

SIL/SCY/2013-14/166

August 1, 2013

To

Mr. S. Subramanian  
DCS-CRD  
Bombay Stock Exchange Ltd.  
Phiroze Jeejeebhoy Towers, Dalal  
Street,  
Mumbai 400 001

Mr. Hari K.  
Vice President  
National Stock Exchange of India Limited,  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (West) Mumbai - 400 051

**SUBJECT: ANNUAL REPORT (CLAUSE 31 (a) OF THE LISTING AGREEMENT)**

Dear Sir,

In compliance with Clause 31 (a) of the Listing Agreement we are sending herewith six copies of Annual Report along with Form A for the year 2012-13.

Please find the same in order and take it on record.

Thanking you,

Yours faithfully,

**FOR SHREYANS INDUSTRIES LIMITED**



**VIDESHWAR SHARMA  
COMPANY SECRETARY**

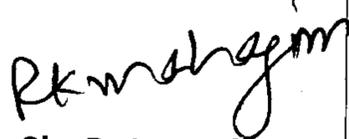
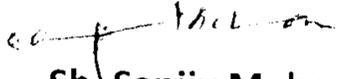


**BRANCH OFFICES :-**

- 4E, Gopala Tower, 25 Rajendra Place, New Delhi-110 008  
Tel # 011-25721042, 25732104 Fax # 91-11-25752271  
E-mail : sil.delhi@shreyansgroup.com
- 302 Raheja Chamber, 3rd Floor, Nariman Point, Mumbai - 400 021  
Tel # 022-22851025 Fax # 91-22-22842825  
E-mail : sil.mumbai@shreyansgroup.com



**FORM A**

1.	Name of the Company	Shreyans Industries Limited
2.	Annual financial statements for the year ended	31st March, 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	N.A.
5.	Signed by-	
	Chairman & Managing Director	 Sh. Rajneesh Oswal
	CFO	 Sh. R. K. Mahajan
	Auditor of the company	 Sh. Sanjiv Mohan S.C. Vasudeva & CO.
	Audit Committee Chairman	 Sh. R.C. Singal

# 33<sup>rd</sup> **ANNUAL REPORT**

# 2013



**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  
 SH. VISHAL OSWAL, Vice Chairman and Managing Director  
 SH. KUNAL OSWAL, Whole Time Director  
 SH. A.K CHAKRABORTY  
 SH. R. C. SINGAL  
 SH. M.L. GUPTA  
 DR. N. J. RAO  
 SH. ANIL KUMAR, Executive Director and C.E.O

**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

**REGISTERED & CORPORATE OFFICE**

VILLAGE - BHOLAPUR. P.O. SAHABANA  
 CHANDIGARH ROAD, LUDHIANA- 141123. (PUNJAB)

**WORKS**

1. SHREYANS PAPERS, AHMEDGARH, DISTT. SANGRUR (PB.)
2. SHREE RISHABH PAPERS, VILLAGE BANAHA, DISTT. S. B. S. NAGAR (PB.)

**BRANCHES**

1. 4-E & 4-J, GOPALA TOWER,  
25, RAJENDRA PLACE, NEW DELHI-110008
2. 302, RAHEJA CHAMBERS,  
NARIMAN POINT, MUMBAI-400021

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**NOTICE**

Notice is hereby given that the 33<sup>rd</sup> Annual General Meeting of the members of the Company will be held on Friday, the 30<sup>th</sup> August, 2013 at 11.00 A.M. at the Registered Office of the Company at Village Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana to transact the following business.

**AS ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Statement of Profit and Loss for the year ended on that date together with the reports of the Directors and Auditors thereon.
2. To declare dividend for the Financial Year 2012-13.
3. To appoint a Director in place of Sh. A. K. Chakraborty, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Dr. N. J. Rao, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration.

**AS SPECIAL BUSINESS****6. TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:**

"RESOLVED THAT in supersession of earlier resolution passed in the Annual General Meeting held on 30th August, 2011, pursuant to the provisions of Section 198, 269,309,310 and 314 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and Rules made there under including any statutory modification or re-enactment thereof and subject to the approval of the Central Government and such other approvals as may be necessary, consent of the Company be and is hereby accorded to the re-appointment of Sh. Rajneesh Oswal, as the Chairman & Managing Director of the Company for a further period of five years with effect from 1st June, 2013 on the remuneration, terms and conditions as approved by the remuneration committee and set out in the agreement, to be entered into between the Company and Sh. Rajneesh Oswal, draft of which is submitted to this meeting and the same 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 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."

**7. TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION :**

"RESOLVED THAT in supersession of earlier resolution passed in the Annual General Meeting held on 30th August, 2011, pursuant to the provisions of Section 198, 269,309,310 and 314 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and rules made there under, including any statutory modification or re-enactment thereof and subject to the approval of the Central Government and such other approvals, as may be necessary, consent of the Company be and is hereby accorded to the re-appointment of Sh. Vishal Oswal, as the Vice Chairman & Managing Director of the Company for a further period of five years with effect from 1st June, 2013 on the remuneration, terms and conditions as approved by the remuneration committee and set out in the agreement, to be entered into between the Company and Sh. Vishal Oswal, draft of which is submitted to this meeting and the same 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 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."

By order of the Board  
For Shreyans Industries Limited  
Sd/-

Videshwar Sharma  
(Company Secretary)

Place : Ludhiana  
Dated : 28<sup>th</sup> May, 2013

**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. 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.
2. The Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of item No. 6 & 7 is annexed hereto and forms part of this notice.
3. The Register of Members and Share Transfer books of the Company shall remain closed from Friday, the 23<sup>rd</sup> day of August, 2013 to , Friday the 30<sup>th</sup> day of August, 2013 (both days inclusive), for the purpose of AGM, for both physical and electronic segments.
4. Members/proxies are requested to bring their copy of Annual Report to the Meeting.
5. 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.

6. Members are requested to :

(I) Quote their folio number/Client ID & DP-ID in all correspondence with the company.

(II) Notify immediately to the company any change in their address/mandate, if any.

(III) 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 E-MAIL.

7. 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.

8. Shareholders/ Proxy holders are requested to produce at the entrance, the attached admission slip duly completed and signed, for admission to the Meeting Hall.

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

By order of the Board  
For Shreyans Industries Limited  
Sd/-

Place : Ludhiana  
Dated : 28<sup>th</sup> May, 2013

Videshwar Sharma  
(Company Secretary)

#### **Important communication**

The Ministry of Corporate Affairs, Government of India (MCA) vide its General Circular No. 18/2011 dated 29<sup>th</sup> April, 2011 has clarified that as a measure of "Green initiative in Corporate Governance" it will be in compliance, if the Annual Report (i.e. documents listed in section 219(1) of the Companies Act, 1956) is sent through e-mail. A recent amendment to the listing agreement with the Stock Exchanges now permits company to send soft copies of the Annual Report to all those share holders who have registered their e-mail address for the purpose. To support this green initiative, you are requested to register your email id with the Company's Share Transfer Agent viz. Skyline Financial Services (P) Ltd. D-153/A 1<sup>st</sup> Floor, Okhla Industrial Area, Phase-1, New Delhi-110 020 by giving your consent to receive the Annual Report in electronic form in future. To facilitate you in doing so, please write to us or to our Share Transfer Agent as mentioned above and also update the email address as and when there is change.

#### **ANNEXURE TO THE NOTICE EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.**

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

The Board of Directors at its meeting held on 28th May, 2013, has approved the re- appointment of Sh. Rajneesh Oswal as Chairman & Managing Director for a further period of five years i.e. from 1st June, 2013 to 31st May, 2018, on such remuneration as mentioned hereunder and on such terms and conditions 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 in terms of Section 198, 269, 309, 310 and 314 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and Rules made there under.

The Principal terms of remuneration of Sh. Rajneesh Oswal, Chairman & Managing Director as approved by the remuneration committee of the Company for a period of five years starting from 1<sup>st</sup> June, 2013 are as follows:

(1) SALARY:

Sh. Rajneesh Oswal, Chairman & Managing Director shall be paid a salary of ₹ 10,00,000/- 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 10% of basic salary.

(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 five months salary over a period of five 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) Premium not to exceed ₹ 10,000/- per annum for personal accident insurance.

(v) Leave travel concession for self and family members as per company's rules.

(vi) 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.

(vii) 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.

**The above shall also be treated as an Abstract and Memorandum of Interest under section 302 of the Companies Act, 1956.**

Necessary resolution is proposed at item no. 6 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, 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. 7**

The Board of Directors at its meeting held on 28th May, 2013, has approved the re-appointment of Sh. Vishal Oswal as Vice-Chairman & Managing Director for a further period of five years i.e. from 1st June, 2013 to 31st May, 2018, on such remuneration as mentioned hereunder and on such terms and conditions 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 in terms of Section 198, 269, 309, 310 and 314, read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and Rules made there under:

The Principal terms of remuneration of Sh. Vishal Oswal, Vice-Chairman & Managing Director as approved by the remuneration committee of the Company for a period of five years starting from 1<sup>st</sup> June, 2013 are as follows:

**(1) SALARY**

Sh. Vishal Oswal, Vice Chairman & Managing Director shall be paid a salary of ₹ 10,00,000/- 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 10% of basic salary.

(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 five months salary over a period of five 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) Premium not to exceed ₹10,000/- per annum for personal accident insurance.

(v) Leave travel concession for self and family members as per company's rules.

(vi) 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.

(vii) 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 Annuity 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.

**The above shall also be treated as an Abstract and Memorandum of Interest under Section 302 of the Companies Act, 1956.**

Necessary resolution is proposed at item no. 7 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, 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.

**Statement of the details as required under Schedule XIII of the Companies Act, 1956 (as amended) is as under:**

**(i) 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 31.03.2013 and 31.03.2012 are as under

(₹ In Lacs)

	Year ended 31-03-2013	Year ended 31-03-2012
<b>Total Revenues</b>	<b>34646.97</b>	<b>27758.84</b>
<b>Profit Before Interest and Depreciation</b>	<b>2850.15</b>	<b>1915.25</b>
<b>Less. Interest</b>	<b>700.37</b>	<b>625.13</b>
<b>Less. Depreciation</b>	<b>1008.65</b>	<b>914.44</b>
<b>Net Profit before Tax</b>	<b>1141.13</b>	<b>375.68</b>
<b>Provision for Taxation</b>	<b>362.31</b>	<b>147.76</b>
<b>Net Profit after Tax</b>	<b>778.82</b>	<b>227.92</b>

Export Performance and Net Foreign Exchange Collaboration

(₹ In Lacs)

	Year ended 31-03-2013	Year ended 31-03-2012
<b>Foreign Exchange Earning</b>	<b>741.98</b>	<b>924.67</b>
<b>Less. Foreign Exchange Outgo</b>	<b>1799.12</b>	<b>2223.98</b>
<b>Net Foreign Exchange Earning</b>	<b>(1057.14)</b>	<b>(1299.31)</b>

(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 APPOINTEE(S)**

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

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

**Sh. Rajneesh Oswal** aged about 46 years is the Chairman & Managing Director of the Company. He joined the Company as a Director on 30th 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 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 permanent Director of the Company. He is also holding the Office of Whole Time Director designated as Executive Director in Adinath Textiles Ltd. and Director in the following companies.

1. Adeep Investment Co.
2. Virat Investment & Mercantile Co.
3. Jagvallah Parasnath Capital Investment (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 is approved at 31st Annual General Meeting held on 30<sup>th</sup> August, 2011 and also approved by the Central Government.

The remuneration drawn by Sh. Rajneesh Oswal during last three years is as under

Financial Year Ended	Amount (₹)
31.03.2011	6,965,335/-
31.03.2012	7,801,613/-
31.03.2013	8,275,484/-

**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 40 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 a 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.

**ii) Past Remuneration**

Sh. Vishal Oswal is presently working as Vice Chairman & Managing Director of the Company and his present remuneration is approved at 31st Annual General Meeting held on 30<sup>th</sup> August, 2011 and also approved by the Central Government.

The remuneration drawn by Sh. Vishal Oswal during last three years is as under

Financial Year Ended	Amount (₹)
31.03.2011	6,958,113/-
31.03.2012	7,801,225/-
31.03.2013	8,256,028/-

**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 Lacs)	Remuneration Paid* (₹ In Lacs)
1.	UCAL Fuel Systems Ltd.	Mr. Jayakar Krishnamurthy (Vice Chairman & Managing Director)	57905.00	249.92
2.	Star Papers Mills Ltd.	Mr. Madhukar Mishra (Managing Director)	24070.69	109.02
3.	Rico Auto Industries Ltd.	Sh. Arun Kapoor, (Jt. Managing Director) Sh. Arvind Kapoor, (Vice Chairman CEO & Managing Director)	122595.00	273.99 240.44
4.	J. K. Papers Ltd	Sh. H. S. Singhania (Chairman) Sh. H. P. Singhania (Managing Director) Sh. O. P. Goyal (Whole Time Director)	155710.00	265.71 265.56 143.19

\* As reported in the Annual Reports of FY 2011-12.

**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 2012-13.

**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 THE NOTICE**

Details of Directors seeking re-appointment at the Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement)

Name of the Director	Dr. N.J. Rao	Sh. A.K. Chakraborty
Age	69 Years	68 Years
Date of Appointment	26.12.2003	19.07.2005
Expertise in Specific Functional Area	Paper Technocrat	Finance, Secretarial and Legal
Qualification	M.Tech, Ph.D. in Chemical Engineering	FCS,ACWA
Directorship of other Public Limited Companies	Vice Chancellor- Jaypee University of Engineering & Technology, Raghogarh, Guna, M.P.	Chairman-Manaksia Ltd. Director-Manaksia Steels Ltd. Director-Lakshmi Precision Screws Ltd.
Membership of committees of Other Public Limited Companies (Mandatory Committees only)	Member-Governing Council of Thapar Center for Industrial Research & Development, Patiala.	Audit Committee-Chairman (Manaksia Ltd.) Audit Committee-Member (Lakshmi Precision Screws Ltd.)
Nos. of shares held in the Company	Nil	Nil

Place : Ludhiana  
Dated : 28<sup>th</sup> May, 2013

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

**DIRECTORS' REPORT**

Dear Members,  
Your Directors are pleased to present the 33rd Annual Report on the business and operations of the Company along with audited statements of accounts for the year ended 31st March 2013.

<b>Financial Results</b>		
	<b>(₹ in Lacs)</b>	
<b>PARTICULARS</b>	<b>2012-13</b>	<b>2011-12</b>
Total Revenues	<b>34646.97</b>	<b>27758.84</b>
Profit before interest & depreciation	<b>2850.15</b>	<b>1915.25</b>
Less: Financial Cost	<b>700.37</b>	<b>625.13</b>
Gross Profit	<b>2149.78</b>	<b>1290.12</b>
Less: depreciation	<b>1008.65</b>	<b>914.44</b>
Net profit before tax	<b>1141.13</b>	<b>375.68</b>
Provision for current taxes	<b>410.00</b>	<b>82.90</b>
Deferred taxes	<b>[72.31]</b>	<b>14.38</b>
Taxes relating to prior year	<b>24.62</b>	<b>50.48</b>
Net profit after tax	<b>778.82</b>	<b>227.92</b>

**CORPORATE REVIEW**

Paper market during the year under review was buoyant during second half of the year when prices of the paper firmed up. Also full year impact of modernization-cum-expansion project completed towards end of last year is reflected in operations of the year under review. This resulted in almost 17% increase in production of paper in quantitative terms and about 25% increase in the total revenues of the Company, which stood at all time high at ₹ 346.47 crores. Prices of most of the inputs remained stable. However, prices of Caustic Soda, main chemical used in paper making, again rose significantly. These factors resulted in 48% increase in the PBIDT of the Company, which stood at ₹ 28.50 crores against ₹ 19.15 crores of last year, and your Company was able to earn Net profit after tax of ₹ 7.79 crores as compared to ₹ 2.28 crores of last year, showing an increase of almost 242%. Your Directors do hope that barring unforeseen circumstances, the performance in the current year would also be quite healthy.

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

Modernization-cum-expansion Project undertaken during last year resulted in significant improvement both in quantitative and financial terms in performance of this division and the total production of paper in Shreyans Papers was 44875 MT against 36578 MT of last year, an increase of more than 22%. Total revenues also were sharply higher at ₹ 204.69 crores against ₹ 157.15 crores of last year, an increase of more than 30%.

**SHREE RISHABH PAPERS**

Production at Shree Rishabh Papers was also higher at 31540 MT against 28702 MT of last year. Total revenues were significantly higher at ₹ 141.78 crores against ₹ 120.44 crores of last year, an increase of more than 18% due to better sales realization and higher production. Operations of this unit also showed improvement during the year under review.

**FINANCIAL REVIEW**

No fresh debts or capital was raised during the year under review. However, existing term debts to the extent of ₹ 9.40 crores and short term debts to the extent of ₹ 6.04 crores were repaid.

**FUTURE PLANS/PROSPECTS**

Modernization and de-bottlenecking is on-going process in the

Company. Company is in process of undertaking capital expenditure to augment the quality of its products and add value added products in its production range.

**DIVIDEND**

In view of improved performance of the Company, your Directors recommend a dividend of ₹ 1/- per share [i.e. 10%] for the financial year ended 31st March 2013. 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 22<sup>nd</sup> August 2013. The proposed dividend will cost the Company ₹ 1.61 crores, inclusive of all taxes.

**DEPOSITS**

At the end of the year, fixed deposits from the public were outstanding to the tune of ₹ 564.86 lacs which are well within the limits prescribed under section 58 A of the Companies Act, 1956 read with Rules 3[2][I] and [II] of the Companies [Acceptance of Deposits] Rules, 1975. There were no overdue deposits as on 31st March 2013.

**DIRECTORS**

**Shri A. K. Chakraborty & Dr. N. J. Rao, Directors of the Company, liable to retire by rotation at the forthcoming Annual General Meeting under clause 113 of Article of Association of the Company and being eligible, offer themselves for reappointment.**

**AUDITORS**

M/s S.C. Vasudeva & Company, New Delhi, Auditors of the Company shall retire at the forthcoming Annual General Meeting and are eligible for reappointment.

**COST AUDITORS**

The Board of Directors have appointed M/s Rajan Sabharwal & Associates, as Cost Auditors of your Company for auditing the cost accounts records for the financial year 2012-13 under provisions of Section 224[1B] and 233B of the Companies Act, 1956.

**AUDITORS' REPORT**

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

**INDUSTRIAL RELATIONS**

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

**DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 217[2AA] of the Companies Act, 1956, your Directors confirm that:

A] in the preparation of the annual accounts, applicable accounting standards have been followed and there has been no materials departure.

B] the selected accounting policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2013 and of the profits of the Company for the year ended on that date.

C] Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

D] Annual accounts have been prepared on a going concern basis.

**CORPORATE GOVERNANCE**

As per Clause 49 of the Listing Agreement with the Stock Exchange, a separate Chapter on Corporate Governance practices followed by the Company together with a Certificate from the Practicing Company Secretary confirming compliance forms part of this report.

**CONSERVATIONS OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

As required under Section 217[1][e] of the Companies Act, 1956 read with Rule 2 of the Companies [Disclosure of particulars in the report of Board of Directors] Rules 1988, the particulars relating to conservation of energy, technology, absorption and foreign exchange earning and outgo forming part of the Report are also annexed.

**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 AND MANAGING DIRECTOR**

Place: Ludhiana  
Date: 28th May 2013

DISCLOSURE OF PARTICULARS UNDER SECTION 217 [1][E] OF THE COMPANIES ACT, 1956 UNDER THE COMPANIES [DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS], RULE 1988

**CONSERVATION OF ENERGY**

Energy conservation is on-going process in the company. Lower consumption of power and fuel during the year proves the efforts made by the Company in conservation of energy. Further corrective steps have been taken from energy conservation point of view.

**FORM A**

FORM OF DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

PARTICULARS	Unit	Current Year	Previous Year
<b>(A) POWER AND FUEL CONSUMPTION</b>			
<b>1. ELECTRICITY</b>			
(a) Purchased	KWH in lac	200.69	237.68
Total Amount	₹ in lac	1455.37	1489.53
Rate/KWH	₹	7.25	6.27
(b) Own Generation			
Through Turbo Generator	KWH in lac	703.40	581.59
Through Diesel Generator	KWH in lac	0.00	0.28
KWH/Ltr. of Diesel	KWH	0.00	2.12
Fuel Cost/KWH	₹ in lac	0.0	18.23
(For D.G. Set Only)			
<b>2. RICE HUSK &amp; OTHER AGRO FUELS</b>			
Quantity	MT	155569	136923
Total Amount	₹ in lac	6845.03	5525.81
Avg. Rate/ MT	₹	4400	4036
<b>3. COAL</b>			
Quantity	MT	4127	2583
Total Amount	₹ in lac	222.59	110.30
Avg. Rate/ MT	₹	5394	4270
<b>(B) CONSUMPTION PER UNIT OF PRODUCTION</b>			
PAPER *			
Electricity (KWH/MT)		1183	1255
Rice Husk & Other Agro Fuels (MT/MT)		2.036	2.097
Coal (MT/MT)		0.054	0.040

\* Includes consumption of Power & Fuel in Chemical Recovery Plant and Power Generation Plant

**FORM B****RESEARCH AND DEVELOPMENT (R&D)****EXPENDITURE ON R & D**

(a) Capital	₹ in lac	0.00	0.00
(b) Recurring	₹ in lac	123.24	102.92
(c) Total	₹ in lac	123.24	102.92

**C. 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.

**D. FOREIGN EXCHANGE EARNING AND OUTGO**

Foreign Exchange earning	₹ in lac	741.98	924.67
Less : Foreign Exchange Outgo	₹ in lac	1799.12	2223.98
Net Foreign Exchange earning	₹ in lac	(1,057.14)	(1,299.31)

**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 MT 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 78,000MT 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 12 million tones with production of about 11 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 10 Kg. against the world average of 50 Kg. and in Asia 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 8 – 9%. The demand growth in the next three years is likely to be 9 – 10% in Writing and Printing Paper. India is considered to be one of the fastest growing paper markets in the world. Raw materials availability and strict environment regulations are the major entry barriers for the industry.

The demand of paper and paper products has close linkages with economic growth. Industrial growth leads to increase demand for industrial paper for packaging, increasing literacy level increases the demand for writing and printing paper. All the major paper mills in the country have expanded their production capacity in earlier years. With the significant increase in capacity the production of writing and printing paper was in excess of demand during 2011-12. However, during current year, the paper prices have firmed up and this increase is expected to remain stable in the near future.

#### **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 2013, Company has 1353 employees consisting of 86 managers, 339 staff/officers and 928 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 subsidised rates/free of cost.

Your company is also involved with various educational institutions for providing scholarship 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**

The Company is excited in its outlook. The various initiatives coupled with process stabilization and capacity expansion are expected to yield handsome results. The Company keeps on exploring various avenues for growth and toward this the management is exploring the possibility of restructuring the existing business. The eco-friendly technology, massive capacities, motivated manpower makes our outlook 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****Company's Philosophy**

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 clause 49 of the Listing Agreement. 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.

**Board of Directors**

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 Clause 49 of the listing agreement in respect of composition of Board of Directors. None of the independent directors have any material pecuniary relationship or transactions with the company.

The Board of Directors met four times during the Financial Year 2012-13 on 28<sup>th</sup> May, 2012, 9<sup>th</sup> August, 2012, 8<sup>th</sup> November, 2012 and 11<sup>th</sup> February, 2013.

The board members attendance at the Board meetings, last Annual General Meeting and directorship and committee memberships in Companies are as under-

Name & Designation of the Director	Category	Board Meetings attended during the year	Attendance of last AGM (30.08.2012)	No. of Directorship 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 <b>Chairman &amp; Managing Director</b>	Executive Director	4	Present	2	2	--
Sh. Vishal Oswal <b>Vice Chairman &amp; Managing Director</b>	Executive Director	4	Present	1	--	--
Sh. Kunal Oswal <b>Whole time Director</b>	Executive Director	4	Present	1	1	--
Sh. Anil Kumar <b>Executive Director &amp; CEO</b>	Executive Director	4	Present	2	1	--
Sh. R. C. Singal	Non Executive Director	4	Present	10	5	5
Sh. A. K. Chakraborty	Non Executive Director	4	Not Present	4	2	1
Sh. M. L. Gupta	Non Executive Director	4	Not Present	2	3	--
Dr. N.J.Rao	Non Executive Director	3	Not Present	1	--	--

\*including Shreyans Industries Ltd. and excluding private limited companies, foreign companies, unlimited liability companies and Companies under section 25 of the Companies Act, 1956.

\*\*Board Committee for this purpose includes Audit Committee and Share Transfer Cum Investors' Grievance Committee (including committees of Shreyans Industries Ltd.)

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.

**Audit Committee**

The company has duly constituted Audit Committee, the scope of which is quite comprehensive and is in conformity with the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the listing Agreement.

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 as well as Cost Auditors of the company. The appointment of Statutory 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 significant related party transactions at periodic basis.

The Audit committee has met four times during the Financial Year 2012-13. The meetings were held on 28<sup>th</sup> May, 2012, 9<sup>th</sup> August, 2012, 8<sup>th</sup> November, 2012 and 11<sup>th</sup> February, 2013. The Chairman of the Audit committee attended the 32<sup>nd</sup> Annual General Meeting held on 30<sup>th</sup> August, 2012. The details of attendance at Audit Committee meetings are given in the following table:

Name of Member	Designation	Meetings Held	Meetings Attended
Sh. R. C. Singal	Chairman	4	4
Sh. A. K. Chakraborty	Member	4	4
Sh. M. L. Gupta	Member	4	4

**Remuneration Committee:**

The company has constituted a Remuneration Committee to evaluate compensation and benefits for Executive Directors, their relatives and to frame policies related thereto. The present committee comprises three independent non executive directors. One meeting of the Remuneration Committee was held during the Financial Year 2012-13 on 28<sup>th</sup> May, 2012.

The details of attendance at Remuneration Committee meetings are given in the following table:

Name of Member	Designation	Meetings Held	Meetings Attended
Sh. M. L. Gupta	Chairman	1	1
Sh. A. K. Chakraborty	Member	1	1
Sh. R. C. Singal	Member	1	1

**DETAILS OF MANAGERIAL REMUNERATION FOR THE YEAR 2012-13****A. Executive Directors**

Name	Designation	Remuneration (in ₹)				
		Basic Salary	Provident Fund	Other Benefits	Performance Incentive	Total
Sh. Rajneesh Oswal	Chairman & Managing Director	7200000	864000	211484	---	8275484
Sh. Vishal Oswal	Vice- Chairman & Managing Director	7200000	864000	192028	---	8256028
Sh. Kunal Oswal	Whole time Director	1400000	168000	4509	---	1572509
Sh. Anil Kumar	Executive Director and CEO	3141538	376985	2078828	3141538	8738889

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. The Company shall be liable to pay severance fee as per the individual contract.

Executive Director & CEO Sh. Anil Kumar 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 30<sup>th</sup> August, 2011.

**B. Non- Executive Directors****(Amount In ₹)**

Name	Category	Sitting Fees for Board Meeting	Sitting Fees for Committee Meeting	Total
Sh. A.K. Chakraborty	Director	40000	25000	65000
Sh. R. C. Singal	Director	40000	83000	123000
Sh. M. L. Gupta	Director	40000	25000	65000
Dr. N. J. Rao	Director	30000	Nil	30000

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, 1956 and rules made there under. No other payment is made to the any of the Non Executive Director. No stock option has been given to any of the Directors, including Executive Directors.

**Share Transfer-cum-Investor's Grievance Committee**

The Board has formed an investor's Grievance Committee named as Share Transfer-cum-investor's Grievance Committee to specifically look into the redressal of investor's 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 oversees and reviews all matters connected with the share transfer.

The Share Transfer-cum-investor's Grievance Committee is headed by a Non- Executive Director Sh. R. C. Singal and met twelve times during the financial year 2012-13. The detail of members and their attendance are given in the table :-

Name of Member	Designation	Meetings Held	Meetings Attended
Sh. R. C. Singal	Chairman	12	12
Sh. Rajneesh Oswal	Member	12	12
Sh. Anil Kumar	Member	12	12
Sh. Kunal Oswal	Member	12	12

Sh. Videshwar Sharma, Secretary of the company is compliance officer.

The company has designated the email id [cs@shreyansgroup.com](mailto:cs@shreyansgroup.com) for the purpose of registering complaints by investors electronically. The email id is displayed on the company's website.

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

PARTICULARS	No. of Complaints
Pending as on 01-04-2012	1
Received during the year	35
Resolved during the year	36
Pending as on 31-03-2013	NIL

**General Body Meetings**

The last three Annual General Meetings were held as under :

Financial Year	Date of A.G.M.	Time	Venue	No. of Special Resolution Passed
2011-12	30th August, 2012	11.00 A.M.	Regd. Office of the Company at Vill. Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana-141 123	3
2010-11	30th August, 2011	11.00 A.M.	Regd. Office of the Company at Vill. Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana-141 123	3
2009-10	28th Sept., 2010	11.00 A.M.	Regd. Office of the Company at Vill. Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana-141 123	NIL

During the last three years no resolution was passed by Postal Ballot. Further no such resolution is proposed to be placed for the share holder's approval in the forthcoming Annual General Meeting, which requires the passing of resolution through Postal Ballot.

**Disclosures**

a) The details of related party transactions are placed before Audit Committee and these are disclosed in the Notes forming part of financial statements. For the year 2012-13, there was no transaction of material nature with related parties, which are not in the normal course of business.

b) 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 clause 49 of listing agreement on corporate governance and the non mandatory requirements relating to the remuneration committee to the extent detailed above. The company has followed accounting treatment as prescribed in Accounting Standards applicable to the Company.

c) 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.

d) As on 31 March, 2013 Sh. R.C. Singal is holding 100 equity shares, directly or through family members. No other non executive director is holding any equity shares of the company.

e) The company has a Whistle Blower Policy in place for employees to report concerns about unethical behavior. No personnel have been denied to approach the Management or the Audit Committee on any issue.

f) 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.

g) As on date of this report the Company has 1800 equity shares, in physical form, issued in the year 1982, which are unclaimed by 35 shareholders. Company has sent notices to these holders at their address registered with the company. Unclaimed shares, if any, shall be kept in suspense account in compliance to the provision of amended clause 5A of the Listing Agreement.

h) The Management Discussion & Analysis Report as reviewed by the Audit Committee is set out in annexure forming part of Director's Report.

#### Means of Communication

**Financial Information:** The quarterly, half yearly and Annual Financial results were published in The Economic Times and Deshsevak. The same were sent to the Stock Exchanges and also placed at website of the Company [www.shreyansgroup.com](http://www.shreyansgroup.com)

**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.

#### General Shareholders Information

##### (i) Annual General Meeting

Date & Time: Friday, the 30<sup>th</sup> day of August, 2013 at 11.00A.M.

Place: Regd. office of the Company at Vill. 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 31st March, next year.

(iii) Financial Calendar (Tentative) Results for quarter ending:

June 30, 2013 – First week of August, 2013

September 30, 2013 – First week of November, 2013

December 31, 2013 – First week of February, 2014

March 31, 2014 – Fourth week of May, 2014

Annual General Meeting - August, 2014

(iv) Book Closure: From Friday, the 23<sup>rd</sup> day of August, 2013 to Friday the 30<sup>th</sup> day of August, 2013 (both days inclusive)

(v) Dividend Payment date (Tentative):

Credit or dispatch of dividend warrants tentatively between September 4, 2013 and September 27, 2013.

##### (vi) Listing Details:

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

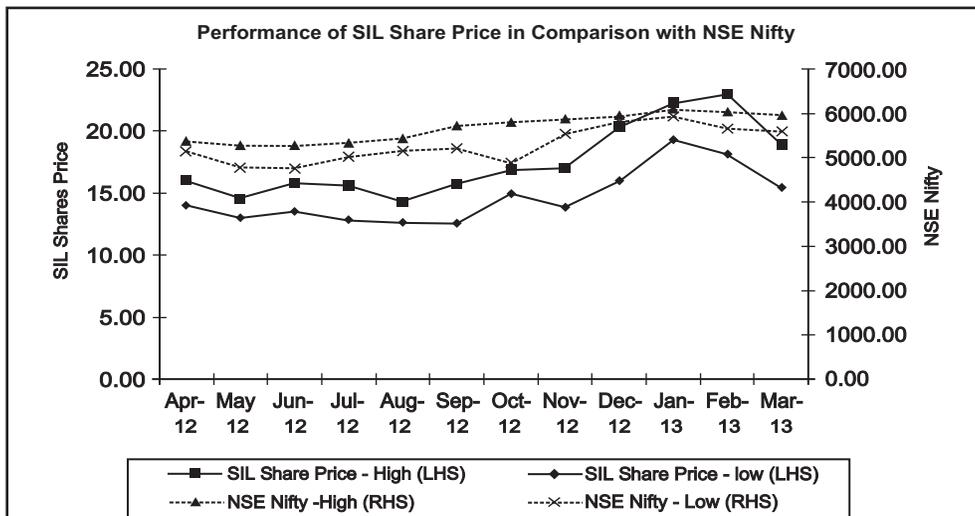
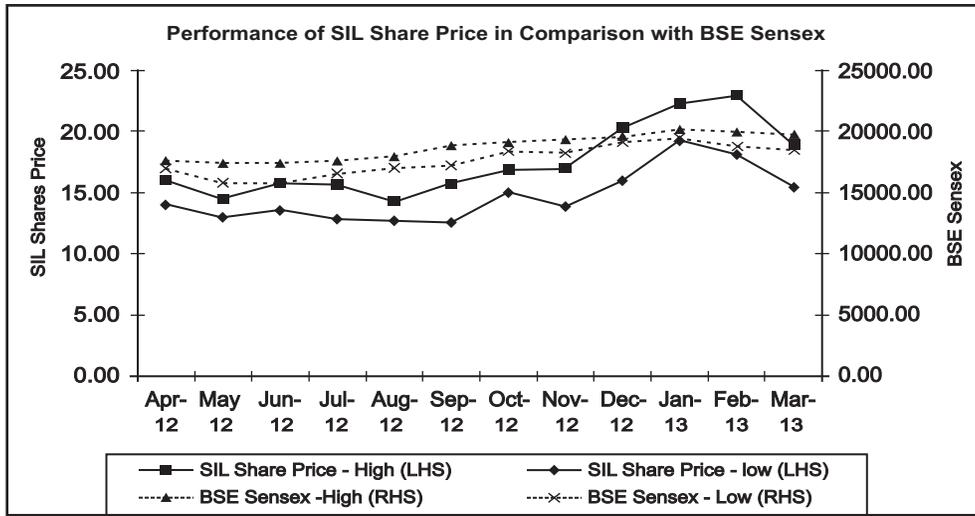
Stock Code is as under :

<b>Bombay Stock Exchange Limited</b>	<b>516016</b>
<b>National Stock Exchange of India Limited</b>	<b>SHREYANIND</b>
<b>ISIN Number</b>	<b>INE231C01019</b>
<b>Corporate Identification Number</b>	<b>L17115PB1979PLC003994</b>

Company has paid up to date listing fee to the Bombay Stock Exchange Limited and the National Stock Exchange of India limited. The issuer Fee has also been paid up to date to both depositories, i.e. National Securities Depository Limited and Central Depository Services (India) Ltd.

(vii) Market Price data: 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
<b>Apr - 12</b>	16.00	14.00	16.00	13.70
<b>May - 12</b>	14.50	13.00	14.80	12.90
<b>Jun - 12</b>	15.81	13.51	15.25	13.50
<b>Jul - 12</b>	15.65	12.84	14.20	12.35
<b>Aug - 12</b>	14.30	12.65	13.55	12.05
<b>Sep - 12</b>	15.75	12.56	15.00	12.45
<b>Oct - 12</b>	16.87	14.97	16.10	14.40
<b>Nov - 12</b>	17.00	13.85	15.55	13.80
<b>Dec - 12</b>	20.35	16.00	18.90	15.65
<b>Jan - 13</b>	22.30	19.30	23.10	18.00
<b>Feb - 13</b>	23.00	18.15	23.10	18.30
<b>Mar - 13</b>	18.90	15.45	17.45	16.05



(viii) Registrar and Share Transfer Agents :  
The details of Registrar & Transfer Agents are as under

Name : Skyline Financial Services (P) Ltd.  
Address : D-153/A 1<sup>st</sup> Floor, Okhla Industrial Area, Phase -1  
New Delhi-11 0020  
Phone No. : 011-26812682-83-84  
Fax No. : 011-26812682  
Contact Person : Mr. Subhash Aggarwal, Director.

(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 by M/s Skyline Financial Services Pvt. Ltd., the Registrar and Transfer Agents and approved by the Share Transfer-cum-Investor Grievance Committee. The 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 Section 109A of the Companies Act, 1956 may submit the same to Registrars & Transfer Agents of the company in the prescribed Form 2B.**

(x) The distribution of company's share holding as on 31st March, 2013 is as follows :

NO OF SHARES		PHYSICAL FORM			D-MAT FORM		
		NO OF SHARE HOLDERS	NO. OF SHARES HELD	PERCENTAGE OF SHARE CAPITAL HELD	NO OF SHARE HOLDERS	NO. OF SHARES HELD	PERCENTAGE OF SHARE CAPITAL HELD
From	To						
1	500	13577	962389	6.96	3815	356669	2.58
501	1000	51	33770	0.25	137	113906	0.82
1001	2000	8	11285	0.08	70	104198	0.76
2001	3000	2	4100	0.03	28	70516	0.51
3001	4000	0	0	0	13	47300	0.34
4001	5000	1	4450	0.03	16	76529	0.55
5001	10000	2	12900	0.09	25	178023	1.29
10001	Above 10001	3	2265550	16.39	80	9582965	69.32
TOTAL		13644	3294444	23.83	4184	10530106	76.17

(xi) As on 31.03.2013, 76.17% 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) The Company has not issued any GDR's/ADR's. The company has not allotted any equity share during the Financial Year 2012-13.

(xiii) Location of Plants:  
 (i) Shreyans Papers, Ahmedgarh, Distt. Sangrur(Pb).  
 (ii) Shree Rishabh Papers, Vill. Banah, Distt. S. B. S. Nagar (Pb.)

(xiv) Address for Correspondence:  
 Registered Office:  
 Shreyans Industries Limited  
 Vill. Bholapur, P.O.Sahabana,  
 Chandigarh Road, Ludhiana (India) - 141 123  
 Ph. (0161) 2685271, 272  
 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)

To,  
 The Members,  
 Shreyans Industries Ltd.  
 Ludhiana

**DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49(1D) OF THE LISTING AGREEMENT**

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 31st March, 2013 in terms of clause 49(1D)(ii) of the Listing Agreement entered with the Stock Exchanges.

Place : Ludhiana  
 Date : 28th May 2013

(RAJNEESH OSWAL)  
 CHAIRMAN AND MANAGING DIRECTOR

**INDEPENDENT AUDITOR'S REPORT**

To  
The Members,  
Shreyans Industries Limited

**Report on the Financial Statements**

We have audited the accompanying financial statements of Shreyans Industries Limited (the "Company"), which comprise the Balance sheet as at March 31, 2013, the Statement of profit and loss and Cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by The Institute of Chartered Accountants of India. 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 misstatements.

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

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with significant accounting policies and notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- i) in the case of balance sheet, of the state of affairs of the company as at March 31, 2013;
- ii) in the case of statement of profit and loss, of the profit for the year ended on that date; and

- iii) in the case of cash flow statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1) As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2) As required by section 227(3) of the Companies Act, 1956, we report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
- c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
- e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

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

**Place : Ludhiana**  
**Dated: 28th May, 2013**

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

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

Referred to in paragraph 1 under the heading on "Report on Other Legal and Regulatory Requirements" of our report of even date.

- (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 31st March, 2012. In our opinion, the frequency of physical verification of the fixed assets is reasonable having regard to size of the company and nature of its business.
- c) According to the information and explanations given to us, the company has not disposed off substantial part of its fixed assets during the year.
- (ii) a) According to the information and explanations given to us, the inventories have been physically verified by the management during the year. In our opinion the frequency of verification is reasonable.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical

verification of inventories followed by the management as evidenced by the written procedures and instructions are reasonable and adequate in relation to the size of the company and nature of its business.

c) On the basis of our examination of the records of the inventories, in our opinion the company is maintaining proper records of inventories. The discrepancies noticed on physical verification as compared to book records were not material and have been properly dealt with in the books of account.

(iii) a) According to the information and explanations given to us, the company has not granted loans secured or unsecured to companies, firm or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly the provisions of clause 4 (iii) (b) (c) and (d) of the above said order are not applicable to the company.

b) The company has taken unsecured loans from five parties covered in the register maintained under section 301 of the Companies Act, 1956. The amount involved in the transactions is ₹ 136.39 lacs. The amount payable as at the close of the year is ₹ 136.39 lacs.

c) According to the information and explanations given to us, the rate of interest and other terms and conditions in respect of unsecured loans taken by the company, are not prima-facie prejudicial to the interest of the company.

d) In our opinion and according to the information and explanations given to us, the payment of principal amount and interest in respect of the aforesaid loans is regular.

(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and nature of its business, for the purchase of inventory and fixed assets and sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.

(v) In our opinion and according to the information and explanations given to us, there are no contracts or arrangement the particulars of which need to be entered in the register maintained under that section 301 of the Companies Act, 1956. Therefore, the provisions of clause

4(v) of the above said order are not applicable to the company.

(vi) According to the information and explanations given to us, the company has complied with the provisions of section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules 1975 with regard to deposits accepted from the public. According to the information given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

(vii) In our opinion, the company has an internal audit system commensurate with its size and nature of its business.

(viii) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 and we 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 the records with a view to determine whether they are accurate or complete.

(ix) a) According to the records of the company undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to the company, if any, have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> March, 2013, for a period of more than six months from the date they became payable.

b) According to the records of the company, the disputed statutory dues aggregating to ₹ 10,29,90,292 that have not been deposited on account of matters pending before the appellate authorities in respect of excise duty and income tax are as follow :

Sr. No.	Name of the Statute	Nature of Dues	Period to which the amount relates	Disputed Amount (₹)	Forum where Dispute is Pending.
1.	Central Excise Act, 1944	Excise Duty	Various years from 1999-2000 to 2009-2010	10,21,38,626	Custom, Excise & Service Tax Appellate Tribunal, New Delhi
2.	Central Excise Act, 1944	Excise Duty	Various years from 2008-2009 to 2010-2011	2,02,248	Commissioner (Appeals), Chandigarh
3.	Central Excise Act, 1944	Excise Duty	Various years from 1996-1997 to 2000-2001	52,718	Joint Commissioner, Chandigarh
4.	Central Excise Act, 1944	Excise Duty	2004-2005	1,43,300	Assistant Commission, Ropar
5.	Income Tax Act, 1961	Income Tax	2006-2007	4,53,400	Commissioner of Income Tax (Appeals), Ludhiana

According to the information and explanations given to us there are no dispute in respect of sales tax, service tax, custom duty, wealth tax and cess.

(x) The company does not have accumulated losses as at the end of the financial year. The company has not incurred cash losses during the financial year covered under audit and in the immediately preceding financial year.

(xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to banks, financial institutions and debenture holder's.

(xii) According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of clause 4(xii) of the above said order are not applicable to the company.

(xiii) The company is not a chit fund or a nidhi mutual benefit fund/society. Accordingly, the provisions of clause 4 (xiii) of the above said order are not applicable to the company.

(xiv) According to the information and explanations given to us, the company has not dealt or traded in share, securities, debentures and other investments. Therefore, the provisions of clause 4(xiv) of the above said order are not applicable to the company.

(xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions. Accordingly, the provisions of clause 4(xv) of the order are not applicable to the company.

(xvi) In our opinion and according to the information and explanations given to us, the term loans have been applied for

the purpose for which they were obtained.

(xvii) In our opinion and according to information and explanations given to us and on an overall examination of the balance sheet of the company, we report that funds raised on short term basis have not been used for long term investment.

(xviii) According to the information and explanations given to us, the company has not made any preferential allotment to the parties and companies covered in the register maintained under section 301 of Companies Act, 1956.

(xix) According to the information and explanations given to us, the company has not issued debentures during the year. Accordingly the provisions of clause 4 (xix) of the above said order are not applicable to the company.

(xx) According to the information and explanations given to us, the company has not raised any money by way of public issue during the year. Accordingly the provisions of clause 4 (xx) of the above said order are not applicable to the company.

(xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

**For S. C. Vasudeva & Co.  
Chartered Accountants  
Firm Reg. No. 000235N**

**Place: Ludhiana  
Dated: 28<sup>th</sup> May, 2013**

**(Sanjiv Mohan)  
Partner  
M. No. 86066**

**Practicing Company Secretary Certificate on Compliance with the condition of  
Corporate Governance under clause 49 of the Listing Agreement**

To  
The Members  
Shreyans Industries Limited

We have examined the compliance of conditions of corporate governance by Shreyans Industries Limited (the company) for the year ended 31st March, 2013 as stipulated in clause 49 of the listing agreement of the said Company with stock exchanges.

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, and based on the presentation made to the Directors and Management, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned listing agreement.

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

**For P.S. Bathla & Associates  
Company Secretaries**

**(P.S. Bathla)  
CP No. 2585**

**Place : Ludhiana  
Dated : 28th May, 2013**

**BALANCE SHEET AS AT 31ST MARCH 2013**

PARTICULARS	Note No.	As at 31 March 2013 (₹ In lacs)	As at 31 March 2012 (₹ In lacs)
<b>I EQUITY AND LIABILITIES</b>			
(1) Shareholder's funds :			
a) Share capital	2	1,382.47	1,382.47
b) Reserves and surplus	3	6,073.88	5,455.74
		<u>7,456.35</u>	<u>6,838.21</u>
(2) Non-current liabilities			
a) Long-term borrowings	4	1,227.23	1,699.98
b) Deferred tax liabilities (net)	5	1,931.45	2,003.76
c) Other long-term liabilities	6	52.59	61.20
d) Long-term provisions	7	797.75	726.44
		<u>4,009.02</u>	<u>4,491.38</u>
(3) Current liabilities			
a) Short-term borrowings	8	1,957.89	2,272.81
b) Trade payables	9	3,536.18	3,479.34
c) Other current liabilities	10	2,141.15	2,208.10
d) Short-term provisions	11	259.41	58.54
		<u>7,894.63</u>	<u>8,018.79</u>
		<u>19,360.00</u>	<u>19,348.38</u>
<b>II ASSETS</b>			
(1) Non-current assets			
a) Fixed assets	12		
i) Tangible assets		11,032.47	11,309.92
ii) Intangible assets		3.20	3.72
iii) Capital work-in-progress		284.26	412.40
		<u>11,319.93</u>	<u>11,726.04</u>
b) Non-current investments	13	2.02	2.02
c) Long-term loans and advances	14	519.03	575.31
d) Other non-current assets	15	0.64	16.18
		<u>11,841.62</u>	<u>12,319.55</u>
(2) Current assets			
a) Current investments	16	1,327.64	8.43
b) Inventories	17	2,329.80	2,986.06
c) Trade receivables	18	2,497.33	2,639.84
d) Cash and bank balances	19	439.62	302.70
e) Short-term loans and advances	20	923.99	1,091.80
f) Other current assets		----	----
		<u>7,518.38</u>	<u>7,028.83</u>
		<u>19,360.00</u>	<u>19,348.38</u>

See accompanying notes forming part of the financial statements

As per our report of even date attached  
For S.C. VASUDEVA & CO.  
(Firm Reg. No. 000235N)(SANJIV MOHAN)  
Partner  
M.No. 86066(R.P. GUPTA)  
Sr.Gen. Manager  
Finance & AccountsFor and on behalf of the board of directors of  
Shreyans Industries Limited(VIDESHWAR SHARMA)  
Company  
Secretary(ANIL KUMAR)  
Executive  
Director & CEO(RAJNEESH OSWAL)  
Chairman and  
Managing DirectorPLACE : LUDHIANA  
DATE : 28th May, 2013

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2013**

PARTICULARS	Note No.	For the year ended As at 31 March 2013 (₹ In lacs)	For the year ended As at 31 March 2012 (₹ In lacs)
I Revenue from operations (Gross)	21	35,951.43	28,763.40
Less : Excise duty		<u>1,624.06</u>	<u>1,179.33</u>
Revenue from operations (Net)		34,327.37	27,584.07
II Other Income	22	<u>319.60</u>	<u>174.77</u>
III <b>Total revenue ( I + II )</b>		<u>34,646.97</u>	<u>27,758.84</u>
IV Expenses :			
(a) Cost of material consumed	23	16,254.21	13,361.78
(b) Purchase of stock-in-trade	24	191.77	0.94
(c) Changes in inventories of finished goods, work in progress and stock-in-trade	25	30.69	100.33
(d) Employee benefit expenses	26	3,128.80	2,488.06
(e) Finance costs	27	700.37	625.13
(f) Depreciation and amortisation expense		1,008.65	914.44
(g) Other expenses	28	<u>12,191.35</u>	<u>9,892.48</u>
<b>Total expenses</b>		<u>33,505.84</u>	<u>27,383.16</u>
(V) Profit before tax ( III - IV )		1,141.13	375.68
(VI) Tax expense			
a) -Current tax		410.00	82.90
b) -Deferred tax		(72.31)	14.38
c) -Tax of earlier year		<u>24.62</u>	<u>50.48</u>
(VII) Profit for the year ( V - VI )		<u>778.82</u>	<u>227.92</u>
Earning per equity share of ₹ 10/- each			
- Basic		5.63	1.65
- Diluted		5.63	1.65

See accompanying notes forming part of the financial statements

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

For and on behalf of the board of directors of  
Shreyans Industries Limited

(SANJIV MOHAN)  
Partner  
M.No. 86066

(R.P. GUPTA)  
Sr.Gen. Manager  
Finance & Accounts

(VIDESHWAR SHARMA)  
Company  
Secretary

(ANIL KUMAR)  
Executive  
Director & CEO

(RAJNEESH OSWAL)  
Chairman and  
Managing Director

PLACE : LUDHIANA

DATE : 28th May, 2013

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013**

(₹ In lacs)

PARTICULARS	For the year ended 31 March 2013	For the year ended 31 March 2012
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax as per statement of profit and loss	1141.13	375.68
Adjustment for		
Depreciation and amortisation	1008.65	914.44
Interest Income	(88.42)	(63.63)
Dividend income	(0.03)	(0.03)
Net gain on sale of investments	---	(0.59)
Interest Expenses	625.86	544.61
Loss / (Profit) on Sale/Discard of fixed assets (Net)	0.09	5.32
Excess allowances of doubtful trade receivables written back	(191.81)	---
Provisions no longer required written back	(0.67)	(30.28)
Allowances for doubtful trade receivables and advances	1.92	0.69
Bad debts written off (net)	242.97	(28.51)
Allowance for diminution in value of investment	0.79	1.41
	1599.35	1343.43
<b>Operating Profit Before Working Capital Changes</b>	2740.48	1719.11
Adjustment for		
(Increase)/ Decrease in trade & other receivables	205.76	(505.43)
(Increase)/ Decrease in Inventories	656.26	(576.20)
Increase/(Decrease) in trade & other payables	426.17	545.73
	1288.19	(535.90)
<b>Cash generated from operations</b>	4028.67	1183.21
Direct taxes paid (Net of refund)	(172.68)	(50.33)
<b>Net Cash from operating activities</b>	3855.99	1132.88
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(642.53)	(2518.69)
(Increase)/ Decrease in capital advance	(136.08)	421.34
(Purchase)/Proceeds (of)/from investment	(1320.00)	10.59
Proceeds from sale of fixed assets	39.90	5.32
Dividend received	0.03	0.03
Interest received	96.66	40.16
<b>Net cash used in investing activities</b>	(1962.02)	(2041.25)
	1893.97	(908.37)
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
(Payments)/Proceeds (of)/from long term borrowings (net)	(807.17)	456.31
(Payments)/Proceeds (of)/from short term borrowings (net)	(313.38)	1041.18
Interest paid	(636.50)	(529.46)
<b>Net cash from financing activities</b>	(1757.05)	968.03
<b>Net increase in cash &amp; cash equivalents</b>	136.92	59.66
<b>Cash and cash equivalents at beginning of year</b>	302.70	243.04
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>	439.62	302.70
Bank Balances not considered as cash and cash equivalents at the end of the year	0.45	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  
(Firm Reg. No. 000235N)

(SANJIV MOHAN)  
Partner  
M.No. 86066

(R.P. GUPTA)  
Sr.Gen. Manager  
Finance & Accounts

For and on behalf of the board of directors of  
Shreyans Industries Limited

(VIDESHWAR SHARMA)  
Company  
Secretary

(ANIL KUMAR)  
Executive  
Director & CEO

(RAJNEESH OSWAL)  
Chairman and  
Managing Director

PLACE : LUDHIANA

DATE : 28th May, 2013

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013****1 : Significant Accounting Policies****(a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements are prepared on accrual basis under the historical cost convention in accordance with the accounting standards referred to in sub-section(3C) of section 211 and other relevant provisions of the Companies Act, 1956.

**(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 are known/materialize.

**(c) REVENUE RECOGNITION****(i) Revenue from sale is recognised:**

(a) When all the significant risks and rewards of ownership are 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) The revenue in respect of export incentive is recognised on post export basis.**

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

(iv) Dividend from investment is recognized when the right to receive payment is established.

**(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**

Defined Contribution Plan: 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.

Defined benefit Plans:

**a) Gratuity:**

Provision for gratuity liability to employees is made on the basis of actuarial valuation as at close of the year.

**b) Leave Encashment**

Provision for leave encashment is made on the basis of actuarial valuation as at the close of the year.

(iii) The actuarial gain/loss is recognized in the statement of profit and loss

**(e) FIXED 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 an assets to its working condition for its intended use.

(iii) Expenditure incurred on renovation/modernisation on 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 is provided on straight line method in accordance with and in the manner specified in Schedule XIV to the Companies Act, 1956.

(ii) Assets costing Rs. 5000/- or less acquired during the year are depreciated at 100%.

**(h) AMORTISATION**

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

**(i) 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.

**(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-process 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) INVESTMENTS**

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

**(l) 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 custom 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 are charged. Any profit or loss arising on cancellation or renewal of a forward contract is recognised as income or as expense for the period.

**(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) 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 when 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.

**(o) 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.

**(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) PROVISIONS AND CONTINGENT LIABILITIES**

(i) Provision is recognised 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) 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  
 (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.

**(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) 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.

PARTICULARS	As at 31 March 2013		As at 31 March 2012	
	Number of shares	(₹ In lacs)	Number of shares	(₹ In lacs)
<b>2 : 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	---	---	---	---
<b>Outstanding at the end of the reporting period</b>	<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 company has declared dividend @ 10 % during the year ended March 31, 2013.

**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 2013 Number of shares	As at 31 March 2012 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 2013		As at 31 March 2012	
	Number of shares held	% holding	Number of shares held	% holding
(a) Class of share	Equity shares		Equity shares	
(b) Name of shareholder				
i) Jagvallabh Parasnath Capital Investment (P) Ltd.	883,751	6.39	883,751	6.39
ii) Adeep Investment Company	708,245	5.12	708,245	5.12
iii) Ojesvi Investment & Mercantile Company	752,500	5.44	752,500	5.44
iv) Lavina Investment & Mercantile Company	753,250	5.45	753,250	5.45
v) Mood Dealers Pvt. Ltd	2,060,000	14.90	2,060,000	14.90

**3 : Reserves and surplus**

PARTICULARS	As at 31 March 2013 (₹ In lacs)		As at 31 March 2012 (₹ In lacs)	
<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		2,011.50		2,011.50
<b>(e) Surplus i.e. balance in statement of profit and loss</b>				
Balance as per last financial statements	1,453.90		1,225.98	
Add: Profit for the year transferred from statement of profit and loss	778.82		227.92	
	<u>2,232.72</u>		<u>1,453.90</u>	
<b>Less : Appropriations</b>				
Dividend proposed to be distributed to equity shareholders (₹ 1/- per share)	138.25		---	
Tax on Dividend	22.43		---	
	<u>160.68</u>		<u>---</u>	
Net surplus in the statement profit and loss		2,072.04		1,453.90
<b>Total Reserves and surplus</b>		<u>6,073.88</u>		<u>5,455.74</u>

**4 : Long Term borrowings**

PARTICULARS	As at 31 March 2013 (₹ In lacs)		As at 31 March 2012 (₹ In lacs)	
<b>a) Term loans (Secured)</b>				
i) From banks	1,650.36		2,452.35	
Less :Current maturities of long term debt (refer note 10)	(633.60)	1,016.76	(934.74)	1,517.61
ii) From others	4.76		9.94	
Less :Current maturities of long term debt (refer note 10)	(4.76)	---	(5.18)	4.76
<b>b) Deposits (Unsecured)</b>				
- From related parties (refer note 41)	60.72		56.32	
- From public	239.22		242.08	
Less :Current maturities of long term debt (refer note 10)	(89.47)	210.47	(120.79)	177.61
	<u>1,227.23</u>		<u>1,699.98</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 banks**

- i) Term loan from State Bank of Patiala amounting to ₹ 1190.00 lacs (including current maturities of long term debt) carries interest @ 13.75% p.a. The loan is repayable in 17 quarterly instalments of ₹ 70.00 lacs each (Previous year ₹ 1400.00 Lacs).
- ii) Term loan from State Bank of Patiala amounting to ₹ 299.90 lacs (including current maturities of long term debt) carries interest @ 13.25% p.a. The loan is repayable in 4 quarterly instalments of ₹ 75.00 lacs each (Previous year ₹ 600.00 Lacs).
- iii) Vehicle loan from ICICI Bank Limited amounting to ₹ 1.09 lacs (including current maturities of long term debt) carries interest @ 9.27% p.a. The loan is repayable in 8 monthly instalments (including interest) of ₹ 14150/- each (Previous year ₹ 2.61 Lacs).
- iv) Vehicle loan from ICICI Bank Limited amounting to ₹ 6.31 lacs (including current maturities of long term debt) carries interest @ 11.19% p.a. The loan is repayable in 47 monthly instalments (including interest) of ₹ 16725/- each (Previous year ₹ 7.56 Lacs).
- v) Vehicle loan from ICICI Bank Limited amounting to ₹ 10.66 lacs (including current maturities of long term debt) carries interest @ 10.57% p.a. The loan is repayable in 23 monthly instalments (including interest) of ₹ 51600/- each (Previous year ₹ 15.48 Lacs).
- vi) Vehicle loan from ICICI Bank Limited amounting to ₹ 17.94 lacs (including current maturities of long term debt) carries interest @ 9.82% p.a. The loan is repayable in 24 monthly instalments (including interest) of ₹ 82992/- each (Previous year ₹ Nil).
- vii) Vehicle loan from ICICI Bank Limited amounting to ₹ 7.63 lacs (including current maturities of long term debt) carries interest @ 11.00% p.a. The loan is repayable in 29 monthly instalments (including interest) of ₹ 30170/- each (Previous year ₹ Nil).
- viii) Vehicle loan from HDFC Bank Limited amounting to ₹ 0.82 lacs (including current maturities of long term debt) carries interest @ 11.00% p.a. The loan is repayable in 8 monthly instalments (including interest) of ₹ 10705/- each (Previous year ₹ 1.95 Lacs).
- ix) Vehicle loan from HDFC Bank Limited amounting to ₹ 1.46 lacs (including current maturities of long term debt) carries interest @ 11.10% p.a. The loan is repayable in 12 monthly instalments (including interest) of ₹ 12880/- each (Previous year ₹ 2.76 Lacs).
- x) Vehicle loan from HDFC Bank Limited amounting to ₹ 1.70 lacs (including current maturities of long term debt) carries interest @ 11.25% p.a. The loan is repayable in 14 monthly instalments (including interest) of ₹ 13020/- each (Previous year ₹ 2.99 Lacs).
- xi) Vehicle loan from HDFC Bank Limited amounting to ₹ 5.58 lacs (including current maturities of long term debt) carries interest @ 10.72% p.a. The loan is repayable in 17 monthly instalments (including interest) of ₹ 35550/- each (Previous year ₹ 9.05 Lacs).
- xii) Vehicle loan from HDFC Bank Limited amounting to ₹ 8.97 lacs (including current maturities of long term debt) carries interest @ 10.84% p.a. The loan is repayable in 29 monthly instalments (including interest) of ₹ 35300/- each (Previous year ₹ Nil).
- xiii) Vehicle loan from HDFC Bank Limited amounting to ₹ 4.20 lacs (including current maturities of long term debt) carries interest @ 9.82% p.a. The loan is repayable in 30 monthly instalments (including interest) of ₹ 16015/- each (Previous year ₹ Nil).
- xiv) Vehicle loan from HDFC Bank Limited amounting to ₹ 7.48 lacs (including current maturities of long term debt) carries interest @ 8.90% p.a. The loan is repayable in 34 monthly instalments (including interest) of ₹ 25256/- each (Previous year ₹ Nil).
- xv) Vehicle loan from HDFC Bank Limited amounting to ₹ 8.56 lacs (including current maturities of long term debt) carries interest @ 11.00% p.a. The loan is repayable in 33 monthly instalments (including interest) of ₹ 30390/- each (Previous year ₹ Nil).
- xvi) Vehicle loan from HDFC Bank Limited amounting to ₹ 3.74 lacs (including current maturities of long term debt) carries interest @ 10.70% p.a. The loan is repayable in 34 monthly instalments (including interest) of ₹ 12912/- each (Previous year ₹ Nil).
- xvii) Vehicle loan from HDFC Bank Limited amounting to ₹ 3.75 lacs (including current maturities of long term debt) carries interest @ 9.50% p.a. The loan is repayable in 34 monthly instalments (including interest) of ₹ 12712/- each (Previous year ₹ Nil).
- xviii) Vehicle loan from ICICI Bank Limited amounting to ₹ 2.38 lacs (including current maturities of long term debt) carries interest @ 11.13% p.a. The loan is repayable in 29 monthly instalments (including interest) of ₹ 9750/- each (Previous year ₹ Nil).
- xix) Vehicle loan from ICICI Bank Limited amounting to ₹ 5.19 lacs (including current maturities of long term debt) carries interest @ 10.04% p.a. The loan is repayable in 33 monthly instalments (including interest) of ₹ 19056/- each (Previous year ₹ Nil).
- xx) Vehicle loan from Axis Bank Limited amounting to ₹ 63.00 lacs (including current maturities of long term debt) carries interest @ 9.76% p.a. The loan is repayable in 55 monthly instalments (including interest) of ₹ 142528/- each (Previous year ₹ Nil).

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

- i) Vehicle loan from TATA Capital Service Limited amounting to ₹ 4.76 lacs (including current maturities of long term debt) (Previous year Rs 9.94 Lacs) carries interest @ 9.95% p.a. The loan is repayable in 10 monthly instalments (including interest) of ₹ 49950/- each.
- ii) Repayment schedule of unsecured loans/deposits from related parties is within period of 3 years and carry interest upto 11 % p.a. (Previous year upto 11% p.a.)
- iii) Repayment schedule of unsecured loans/deposits from public is within period of 3 years and carry interest upto 11 % p.a. (Previous year upto 11% p.a.)

PARTICULARS	As at 31 March 2013 (₹ In lacs)	As at 31 March 2012 (₹ In lacs)
<b>5 : 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	2136.63	2189.69
Gross deferred tax liability	<u>2136.63</u>	<u>2189.69</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	205.18	185.93
Gross deferred tax asset	<u>205.18</u>	<u>185.93</u>
Deferred tax liability (Net )	<u>1931.45</u>	<u>2003.76</u>
<b>6 : Other long term liabilities</b>		
Others :		
Advances against sale of cars	31.64	45.51
Due to employees	<u>20.95</u>	<u>15.69</u>
	<u>52.59</u>	<u>61.20</u>
<b>7 : Long term provisions</b>		
Provision for employee benefits :		
- Gratuity (net )	686.56	627.24
- Leave encashment	<u>111.19</u>	<u>99.20</u>
	<u>797.75</u>	<u>726.44</u>
<b>8 : Short term borrowings</b>		
<b>Loans repayable on demand</b>		
- From banks		
Secured	1692.97	1441.79
Unsecured	---	596.80
<b>Deposits ( Unsecured )</b>		
- From related parties (refer note 41)	75.67	68.55
- From public	<u>189.25</u>	<u>165.67</u>
	<u>1957.89</u>	<u>2272.81</u>
<b>a) Details of security of loans repayable on demand (secured)</b>		
i) Secured loans repayable on demand from banks for working capital 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 Ahmedgarh and also personally guaranteed by the two promotor directors of the company.		
ii) Secured loans repayable on demand from banks against overdraft limit 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 @ 3% over base rate (Previous year @ 3% 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>9 : Trade payable</b>		
Trade Payables		
Acceptances	619.87	586.63
Other than acceptances	<u>2,916.31</u>	<u>2,892.71</u>
	<u>3,536.18</u>	<u>3,479.34</u>



(₹ In lacs)

	ACCUMULATED DEPRECIATION/AMORTISATION				NET BLOCK		
	Balance As at 01 April 2012	Depreciation / amortisation expenses for the year	Eliminated of disposal of assets	Other adjustments	Balance As at 31 March 2013	As at 31 March 2013	As at 31 March 2012
<b>A. Tangible assets</b>							
a) Free hold land*	0.00	0.00**	0.00	0.00	0.00	308.20	308.20
b) Lease hold land	0.16	0.00	0.00	0.00	0.16	0.54	0.54
c) Buildings	719.99	58.67	0.00	0.00	778.66	1455.87	1500.86
d) Plant and equipments	8126.43	890.70	0.00	0.00	9017.13	8775.07	9155.17
e) Office equipment	89.89	6.75	0.15	0.00	96.49	44.40	42.54
f) Furniture and fixtures	59.80	4.25	1.79	0.00	62.26	24.14	25.82
g) Vehicles	179.91	47.33	67.59	0.00	159.65	424.25	276.79
<b>Total (A)</b>	<b>9176.18</b>	<b>1007.70</b>	<b>69.53</b>	<b>0.00</b>	<b>10114.35</b>	<b>11032.47</b>	<b>11309.92</b>
<b>B. Intangible Assets</b>							
Computer Software	23.72	0.95	0.00	0.00	24.67	3.20	3.72
<b>Total (B)</b>	<b>23.72</b>	<b>0.95</b>	<b>0.00</b>	<b>0.00</b>	<b>24.67</b>	<b>3.20</b>	<b>3.72</b>
<b>Grand Total(A+B)</b>	<b>9199.90</b>	<b>1008.65</b>	<b>69.53</b>	<b>0.00</b>	<b>10139.02</b>	<b>11035.67</b>	<b>11313.64</b>
Previous year	8346.66	914.44	61.20	0.00	9199.90	11313.64	

**Notes**

- \*Includes ₹ 35.09 lacs 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 2013 (₹ In lacs)	As at 31 March 2012 (₹ In lacs)
<b>13 : Non current investments</b>		
<b>a) Trade (At cost unless otherwise stated)</b>		
<b>Investments in equity instruments of associates</b>		
<b>i) Quoted</b>		
1980000 (Previous year 1980000) equity shares of M/s Adinath Textiles Limited of ₹ 10 each fully paid up	314.80	314.80
Less: Provision for diminution in value of Investment	314.80	314.80
<b>Others (At cost unless otherwise stated)</b>		
<b>Investment in equity instruments</b>		
<b>i) Quoted</b>		
180 (Previous year 180) equity shares of ICICI Bank Ltd of ₹ 10/- 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	0.02	0.02
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	0.01	0.01
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	0.01	0.01
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	0.02	0.02
50 (Previous year 50) equity shares of Pashupati Spng. & Weaving Ltd of ₹ 10/- each fully paid-up	0.03	0.03
Less: Provision for diminution in value of Investment	0.03	0.03
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	0.00	0.00
<b>ii) 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
	<u>2.02</u>	<u>2.02</u>
1. Aggregate amount of Quoted Investments	315.03	315.03
2. Market Value of Quoted Investments	75.65	---
3. Aggregate amount of Unquoted Investments	1.89	1.89
4. Aggregate provision made for diminution in value of Investments	314.90	314.90
<b>14 : Long term loans and advances</b>		
(Unsecured considered good)		
Capital advances	145.58	9.50
Balance with Government authorities	93.76	61.90
Security deposits		
PSPCL	135.94	143.34
Others	1.16	1.05
Loans and advances to employees	16.16	5.79
Prepaid expenses	4.31	0.81
MAT credit entitlement	122.12	352.92
	<u>519.03</u>	<u>575.31</u>

PARTICULARS	As at 31 March 2013 (₹ In lacs)	As at 31 March 2012 (₹ In lacs)
<b>15 : Other non-current assets (unsecured considered good)</b>		
Bank balances (non current) (refer note 19 )	0.45	0.45
Interest accrued on fixed deposits	0.19	0.15
Advance tax {Net of provision for taxation (previous year ₹ 885.95 lacs )}	---	15.58
	<u>0.64</u>	<u>16.18</u>
<b>16 : Current Investments</b>		
<b>Current investments : ( At lower of cost and fair value)</b>		
a) Investment in Debt Funds/ Mutual Funds/ Fixed Maturity Plans (Quoted)		
1,00,000 units(previous year 1,00,000) of ₹ 10/- each fully paid-up of SBI PSU Fund Growth scheme of SBI Mutual Fund	10.00	10.00
Less: Provision for diminution in value of Investment	<u>2.36</u>	<u>7.64</u>
		1.57
		8.43
2309033.43 units(previous year Nil) of ₹ 10/- each fully paid-up of SBI Dynamic Bond Fund (Growth)*	320.00	---
625489.24 units(previous year Nil) of ₹ 10/- each fully paid-up of Kotak Bond (Regular) - Growth Fund*	200.00	---
596027.48 units(previous year Nil) of ₹ 10/- each fully paid-up of Kotak Bond Scheme Plan A - Growth Fund*	200.00	---
1617462.83 units(previous year Nil) of ₹ 10/- each fully paid-up of ICICI Prudential Income - Regular Plan - Growth*	600.00	---
	<u>1,327.64</u>	<u>8.43</u>
<b>Notes :</b>		
1. Aggregate amount of current investments	1,330.00	10.00
2. Market value of current investments	1,361.74	8.43
3. Aggregate provision for diminution in value of other current Investments	2.36	1.57
*Under Lien with Deutsche Bank against OD Limit sanctioned by them		
<b>17 : Inventories (At lower of cost and net realisable value)</b>		
Raw materials {includes in transit ₹ 32.89 lacs (Previous Year ₹ 4.26 lacs )}	795.61	872.28
Work-in-progress	165.61	165.60
Finished Goods	78.63	109.33
Stores and Spares { includes in transit ₹ 81.40 lacs (Previous Year ₹ 24.44 lacs)}	1,289.95	1,838.85
	<u>2,329.80</u>	<u>2,986.06</u>
<b>18 : Trade receivables</b>		
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
- Secured, Considered Good	0.84	2.50
- Unsecured, Considered Good	305.78	332.83
Doubtful	7.67	198.71
Less: Allowances for doubtful trade receivables	<u>7.67</u>	<u>198.71</u>
	306.62	335.33
Other trade receivables		
- Secured, Considered Good	21.90	17.23
- Unsecured, Considered Good	<u>2,168.81</u>	<u>2,287.28</u>
	<u>2,497.33</u>	<u>2,304.51</u>
		<u>2,639.84</u>

PARTICULARS	As at 31 March 2013 (₹ In lacs)	As at 31 March 2012 (₹ In lacs)
<b>19 : Cash and bank balances</b>		
<b>Cash and cash equivalents</b>		
a) Balances with banks		
- In current accounts	96.40	79.31
- In Fixed Deposits	30.00	---
b) Held as margin money		
- Deposit with maturity of less than three months	7.70	10.00
c) Cheques, drafts on hand	22.09	17.95
d) Cash on hand	<u>30.49</u>	<u>36.13</u>
	186.68	143.39
<b>Other Bank Balances</b>		
Held as margin money		
-Deposits with maturity more than three months but less than twelve months	252.94	159.31
-Deposits with more than twelve months maturity	0.45	0.45
	<u>440.07</u>	<u>303.15</u>
Less: Amounts disclosed as other non current assets (refer note 15)	0.45	0.45
	<u>439.62</u>	<u>302.70</u>
<b>20 : Short term loans and advances</b>		
(Unsecured, considered good, unless otherwise stated)		
Intercompany deposits	270.00	300.00
Balance with Government authorities	276.94	391.42
Advances to suppliers	194.58	214.50
Loans and advances to employees	18.46	27.10
Prepaid expenses	75.30	63.73
Security deposits	0.07	2.67
Interest receivables		
- interest accrued on deposit held as margin money / security	19.35	13.07
- others	38.84	53.40
Other recoverables :		
- considered good	30.45	25.91
- doubtful	2.57	1.43
	<u>33.02</u>	<u>27.34</u>
Less: Allowances for Doubtful Advances	2.57	1.43
	<u>30.45</u>	<u>25.91</u>
	<u>923.99</u>	<u>1,091.80</u>

**21 : Revenue from operations**

PARTICULARS	For the year ended 31 March 2013 (₹ In lacs)	For the year ended 31 March 2012 (₹ In lacs)
Sale of products	35,708.25	28,535.69
Other operating revenues :		
- Export incentives	32.96	53.26
- Miscellaneous sales	210.22	174.45
Revenue from operations (gross)	<u>35,951.43</u>	<u>28,763.40</u>
Less : Excise duty	1,624.06	1,179.33
Revenue from operations (net)	<u>34,327.37</u>	<u>27,584.07</u>
<b>Details of products sold :</b>		
<b>a) Manufactured goods</b>		
Paper	32,629.48	26,368.78
Soda Ash	2,859.04	2,165.92
Total - sale of manufactured goods	<u>35,488.52</u>	<u>28,534.70</u>

PARTICULARS	For the year ended		For the year ended	
	31 March 2013 (₹ In lacs)		31 March 2012 (₹ In lacs)	
<b>b) Traded goods</b>				
Paper		219.73		----
Other Dyes & Chemicals		----		0.99
	Total - sale of traded goods	<u>219.73</u>		<u>0.99</u>
	Total - sale of products	<u>35,708.25</u>		<u>28,535.69</u>
<b>22 : Other income</b>				
Interest received :				
	from Banks (Gross) (Tds ₹ 2.23 lac, previous year ₹ 1.32 lac)	20.74		13.32
	from Others (Gross) (Tds ₹ 4.98 lac, previous year ₹ 1.75 lac)	67.68		50.31
	Gain on foreign currency transactions	33.41		47.52
	Excess Allowance of doubtful trade receivables written back	191.81		---
	Sundry Balances written back	4.76		29.98
	Provisions no longer required written back	0.67		30.28
<b>Other non-operating income</b>				
	Rent received	0.32		0.31
	Dividend income			
	From Non current investments	0.03		0.03
	Net gain on sale of current investments	----		0.59
	Miscellaneous	0.18		2.43
		<u>319.60</u>		<u>174.77</u>
<b>23 : Cost of material consumed</b>				
	Waste paper	69.45		61.35
	Wood Pulp	1,757.18		1,436.11
	Straws/Grasses	4,532.37		4,290.32
	Caustic Lye	6,951.38		5,024.61
	Chlorine	158.80		229.35
	Other dyes and chemicals	2,785.03		2,320.04
		<u>16,254.21</u>		<u>13,361.78</u>
<b>24 : Purchase of stock-in-trade</b>				
	Paper	191.77		.....
	Other dyes and chemicals	.....		0.94
		<u>191.77</u>		<u>0.94</u>
<b>25 : Changes in inventories of finished goods, work-in-progress and stock in trade</b>				
Inventories at the beginning of the year				
	Work-in-progress	165.60		222.94
	Finished goods	<u>109.33</u>	274.93	<u>152.32</u>
				375.26
Inventories at the end of the year				
	Work-in-progress	165.61		165.60
	Finished goods	<u>78.63</u>	244.24	<u>109.33</u>
			<u>30.69</u>	<u>100.33</u>

PARTICULARS	For the year ended 31 March 2013 (₹ In lacs)		For the year ended 31 March 2012 (₹ In lacs)	
	Qty (MT)	Amount	Qty (MT)	Amount
<b>Details of inventory :</b>				
Work-in-progress				
Paper		149.26		150.21
Soda Ash		16.35		15.39
		<u>165.61</u>		<u>165.60</u>
Finished goods				
Paper	46	15.19	325	102.28
Soda Ash	659	63.44	83	7.05
		<u>78.63</u>		<u>109.33</u>
<b>26 : Employees benefit expenses</b>				
Salaries and wages		2,779.09		2,194.86
Contribution to provident and other funds		273.42		230.69
Staff welfare expense		76.29		62.51
		<u>3,128.80</u>		<u>2,488.06</u>
<b>27 : Finance costs</b>				
Interest expense				
On Borrowings		606.79		518.36
On Others		19.07		26.25
Other borrowing costs		74.51		76.38
Loss on foreign currency transactions		---		4.14
		<u>700.37</u>		<u>625.13</u>
<b>28 : Other expenses</b>				
Consumption of stores and spares		381.29		301.29
Power and fuel		8,600.18		7,189.29
Consumption of packing material		716.23		580.33
Repairs and maintenance to machinery		1,082.95		736.80
Rent		6.78		6.61
Repairs and maintenance to buildings		66.79		43.94
Insurance		44.27		38.50
Rates and taxes		60.50		52.30
Directors' Fee		2.83		1.77
Payment to Auditors				
Audit fee		2.50		2.50
Tax audit fee		0.75		0.75
Reimbursement of expenses		1.23		0.81
In other capacity		0.66		0.86
Bad Debts written off		247.73		1.47
Allowances for doubtful trade receivables and advances		1.92		0.69
Prior period items (Net)		0.01		2.99
Adjustment to carrying amount of Current Investments		0.79		1.41
Loss on Foreign currency transactions		38.34		38.27
Net loss on sale of fixed assets		0.09		5.32
Miscellaneous expenses		935.51		886.58
		<u>12,191.35</u>		<u>9,892.48</u>

**29 : Contingent liabilities and provisions ( to the extent not provided for )****I Contingent Liabilities**

	PARTICULARS	As at 31 March 2013 ₹ In lacs	As at 31 March 2012 ₹ In lacs
(i)	Claims against Company not acknowledged as debt.	1052.25	1052.25
(ii)	Bank Guarantees and Letters of credit outstanding	1093.94	809.28

**II Commitments**

i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 147.84 lacs (Previous year ₹ 33.37 lacs)

ii) The company has executed bonds for an aggregate amount of ₹ Nil (Previous Year ₹ 15.00 lacs) in favour of President of India under section 56(2) and 67 of the Customs Act, 1962 and Central Excise and Salt Act, 1944, for fulfillment of the obligation under the said Acts.

**30 :** a) The company has contested the additional demand in respect of excise duty amounting to ₹ 1119.12 lacs (Previous years ₹ 1119.12 lacs). As against this, a sum of ₹ 93.76 lacs (Previous year ₹ 61.90 lacs) is deposited under protest and has been included under the head 'Long Term Loans and Advances'. The company has filed an appeal/petition 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.

b) The company has contested the additional demand in respect of Income Tax amounting to ₹ 6.53 lacs (Previous year 46.90 lacs). Pending appeal with appellate authorities, no provision has been made in the books of account as the company is hopeful to get the desired relief in appeal. As against this a sum of ₹ 2.00 lacs (Previous year ₹ 23.50 lacs) is deposited under protest

**31 :** 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 (Accounting Standards) Rules 2006 are not applicable.

**32 :** The amount of ₹ 1624.06 lacs (Previous year ₹ 1179.33 lacs) 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 ₹ (0.07) lacs ( Previous year ₹ (0.38) lacs) recognised in statement of profit and loss and shown under Miscellaneous expenses in note no. 28 other expenses is relatable to difference between closing inventory and opening inventory.

**33 : Earning Per Share :**

PARTICULARS	As at 31 March 2013	As at 31 March 2012
Net profit attributable to equity share holders (₹ In lacs)	778.82	227.92
No. of weighted average equity shares outstanding during the period.	13824550	13824550
The aggregate of the weighted average no. of equity shares and weighted average no. of dilutive potential equity shares.	----	----
Normal value of equity shares	₹ 10/-	₹ 10/-
Earning per share - Basic	₹ 5.63	₹ 1.65
--Diluted	₹ 5.63	₹ 1.65

**34 :** 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.

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

PARTICULARS		For the year ended 31 March 2013 ₹ in Lacs	For the year ended 31 March 2012 ₹ in Lacs
Prior period income			
(i)	Others	4.19	0.97
<b>Total</b>		<b>4.19</b>	<b>0.97</b>
Prior period expenses			
(i)	Cost of Material Consumed	0.08	0.00
(ii)	Other expenses	2.61	2.90
(iii)	Financial costs	0.30	0.06
(iv)	Employee Benefit expenses	1.21	1.00
<b>Total</b>		<b>4.20</b>	<b>3.96</b>
Prior period items (Net)		<b>(0.01)</b>	<b>(2.99)</b>

**36 :** 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 :

Sr. No.	PARTICULARS	(₹ in lac)	
		As at 31 March, 2013	As at 31 March, 2012
(i)	Principal amount due and remaining unpaid	40.59	33.32
(ii)	Interest due on (1) above and the unpaid interest	---	---
(iii)	Interest paid on all delayed payments under the MSMED Act	---	---
(iv)	Payments made beyond the appointed day during the year	---	---
(v)	Interest due and payable for the period of delay other than (3) above	---	---
(vi)	Interest accrued and remaining unpaid	---	---
(vii)	Amount of further interest remaining due and payable in succeeding years	---	---

**37 :** Intangible assets comprises of software have been amortized @ 20% on straight line basis as the useful life thereof has been estimated to be not more than five years.

**38 : 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 31 March 2013 are as under :

PARTICULARS	Current Year		Previous Year	
	No. of Contracts	Amount of Foreign Currency	No. of Contracts	Amount of Foreign Currency
Forward Contract against imports (USD)	1	174163	---	---

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

PARTICULARS	As at 31 March 2013		As at 31 March 2012	
	USD	GBP	USD	GBP
Against Creditors	291850	---	223634	32000
Against Bank Borrowings	1192136	---	---	---

**39** : 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 ₹ 6.77 lac (previous year ₹6.55 lac.)

The future minimum lease payment in respect of non cancellable operating lease as at 31<sup>st</sup> March, 2013 for each of the following periods,

(₹ In lac)

PARTICULARS	As at 31 March 2013	As at 31 March 2012
Not Later than one year	2.72	5.41
Later than one year but not later than five years	4.08	---
Later than five years	---	---

**40** : 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)

	As at 31.03.2013		As at 31.03.2012	
	GRATUITY (Funded)	LEAVE ENCASHMENT (Un-funded)	GRATUITY (Funded)	LEAVE ENCASHMENT (Un-funded)
Present Value of obligation as at beginning of the year	812.32	99.20	751.89	104.00
Interest Cost	64.38	6.32	63.76	7.32
Current Service Cost	60.04	62.88	48.72	49.24
Benefits Paid	(54.29)	(44.24)	(36.13)	(39.66)
Actuarial loss/(gain) on obligations	142.11	(12.97)	(15.92)	(21.70)
Present Value of obligation as at close of the year	1024.56	111.19	812.32	99.20

(b) Change in Fair value of Plan Assets

(₹ In lac)

	31.03.2013	31.03.2012
	GRATUITY (Funded)	GRATUITY (Funded)
Fair Value of Plan Assets as at beginning of the year	185.08	153.73
Expected return on Plan Assets	23.18	14.85
Employer's Contributions	184.78	56.05
Benefits Paid	(52.51)	(38.85)
Actuarial (Loss)/gain on obligations	(2.53)	(0.70)
Fair Value of Plan Assets as at close of the year	338.00	185.08

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

## (c) Amount recognized in Balance Sheet

(₹ In lac)

	As at 31.03.2013		As at 31.03.2012	
	GRATUITY (Funded)	LEAVE ENCASHMENT (Un funded)	GRATUITY (Funded)	LEAVE ENCASHMENT (Un funded)
Estimated Present value of obligations as at the end of the year	1024.56	111.19	812.32	99.20
Fair value of Plan Assets as at the end of the year	338.00	---	185.08	---
Unfunded Net Liability recognized in Balance Sheet	686.56	111.19	627.24	99.20

## (d) Expenses Recognized in Statement of Profit and loss

(₹ In lac)

	As at 31.03.2013		As at 31.03.2012	
	GRATUITY (Funded)	LEAVE ENCASHMENT (Un-funded)	GRATUITY (Funded)	LEAVE ENCASHMENT (Un-funded)
Current Service Cost	60.04	62.88	48.72	49.24
Interest Cost	64.38	6.32	63.76	7.32
Expected return on Plan Assets	(23.18)	---	(14.85)	---
Net Actuarial (Gain)/Loss recognized in the year	144.64	(12.97)	(15.22)	(21.70)
Total expenses recognized in profit and loss account	245.88	56.23	82.41	34.86

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

	As at 31.03.2013		As at 31.03.2012	
	GRATUITY (Funded)	LEAVE ENCASHMENT (Un-funded)	GRATUITY (Funded)	LEAVE ENCASHMENT (Un-funded)
Discount Rate	8.65%	8.65%	8.65%	8.65%
Expected rate of return on Plan Assets	9.25%	N.A.	9.15%	N.A.
Expected Rate of Salary Increase	5.50%	5.50%	5.50%	5.50%
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:

	Current year (₹ In lac)	Previous year (₹ In lac)
(i) Short term leave encashment liability as on 31.03.2013	83.17	58.54
(ii) Contribution to Provident Fund	180.59	150.80

(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.

**41** : 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  
Relatives of Key Management Personnel:

Mrs. N.K. Oswal, Mrs. Preeti Oswal, Mrs. Shika Oswal  
Mrs. Neera, Ms Namita, Ms Swati

**b) ASSOCIATE** Adinath Textiles Limited

**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 Private Limited  
Adeep Investment Company.  
Virat Investment & Mercantile Company

No transaction carried out during the year with the enterprises stated above.

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

(₹ In lac)

Nature of transactions During the year	Associate		Key Management Personnel (KMP)		Relatives of Key Management Personnel (KMP)	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Remuneration	---	---	<b>268.43</b>	<b>241.93</b>	<b>17.75</b>	<b>6.98</b>
Interest Received	---	---	---	---	---	---
Interest Paid	---	---	<b>2.19</b>	<b>2.74</b>	<b>7.55</b>	<b>6.99</b>
Debts Due	<b>3.73</b>	<b>3.73</b>	---	---	---	---
Fixed deposits taken (including Opening Balance)	---	---	<b>50.84</b>	<b>58.88</b>	<b>85.55</b>	<b>75.99</b>
Fixed deposit repaid	---	---	---	10.00	---	---
Closing balance of fixed deposit	---	---	<b>50.84</b>	<b>48.88</b>	<b>85.55</b>	<b>75.99</b>

(i) No allowance for doubtful debts is required to be made for the year in respect of debt due from related parties if any.

(ii) The related party relationship is as identified by the Company and relied upon by the auditors.

**42** : The figures in brackets represent deductions.

**43** : The information required by the paragraph 5 of general instructions for preparation of the Statement of Profit and Loss as per Revised Schedule VI of the Companies Act, 1956

		Current year	Previous year	
<b>(A) C. I. F. VALUE OF IMPORTS</b>				
Raw Material	₹ lacs	1563.24	1276.72	
Components Stores & Spare Parts	₹ lacs	136.02	40.77	
Capital Goods	₹ lacs	0.00	859.99	
<b>(B) EXPENDITURE IN FOREIGN CURRENCY</b>				
Travelling	₹ lacs	44.73	21.63	
Interest	₹ lacs	6.46	1.35	
Others	₹ lacs	48.67	23.52	
<b>(C) F. O. B. VALUE OF EXPORT</b>				
	₹ lacs	741.98	924.66	
<b>(D) VALUE OF RAW MATERIAL COMPONENTS AND SPARE PARTS CONSUMED</b>				
	Amount ₹ In lac	%age	Amount ₹ In lac	%age
Raw Material				
Imported	1780.01	10.95	1468.46	10.99
Indigenous	14474.20	89.05	11893.32	89.01
	<u>16254.21</u>	<u>100.00</u>	<u>13361.78</u>	<u>100.00</u>
Components Spare Parts				
Imported	56.39	4.50	39.66	4.67
Indigenous	1196.03	95.50	809.33	95.33
	<u>1252.42</u>	<u>100.00</u>	<u>848.99</u>	<u>100.00</u>

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



Regd. Office : Village Bholapur, P.O. Sahabana  
Chandigarh Road, Ludhiana - 141 123.

**PROXY FORM**  
**ANNUAL GENERAL MEETING**

I/We.....of.....  
in the district of..... being a member/members of the above named  
Company, hereby appoint.....of.....in the district of.....or failing  
him.....of.....in the district of..... as my/our proxy to attend and vote for  
me/us on my/our behalf at the 33<sup>rd</sup> ANNUAL GENERAL MEETING of the Company being held  
on Friday, the 30th August, 2013 at 11.00 a.m. or at any adjournment there of.  
signed this.....day of.....2013.

AFFIX  
RS. 1/-  
Revenue  
Stamp

Address.....  
.....  
.....

- 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.

..... CUT HERE .....

**SHREYANS INDUSTRIES LIMITED**  
**ATTENDANCE SLIP**

I here by record my presence at the 33<sup>rd</sup> ANNUAL GENERAL MEETING of the Company being held on Friday, the 30th August, 2013 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.

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