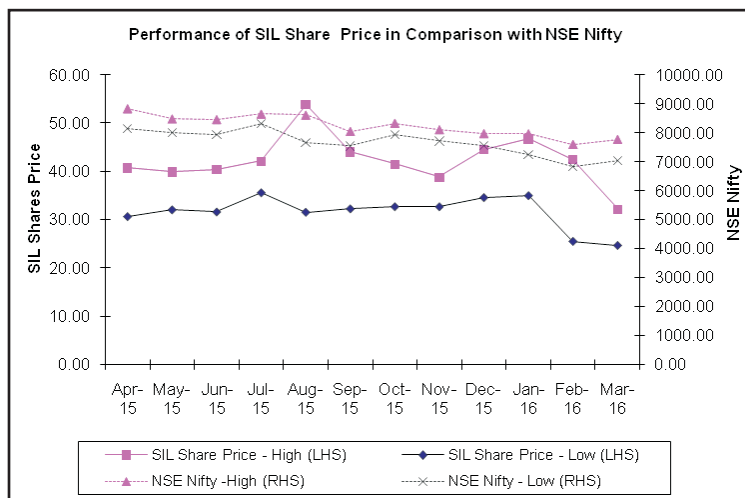
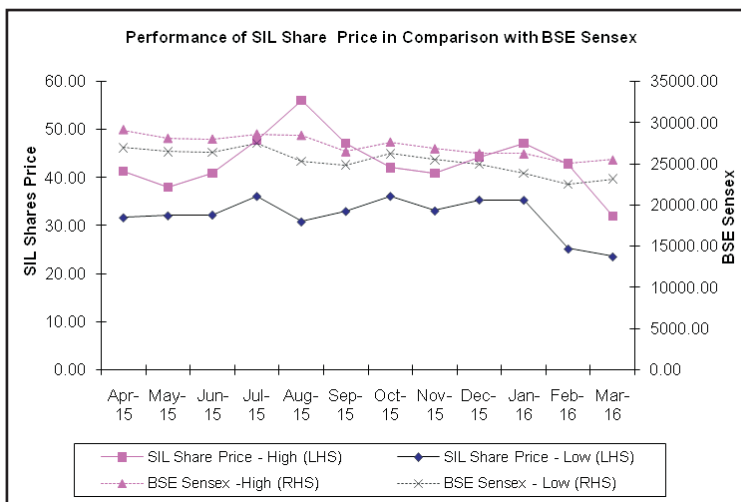
Bombay Stock Exchange Limited	516016	ISIN	INE231C01019
National Stock Exchange of India Limited	SHREYANIND	Corporate Identification Number	L17115PB1979PLC003994

**vi. Market Price Data: High, Low during each month in last Financial year**

The monthly high and low stock quotations during the last Financial Year at BSE and NSE are given below along with comparison to Broad Based BSE Sensex and NSE Nifty.

Month & Year	Share price at Bombay Stock Exchange Limited		Share Price at National Stock Exchange of India Ltd	
	High	Low	High	Low
Apr - 15	41.20	31.60	40.75	30.65
May - 15	38.00	32.00	39.90	32.05
Jun - 15	40.90	32.15	40.40	31.60
Jul - 15	47.70	36.00	42.10	35.60
Aug - 15	55.95	30.75	53.80	31.55
Sep - 15	47.00	32.90	44.00	32.25
Oct - 15	42.00	36.00	41.50	32.70
Nov - 15	40.90	33.00	38.80	32.70
Dec - 15	44.25	35.25	44.50	34.60
Jan - 16	47.00	35.20	46.75	35.00
Feb - 16	42.80	25.15	42.45	25.50
Mar - 16	31.95	23.55	32.20	24.65

**vii. Performance in comparison to broad-based indices such as BSE Sensex, CRISIL index etc.**



**viii. Registrar and Share Transfer Agent**

Name : Skyline Financial Services (P) Ltd.  
 Address : D-153/A 1<sup>st</sup> Floor, Okhla Industrial Area, Phase -1  
 New Delhi-110 020  
 Phone No. : 011-26812682-83-84  
 Fax No. : 011-26812682  
 Contact Person : Mr. Subhash Aggarwal, Director / Mr. Virender Rana, Vice-President

**ix. Share Transfer System**

The company's shares are in compulsory dematerialized list and are transferable through depository system. Shares in physical form are processed and approved by M/s Skyline Financial Services Pvt. Ltd., the Registrar and Transfer Agents and approved/taken note of by the Stakeholder's Relationship Committee. The physical share transfers are generally processed within a period of 15 days from the date of receipt of transfer documents by M/s Skyline Financial Services Pvt. Ltd.



Shareholders who hold shares in the physical form and wish to make Change/ nomination in respect of their shares in the company, as permitted under Companies Act, 2013 may submit the same to Registrars & Transfer Agents of the company in the prescribed Form. The said form is available on the website of the company at [www.shreyansgroup.com](http://www.shreyansgroup.com).

x. Distribution of Shareholding and Shareholding pattern as on 31.03.2016

Shareholding Nominal Value (₹)	No of Shareholders	% to Total Numbers	Shareholding Amount (₹)	% to Total Amount
Up To 5,000	16590	97.52	12610730	9.12
5001 To 10,000	212	1.25	1683490	1.22
10001 To 20,000	72	0.42	1094890	0.79
20001 To 30,000	31	0.18	778870	0.56
30001 To 40,000	14	0.08	496570	0.36
40001 To 50,000	17	0.1	818820	0.59
50001 To 1,00,000	13	0.08	899160	0.65
1,00,000 and Above	63	0.37	119862970	86.71
<b>TOTAL</b>	<b>17012</b>	<b>100</b>	<b>138245500</b>	<b>100</b>

xi. Dematerialisation of shares and Liquidity

As on 31.03.2016, 78.07% of total paid up capital of the company is held with depositories in de materialized form. The Equity shares of the company are regularly traded at the BSE and NSE.

xii. Outstanding GDRs/ADRs/ Warrants or any Convertible instruments conversion date and likely impact on equity

The Company has not issued any GDR's/ADR's. The company has not allotted any equity share during the financial year 2015-16.

xiii. Location of Plants:

- (a) Shreyans Papers, Ahmedgarh, Distt. Sangrur (PB)
- (b) Shree Rishabh Papers, Vill. Banah, Distt. S.B.S Nagar (PB)

xiv. Address for correspondence:

**Registered Office:**

Videshwar Sharma  
(Company Secretary & Compliance Officer)  
Shreyans Industries Limited  
Vill. Bholapur, P.O.Sahabana,  
Chandigarh Road, Ludhiana (India) -141123  
Ph. (0161)6574125, 98761-00948  
Fax. 91-161-2685270  
Email: [atl@shreyansgroup.com](mailto:atl@shreyansgroup.com)  
[cs@shreyansgroup.com](mailto:cs@shreyansgroup.com)  
Website: [www.shreyansgroup.com](http://www.shreyansgroup.com)

12. OTHER DISCLOSURES

The company is not dealing in commodity and hence disclosure relating to commodity price risks and commodity hedging activities is not applicable.

There is no Non- Compliance of any requirement of Corporate Governance Report of Sub para (2) to (10) of Part C of Schedule V of the Listing Regulations.

The Company has complied with all mandatory items of the clause 49 of the Listing Agreement as applicable till 30th November, 2015 and Regulations 17 to 27 with schedule II and V of Listing Regulations from 1st December, 2015. The Company has executed the fresh agreement with BSE and NSE as required under new enacted Listing Regulations.

**DECLARATION BY THE MANAGING DIRECTOR UNDER REGULATIONS 26(3) OF THE LISTING REGULATIONS**

To,  
The Members,  
Shreyans Industries Ltd.  
Ludhiana

I hereby confirm that all Board Members and Senior Management Personnel have affirmed compliance with the code of conduct for the Directors and Senior Management Personnel as approved by the Board, for the Financial Year ended 31<sup>st</sup> March, 2016 in terms of regulations 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Place : Ludhiana**  
**Date : May 24, 2016**

**Rajneesh Oswal**  
**Chairman & Managing Director**  
**(DIN: 00002668)**

**CMD & CFO CERTIFICATION**

To  
The Members,  
Shreyans Industries Ltd,  
Ludhiana.

- a) We have reviewed financial statements and the cash flow statements for the year ended 31<sup>st</sup> March, 2016 and that to the best of our knowledge and belief:
- i. these statements do not contain any materially untrue statement or omit any material fact or contains statements that might be misleading;
  - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, 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 accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we 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 the Audit Committee
- i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and 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.

**Rajneesh Oswal**  
**Chairman & Managing Director**  
**(DIN: 00002668)**  
**Place : Ludhiana**  
**Date : May 24, 2016**

**R. K. Mahajan**  
**Chief Financial Officer**

**Practising Company Secretary Certificate on Compliance with  
the condition of Corporate Governance**

To  
The Members  
Shreyans Industries Ltd

We have examined the compliance of conditions of corporate governance by Shreyans Industries Limited (the company) for the year ended 31st March, 2016 as stipulated in clause 49 of the Listing Agreement of the Company with stock exchanges, for the period 1st April, 2015 to 30th November, 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period 1st December, 2015 to 31st March, 2016.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to review of procedures and implementation thereof, adopted by the company, for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned listing agreement/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 P. S. Bathla & Associates  
Company Secretaries**

**(P. S. Bathla)  
M. No. 4391  
C. P. No. 2585**

**Place : Ludhiana  
Dated : May 24, 2016**

**INDEPENDENT AUDITOR'S REPORT**

To  
The Members,  
Shreyans Industries Limited

**Report on the Financial Statements.**

1. We have audited the accompanying financial statements of **Shreyans Industries Limited** ('the Company') which comprise the Balance Sheet as at 31<sup>st</sup> March 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

2. 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 and presentation 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 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**

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. 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.
6. 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.

7. 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**

8. 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 31<sup>st</sup> March, 2016 and its profit and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

9. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-A, which forms part of this report, a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by section 143(3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this report are in agreement with the books of account;
  - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. on the basis of written representations received from the directors as on 31<sup>st</sup> March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2016 from being appointed as a director in terms of sub-section (2) of section 164 of the Act; and
  - f. with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure-B; and
  - g. with respect to the other matters to be included in the Auditor's 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 explanations given to us;
    - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note No. 30 to the financial statements;

- (ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
- (iii) There are no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

**FOR S. C. VASUDEVA & CO.**  
Chartered Accountants  
(Regn. No. 000235N)

Place : Ludhiana  
Dated : May 24, 2016

(SANJIV MOHAN)  
Partner  
M. No. 86066

#### Annexure- A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31<sup>st</sup> March 2016, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to information and explanations given to us, the Company has adopted a policy of physical verification of fixed assets once in a block of every three years. The last verification of entire block of fixed assets was done in the year ended March 31<sup>st</sup> 2015. Further in our opinion the frequency of physical verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to information and explanations given to us and on the basis of our examination of records of the company the title deeds of immovable properties are held in the name of the company.
- (ii) (a) According to the information and explanations given to us, the inventories have been physically verified by the management at the end of the year. In our opinion the frequency of verification is reasonable.
- (b) As per the information given to us, the discrepancies noticed on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of account.
- (iii) According to the information and explanations given to us we report that the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- Therefore the provisions of paragraph (iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us, the Company has complied with the requirements of the section 186 of the Companies Act, 2013 pursuant to loans granted and investments made. The company has not granted loans to directors or to the person in whom directors are interested. Therefore the provisions of the section 185 of the Companies Act, 2013 are not applicable to the company.
- (v) According to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76, other relevant provisions of the Companies Act, 2013 and the rules framed there under. According to the information and explanations given to us, no order under the aforesaid sections has been passed by the Company Law Board or the Reserve Bank of India or any Court or any other Tribunal on the Company.
- (vi) We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of such records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and on the basis of the records of the Company examined by us, in our opinion, the Company has been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts in respect of statutory dues payable were outstanding as on the last day of the financial year concerned for a period of more than six months from the date they became payable.
- (b) According to the information and explanations there are no dues of income tax, service tax, duty of custom, which have not been deposited with the appropriate authorities on account of any dispute. However according to information and explanations given to us, the following dues duty of excise and value added tax has not been deposited by the company on account of dispute:

Sr. No.	Name of the Statute	Nature of Dues	Period to which the amount relates	Disputed Amount (₹ in lac)	Forum where dispute is pending.
1.	Central Excise Act, 1944	Excise Duty	Various years from 1999-2000 to 2009-2010	1006.36	Customs, Excise & Service Tax Appellate Tribunal, New Delhi
2.	Central Excise Act, 1944	Excise Duty	2014-2015	27.32	Additional Deputy Commissioner, Jalandhar
3.	Central Excise Act, 1944	Excise Duty	Various years from 1996-1997 to 2000-2001	0.53	Joint Commissioner, Jalandhar
4.	Central Excise Act, 1944	Excise Duty	2004-2005	1.43	Assistant Commissioner, Phagwara
5.	Punjab Vat Act, 2005	Value Added Tax	2010-2011	12.02	Deputy Excise and Taxation Commissioner (Appeals), Patiala

(viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to a financial institution bank or government. The Company has not issued any debentures during the year or in the preceding year.

(ix) In our opinion and according to the information and explanations given to us, the term loans taken during the year by the company have been applied for the purpose for which they were raised. The company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year.

(x) According to the information and explanations given to us, no fraud on or by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us and based on the record of company the company has paid / provided for the managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) According to the information and explanations given to us, the company is not a Nidhi Company. Therefore the provisions of paragraph 3(xii) of the order are not applicable.

(xiii) According to the information and explanations given to us, and based on our examinations of the records of the company, transactions with the related parties are in compliance with section 177 and section 188 of the Act, where applicable and the details of the transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us, the company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the financial year under audit. Thus the provisions of paragraph 3 (xii) of the Order are not applicable.

(xv) According to information and explanations given to us, and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, provisions paragraph 3 (xv) of the Order are not applicable.

(xvi) According to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

#### **Annexure- B to the Auditors' Report**

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

#### **Report on the Internal Financial Controls**

1. We have audited the internal financial controls over financial reporting of Shreyans Industries Limited ("the Company") as of 31<sup>st</sup> March 2016 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**

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the

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

#### **Auditor's Responsibility**

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

4. 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.

5. 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**

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

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial

statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

7. 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**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR S. C. VASUDEVA & CO.**  
**Chartered Accountants**  
**(Regn. No. 000235N)**

**Place : Ludhiana**  
**Dated : May 24, 2016**

**(SANJIV MOHAN)**  
**Partner**  
**M. No. 86066**

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

PARTICULARS	Note No.	As at 31 March 2016 (₹ In lac)	As at 31 March 2015 (₹ In lac)
<b>I EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's funds :</b>			
a) Share capital	3	1,382.47	1,382.47
b) Reserves and surplus	4	8,475.42	7,807.96
		<u>9,857.89</u>	<u>9,190.43</u>
<b>(2) Non-current liabilities</b>			
a) Long-term borrowings	5	2,222.39	879.02
b) Deferred tax liabilities (net)	6	2,292.64	2,305.38
c) Other long-term liabilities	7	26.38	21.89
d) Long-term provisions	8	885.86	844.83
		<u>5,427.27</u>	<u>4,051.12</u>
<b>(3) Current liabilities</b>			
a) Short-term borrowings	9	2,774.66	3,013.91
b) Trade payables	10	3,889.69	3,796.73
c) Other current liabilities	11	2,334.24	2,250.41
d) Short-term provisions	12	416.83	297.75
		<u>9,415.42</u>	<u>9,358.80</u>
<b>TOTAL</b>		<u>24,700.58</u>	<u>22,600.35</u>
<b>II ASSETS</b>			
<b>(1) Non-current assets</b>			
a) Fixed assets	13		
i) Tangible assets		13,766.42	12,182.35
ii) Intangible assets		4.43	1.85
iii) Capital work-in-progress		886.66	628.78
		<u>14,657.51</u>	<u>12,812.98</u>
b) Non-current investments	14	2.02	2.02
c) Long-term loans and advances	15	480.89	669.06
d) Other non-current assets	16	78.90	0.72
		<u>15,219.32</u>	<u>13,484.78</u>
<b>(2) Current assets</b>			
a) Current investments	17	1,824.02	1,824.02
b) Inventories	18	2,640.21	3,109.32
c) Trade receivables	19	3,509.57	2,842.52
d) Cash and bank balances	20	456.22	538.87
e) Short-term loans and advances	21	1,051.24	800.84
		<u>9,481.26</u>	<u>9,115.57</u>
<b>TOTAL</b>		<u>24,700.58</u>	<u>22,600.35</u>

See accompanying notes forming part of the financial statements

As per our report of even date attached  
For S.C. VASUDEVA & CO.  
(Regn. No. 000235N)(SANJIV MOHAN) (R.K. MAHAJAN) (VIDESHWAR SHARMA)  
Partner C F O Company Secretary  
M.No. 86066For and on behalf of the Board of Directors of  
Shreyans Industries Limited(ANIL KUMAR) (VISHAL OSWAL) (RAJNEESH OSWAL)  
Executive Vice Chairman & Chairman &  
Director & CEO Managing Director Managing DirectorPLACE : Ludhiana  
DATE : May 24, 2016



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

PARTICULARS	Note No.	For the year ended 31 March 2016 (₹ In lac)	For the year ended 31 March 2015 (₹ In lac)
I Revenue from operations (Gross)	22	41,289.61	38,939.03
Less : Excise duty		2,341.10	2,189.09
Revenue from operations (Net)		38,948.51	36,749.94
II Other Income	23	149.14	599.07
III <b>Total revenue ( I + II )</b>		<b>39,097.65</b>	<b>37,349.01</b>
IV Expenses :			
(a) Cost of material consumed	24	19,371.17	19,436.71
(b) Purchase of stock-in-trade	25	766.00	---
(c) Changes in inventories of finished goods, work in progress and stock-in-trade	26	443.68	(339.23)
(d) Employee benefits expenses	27	4,108.21	3,847.43
(e) Finance costs	28	595.56	698.59
(f) Depreciation and amortisation expense		732.93	720.66
(g) Other expenses	29	11,978.24	11,613.79
<b>Total expenses</b>		<b>37,995.79</b>	<b>35,977.95</b>
(V) Profit before tax ( III - IV )		1,101.86	1,371.06
(VI) Tax expense			
a) - Current tax		236.92	266.75
b) - MAT Credit entitlement		---	(107.20)
c) - Deferred tax		(12.74)	231.91
d) - Tax of earlier year		10.56	(0.03)
(VII) Profit for the year ( V - VI )		<b>867.12</b>	<b>979.63</b>
Earning per equity share of ₹ 10/- each			
- Basic		6.27	7.09
- Diluted		6.27	7.09

See accompanying notes forming part of the financial statements

As per our report of even date attached  
For S.C. VASUDEVA & CO.,  
Chartered Accountants  
(Regn. No. 000235N)

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

(SANJIV MOHAN)	(R.K. MAHAJAN)	(VIDESHWAR SHARMA)	(ANIL KUMAR)	(VISHAL OSWAL)	(RAJNEESH OSWAL)
Partner	CFO	Company Secretary	Executive Director & CEO	Vice Chairman & Managing Director	Chairman & Managing Director
M.No. 86066					

PLACE : Ludhiana  
DATE : May 24, 2016

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016**

(₹ In lac)

PARTICULARS	For the year ended 31 March 2016	For the year ended 31 March 2015
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax as per statement of profit and loss	1101.86	1371.06
Adjustment for :		
Depreciation and amortisation	732.93	720.66
Interest Income	(88.84)	(118.50)
Dividend income	(0.05)	(0.04)
Loss/(gain) on sale of investments (net)	---	32.91
Interest Expenses	514.94	614.48
Loss / (gain) on Sale/Discard of fixed assets (Net)	66.39	(277.63)
Excess allowances of doubtful trade receivables written back	---	(0.30)
Excess allowances of Investment written back	---	(121.69)
Provisions no longer required written back	(7.75)	(18.68)
Allowances for doubtful trade receivables and advances	28.62	---
Bad debts written off (net)	(17.17)	(23.78)
Allowance for diminution in value of investment	---	0.43
	1229.07	807.86
<b>Operating Profit Before Working Capital Changes</b>	<b>2330.93</b>	<b>2178.92</b>
Adjustment for		
(Increase)/ Decrease in trade & other receivables	(959.77)	1511.40
(Increase)/ Decrease in Inventories	469.11	316.94
Increase/(Decrease) in trade & other payables	180.40	(715.89)
<b>Cash generated from operations</b>	<b>2020.67</b>	<b>3291.37</b>
Direct taxes paid (Net of refund)	(134.59)	(283.28)
<b>Net Cash from operating activities</b>	<b>1886.08</b>	<b>3008.09</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(2860.64)	(2254.61)
(Increase)/ Decrease in capital advance	199.66	(6.28)
(Purchase)/Proceeds (of)/from investment	---	8.43
Proceeds from sale of fixed assets	216.79	322.59
Dividend received	0.05	0.04
Interest received	75.20	108.27
<b>Net cash used in investing activities</b>	<b>(2368.94)</b>	<b>(1821.56)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
(Payments)/Proceeds (of)/from long term borrowings (net)	1418.00	96.03
(Payments)/Proceeds (of)/from short term borrowings (net)	(239.25)	(435.50)
Interest Paid	(516.30)	(612.30)
Dividend Paid (including taxes)	(188.24)	(186.73)
<b>Net cash from financing activities</b>	<b>474.21</b>	<b>(1138.50)</b>
<b>Net increase in cash &amp; cash equivalents</b>	<b>(8.65)</b>	<b>48.03</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>538.87</b>	<b>490.84</b>
Bank Balances not considered as cash and cash equivalents at beginning of the year	0.45	0.45
<b>Cash and cash equivalents at the end of year</b>	<b>456.22</b>	<b>538.87</b>
Bank Balances not considered as cash and cash equivalents at end of the year	74.45	0.45

See accompanying notes forming part of the financial statements

As per our report of even date attached  
For S.C. VASUDEVA & CO.,  
Chartered Accountants  
(Regn. No. 000235N)

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

(SANJIV MOHAN)	(R.K. MAHAJAN)	(VIDESHWAR SHARMA)	(ANIL KUMAR)	(VISHAL OSWAL)	(RAJNEESH OSWAL)
Partner	CFO	Company Secretary	Executive Director & CEO	Vice Chairman & Managing Director	Chairman & Managing Director
M.No. 86066					

PLACE : Ludhiana

DATE : May 24, 2016

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016****1 Corporate Information**

Shreyans Industries Limited (the Company) is a public company incorporated under the provisions of the Companies Act, 1956 on 11th June, 1979. The name of the company at its incorporation was Shreyans Paper Mills Ltd. and subsequently changed to Shreyans Industries Limited on 20<sup>th</sup> October 1992. The company is engaged in manufacturing of Writing and Printing Paper.

**Significant Accounting Policies and Notes on Accounts****2 Significant Accounting Policies****(a) Basis of Preparation of Financial Statements**

The financial statements are prepared in accordance with generally accepted accounting principles under the historical cost convention on accrual basis in accordance with the applicable accounting standards prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule 2014.

**(b) Use of Estimates**

The preparation of financial statements, in conformity with the generally accepted accounting principles, require estimates and assumptions to be made that affect the reported amount of assets and liabilities as of the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results materialise.

**(c) Revenue Recognition****(i) Sales**

Revenue from sale of goods is recognised;

- (a) When all the significant risks and rewards of ownership transferred to the buyer and the company retains no effective control of the goods transferred to a degree usually associated with ownership; and
- (b) No significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.

**(ii) Export Incentives:**

Revenue in respect of export incentives is recognised on post export basis.

**(iii) Interest :**

Revenue from interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

**(iv) Dividend**

Dividend Income from investment is recognized when the right to receive payment is established.

**(v) Insurance and Other Claims**

Revenue in respect of claims is recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof.

**(d) Employees Benefits****(i) Short Term Employees Benefits**

Short Term Employees Benefits are recognized as an expense on an undiscounted basis in the statement of profit and loss of the year in which the related service is rendered.

**(ii) Post Employment Benefits****i) Defined Contribution Plans****a) Provident Fund:**

The Employer's Contribution to provident fund is made in accordance with the provisions of the Employee's Provident Fund and Miscellaneous Provisions Act, 1952 and is recognized as an expense in the statement of profit and loss.

**ii) Defined Benefit Plans****a) Gratuity:**

The Group Gratuity Cash Accumulation Scheme, managed by Life Insurance Corporation of India is a defined benefit plan. The liability for gratuity is provided on the basis of actuarial valuation carried out by an independent actuary as at the Balance Sheet date. The present value of the company's obligation is determined on the basis of actuarial valuation at the year end, using the projected unit credit method and the fair value of plan assets is reduced from the gross obligations under the gratuity scheme to recognize the obligation on a net basis.

**b) Leave Encashment:**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the Balance Sheet date, determined on actuarial valuation basis using Projected Unit Credit Method. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government Securities as at the Balance Sheet date.

iii) The actuarial gain/loss is recognized in the statement of profit and loss in the period in which they occur.

**(e) Fixed Assets (Tangible Assets)**

(i) Fixed assets are stated at historical cost less accumulated depreciation.

(ii) Cost of fixed assets comprises its purchase price and any attributable expenditure (direct and indirect) for bringing the assets to its working condition for its intended use.

(iii) Expenditure incurred on renovation/modernisation of the existing fixed assets is added to the book value of these assets where such renovation/modernisation increases the future benefit from them beyond their previously assessed standard of performance.

**(f) Intangible Assets**

Intangible assets are stated at cost less accumulated amount of amortisation.

**(g) Depreciation**

i) Depreciation on tangible fixed assets is provided on Straight Line Method on the basis of useful lives of such assets specified in Schedule II to the Companies Act, 2013.

ii) Assets costing ₹ 5,000/- or less acquired during the year are depreciated at 100%.

iii) The Intangible fixed assets acquired prior to 1<sup>st</sup> April 2014 are amortised over the revised useful life of the assets based on the indicative useful life of the assets mandated by Schedule II to the Companies Act, 2013.

**(h) Amortisation**

Intangible asset are amortised on straight line method. These assets are amortised over their estimated useful life.

**(i) Investments**

Long term Investments are carried at cost less provision, if any, for decline in the value of such investments, which is other than temporary. Current investments are carried at lower of cost and fair value.

**(j) Inventories**

Inventories are valued at cost or net realisable value, whichever is lower. The cost in respect of items of inventory is computed as under:

- In case of raw materials at FIFO basis plus direct expenses.
- In case of stores and spares at weighted average cost plus direct expenses.
- In case of work-in-progress at raw material cost plus conversion cost depending upon the stage of completion.
- In case of finished goods at raw material cost plus conversion cost, packing cost, excise duty and other overheads incurred to bring the goods to their present condition and location.

**(k) CENVAT**

Cenvat credit on excise duty/service tax paid on inputs, capital assets and input services is taken in accordance with the Cenvat Credit Rules, 2004.

**(l) Government grants and subsidies**

Government grants available to the company are recognized when there is a reasonable assurance of compliance with the conditions attached to such grants and where benefits in respect thereof have been earned and it is reasonably certain that the ultimate collection will be made.

Government subsidy in the nature of promoter's contribution is credited to capital reserve.

Government subsidy related to specific fixed assets is deducted from the gross value of the assets concerned.

**(m) Borrowing Costs**

Borrowing costs that are directly attributable to acquisition or construction of a qualifying asset are capitalised as a part of cost of such asset. Qualifying asset is one that takes substantial period of time to get ready for its intended use. All other borrowing costs are recognised as expenditure in the period in which these are incurred.

**(n) Lease**

The assets acquired on lease wherein a significant portion of risks and rewards of ownership of an asset is retained by the lessor are classified as operating leases. Lease rentals paid for such leases are recognised as an expense on systematic basis over the terms of lease.

**(o) Foreign Currency Transactions**

(a) Transactions in foreign currency are recorded on initial recognition in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction except in case of export invoices which are recorded at a rate notified by the Customs department for invoice purpose which approximates the actual rate as at the date of transaction. Exchange difference arising on realization of export sale is recognized as income or expense in the period in which they arise.

b) At each balance sheet date foreign currency monetary items are reported at closing rates. Exchange differences arising on settlement of monetary items or on reporting the same at closing rate as at balance sheet date are recognized as income or expense.

c) The premium or discount arising at the inception of a forward contract which is not intended for trading or speculation purpose is amortised as expense or income over the life of the contract. Exchange difference on such forward contracts is recognized in the statement of profit or loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of a forward contract is recognised as income or as expense for the period.

**(p) Accounting for Taxes on Income**

Provision for taxation for the year comprises of current tax and deferred tax. Current tax is amount of Income-tax determined to be payable in accordance with the provisions of Income tax Act 1961. Deferred tax is the tax effect of timing difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

**(q) Impairment of Assets**

At each balance sheet date an assessment is made whether any indication exists that an asset has been impaired. If any such indication exists, an impairment loss i.e. the amount by which the carrying amount of an asset exceeds its recoverable amount is provided in the books of account.

**(r) Earning per Share**

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

For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**(s) Provision and Contingent Liabilities**

(i) Provision is recognised (for liabilities that can be measured by using substantial degree of estimate) when:

- (a) the company has a present obligation as a result of a past event;
- (b) a probable outflow of resources embodying economic benefits is expected to settle the obligation ; and
- (c) the amount of the obligation can be reliably estimated.

(ii) Contingent liability is disclosed in case there is:

- (a) i. Possible obligation that arises from past events and existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise ; or
- ii. A reliable estimate of the amount of the obligation cannot be made.
- (b) A present obligation arising from past events but is not recognised :
  - i. When it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - ii. A reliable estimate of the amount of the obligation cannot be made.

**(t) Cash flow statement**

The cash flow statement has been made in accordance with the Accounting Standard (AS) – 3 on “Cash Flow Statements” prescribed in Companies (Accounts) Rules, 2014.

PARTICULARS	As at 31 March 2016		As at 31 March 2015	
	Number of shares	(₹ In lac)	Number of shares	(₹ In lac)
<b>3 Share Capital</b>				
<b>(a) Authorised</b>				
Equity Shares of ₹ 10/- each (par value)	19000000	1900.00	19000000	1900.00
Redeemable Cumulative Preference Shares of ₹ 100 each (par value)	100000	100.00	100000	100.00
	<u>19100000</u>	<u>2000.00</u>	<u>19100000</u>	<u>2000.00</u>
<b>(b) Issued and subscribed</b>				
Equity Shares of ₹ 10/- each	13825000	1382.50	13825000	1382.50
<b>TOTAL</b>	<u>13825000</u>	<u>1382.50</u>	<u>13825000</u>	<u>1382.50</u>
<b>(C) Paid-Up</b>				
Equity Shares of ₹ 10/- each	13825000	1382.46	13825000	1382.46
Add : Forfeited Shares (Amount Originally Paid Up)	----	0.01	----	0.01
<b>TOTAL</b>	<u>13825000</u>	<u>1382.47</u>	<u>13825000</u>	<u>1382.47</u>

**a) Reconciliation of the number of shares and the amount outstanding at the beginning and at the end of the reporting period****Equity shares**

At the beginning of the reporting period	13825000	1382.50	13825000	1382.50
Add: Issued during the period	----	----	----	----
Outstanding at the end of the reporting period	<u>13825000</u>	<u>1382.50</u>	<u>13825000</u>	<u>1382.50</u>

**b) Terms/ rights attached to equity shares**

The company presently has one class of equity shares having par value of ₹ 10/- each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting and entitlement to dividend to an equity shareholder shall arise after such approval.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive any part of the 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 shareholder.

The rate of dividend on preference shares will be decided by the Board of directors as and when issued. Preferential shares as and when issued shall have the cumulative right to receive dividend as and when declared and shall have preferential right of repayment of amount of capital.

The Board has recommended a Dividend of 12% (Previous year 12 %) (₹ 1.20 per equity share of ₹ 10/-) for the financial year ended March 31, 2016 subject to the approval of the Shareholders in the ensuing Annual General Meeting. The aggregate amount of Proposed dividend is ₹ 165.89 Lac and ₹ 33.77 Lac towards Tax on dividend distribution.

**c) Detail of Shares held by holding company/ ultimate holding company their subsidiaries and associates**

There is no holding /ultimate holding company of the company and therefore no subsidiary/associate of holding / ultimate holding company.

**d) Aggregate number and class of share allotted as fully paid-up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of five year immediately preceding the balance sheet date:**

	As at 31 March 2016 Number of shares	As at 31 March 2015 Number of shares
Equity shares allotted as fully paid up pursuant to contract (s) without payment being received in cash	----	----
Equity shares allotted as fully paid up by way of bonus shares	----	----
Equity shares bought back by the Company	----	----
	<u>----</u>	<u>----</u>

## e) Detail of shares held by each shareholder holding more than 5% shares

Class of share / Name of share holder	As at 31 March 2016		As at 31 March 2015	
	Number of shares held	% holding	Number of shares held	% holding
(a) Class of share	Equity shares		Equity shares	
(b) Name of shareholder				
i) Jagvallah Parasnath Capital Investment (P) Ltd.	912501	6.60	912751	6.60
ii) Adeep Investment Company	737395	5.33	738245	5.34
iii) Ojesvi Investment & Mercantile Company	752500	5.44	752700	5.44
iv) Lavina Investment & Mercantile Company	782250	5.66	782150	5.66
v) Mood Dealers Pvt. Ltd	2060000	14.90	2060000	14.90
vi) Achin Investment & Mercantile Company	717150	5.19	717150	5.19

## 4 Reserves and surplus

PARTICULARS	As at 31 March 2016 (₹ In lac)		As at 31 March 2015 (₹ In lac)	
<b>(a) Capital reserve</b>				
Balance as per last financial statements				
i) Capital Subsidies	64.49		64.49	
ii) Capital Profit on re-issue of forfeited shares	2.09	66.58	2.09	66.58
<b>(b) Capital redemption reserve</b>				
Balance as per last financial statements		0.01		0.01
<b>(c) Securities premium account</b>				
Balance as per last financial statements		1,923.75		1,923.75
<b>(d) Other reserves</b>				
<b>i) General reserve</b>				
Balance as per last financial statements	1,896.69		2,011.50	
Add:				
Transfer from Surplus	2,000.00		---	
Less:				
Depreciation charged to reserve as per Schedule II (Net of Deferred tax)	---		114.81	
Closing Balance		3896.69		1896.69
<b>(e) Surplus i.e. balance in statement of profit and loss</b>				
Balance as per last financial statements	3,920.93		3,140.97	
<b>Add:</b> Profit for the year transferred from statement of profit and loss	867.12		979.63	
	4,788.05		4,120.60	
<b>Less : Appropriations</b>				
Dividend proposed to be distributed to equity shareholders ₹ 1.20 per share (previous year ₹ 1.20 per share)	165.89		165.89	
Tax on Dividend	33.77		33.78	
Transferred to General Reserve	2,000.00		---	
Net surplus in the statement of profit and loss	2,199.66		199.67	
		2,588.39		3,920.93
<b>Total Reserves and surplus</b>		<b>8,475.42</b>		<b>7,807.96</b>
<b>5 Long Term borrowings</b>				
a) Term loans (Secured)				
From banks	2,519.42		1,119.42	
Less : Current maturities of long term debt (refer note 11)	523.76	1,995.66	344.16	775.26

PARTICULARS	As at 31 March 2016 (₹ In lac)	As at 31 March 2015 (₹ In lac)
b) Deposits (Unsecured)		
- From related parties (refer note 42)	101.25	62.89
- From public	133.75	154.11
Less :Current maturities of long term debt (refer note 11)	8.27	113.24
	<u>2,222.39</u>	<u>879.02</u>

**a) Details of security for term loans**

- i) Term loans from banks (other than vehicles) are secured by a joint equitable mortgage created or to be created on immovable properties both present and future, situated at Ahmedgarh and Banah in the state of Punjab and hypothecation of whole of movable plant and machinery, machinery spares, tools and accessories and other movable, both present and future ( save and except book debts ) subject to the charge created or to be created by the company in favour of its bankers for its working capital loans. Term loans from banks are also personally guaranteed by promoter directors of the company.
- ii) Term loans from banks for vehicles are secured by way of hypothecation of vehicles purchased out of such loans.

**b) Terms of repayment of term loans from others**

- i) Repayment schedule of unsecured loans/deposits from related parties is within period of 3 years from the date of acceptance and carry interest upto 11 % p.a (Previous year upto 11% p.a)
- ii) Repayment schedule of unsecured loans/deposits from public is within period of 3 years from the date of acceptance and carry interest upto 11 % p.a (Previous year upto 11% p.a)

**c) Terms of repayment of term loans from banks\***

₹ in lac		Installment Outstanding		Peroidicity of repayment		
Balance as at 31st March 2016	Balance as at 31st March 2015	Current year (No.)	Previous year (No.)	Installment ₹ Lac	Current year	Previous year
283.12	566.55	4	8	70.00	Quarterly	Quarterly
804.24	-	2	-	50.00	Quarterly wef Oct. 16	-
505.33	-	-	-	25.00	Quarterly wef July 17	-
500.00	-	-	-	25.00	Quarterly wef June 17	-
344.66	405.49	17	20	20.00	Quarterly	Quarterly wef July 15
38.80	70.92	13	25	3.17	Monthly	Monthly
25.00	38.91	19	31	1.43	Monthly	Monthly
1.69	3.41	11	23	0.17	Monthly	Monthly
7.82	-	34	-	0.26	Monthly	-
-	1.44	-	5	0.30	-	Monthly
0.25	3.13	1	13	0.26	Monthly	Monthly
-	1.29	-	7	0.19	Monthly	Monthly
-	0.37	-	4	0.10	Monthly	Monthly
-	1.72	0	5	0.35	-	Monthly
2.91	5.51	12	24	0.26	Monthly	Monthly
2.74	5.01	13	25	0.22	Monthly	Monthly
1.48	4.22	6	18	0.25	Monthly	Monthly
1.38	3.05	9	21	0.16	Monthly	Monthly
-	2.61	-	9	0.30	-	Monthly
-	2.42	-	10	0.25	-	Monthly
-	1.23	-	10	0.13	-	Monthly
-	1.21	-	10	0.13	-	Monthly
-	0.93	-	6	0.16	-	Monthly
<b>2519.42</b>	<b>1119.42</b>					

\* Figures of term loan stated above in para (a) includes current maturities of long term debt shown separately in Note No. 11



PARTICULARS	As at 31 March 2016 (₹ In lac)	As at 31 March 2015 (₹ In lac)
<b>6 Deferred tax liabilities (net)</b>		
<b>Deferred tax liabilities</b>		
Fixed Assets : Impact of difference between tax depreciation and depreciation charged for the financial reporting period	2525.25	2503.58
Gross deferred tax liability	<u>2525.25</u>	<u>2503.58</u>
<b>Deferred tax assets</b>		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	232.61	198.20
Gross deferred tax asset	<u>232.61</u>	<u>198.20</u>
Deferred tax liability (net )	<u>2292.64</u>	<u>2305.38</u>
<b>7 Other long term liabilities</b>		
Others :		
Advances against sale of asset	26.38	21.89
	<u>26.38</u>	<u>21.89</u>
<b>8 Long term provisions</b>		
Provision for employee benefits :		
- Gratuity (net )	703.53	655.57
- Leave encashment (Refer note 41 (c) )	182.33	189.26
	<u>885.86</u>	<u>844.83</u>
<b>9 Short term borrowings</b>		
<b>Loans repayable on demand</b>		
- From banks		
Secured	1918.38	2537.47
- From others		
Unsecured		
-Directors (refer note 42)	316.42	316.42
-Inter Corporate Deposits (related parties refer note 42)	132.00	---
-Inter Corporate Deposits	68.00	---
-Others	167.05	---
<b>Deposits ( Unsecured )</b>		
- From related parties (refer note 42)	76.74	92.18
- From Shareholders	96.07	67.84
	<u>2774.66</u>	<u>3013.91</u>

PARTICULARS	As at 31 March 2016 (₹ In lac)	As at 31 March 2015 (₹ In lac)
<b>a) Details of security of loans repayable on demand (secured)</b>		
i) Secured loans repayable on demand from banks for working capital (₹ 1645.09 lac, previous year ₹ 2142.10 lac ) are secured by hypothecation of stocks of raw materials, finished goods, bills receivables, book debts and all other movable assets of the company and further secured by way of second charge on the immovable assets situated at village Banah and at Ahmedgarh and also personally guaranteed by the two promotor directors of the company.		
ii) Secured loans repayable on demand from banks against overdraft limit (₹ 273.29 lac, previous year ₹ 395.37 lac) are secured by lien on current investments.		
<b>b) Terms of repayment of short term borrowings</b>		
i) Working capital borrowings from banks are repayable on demand and carry interest upto 2.50% over base rate (Previous year 2.80% over base rate).		
ii) Unsecured loans from related parties repayable within one year carry interest upto 11% p.a (Previous year upto 11% p.a).		
iii) Unsecured loans from public repayable within one year carry interest upto 11% p.a (Previous year upto 11% p.a).		
<b>10 Trade payables</b>		
Acceptances	689.75	721.24
Other than acceptances	3,199.94	3075.49
	<u>3,889.69</u>	<u>3796.73</u>
<b>11 Other current liabilities</b>		
a) Current maturities of Long term debt*	532.03	457.40
b) Interest accrued but not due on borrowings	13.16	24.59
c) Interest accrued and due on borrowings	11.64	1.57
d) Unclaimed dividend	24.27	12.84
e) Other payables		
-Statutory remittances**	105.78	139.60
-Due to Employees	598.80	448.32
-Expense payable	365.62	314.05
-Payable on purchases of fixed assets	127.81	136.71
-Advances from customers	555.13	715.33
	<u>2,334.24</u>	<u>2250.41</u>
*Current maturities of Long term debt includes ₹ NIL lac (Previous year : ₹ 100.06 lac) as deposits from public, and ₹8.27 lac (Previous year : ₹ 13.18 lac ) as deposits from related parties, also refer (note no. 5(a) and (b) )}		
** Statutory remittance includes contribution to provident fund and ESIC, tax at source, excise duty, vat, service tax etc.		
<b>12 Short term provisions</b>		
Provision for employee benefits :		
Leave encashment	98.18	81.42
Other Provisions		
i) Provision for proposed dividend on equity shares	165.89	165.89
ii) Provision for tax on Proposed dividend	33.77	33.78
iii) Provision for Income tax (net of advance tax of ₹ 1516.92 lac) (previous year ₹ 1382.33 lac)	118.99	16.66
	<u>416.83</u>	<u>297.75</u>

## 13 Fixed Assets

(₹ In lac)

GROSS BLOCK					
	Balance As at 01 April 2015	Additions	Disposal of assets	Other Adjustment	Balance As at 31 March 2016
<b>A Tangible assets</b>					
a) Free hold land*	381.75	0.00	1.01	0.00	380.74
b) Lease hold land	0.70	0.00	0.00	0.00	0.70
c) Buildings	2336.44	440.15	0.00	0.00	2776.59
d) Plant and equipments	20186.43	2124.23	482.80	0.00	21827.86
e) Office equipment	148.07	5.83	0.19	0.00	153.71
f) Furniture and fixtures	102.65	3.63	0.00	0.00	106.28
g) Vehicles	875.56	25.91	32.63	0.00	868.84
<b>Total (A)</b>	<b>24031.60</b>	<b>2599.75</b>	<b>516.63</b>	<b>0.00</b>	<b>26114.72</b>
<b>B Intangible Assets</b>					
Computer Software	27.87	3.01	0.00	0.00	30.88
<b>Total (B)</b>	<b>27.87</b>	<b>3.01</b>	<b>0.00</b>	<b>0.00</b>	<b>30.88</b>
<b>Grand Total (A + B)</b>	<b>24059.47</b>	<b>2602.76</b>	<b>516.63</b>	<b>0.00</b>	<b>26145.60</b>
Previous year	22270.28	1892.06	102.87	0.00	24059.47

ACCUMULATED DEPRECIATION/AMORTISATION					NET BLOCK		
	Balance as at 01 April 2015	Deprecation / amortisation expenses for the year	Eliminated on disposal of assets	Tfd. to Retained Earning/Def Tax Liab.	Balance as at 31 March 2016	As at 31 March 2016	As at 31 March 2015
<b>A. Tangible assets</b>							
a) Free hold land	0.00	0.00	0.00	0.00	0.00	380.74	381.75
b) Lease hold land	0.19	0.01**	0.00	0.00	0.20	0.50	0.51
c) Buildings	1056.41	91.72	0.00	0.00	1148.13	1628.46	1280.03
d) Plant and equipments	10301.03	521.96	209.94	0.00	10613.05	11214.81	9885.40
e) Office equipment	123.82	9.52	0.18	0.00	133.16	20.55	24.25
f) Furniture and fixtures	64.74	6.24	0.00	0.00	70.98	35.30	37.91
g) Vehicles	303.06	103.05	23.33	0.00	382.78	486.06	572.50
<b>Total (A)</b>	<b>11849.25</b>	<b>732.50</b>	<b>233.45</b>	<b>0.00</b>	<b>12348.30</b>	<b>13766.42</b>	<b>12182.35</b>
<b>B. Intangible Assets</b>							
Computer Software	26.02	0.43	0.00	0.00	26.45	4.43	1.85
<b>Total (B)</b>	<b>26.02</b>	<b>0.43</b>	<b>0.00</b>	<b>0.00</b>	<b>26.45</b>	<b>4.43</b>	<b>1.85</b>
<b>Grand Total(A+B)</b>	<b>11875.27</b>	<b>732.93</b>	<b>233.45</b>	<b>0.00</b>	<b>12374.75</b>	<b>13770.85</b>	<b>12184.20</b>
Previous year	11036.94	720.66	57.91	175.58	11875.27	12,184.20	

**Notes**

- \* Includes ₹ 35.09 lac being the cost of land exchanged with the forest department land for providing an open drain for carrying effluent.
- \*\*Represents proportionate premium ₹ 823/- (Previous year ₹ 823/-) for acquisition of lease hold land being amortised over the period of lease.
- Intangible assets are not internally generated.

PARTICULARS	As at 31 March 2016 (₹ In lac)	As at 31 March 2015 (₹ In lac)
<b>14 Non current investments</b>		
<b>a) Trade (At cost unless otherwise stated)</b>		
<b>Investments in equity instruments</b>		
<b>i) Quoted</b>		
1280000 (Previous year 1280000) equity shares of M/s Adinath Textiles Limited of ₹ 10 each fully paid up	203.50	203.50
Less: Provision for diminution in value of Investment	<u>203.50</u>	<u>203.50</u>
	---	---
900 (Previous year 900) equity shares of ICICI Bank Ltd of ₹ 2/- each fully paid-up	0.13	0.13
50 (previous year 50 ) equity shares of Himachal Fibres Ltd of ₹ 10/- each fully paid-up	0.02	0.02
Less: Provision for diminution in value of Investment	<u>0.02</u>	<u>0.02</u>
	---	---
50 (Previous year 50) equity shares of Shiva Papers Ltd of ₹ 10/- each fully paid-up	0.01	0.01
Less: Provision for diminution in value of Investment	<u>0.01</u>	<u>0.01</u>
	---	---
50 (Previous year 50) equity shares of Priyadarshani Spg & Weaving Mills of ₹ 10/- each fully paid-up	0.01	0.01
Less: Provision for diminution in value of Investment	<u>0.01</u>	<u>0.01</u>
	---	---
50 (Previous year 50) equity shares of Aurangabad Paper Mill Ltd of ₹ 10/- each fully paid-up	0.02	0.02
Less: Provision for diminution in value of Investment	<u>0.02</u>	<u>0.02</u>
	---	---
50 (Previous year 50) equity shares of Pasupati Spng. & Weaving Ltd of ₹ 10/- each fully paid-up	0.03	0.03
Less: Provision for diminution in value of Investment	<u>0.03</u>	<u>0.03</u>
	---	---
01 (Previous year 1) equity share of The Karnal Co-operative Sugar Ltd. of ₹ 100/- each fully paid-up	0.00	0.00
Less: Provision for diminution in value of Investment	<u>0.00</u>	<u>0.00</u>
	---	---
<b>b) Others (At cost unless otherwise stated)</b>		
<b>i) Unquoted</b>		
5 (Previous year 5) equity shares of Raheja Chamber Premises Society Ltd. of ₹ 50/- each	0.01	0.01
23500 (Previous year 23500) equity shares of Fountain Tie Up (P) Ltd. of ₹ 10/- each fully paid-up	1.88	1.88
01 (Previous year 1) equity share of The Karnal Co-operative Sugar Ltd. of ₹ 100/- each fully paid-up	0.00	0.00
Less: Provision for diminution in value of Investment	<u>0.00</u>	<u>0.00</u>
	---	---
	<u>2.02</u>	<u>2.02</u>
	---	---
1. Aggregate amount of Quoted Investments	203.73	203.73
2. Market Value of Quoted Investments	28.65	22.04
3. Aggregate amount of Unquoted Investments	1.89	1.89
4. Aggregate provision made for diminution in value of Investments	203.60	203.60
<b>15 Long term loans and advances</b>		
(Unsecured considered good)		
Capital advances	107.67	307.33
Balance with Government authorities	95.09	92.51
Security deposits		
PSPCL	161.72	139.08
Others	3.92	3.92
Loans and advances to employees	1.93	2.77
Prepaid expenses	13.92	16.25
MAT credit entitlement	<u>96.64</u>	<u>107.20</u>
	<u>480.89</u>	<u>669.06</u>

PARTICULARS	As at 31 March 2016 (₹ In lac)	As at 31 March 2015 (₹ In lac)
<b>16 Other non-current assets (unsecured considered good)</b>		
Bank balances (non current) (refer note 20 )	74.45	0.45
Interest accrued on fixed deposits	4.45	0.27
	78.90	0.72
<b>17 Current Investments (At lower of cost and fair value)</b>		
<b>Investment in Debt Funds/ Mutual Funds/ Fixed Maturity Plans (Quoted)</b>		
100000 units(previous year 100000 ) of ₹ 10/- each fully paid-up of SBI Banking Financial Services Fund-Growth	10.00	10.00
Less: Provision for diminution in value of Investment	0.43	0.43
	9.57	9.57
142339.64 units(previous year 142339.64) of ₹ 10/- each fully paid-up of SBI Dynamic Bond Fund (Growth) *	20.00	20.00
1023032.713 units(previous year 1023032.713) of ₹ 10/- each fully paid-up of DSP Black Rock Income Oppurtunities Fund *	212.00	212.00
1035609.604 units(previous year 1035609.604) of ₹ 10/- each fully paid-up of ICICI Prudential Income - Regular Plan - Growth *	400.00	400.00
263404.687 units(previous year 263404.687) of ₹ 10/- each fully paid-up of DSP Black Rock Bond Fund -Regular Plan - Growth*	116.00	116.00
4196623.22 units(previous year 4196623.22) of ₹ 10/- each fully paid-up of Kotak Medium Term Fund *	436.87	436.87
2349438.159 units(previous year 2349438.159) of ₹ 10/- each fully paid-up of ICICI Prudential Regular saving fund Growth *	311.57	311.57
520137.398 units(previous year 520137.398 ) of ₹ 10/- each fully paid-up of Birla Sun Life Short Term oppurtunity fund growth*	106.01	106.01
1204401.748 units(previous year 1204401.748) of ₹ 10/- each fully paid-up of Reliance Regular Savings Fund*	212.00	212.00
	1,824.02	1,824.02
<b>Notes :</b>		
1. Aggregate amount of current investments	1,824.45	1,824.45
2. Market value of current investments	2,153.30	1,998.03
3. Aggregate provision for diminution in value of other current Investments	0.43	0.43
*Under Lien with Deustche Bank against OD Limit sanctioned		
<b>18 Inventories (At lower of cost or net realisable value)</b>		
Raw materials {includes in transit ₹162.32 lac (Previous Year ₹22.51lac )}	1,283.00	1,071.81
Work-in-progress	169.49	390.05
Finished Goods	131.86	354.98
Stores and Spares { includes in transit ₹37.14 lac (Previous Year ₹49.09 lac)}	1,055.86	1292.48
	2,640.21	3,109.32
<b>19 Trade receivables</b>		
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
- Secured, Considered Good	----	----
- Unsecured, Considered Good	209.63	186.62
Doubtful	18.60	32.99
Less: Allowances for doubtful trade receivables	18.60	32.99
	209.63	186.62

PARTICULARS	As at 31 March 2016 (₹ In lac)		As at 31 March 2015 (₹ In lac)	
Other trade receivables				
- Secured, Considered Good	113.88		33.54	
- Unsecured, Considered Good	3,186.06	3,299.94	2,622.36	2,655.90
		<u>3,509.57</u>		<u>2,842.52</u>
<b>20 Cash and bank balances</b>				
<b>Cash and cash equivalents</b>				
a) Balances with banks				
- In current accounts	61.53		71.65	
- In Fixed Deposits	53.00		27.00	
b) Held as margin money				
- Deposit with maturity of less than three months	22.99		69.14	
c) Cheques, drafts on hand	---		25.39	
d) Cash on hand	33.26	170.78	56.28	249.46
<b>Other Bank Balances</b>				
a) Held as margin money				
- Deposits with maturity more than three months but less than twelve months		285.44		289.41
- Deposits with more than twelve months maturity		74.45		0.45
		<u>530.67</u>		<u>539.32</u>
Less: Amounts disclosed as other non current assets (refer note 16)		74.45		0.45
		<u>456.22</u>		<u>538.87</u>
<b>21 Short term loans and advances</b>				
(Unsecured, considered good, unless otherwise stated)				
Intercorporate deposits		126.00		146.00
Balance with Government authorities		460.78		244.94
Advances to suppliers		54.44		98.82
Loans and advances to employees		31.88		35.30
Prepaid expenses		94.06		67.42
Security deposits		0.84		0.67
Interest receivables				
- interest accrued on deposit held as margin money / security		5.47		16.13
- others		80.88		60.76
Other recoverables :				
- considered good	196.89		130.80	
- doubtful	43.85		0.85	
	<u>240.74</u>		<u>131.65</u>	
Less: Allowances for doubtful other recoverables	43.85	196.89	0.85	130.80
		<u>1,051.24</u>		<u>800.84</u>

PARTICULARS	For the year ended 31 March 2016 (₹ In lac)	For the year ended 31 March 2015 (₹ In lac)
<b>22 Revenue from operations</b>		
Sale of products	41,076.60	38,717.63
Other operating revenues :		
- Export incentives	6.62	10.07
- Miscellaneous sales	206.39	211.33
Revenue from operations (gross)	41,289.61	38,939.03
Less : Excise duty	2,341.10	2,189.09
Revenue from operations (net)	38,948.51	36,749.94
<b>Details of products sold :</b>		
<b>a) Manufactured goods</b>		
Paper	36,912.69	35,464.02
<b>b) Traded goods</b>		
Paper	768.94	---
<b>c) Others</b>		
Soda Ash	3,394.97	3,253.61
Total - Sale of products	41,076.60	38,717.63
<b>23 Other income</b>		
Interest received :		
- from Banks (Gross) (TDS ₹ 3.37 lac, previous year ₹ 3.23 lac)	32.89	31.85
- from Others (Gross) (TDS ₹ 3.86 lac, previous year ₹ 3.92 lac)	55.95	86.65
Net gain on sale of fixed assets	33.21	277.63
Net Gain on foreign currency transactions	---	23.44
Allowances for doubtful trade receivables and advances written back	---	0.30
Sundry Balances written back	18.28	37.92
Provisions no longer required written back	7.75	18.68
<b>Other non-operating income</b>		
Rent received	0.35	0.32
Dividend income		
from Non current investments	0.05	0.04
Provision for fall in value of investment Written Back	---	121.69
Miscellaneous	0.66	0.55
	149.14	599.07
<b>24 Cost of material consumed</b>		
Waste paper	710.32	184.81
Wood Pulp	2,458.90	2,473.48
Straws/Grasses	6,593.33	7,500.70
Caustic Lye	6,130.41	5,860.18
Chlorine	293.60	312.36
Other dyes and chemicals	3,184.61	3,105.18
	19,371.17	19,436.71

PARTICULARS	For the year ended 31 March 2016 (₹ In lac)		For the year ended 31 March 2015 (₹ In lac)	
<b>25 Purchase of stock-in-trade</b>				
Paper		766.00		---
		766.00		---
<b>26 Changes in inventories of finished goods, work-in-progress and stock in trade</b>				
Inventories at the beginning of the year				
Work-in-progress	390.05		293.23	
Finished goods	354.98	745.03	112.57	405.80
Inventories at the end of the year				
Work-in-progress	169.49		390.05	
Finished goods	131.86	301.35	354.98	745.03
		443.68		(339.23)
<b>Details of inventory :</b>	<b>Qty (MT)</b>	<b>Amount</b>	<b>Qty (MT)</b>	<b>Amount</b>
Work-in-progress				
Paper	---	156.89	---	367.50
Soda Ash	---	12.60	---	22.55
		169.49		390.05
Finished goods				
Paper	298	121.11	821	333.75
Soda Ash	124	10.75	207	21.23
		131.86		354.98
<b>27 Employees benefit expenses</b>				
Salaries and wages		3,642.46		3,407.26
Contribution to provident and other funds		372.80		345.71
Staff welfare expense		92.95		94.46
		4,108.21		3,847.43
<b>28 Finance costs</b>				
Interest expense		514.94		614.48
Other borrowing costs		80.62		84.11
		595.56		698.59



PARTICULARS	For the year ended 31 March 2016 (₹ In lac)	For the year ended 31 March 2015 (₹ In lac)
<b>29 Other expenses</b>		
Consumption of stores and spares	470.93	441.34
Power and fuel	8,133.79	7,971.86
Consumption of packing material	745.89	755.10
Repairs and maintenance to machinery	1,151.16	1,076.26
Rent	14.92	15.92
Repairs and maintenance to buildings	63.33	85.66
Insurance	45.87	44.97
CSR Activities	35.72	20.03
Rates and taxes	49.02	58.74
Directors' Fee	1.60	1.67
Payment to Auditors		
Audit fee	2.50	2.50
Tax audit fee	0.75	0.75
Reimbursement of expenses	1.20	0.86
In other capacity	1.02	0.82
Bad Debts written off	1.11	14.14
Allowances for doubtful trade receivables and advances (net)	28.62	---
Prior period items (Net)	7.98	32.65
Adjustment to carrying amount of Current Investments	---	0.43
Net Loss on Sale of Investments	---	32.91
Net Loss on Foreign currency transactions	13.10	---
Loss on discarded Fixed Assets	99.60	---
Miscellaneous expenses	1,110.13	1,057.18
	<u>11978.24</u>	<u>11,613.79</u>

**30 Contingent liabilities and provisions ( to the extent not provided for )**

<b>I Contingent Liabilities</b>	( ₹ In lac)	
	As at March 31, 2016	As at March 31, 2015
Claims against Company not acknowledged as debt.	<b>1022.26</b>	<b>1042.74</b>
Bank Guarantees and Letters of credit outstanding	<b>1467.24</b>	<b>1282.23</b>

The Company has executed bonds for an aggregate amount of ₹ 14.31 lac (Previous year ₹ 137.20 lac) in favour of the President of India under Section 59 (2) and 67 of the Customs Act, 1962 and The Central Excise and Salt Act, 1944 for fulfillment of the obligation under the said Acts.

**II Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 469.16 lac (Previous year ₹ 1216.13 lac)

**31** The company has contested the additional demands in respect of excise duty and vat amounting to ₹ 1142.75 lac (Previous years ₹ 1128.15 lac). As against this, a sum of ₹ 95.09 lac (Previous year ₹ 92.51 lac) is deposited under protest and has been included under Note 15 'Long Term Loans and Advances'. The company has filed appeals/petitions with the appellate authorities and is advised that the demands are not in accordance with the law. Pending decision thereof, no provision has been made in books of account.

**32** The company is a single segment company engaged in manufacture of Writing and Printing Paper. Accordingly the disclosure requirement as contained in the Accounting Standard AS – (17) on "Segment Reporting" prescribed by the Companies (Accounts) Rules 2014 are not applicable.

**33** The amount of ₹ 2341.10 lac (Previous year ₹ 2189.09 lac) being the excise duty deducted from the sales is relatable to the sales made during the year. Difference of increase / (decrease) of excise duty on inventory amounting to ₹ 16.95 lac ( Previous year ₹ 18.74 lac) recognised in statement of profit and loss and shown under Miscellaneous expenses in Note No. 29 other expenses is relatable to difference between closing inventory and opening inventory.

**34 Earning Per Share :**

	As at March 31, 2016	As at March 31, 2015
Net profit attributable to equity share holders ( ₹ In lac)	<b>867.12</b>	<b>979.63</b>
No. of weighted average equity shares outstanding during the period.	<b>13824550</b>	<b>13824550</b>
The aggregate of the weighted average No. of equity shares and weighted average No. of dilutive potential equity shares.	----	----
Normal value of equity shares	<b>₹ 10/-</b>	<b>₹ 10/-</b>
Earning per share - Basic	<b>₹ 6.27</b>	<b>₹ 7.09</b>
- Diluted	<b>₹ 6.27</b>	<b>₹ 7.09</b>

**35** In accordance with the Accounting Standard 28 on "Impairment of Assets" the company has assessed on the balance sheet date whether there are any indications (as listed in paragraph 8 to 10 of the Standard ) with regard to the impairment of any of the assets. Based on such assessment, it has been ascertained that no potential loss is present and therefore formal estimate of recoverable amount has not been made. Accordingly no impairment loss has been provided in the books of account.

**36 Prior Period items are as follows:-**

	Year ended March 31, 2016	(₹ In lac) Year ended March 31, 2015
Prior period income		
Others	<u>2.84</u>	<u>3.98</u>
Total	<u>2.84</u>	<u>3.98</u>
Prior period expenses		
Other expenses	10.74	29.87
Financial costs	---	6.11
Employee Benefit expenses	<u>0.08</u>	<u>0.65</u>
Total	<u>10.82</u>	<u>36.63</u>
Prior period items (Net)	<u>7.98</u>	<u>32.65</u>

**37** The details of amounts outstanding to Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under :

	As at March 31, 2016	(₹ In lac) As at March 31, 2015
(i) Principal amount remaining unpaid to any supplier as at the end of accounting year	---	---
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	---	---
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	---	---
(iv) The amount of interest due and payable for the year	---	---
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	---	---
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	---	---

**38** ₹ 100.91 lac (previous year ₹ Nil) being amount of borrowing cost has been capitalized during the year.**39** a) The Company uses forward contracts to hedge its risk associated with fluctuation in foreign currency relating to foreign currency assets and liabilities. The use of the aforesaid financial instruments is governed by the Company's overall strategy. The Company does not use forward contracts for speculative purposes. The details of the outstanding forward contracts as at March 31, 2016 are as under:

PARTICULARS	As at March 31, 2016		As at March 31, 2015	
	No. of Contracts	Amount of Foreign Currency	No. of Contracts	Amount of Foreign Currency
Forward Contracts against imports/Bank Borrowings (USD)	2	299607	1	104494

b) Detail of foreign currency exposure that has not been hedged by a derivative instrument or otherwise is given below.

	<u>As at March 31, 2016</u>	<u>As at March 31, 2015</u>
<b>Against Creditors</b>	<b>1400</b>	<b>479488</b>
<b>Against Bank Borrowings (USD)</b>	<b>---</b>	<b>345251</b>

- 40 The company has leased facilities under non cancellable operating lease arrangements with a lease term of three years which are subject to renewal at mutual consent thereafter. The lease rent expenses recognised during the year amounts to ₹ 14.91 lac (previous year ₹ 15.86 lac.)

The future minimum lease payment in respect of non cancellable operating lease as at 31<sup>st</sup> March, 2016 and 31<sup>st</sup> March, 2015 are:

	(₹ In lac)	
Not Later than one year	<b>16.28</b>	<b>14.91</b>
Later than one year but not later than five years	<b>76.79</b>	<b>71.59</b>
Later than five years	<b>33.09</b>	<b>54.57</b>

- 41 Employee Benefits

The summarized position of post-employment benefits and long term employee benefits recognized in the statement of profit and loss and Balance Sheet in accordance with AS[15] is as under:-

- (a) Changes in the present value of the obligations

	(₹ In lac)			
	<u>As at March 31, 2016</u>		<u>As at March 31, 2015</u>	
	<u>GRATUITY (Funded)</u>	<u>LEAVE ENCASHMENT (Un-funded)</u>	<u>GRATUITY (Funded)</u>	<u>LEAVE ENCASHMENT (Un-funded)</u>
Present Value of obligation as at beginning of the year	1401.78	189.26	1151.43	139.01
Interest Cost	105.62	12.30	86.78	8.65
Current Service Cost	92.87	78.42	81.67	95.31
Benefits Paid	(91.33)	(62.61)	(77.70)	(56.18)
Actuarial loss/(gain) on obligations	45.70	(35.04)	159.60	2.47
Present Value of obligation as at close of the year	1554.64	182.33	1401.78	189.26

- (b) Change in Fair value of Plan Assets

Fair Value of Plan Assets as at beginning of the year	746.21	585.14
Expected return on Plan Assets	68.30	56.01
Employer's Contributions	128.99	188.34
Benefits Paid	(91.53)	(82.50)
Actuarial (Loss)/gain on obligations	(0.86)	(0.78)
Fair Value of Plan Assets as at close of the year	851.11	746.21

Reconciliation of change in Fair Value of Plan Assets in respect of leave encashment has not been given as leave encashment is unfunded.

(₹ In lac)

	As at March 31, 2016		As at March 31, 2015	
	GRATUITY (Funded)	LEAVE ENCASHMENT (Un-funded)	GRATUITY (Funded)	LEAVE ENCASHMENT (Un-funded)
<b>(c) Amount recognized in Balance Sheet</b>				
Estimated present value of obligations as at the end of the year	1554.64	182.33	1401.78	189.26
Fair value of Plan Assets as at the end of the year	851.11	---	746.21	---
Unfunded Net Liability recognized in Balance Sheet	703.53	182.33	655.57	189.26
<b>(d) Expenses Recognized in Statement of Profit and loss</b>				
Current Service Cost	92.87	78.42	81.67	95.31
Interest Cost	105.62	12.30	86.78	8.65
Expected return on Plan Assets	(68.30)	---	(56.01)	---
Net Actuarial (Gain)/Loss recognized in the year	46.56	(35.04)	160.38	2.47
Total expenses recognized in statement of profit and loss	176.75	55.68	272.82	106.43

**(e) Principal actuarial assumption at the balance sheet date (expressed as weighted average)**

Discount Rate	7.75%	7.75%	7.80%	7.80%
Expected rate of return on Plan Assets	9.00%	N.A.	8.75%	N.A.
Expected Rate of Salary increase	7.00%	7.00%	7.00%	7.00%
Method used	Projected unit credit	Projected unit credit	Projected unit credit	Projected unit credit

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

(g) The financial assumptions considered for the calculations are as under:-

Discount Rate: The discount rate has been chosen by reference to market yield on government bonds as on date of valuation.

Expected Rate of Return: In case of gratuity, the actual return has been taken.

Salary Increase: On the basis of past data provided by the company.

(h) Short term employee's benefits:

	(₹ In lac)	
	Year ended March 31, 2016	Year ended March 31, 2015
(i) Short term leave encashment liability	98.18	81.42
(ii) Contribution to Provident Fund	258.72	235.18

(i) The plan assets are maintained with Life Insurance Corporation of India (LIC). The detail of investments maintained by LIC have not been furnished to the Company. The same have therefore not been disclosed.

42 The related party disclosure as per Accounting Standard – 18 prescribed by the Companies(Accounting Standards) Rules 2006.

**a) KEY MANAGEMENT PERSONNEL AND RELATIVES OF KEY MANAGEMENT PERSONNEL**

Key Management Personnel : Sh Rajneesh Oswal, Sh. Vishal Oswal, Sh Anil Kumar, Sh Kunal Oswal  
Sh R.K Mahajan (C.F.O)  
Sh Videshwar Sharma (Company Secretary)

Relatives of Key Management Personnel : Mrs. N.K. Oswal, Mrs. Priti Oswal, Mrs. Shikha Oswal  
Mrs. Neera, Ms Namita, Ms Swati

b) ASSOCIATE ---

**c) ENTERPRISES OVER WHICH KEY MANAGEMENT PERSONNEL AND RELATIVE OF SUCH PERSONNEL ARE ABLE TO EXERCISE SIGNIFICANT INFLUENCE OR CONTROL**

Achin Investment & Mercantile Company	Ojasvi Investment & Mercantile Company
Shreyans Financial and Capital Services Limited	Lime Lite Consultants Private Limited
Punctual Dealers (P) Ltd.	Levina Investment & Mercantile Company
Jagvallah Parasnath Capital Investments Pvt Ltd	Adeep Investment Company
Virat Investment & Mercantile Company	Noble Share Trading Pvt Ltd
Oasis Share Trading Pvt Ltd	Sulzer Investment Pvt Ltd
Shri Darshan Kumar Oswal Public Charitable Trust	Fountain Tie up Pvt. Ltd.
Shri Paras Nath Charitable Trust	

d) The following transactions were carried out with the related parties in the ordinary course of business.

Nature of transactions During the year	(₹ In lac)							
	Associate		Key Management Personnel (KMP)		Relatives of Key Management Personnel (KMP)		Enterprises over which KMP and Relative of such KMP are able to exercise significant influence or control	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Remuneration	---	---	417.75	376.14	20.52	20.45	---	---
Interest Paid	---	---	2.94	2.66	10.62	9.59	6.69	---
Debts Due	---	---	---	---	---	---	---	---
Fixed deposits taken (including Opening Balance)	---	---	55.03	52.39	122.96	102.68	---	---
Fixed deposit repaid	---	---	---	---	---	---	---	---
Closing balance of fixed deposit	---	---	55.03	52.39	122.96	102.68	---	---
Loans taken (Including Opening Balance)	---	---	316.42	316.42	---	---	132.00	56.50
Loans repaid	---	---	---	---	---	---	---	56.50
Closing balance of Loans	---	---	316.42	316.42	---	---	132.00	---

- (i) The Company has contributed ₹ 3.00 lac (previous year ₹ 4.50 lac) towards CSR activities to Shri Darshan Kumar Oswal Public Charitable Trust and ₹ 1.50 lac to Shri Paras nath Charitable Trust in which Directors and Relatives of Directors are Managing Trustees.
- (ii) The related party relationship is as identified by the Company and relied upon by the auditors.

**43 Corporate Social Responsibility**

In accordance with the provisions of Section 135 of the Companies Act 2013, the Company has contributed a sum of ₹ 35.72 lac (previous year ₹ 20.03 lac ) towards approved CSR activities. The said amount stands debited under the head "CSR Activities" under the head "Other Expenses"

44 The figures in brackets represent deductions.

45 The information required by the paragraph 5 of general instructions for preparation of the Statement of Profit and Loss as per Schedule III of the Companies Act, 2013 :

	Current year (₹ In lac)	Previous year (₹ In lac)		
<b>(A) C. I. F. VALUE OF IMPORTS</b>				
Raw Material	2550.99	2392.27		
Components Stores & Spare Parts	80.36	64.84		
Capital Goods	251.93	508.93		
<b>(B) EXPENDITURE IN FOREIGN CURRENCY</b>				
Travelling	34.00	57.78		
Interest	3.59	3.06		
Others	25.63	8.25		
<b>(C) F. O. B. VALUE OF EXPORTS</b>	250.95	305.49		
<b>(D) VALUE OF RAW MATERIAL COMPONENTS AND SPARE PARTS CONSUMED</b>				
	Amount ₹ In lac	%age	Amount ₹ In lac	%age
Raw Material:				
Imported	3000.54	15.49	2644.16	13.60
Indigenous	16370.63	84.51	16792.55	86.40
Total	19371.17	100.00	19436.71	100.00
Spare Parts & Components :				
Imported	107.87	8.58	67.30	5.61
Indigenous	1149.61	91.42	1132.64	94.39
Total	1257.48	100.00	1199.94	100.00

46 Previous year's figures have been regrouped/restated wherever necessary to confirm to its classification of the current year.

As per our report of even date attached  
For S.C. VASUDEVA & CO.,  
Chartered Accountants  
(Regn. No. 000235N)

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

(SANJIV MOHAN)	(R.K. MAHAJAN)	(VIDESHWAR SHARMA)	(ANIL KUMAR)	(VISHAL OSWAL)	(RAJNEESH OSWAL)
Partner	C F O	Company Secretary	Executive	Vice Chairman &	Chairman &
M.No. 86066			Director & CEO	Managing Director	Managing Director

PLACE : Ludhiana  
DATE : May 24, 2016

**SHREYANS INDUSTRIES LIMITED**

Regd. Office: Village Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana 141 123  
 Tel. No. 0161-6574125, 98761-00948 Fax - 0161-2685270, CIN- L17115PB1979PLC003994  
 Website : www.shreyansgroup.com, Email : atl@shreyansgroup.com

**Form No. MGT-11**

**Proxy form**

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

Name of the member(s):

Registered address:

E-mail Id:

Folio No/ Client Id: DP ID:

I/We, being the member(s) of ..... Shares of Shreyans Industries Limited, hereby appoint:

1. Name : .....
2. Address : .....
3. E-mail Id : .....
4. Signature : ....., or failing him

1. Name : .....
2. Address : .....
3. E-mail Id : .....
4. Signature : .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36<sup>th</sup> Annual general meeting of the company, to be held on Wednesday, the 10<sup>th</sup> day of August, 2016 At 11.00 a.m. at registered office of the company at Village: Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana 141 123 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No:

- |         |         |         |          |
|---------|---------|---------|----------|
| 1 ..... | 4 ..... | 7 ..... | 10 ..... |
| 2 ..... | 5 ..... | 8 ..... |          |
| 3 ..... | 6 ..... | 9 ..... |          |

Signed this..... day of ..... 2016

Signature of shareholder

Signature of Proxy holder(s)

Affix  
Revenue  
Stamp here

**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.**

.....

**SHREYANS INDUSTRIES LIMITED  
ATTENDANCE SLIP**

I here by record my presence at the 36<sup>th</sup> ANNUAL GENERAL MEETING of the Company being held on Wednesday, the 10th August, 2016 at 11.00 a.m. at the Registered Office of the Company Village Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana - 141 123

.....  
Full Name of the Shareholder  
(IN BLOCK LETTERS)

Signature

Folio No .....

Client ID. ....

Full Name of Proxy .....  
(IN BLOCK LETTERS)

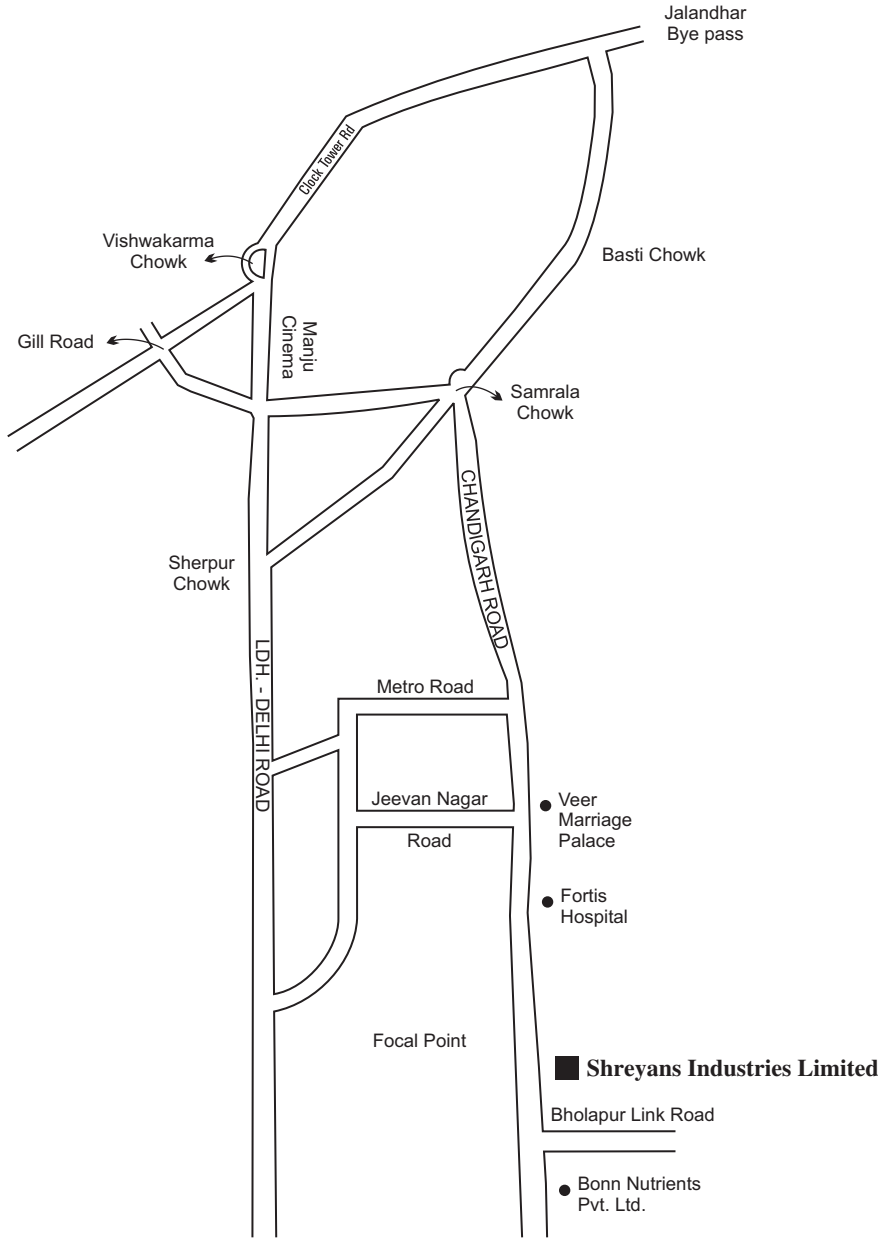
D. P. ID. ....

- NOTE :**
1. The Proxy Form duly completed must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.
  2. A proxy need not be a member.



Route map to the venue of the AGM

Venue : **Shreyans Industries Ltd.**  
Village Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana



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