

# 75<sup>th</sup> annual report 2015-16



**SAYAJI**  
Sayaji Industries Limited

# SteamTech<sup>®</sup> 2016

9TH NATIONAL CONFERENCE ON BOILER & STEAM SYSTEMS

FEBRUARY 19-20, 2016 • J. B. AUDITORIUM, AMA, AHMEDABAD

## CERTIFICATE OF AWARD

FOR BOILER USER INDUSTRY (POWER PLANT) : 2014-2015

This is to certify that

M/s. MAIZE PRODUCTS, AHMEDABAD

has been selected as

**BEST BOILER USER INDUSTRY (POWER PLANT) : 2014-2015**

during

**SteamTech 2016**, the 9th National Conference on Boiler & Steam Systems,

organised by Saket Projects Limited

held on

19th - 20th February, 2016

and has been Awarded **3rd Prize**

*D. L. Pandya*

Date : February 19, 2016

Place : Ahmedabad

D. L. Pandya  
Conference Convener

ORGANISER

**SĀKET**  
PROJECTS LTD.

**SAYAJI  
INDUSTRIES  
LIMITED**

**CIN**  
L99999GJ1941PLC000471

**COMPANY INFORMATION**  
**CHAIRMAN AND MANAGING DIRECTOR**  
Mr. Priyam B. Mehta

**EXECUTIVE DIRECTORS**  
Mr. Varun P. Mehta  
Mr. Vishal P. Mehta

**NON EXECUTIVE DIRECTOR**  
Mrs. Sujata P. Mehta

**NON EXECUTIVE INDEPENDENT DIRECTORS**  
CA Mahendra N. Shah  
Dr. Gaurang K. Dalal  
Dr. Janak D. Desai  
CA Chirag M. Shah

**BOARD COMMITTEES**

**AUDIT COMMITTEE**  
CA Chirag M. Shah - Chairman  
CA Mahendra N. Shah  
Mr. Priyam B. Mehta  
Dr. Gaurang K. Dalal

**NOMINATION AND REMUNERATION COMMITTEE**  
CA Mahendra N. Shah - Chairman  
CA Chirag M. Shah  
Dr. Janak D. Desai

**STAKEHOLDERS RELATIONSHIP COMMITTEE**  
CA Mahendra N. Shah - Chairman  
Dr. Gaurang K. Dalal  
Mr. Varun P. Mehta  
Mr. Vishal P. Mehta

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**  
Mr. Varun P. Mehta - Chairman  
Dr. Gaurang K. Dalal  
Dr. Janak D. Desai  
Mrs. Sujata P. Mehta

**COMPANY SECRETARY**  
Mr. Rajesh H. Shah  
B. Com., LL.B., A.C.S.

**AUDITORS**  
M/s. Deloitte Haskins & Sells,  
Chartered Accountants, Ahmedabad.

**LEGAL ADVISORS**  
M/s. Nanavati & Nanavati,  
Advocates,  
Ahmedabad.

**BANKERS**  
Punjab National Bank

**REGISTERED OFFICE**  
P.O. Kathwada-Maize Products,  
Ahmedabad - 382 430.  
Tel. : +91 79-22901581 to 85  
Fax : +91 79-22902424  
E-mail : maize@sayajigroup.in  
Web site : www.maizeproducts.com

**REGISTRAR AND TRANSFER AGENTS**  
Karvy Computershare Private Limited.  
Karvy Selenium Tower B, Plot 31-32,  
Gachibowli Financial District,  
Nanakramguda, Hyderabad - 500032  
Phone: 040-44655000/040-44655188  
e-mail : einward.ris@karvy.com

**FACTORY**  
P.O. Kathwada,  
Maize Products,  
Ahmedabad - 382430,  
Gujarat.

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**75<sup>th</sup> Annual General Meeting on Tuesday, 13<sup>th</sup> September, 2016 at 9.00 a.m. at Bhuriba Lallubhai Mehta Primary School, P. O. Kathwada, Maize Products, Ahmedabad - 382430.**

## NOTICE

Notice is hereby given that the seventy fifth annual general meeting of Sayaji Industries Limited will be held at Bhuriba Lallubhai Mehta Primary School, P.O.Kathwada - Maize Products, Ahmedabad - 382430 on Tuesday, 13<sup>th</sup> September, 2016 at 9.00 a.m.. to transact the following business :

### ORDINARY BUSINESS :

1. To consider and adopt the balance sheet as at 31<sup>st</sup> March, 2016 and the statement of profit and loss of the company for the year ended on that date and the report of directors and auditors thereon.
2. To declare a dividend on equity shares of the company for the year ended 31<sup>st</sup> March, 2016.
3. To appoint a director in place of Mrs. Sujata P. Mehta (holding DIN 00037746), who retires by rotation and being eligible offers herself for reappointment.
4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ordinary resolution** :

"RESOLVED THAT pursuant to provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and rules framed thereunder, as amended from time to time, appointment of M/s Deloitte Haskins & Sells, Chartered Accountants, Ahmedabad (FRN 117365W) who were appointed as the Auditors of the company to hold the office from the conclusion of 73<sup>rd</sup> annual general meeting till the conclusion of 76<sup>th</sup> annual general meeting of the company to be held in the year 2017 at a remuneration to be decided by the audit committee/ board of directors from time to time and as agreed to by the auditors be and is hereby ratified."

### SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to provisions of section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s Dalwadi and Associates, Cost Accountants (FRN - 000338) appointed as Cost Auditors by the board of directors of the company to audit the cost records of the company for the financial year 2016-17, be paid a remuneration of Rs.1,00,000/- (Rupees one lac only) plus service tax and out of pocket expenses."

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

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

"RESOLVED THAT pursuant to provisions of sections 73, 76 and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the company be and is hereby accorded to invite and accept deposits from general public and shareholders of the company."

"FURTHER RESOLVED THAT board of directors of the company be and is hereby authorised to prepare a circular or a circular in the form of advertisement in the form prescribed under the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) for inviting and accepting the deposits from general public and shareholders of the company and file the same with the office of the registrar of companies for registration thereof duly signed by the majority of the directors of the company and one month thereafter issue the circular or circular in the form of an advertisement in English language in English newspaper having contrywide circulation and in vernacular language in one vernacular newspaper having wide circulation in Gujarat State and a copy of the same be uploaded on the web-site of the company."

"FURTHER RESOLVED THAT the board of directors of the company be and is hereby authorised to determine whether to invite and accept secured or unsecured deposits and the board be and is hereby further authorised to create necessary security in favour of deposit holders in case it decides to accept secured deposits and execute necessary documents and comply with necessary formalities in this regards."

"FURTHER RESOLVED THAT the board of directors of the company be and is hereby further authorised to take all the steps to comply with the requirements of the provisions of section 73, 76 and other applicable provisions of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) before inviting and accepting deposits from general

public and shareholders of the company and do all the necessary acts and things to ensure that all the compliances are done as required by the said act and rules.”

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as **a special resolution** :

“RESOLVED THAT pursuant to the provisions of sections 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for time being in force) read with Schedule V to the said act as amended from time to time, consent of the members of the company be and is hereby accorded to payment of remuneration upto ₹.84,00,000/- per annum as mentioned in the draft supplemental agreement to be executed with Mr. Priyam B. Mehta, for the remaining tenure of his appointment as the managing director from 12<sup>th</sup> August, 2016 to 11<sup>th</sup> August, 2018.”

“FURTHER RESOLVED THAT all other terms and conditions of his appointment shall remain valid and unchanged and the board of directors be and is hereby authorised to alter and vary such terms of his remuneration so as not to exceed the limits specified in Schedule V to the Companies Act, 2013.”

“FURTHER RESOLVED THAT the board of directors of the company be and is hereby authorized to take such steps as may be necessary to give effect to this resolution.”

8. To consider and if thought fit, to pass with or without modification(s) the following resolution as **a special resolution** :

“RESOLVED THAT pursuant to the provisions of sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for time being in force) read with Schedule V to the said act as amended from time to time, consent of the members of the company be and is hereby accorded to the terms and conditions as contained in the draft

agreement to be executed with Mr. Vishal P. Mehta for his reappointment as the executive director of the company with effect from 26<sup>th</sup> July, 2016 to 31<sup>st</sup> March, 2021.”

“FURTHER RESOLVED THAT the consent of the company be and is hereby accorded to the terms and conditions including remuneration payable to Mr. Vishal P. Mehta, the executive director for the period of three years from 26<sup>th</sup> July, 2016 to 25<sup>th</sup> July, 2019 as contained in the draft agreement to be entered into with him as approved by the remuneration committee and the board of directors at their respective meetings held on 30<sup>th</sup> May, 2016 ensuring that the remuneration to be paid to Mr. Vishal P. Mehta shall not exceed the limits prescribed under Schedule V to the Companies Act, 2013 .”

“FURTHER RESOLVED THAT his office shall be liable to determination by retirement of directors by rotation and if he is reappointed as a director, immediately on his retirement by rotation, he shall continue to hold the office of the executive director and such reappointment as a director shall not be deemed to constitute a break in his appointment as the executive director.”

FURTHER RESOLVED THAT the board of directors of the company be and is hereby authorised to execute the agreement with Mr. Vishal P. Mehta the executive director of the company and to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable, and to settle any question or doubt that may arise in relation thereto and the board of directors be and is hereby also authorised to alter and vary such terms of appointment and remuneration of Mr. Vishal P. Mehta so as not to exceed the limits specified in Schedule V to the Companies Act, 2013.”

**By order of the Board of Directors**

Rajesh H. Shah  
Company Secretary

Place : Ahmedabad  
Date : May 30, 2016

**DETAILS OF DIRECTORS SEEKING REAPPOINTMENT AT THE 75<sup>TH</sup> ANNUAL GENERAL MEETING OF THE COMPANY.**

In terms of section 149,152 and other applicable provisions of the Companies Act, 2013 for the purpose of determining the directors liable to retire by rotation, the independent directors shall not be included in the total number of directors of the company. Mrs. Sujata P. Mehta shall accordingly retire at the forthcoming annual general meeting and being eligible offers herself for reappointment.

Mrs. Sujata P. Mehta was appointed as the director on the board of directors of the company at the annual general meeting of the company held on 26<sup>th</sup> July, 2014. Mrs. Sujata P. Mehta is a B.A. from Mumbai University. She is looking after the ceramic division of the company and is also managing the affairs of a IATA approved travel agency since last two decades.

Mrs. Sujata P. Mehta is a director in N.B. Commercial Enterprise Ltd., Viva Texchem Private Ltd., and Varun Travels Private Ltd. Mrs. Sujata P. Mehta is holding 14221 equity shares in the company and she is a member of corporate social responsibility committee of the company.

Pursuant to the requirements of the provisions of section 149 of the Companies Act, 2013, the company is required to appoint a woman director on its board of directors and to comply with this requirement, she was appointed as a director on the board of directors of the company and her office expires at the ensuing annual general meeting of the company.

Mrs. Sujata P. Mehta is interested in the resolution as it concerns her appointment. Mr. Priyam B. Mehta, Mr. Varun P. Mehta and Mr. Vishal P. Mehta being related to Mrs. Sujata P. Mehta may also be regarded as concerned or interested in the appointment of Mrs. Sujata P. Mehta. No other directors, key managerial personnel of the company and their relatives are concerned or interested, financially or otherwise, in the appointment of Mrs. Sujata P. Mehta.

**By order of the Board of Directors**

Rajesh H. Shah  
**Company Secretary**

Place : Ahmedabad  
Date : May 30, 2016

## Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF COMPANY MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION AND AUTHORITY.**
2. The explanatory statement pursuant to section 102 of the Companies Act, 2013 which sets out details relating to special business at the meeting is annexed hereto.
3. The register of members and share transfer books of the company will remain closed from Thursday, the 8<sup>th</sup> September, 2016 to Tuesday, the 13<sup>th</sup> September, 2016 (both days inclusive).
4. The dividend on shares, if sanctioned by the annual general meeting, will be payable at specified branches of Axis Bank Limited, in India from 24<sup>th</sup> September, 2016, by dividend warrants valid for a period of three months to those shareholders whose names appear on the register of members of the company on 7<sup>th</sup> September, 2016. Thereafter, the dividend shall be paid by account payee cheques only from the registered office of the company at P.O. Kathwada, Maize Products, Ahmedabad – 382 430.
5. Pursuant to section 124 (5) of the Companies Act, 2013, all unclaimed/unpaid dividends in respect of the company's accounting year ended March 31, 2009 will be transferred to the investor education and protection fund (IEPF) set up by the government of India pursuant to section 124 (5) of the Companies Act, 2013, within 30 days from 8<sup>th</sup> October, 2016. Members are requested to make their claim to the company for unclaimed/unpaid dividend for the year 2008-2009 before 8<sup>th</sup> October, 2016.  
  
The Ministry of Corporate Affairs (MCA) on 10<sup>th</sup> May, 2012 notified the IEPF (Uploading of Information Regarding Unpaid and Unclaimed Amount lying with Companies) Rules, 2012 (IEPF Rules), which is applicable to the company. The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. In terms of the said IEPF rules, the company has uploaded the information in respect of the unclaimed dividend in respect of the financial year from 2006, as on the date of the 74<sup>th</sup> annual general meeting held on 13<sup>th</sup> August, 2015, on the web-site of IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in).
- Members who have not yet encashed their dividend warrant(s) for the financial year ended on 31<sup>st</sup> March, 2010 and onwards, are also requested to make their claims to the company immediately at the registered office.
6. Members are requested to note that equity shares of the company are dematerialized and ISIN of the company is INE327G01016. The shareholders having their accounts with DPs having connectivity with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd (CDSL) may submit their shares for dematerialization to their respective DPs.
7. The company has appointed M/s Karvy Computershare Private Limited as the registrar and transfer agents for carrying out all the work relating to transfer, transmission, issue of duplicate share certificates in lieu of misplaced/ lost certificates, change of address etc., to establish connectivity with NSDL and CDSL and to process the Demat/ Remat requests received from the DPs with whom members have opened their respective beneficiary accounts. The Members are requested to send all their requests for share transfer, transmission, issue of duplicate share certificates, change of address etc. to **M/s Karvy Computershare Private Limited at Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500032.**
8. Members are requested to quote their folio numbers/ beneficiary account numbers in all their correspondence.
9. Members desirous of obtaining any information concerning the accounts of the company are requested to send their queries to the company secretary at least 7 days before the date of the meeting so that the information referred by the members may be made available at the meeting.
10. Electronic copy of the annual report for the year 2015-16 is being sent to all the members whose e-mail IDs are registered with the company/ depository participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the annual report for the year 2015-16 is being sent by post/ courier.
11. Members are requested to notify their bank account number to the company/ M/s Karvy Computershare Private Limited so as to ensure the smooth process of payment of dividend. Change, if any, in the bank account number should also be informed to the company/ M/s Karvy Computershare Private Limited at the earliest.

12. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the company is pleased to provide members facility to exercise their right to vote at the 75<sup>th</sup> annual general meeting by electronic means. The company has appointed M/s Karvy Computershare Private Limited for facilitation e-voting to enable the members to cast their votes electronically. The instruction and other information relating to e-voting are enclosed in a separate letter sent with this notice.
13. All documents referred to in the accompanying notice and the explanatory statement shall be open for inspection at the registered office of the company during normal business hours (9.30 a.m. to 5.00 p.m.) on all working days, up to and including the date of the annual general meeting of the company.

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF SPECIAL BUSINESS**

#### **Item no.5**

The Board, on the recommendations of the Audit Committee has approved the re-appointment of M/s Dalwadi and Associates, Cost Accountants (FRN - 000338) as cost auditor at a remuneration of Rs 1,00,000/- (Rupees One Lac only) plus service tax and out of pocket expenses as applicable to conduct the audit of the cost records of the company for the financial year ending 31<sup>st</sup> March, 2017.

In accordance with the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the company.

Accordingly, consent of the members is sought for passing an ordinary resolution as set out at item no. 5 of the notice for ratification of the remuneration payable to the cost auditors for the financial year ending 31<sup>st</sup> March, 2017.

Certificate dated May 14, 2016 issued by the above firm regarding their eligibility for appointment as cost auditors will be available for inspection at the registered office of the company during 9.30 a.m. to 5.00 p.m. on all working days and shall also be available at the annual general meeting of the company.

None of the directors and key managerial personnel of the company and their relatives are concerned or interested, financially or otherwise in the resolution set out at item no. 5.

The Board recommends the resolution as set out at item no.5 of the notice for approval of the members.

#### **Item no.6**

The Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014 allows the company to invite and accept deposits to the extent of 25% of its paid up capital and free reserves from general public and to the extent of 10% of its paid up capital and free reserves

from its shareholders after passing a resolution at the annual general meeting of the company and after complying with various requirements as mentioned in section 73 and section 76 of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force). The consent of the members of the company is accordingly sought for the purpose of inviting and accepting deposits by way of passing an ordinary resolution as mentioned in item no.6.

It is also proposed to authorize the board of directors of the company to invite and accept secured or unsecured deposits and take all the necessary steps to ensure compliance of the provisions of section 73 and 76 of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) for the purpose of accepting and inviting such deposits from general public and shareholders as aforesaid and for the purpose of filing a circular or circular in the form of advertisement with registrar of companies before one month of issuance of such circular or advertisement and subsequently issuance of such circular or advertisement in the manner as indicated in the resolution.

None of the directors and key managerial personnel of the company and their relatives are concerned or interested, financially or otherwise in the resolution set out at item no.6.

#### **Item No.7**

Mr. Priyam B. Mehta has more than 3 decades of experience in the starch industry and he has been actively involved in the day-to-day management of the company. There has been commendable growth in the company since he has taken over the management of the company with his late father Mr. Bipin V. Mehta.

Members of the company at their annual general meeting held on 14<sup>th</sup> August, 2013 approved reappointment of Mr. Priyam B. Mehta as the managing director of the company for the period of 5 years with effect from 12<sup>th</sup> August, 2013 to 11<sup>th</sup> August, 2018 by way of special resolution. The Central Government granted its approval to the appointment of Mr. Priyam B. Mehta as the managing director of the company for the period of 5 years as aforesaid vide its letter dated 13/3/14. The Central Government also approved his remuneration for the period of three years from 12/8/13 to 11/8/16 vide the same letter as mentioned above.

The nomination and remuneration committee and the board of directors of the company at their respective meetings held on 30<sup>th</sup> May, 2016 approved the following remuneration to Mr. Priyam B. Mehta as the managing director of the company for the remaining tenure of his appointment from 12<sup>th</sup> August 2016 to 11<sup>th</sup> August, 2018 and approval of the members of the company is sought to the same in terms of the provisions of section 197, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said act as may be amended from time to time:

- a) Salary : Up to ₹.6,00,000/- per month as approved by the board from time to time and as permissible under Schedule V to the Companies Act, 2013.
- b) Perquisites : Including residential accommodation, furniture, furnishings and fixtures, gas, electricity, water, medical benefits in India or overseas, leave and leave travel facilities, employees stock option schemes etc. as may be approved by the board of directors from time to time. Such perquisites may also be provided by way of cash allowances in lieu thereof wherever appropriate. The said perquisites and allowances shall be evaluated wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules made there under or any statutory modification(s) or re-enactment thereof and in absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

Company's contribution to provident fund, superannuation or annuity fund, gratuity payable and encashment of leave, as per the rules of the company and to the extent not taxable under the Income Tax Act, shall not be included for the purpose of computation of the overall ceiling of remuneration.

Salary and monetary value of perquisites shall be within the overall ceiling on remuneration under the provisions of section 197, 203 and other applicable provisions of the Companies Act, 2013 and Schedule V to the said act as may be amended from time to time.

- c) Commission : Within the overall ceiling on remuneration of 5% and 10% of the net profits of the company computed in the manner laid down under Section 197 of the Companies Act, 2013 in each year.
- d) The managing director shall be allowed reimbursement of entertainment, travelling, lodging and boarding including for his spouse during his business trips, any medical assistance provided including for his family members and provision of cars for use on company's business and telephone expenses at residence and the same shall not be considered as perquisites.
- e) The managing director shall not so long as he functions as such be paid any sitting fees for attending the meetings of the board of directors or committee thereof.
- f) The remuneration referred to above is subject to the limits of 5% and 10% of the net profits of the company as laid down in section 197 of the Act and subject further to the overall limit of 11% prescribed in the said section. Notwithstanding anything herein contained, where in any financial year during the period of his office as the managing director, the company has no profits or its profits are inadequate, the company may, subject to the requisite approvals, if any, pay to Mr. Priyam B. Mehta remuneration by way of salary, allowances, perquisites not exceeding the maximum limits laid down in Schedule V to the Companies Act 2013 as may be agreed to by the board of directors and Mr. Priyam B. Mehta.

All other terms and conditions of the agreement entered into with Mr. Priyam B. Mehta remains the same and valid for the remaining tenure of his appointment till 11<sup>th</sup> August, 2018.

The Board of Directors considers that the payment of aforesaid remuneration for the remaining tenure of Mr. Priyam B. Mehta as aforesaid is in the best interest of the company.

The remuneration of Mr. Priyam B. Mehta requires approval of the members of the company.

Mr. Priyam B. Mehta holds 9115 equity shares of the company in his own name and no share or convertible instrument in the company is held by him either in his own name or in the name of any other person on a beneficial basis.

In accordance with the provisions of sections 197, 203 and other applicable provisions of the Companies Act, 2013, the board recommends the special resolution set out at item no.7 of the accompanying notice for the approval of the members.

Copy of the draft supplemental agreement referred to in the resolution would be available for inspection without any fee by the members at the registered office of the company during normal business hours on any working day upto and including date of the annual general meeting.

Mr. Priyam B. Mehta is concerned and interested in the resolution. Mrs. Sujata P. Mehta, Mr. Varun P. Mehta and Mr. Vishal P. Mehta to whom Mr. Priyam B. Mehta is related may also be regarded as concerned and interested in the resolution. None of the other directors, key managerial personnel of the company and their relatives are concerned or interested, financially or otherwise, in the special resolution as set out at item no.7. This explanatory statement may also be regarded as a disclosure under regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **Item No.8**

Mr. Vishal Priyam Mehta is B.Sc.(Business Administration) from Babson College, USA with honours in Economics with specialization in Business Strategy. Mr. Vishal Priyam Mehta has been actively involved in the day-to-day management of the company since his appointment as a director of the company and looks after all important functions of the company like production, purchase and plant operations. He has been instrumental in efforts of the company to cut the costs at all the levels and to ensure de-bottlenecking which has improved the technical parameters of the company.

Mr. Vishal P. Mehta is the director on the board of directors of N B Commercial Enterprises Ltd., Sayaji Sethness Ltd., Sayaji Corn Products Ltd. and Viva Texchem Private Ltd.

Mr. Vishal P. Mehta is the member of stakeholders relationship committee.

Concurring with the recommendations of the nomination and remuneration committee at its meeting held on 30<sup>th</sup> May, 2016 and based on the qualifications, experience and contributions of Mr. Vishal P. Mehta, the board at its meeting held on 30<sup>th</sup> May, 2016 has decided to reappoint him as the executive director of the company for the period from 26<sup>th</sup> July, 2016 to 31<sup>st</sup> March, 2021 with the following remuneration for the period of three years from 26<sup>th</sup> July, 2016 to 25<sup>th</sup> July, 2019 :

- a) Salary : Up to ₹.6,00,000/- per month as approved by the board from time to time and as permissible under Schedule V of the Companies Act, 2013
- b) Perquisites: including residential accommodation, furniture, furnishings and fixtures, gas, electricity, water, medical benefits in India or overseas, leave and leave travel facilities, employees stock option schemes etc. as may be approved by the board of directors from time to time. Such perquisites may also be provided by way of cash allowances in lieu thereof wherever appropriate. The said perquisites and allowances shall be evaluated wherever applicable, as per the provisions of the Income Tax Act, 1961 or any rules made there under or any statutory modification(s) or re-enactment thereof and in absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

Company's contribution to provident fund, superannuation or annuity fund, gratuity payable and encashment of leave, as per the rules of the company and to the extent not taxable under the Income Tax Act shall not be included for the purpose of computation of the overall ceiling of remuneration.

Total Salary and monetary value of perquisites to Mr. Vishal P. Mehta as the executive director shall be within the overall ceiling on remuneration under the provisions of section 197 and other applicable provisions of the Companies Act, 2013 and Schedule V to the said act as may be amended from time to time.

- c) Commission : Within the overall ceiling on remuneration of 5% and 10% of the net profits of the Company computed in the manner laid down under Section 197 of the Companies Act, 2013 in each year.
- d) The executive director shall be allowed reimbursement of entertainment, travelling, lodging and boarding including for his spouse during their business trips, any medical assistance provided including for his family members and provision of cars for use on company's business and telephone expenses at residence and the same shall not be considered as perquisites.
- e) The executive director shall not so long as he functions as such be paid any sitting fees for attending the meetings of the board of directors or committee thereof.

- f) The remuneration referred to above is subject to the limits of 5% and 10% of the net profits of the company as laid down in section 197 of the Act and subject further to the overall limit of 11% prescribed in the said section. Notwithstanding anything herein contained, where in any financial year during the period of his office as the executive director, the company has no profits or its profits are inadequate, the company may, subject to the requisite approvals, if any, pay to Mr. Vishal P. Mehta remuneration by way of salary, allowances, perquisites not exceeding the maximum limits laid down in Section II of Schedule V to the Companies Act 2013 as may be agreed to by the board of directors and Mr. Vishal P. Mehta.

Mr. Vishal P. Mehta's office shall be liable to determination by retirement of directors by rotation and if he is reappointed as a director, immediately on his retirement by rotation, he shall continue to hold the office of the executive director and such reappointment as a director shall not be deemed to constitute a break in his appointment as the executive director.

The Board of Directors considers the re-appointment of Mr. Vishal P. Mehta to be in the best interest of the company.

Re-appointment and remuneration of Mr. Vishal P. Mehta requires approval of the members of the company.

Mr. Vishal P. Mehta holds 1800 equity shares of the company in his own name and no share or convertible instrument in the company is held by him either in his own name or in the name of any other person on a beneficial basis.

In view of the provisions of section 196, 197, 198 and other applicable provisions of the Companies Act, 2013, the board recommends the special resolution set out at item no.8 of the accompanying notice for the approval of the members.

Copy of the draft supplemental agreement referred to in the resolution would be available for inspection without any fee by the members at the registered office of the company during normal business hours on any working day upto and including date of the annual general meeting.

Mr. Vishal P. Mehta is concerned and interested in the resolution. Mr. Priyam B. Mehta, Mrs. Sujata P. Mehta and Mr. Varun P. Mehta to whom Mr. Vishal P. Mehta is related may also be regarded as concerned and interested in the resolution. None of the other directors, key managerial personnel of the company and their relatives are concerned or interested, financially or otherwise, in the special resolution as set out at item no.8. This explanatory statement may also be regarded as a disclosure under regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The statement of information as required by second proviso (iv) of Paragraph B of Section-II of Part - II of Schedule -V to the Companies Act, 2013

**I. GENERAL INFORMATION**

**1. Nature of Industry**

Manufacturing company engaged in the manufacture and sale of starches and its derivative products like liquid glucose, dextrose anhydrous, dextrose monohydrate, sorbitol and other by-products like maize oil, maize oil cake, maize gluten and maize wet and dry bran.

**2. Date or expected date of commencement of commercial production**

The company is having its manufacturing facilities at P.O. Kathwada, Ahmedabad and it is one of the oldest and largest manufacture of starches, its derivatives and by-products in the country since last more than 7 decades. The corn wet milling was commenced by the company in the year 1941 with a modest grinding capacity. However today the grinding capacity of the company has exceeded more than 650 tons/day with ambitious plans to expand its capacity further.

**3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:**

Not Applicable

**4. Financial performance based on given indicators :**

(₹ in Lacs)

Particulars	FY 2013-14	FY 2014-15	FY 2015-16
Turnover	53104.33	50400.68	53281.65
EBIDTA	2606.87	2845.15	2276.57
PBT	1158.06	1328.61	372.84
PAT	666.53	941.21	273.01
EPS	843.71	1191.41	345.58
Net Worth	3953.51	4667.31	4821.47

**5. Foreign Investments or collaborations, if any :**

The company had set up a company in the name of Sayaji Sethness Ltd. in collaboration with Sethness Products Company of USA for manufacture of caramel colours in 1993 which is operating successfully. Sayaji Group and Sethness Products Company hold 50% each in Sayaji Sethness Ltd.

**II. INFORMATION ABOUT THE APPOINTEE**

**1. Background Details :**

Mr. Vishal Priyam Mehta has been actively involved in the day-to-day management of the company since his appointment as a director of the company and looks after all important functions of the company like production, purchase and plant operations. He has been instrumental in efforts of the company to cut the costs at all the levels and to ensure de-bottlenecking which has improved the technical parameters of the company.

**2. Past Remuneration :**

Mr. Vishal P. Mehta was paid salary of Rs.4,25,000/- per month and perquisites of Rs.7.65 Lacs per annum in the year 2015-16.

**3. Recognition or Awards :**

The company has received in past no. of awards for its products. The most recent awards received by the company is a certificate of best boiler user industry (power plant) : 2014-15 during Steam Tech 2016, the 9th National Conference on Boiler & Steam Systems organized by Saket Projects Limited.

**4. Job Profile and his suitability**

Mr. Vishal P. Mehta joined the company first as an ordinary director of the company in the year 2010 immediately on completion of his study in USA. Subsequently in the year 2011 he was appointed as the executive director of the company by the board of directors and his appointment was approved by the members of the company at the annual general meeting held on 7<sup>th</sup> August, 2012. Mr. Vishal Priyam Mehta has been actively involved in the day-to-day management of the company since his appointment as a director of the company and looks after all important functions of the company like production, purchase and plant operations. He has been instrumental in efforts of the company to cut the costs at all the levels and de-bottlenecking which has improved the technical parameters of the company.. There has been a substantial increase in the turnover and profitability of the company due to efforts on the part of the managing director and executive directors of the company. Keeping in mind his profile and experience it is considered to be in the interest of the company to re-appoint him as the executive director of the company.

**5. Remuneration proposed :**

The board based on the recommendations of nomination and remuneration committee has approved the reappointment of Mr. Vishal P. Mehta as the executive director of the company for the period from 26<sup>th</sup> July, 2016 to 31<sup>st</sup> March, 2021 and his remuneration was

approved with effect from 26<sup>th</sup> July, 2016 for a period of 3 years subject to approval of members of the company at the ensuing annual general meeting in the manner as mentioned above.

**6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t the country of his origin):**

The proposed remuneration is comparable and competitive considering the industry, size of the company, the managerial position and the credentials of the executive director.

**7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any :**

Mr. Vishal P. Mehta is the executive director of the company and thus receives managerial remuneration and the remuneration is within the limits prescribed under Schedule V to the Companies Act, 2013. He and his relatives are also entitled to various benefits in respect of his/ their shareholdings, if any, in the company and other group companies in which he/ his relatives are holding shares. Mr. Vishal P. Mehta is related to Mr. Priyam Mehta, managing director, Mr. Varun P. Mehta executive director and Mrs. Sujata P. Mehta director of the company.

**III. OTHER INFORMATION**

The main raw material for the company is maize which is agri commodity and the price of the same varies depending on the availability and demand for the same which again is dependent on the rainfall in the Country. Year 2015-16 being the year of draught, there has been an increase in the price of maize and other inputs. The company had not been in a position to pass on the entire price increase of its inputs to its customers which had affected the margins of the company. However, with debottlenecking, automation, improvement in process parameters, better product mix and stringent cost cutting measures the company has

been able to earn some net profit in the year 2015-16. The monsoon is expected to be better in the year 2016 which may lower the price of maize and other inputs in the year 2016-17. Additionally, the company has been actively planning to expand its capacity and with continued efforts to further improve technical parameters and better product mix the company hopes to improve its top line and bottom line in the years to come.

**IV. DISCLOSURES**

**1. All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc. of all the directors**

Details with regard to salary, benefits and sitting fees paid to the directors are disclosed in the annual report. The company did not give any bonuses and stock options to the directors.

**2. Details of fixed components and performance linked incentives along with the performance criteria :**

Details with regard to salary, benefits and sitting fees paid to the directors are disclosed in the annual report. The company does not give any performance linked incentives to the directors.

**3. Service contracts, notice period, severance fees :**

Not Applicable

**4. Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable :**

Not applicable

**By order of the Board of Directors**

**Rajesh H. Shah  
Company Secretary**

Place : Ahmedabad  
Date : May 30, 2016

# DIRECTORS' REPORT

## To THE SHAREHOLDERS,

Your directors have pleasure in presenting the 75<sup>th</sup> annual report together with audited statements of accounts of the company for the financial year ended 31<sup>st</sup> March, 2016.

### FINANCIAL RESULTS:

	2015-2016 (₹ in Lacs)	2014-2015 (₹ in Lacs)
Revenue from operations (gross)	53281.65	50400.68
Operating profit before interest, depreciation and taxation	2276.57	2845.15
Less : Interest	1116.07	802.11
<b>Gross profit</b>	<b>1160.50</b>	<b>2043.04</b>
Less: depreciation	787.66	714.43
<b>Profit before tax</b>	<b>372.84</b>	<b>1328.61</b>
Less : Current taxation	76.00	423.50
Provision for deferred tax	31.50	11.79
MAT credit of current year	(74.70)	(47.89)
Short provision for earlier year	67.03	-
	<u>99.83</u>	<u>387.40</u>
<b>Net Profit for the year</b>	<b>273.01</b>	<b>941.21</b>
Add: Balance brought forward from previous year	641.28	666.47*
<b>Amount available for appropriation</b>	<b>914.29</b>	<b>1607.68</b>
<b>Appropriations :</b>		
Transfer to general reserve	100.00	800.00
Proposed dividend on equity shares	98.75	138.25
Tax on dividend	20.10	28.15
Balance carried forward to balance sheet	695.44	641.28
	<u>914.29</u>	<u>1607.68</u>

\* After deduction of ₹.61.01 Lacs being depreciation on tangible fixed assets with nil remaining useful life on transition to Schedule II of the Companies Act, 2013.

### YEAR IN RETROSPECT:

Your directors report that during the year under review, the revenue from operations (gross) of your company increased by 5.71% to ₹.53281.65 lacs as against ₹. 50400.68 lacs in the previous year. With deficit in the rain in the year 2015, there has been increase in the price of maize, which is the major raw material for your company. There has also been an increase in the other input cost and the company was not in a position to pass the entire increase in the input costs to its customers due to sluggish demand and competition in the industry which has created pressure on the margins of your company. However, with better performance of utility coupled with better product mix, improved technical parameters and application of stringent cost cutting measures, your company has been able to earn some profit. The operating profit of the company is ₹.2276.57 lacs as against ₹.2845.15 lacs in the previous year. The gross profit of the company stands at ₹.1160.50 lacs as against ₹.2043.04 lacs in the previous year. During the year under review, the profit before tax of the company is ₹.372.84 lacs as against ₹.1328.61 lacs in the previous year and the net profit after tax is

₹.273.01 lacs as against ₹.941.21 lacs in the previous year. The maize grinding activity of the company increased by approx. 3% as compared to previous year.

The company has strengthened the industrial safety measures within the factory premises and is constantly arranging programs/ workshops to make the employees aware of the safety requirements to prevent the accidents/ breakdowns/ fire etc. due to human errors.

Your company has discontinued its arrangement with Yashwant Sahakari Glucose Karkhana Limited. The company is in the process of giving final effect to various terms of agreement entered into with Yashwant Sahakari Glucose Karkhana Limited on such discontinuation of the arrangement.

### FUTURE OUTLOOK :

With normal or in excess rains projected in the current year, your directors expect that the price of maize and other inputs like coal, chemicals, electricity etc. may go down as compared to year under review. Your Directors are, therefore hopeful that the company would be able to improve its profitability with reduction of input costs and by getting better price realization for its products, change in the product mix, further improvement in technical efficiency and continued application of stringent cost cutting measures at all levels.

The company is in the process of gradually increasing its grinding activity with installation of new equipments, de-bottlenecking, automation of the existing production processes, and improvement in effluent treatment facilities as compared to previous years. By doing so your company will be able to achieve a higher top line and improve its bottom line in the years to come.

### AWARDS AND RECOGNITION

The company has received a certificate of best boiler user industry (power plant) : 2014-15 during Steam Tech 2016, the 9<sup>th</sup> National Conference on Boiler & Steam Systems organized by Saket Projects Limited.

### AMOUNT TO BE TRANSFERRED TO RESERVES AND DIVIDEND :

Your directors have proposed that a sum of ₹.100.00 lacs be transferred to general reserves of the company from the amount available for appropriation of ₹.914.29 lacs during the year under review.

Your directors are pleased to recommend dividend at the rate of ₹.125/- per equity share (previous year ₹.175/- per equity share) for the financial year ended 31<sup>st</sup> March, 2016, which if approved by the members at the forthcoming annual general meeting will be paid to those members whose names appear on the register of members of the company on 7<sup>th</sup> September, 2016.

The total outflow on account of dividend will be ₹.118.85 lacs including dividend tax of ₹.20.10 lacs.

### TECHNICAL ASSISTANCE AGREEMENTS:

The company continues to avail the benefits of technical expertise from M/s Tate & Lyle, Belgium and SIGMA Mudhendislik Makine Sanayi Ve Ticaret Auaturk Mahallesi, Girne Cad, Turkey which has enabled it to further improve the technical parameters of the

production processes and also improve the quality of its products.

**EXPORTS:**

Your directors report that the export turnover of the company during the year under review is ₹.10227.83 lacs as against ₹.12364.69 lacs in the previous year due to unrest in middle east and far east countries where major portion of products of the company are exported and overall sluggish international market. The company intends to continue with its long term export oriented marketing policy by penetrating more in its existing international market and exploring new avenues for its high value products.

**MARKETING:**

Due to extensive and effective efforts of the company's sole selling agents, M/s L G & Doctor Associates Private Limited, there has been an increase in the turnover of your company and the company has been able to achieve better price realization for its products as compared to its competitors. It is heartening to note that the total receivables at the end of the year has decreased and average credit period has also reduced due to efforts on the part of the sole selling agents.

The directors place on record its appreciation for the persistent untiring efforts of the sole selling agents to find new markets, pursue with the existing customers for additional orders and to ensure timely collection of dues.

**PUBLIC DEPOSITS:**

Deposits aggregating ₹.15.29 lacs due for repayment on or before 31<sup>st</sup> March, 2016 were not claimed by the depositors on that date. As on the date of this report, from the aforesaid amount, deposits aggregating ₹.9.86 lacs have been claimed/paid.

Your company has accepted the deposits aggregating to ₹.1601.03 lacs during the year under review after complying with the provisions of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force). There has been no default in repayment of deposits or payment of interest thereon during the year under review and there are no deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013.

Your directors appreciate the support which the company has received from the public and shareholders to its fixed deposit scheme.

**INSURANCE:**

All the properties and insurable interests of the company including buildings, plant and machinery, stocks, loss of profit and standing charges and liabilities under legislative enactments are adequately insured.

**GREEN INITIATIVE:**

The company continues to generate electrical units from biogas engine of 1800 KVA capacity which utilizes biogas captured while treating the effluents which are generated from the manufacturing processes of the company. This has resulted in saving of power cost.

Utilization of biogas for generation of electricity reduces emission of the green house gases into environment and thus supports green environment.

**MATERIAL CHANGES**

There are no material changes and commitments, affecting the financial position of the company which has occurred between the end of the financial year under review of the company to which the financial statements relate and the date of this board report.

**DIRECTORS:**

A special resolution has been proposed for the approval of the members for payment of remuneration to Mr. Priyam B. Mehta as the managing director of the company for the remaining tenure of his appointment from 12<sup>th</sup> August, 2016 to 11<sup>th</sup> August, 2018.

A special resolution has also been proposed for the approval of the members for reappointment of Mr. Vishal P. Mehta, the executive director of the company from 26<sup>th</sup> July, 2016 to 31<sup>st</sup> March, 2021 and for approval of his remuneration from 26<sup>th</sup> July, 2016 to 25<sup>th</sup> July, 2019 details of which are mentioned in the explanatory statement of the notice of the 75<sup>th</sup> annual general meeting.

Mrs. Sujata P. Mehta retires by rotation at the forthcoming annual general meeting and being eligible, offers herself for re-appointment.

The company has received a declaration from all the independent directors that they meet the criteria of independence provided under Section 149 (6) of the Companies Act, 2013 for the financial year under review.

Mr. Priyam B. Mehta is the chairman and managing director of the company since November, 1982. He is assisted by Mr. Varun P. Mehta who is the executive director of the company since January, 2010 and Mr. Vishal Mehta who is also the executive director of the company since July, 2011. The appointment of the said directors and their remuneration are recommended by the nomination and remuneration committee keeping in mind their contribution to the growth of the company, the financial position of the company, prevailing industry norms, provisions of the Companies Act, 2013 and as approved by the board of directors and members of the company from time to time.

The independent directors of the company are highly qualified and stalwarts in their respective filed with wide and varied experience. They actively participate in the discussions at the board meeting and their suggestions have helped the company to grow at a rapid pace. The members at their 73<sup>rd</sup> Annual General Meeting held on 26<sup>th</sup> July, 2014 have appointed CA Mahendra N. Shah, Dr. Gaurang K. Dalal, Dr. Janak D. Desai and CA Chirag M. Shah as independent directors of the company for the period of five years for a term upto 31<sup>st</sup> March, 2019 keeping in mind their contribution to the growth of the company. The independent directors are paid sitting fees for attending the board and committee meetings. The nomination and remuneration committee has in place their criteria for determination of qualifications, positive attributes and independence of the directors, which they would

consider as and when the company would be required to appoint the new independent directors.

Pursuant to the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of working of its audit committee, nomination and remuneration committee, stakeholders relationship committee and corporate social responsibility committee. The manner in which the evaluation has been carried out has been explained in the corporate governance report.

The manner in which the remuneration is paid to the directors, executive directors and senior level executives of the company has also been explained in the corporate governance report.

During the year under review, five board meetings, one independent directors meeting and four audit committee meetings were convened and held the details of which are given in the corporate governance report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

**DIRECTORS’ RESPONSIBILITY STATEMENT:**

Pursuant to the provisions of section 134 (5) of the Companies Act, 2013 your directors would like to state that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- (ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and

prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year as on 31<sup>st</sup> March, 2016 and of the profit of the company for that period;

- (iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the directors have prepared the annual accounts on a “going concern” basis;
- (v) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**EXTRACT OF ANNUAL RETURN AND OTHER DISCLOSURES UNDER COMPANIES (APPOINTMENT AND REMUNERATION) RULES, 2014**

The extract of annual return in form no. MGT-9 as provided under Section 92 (3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management & Administration) Rules 2014 is annexed hereto as **Annexure-1** and forms the part of this report.

Further, the disclosure in the board report under Rule 5 of Companies (Appointment & Remuneration) Rules, 2014 is also annexed hereto as **Annexure-2** and forms the part of this report.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

The details of loans, guarantees or investments under Section 186 of the Companies Act, 2013 at the beginning of the year, given/ made during the year and at the end of the financial year under review is as given below:

Particulars of Loans/ Guarantees/ Investments	As at 1/4/2015	Given/Made during the financial year	As at 31/3/2016
Investment in 12,00,000 equity shares of Sayaji Sethness Ltd.	₹ 1,20,00,000/-	Nil	₹ 1,20,00,000/-
Investment in 2500 equity shares of Rapicut Carbide Ltd.	₹ 5,000/-	Nil	₹ 5,000/-
Investment in 472 equity shares of Punjab National Bank	₹ 1,84,000/-	Nil	₹ 1,84,000/-
Investment in 4500 equity shares of Cama Hotels Ltd.	₹ 58,000/-	Nil	₹ 58,000/-*
Investment in 2500 equity shares of Sterling (Gujarat) Hospital Ltd.	₹ 25,000/-	Nil	₹ 25,000/-
Investment in 251100 equity shares of ACE Derivatives and Commodity Exchange Ltd.	₹ 25,64,000/-	Nil	₹ 25,64,000/-*
Corporate Guarantee given to Punjab National Bank for financial assistance to N B Commercial Enterprises Ltd.	₹ 15,92,00,000/-	₹ 1,58,00,000/-	₹ 17,50,00,000/-

\*provision has been made for diminution in the value of investments.

**PARTICULARS OF ONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

All related party transactions that were entered into during the financial year were at arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the company with promoters, key managerial personnel or other designated persons which may have potential conflict with the interest of the company at large. A detailed report on material contracts and arrangements made during the year 2015-16, being arms length transactions is annexed hereto as **Annexure - 3** and forms part of this report.

**SUBSIDIARY COMPANIES:**

The company does not have any subsidiary.

**CODE OF CONDUCT:**

The board of directors has approved a code of conduct which is applicable to the members of the board and all executives one level below the board. The company believes in zero tolerance against bribery, corruption and unethical dealings/ behaviour of any form and the board has laid down the directives to counter such acts. The code of conduct has been posted on company's web site [www.maizeproducts.com](http://www.maizeproducts.com).

The code lays down the standard procedure of business conduct which is expected to be followed by the directors and executives one level below the board in their business dealings and in particular on matters relating to integrity in the work place, in business practice and in dealing with stakeholders.

All the board members and executives one level below the board have confirmed compliance with the code.

**STATEMENT ON DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY:**

The statement on development and implementation of risk management policy is given under the management discussion and analysis report which is attached with this annual report.

**INTERNAL FINANCE CONTROL:**

Details in respect of adequacy of internal finance control with reference to the financial statements are stated in management discussion and analysis report which forms the part of this report.

**CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY AND CSR INITIATIVES:**

The company has developed CSR policy with the objective to lay down guiding principles for proper functioning of CSR activities to attain sustainable development of nearby society. CSR policy is also available on the web-site of the company.

The Company has contributed in the past generously in the areas like health-care, education, wild animal protection etc. The company has donated its precious land for establishment of primary school in its area and has procured furniture, computers, electrical fittings etc. required by the school in its area for the benefits of children living in nearby areas. Contributions have also been made for programs formed by Government of Gujarat for education of girls in the state.

The CSR policy developed by the company mentions the areas of its operation, the CSR activities, the allocation of funds and arrangements for carrying out such activities. The members of CSR committee include Mr. Varun P. Mehta as Chairman Dr. Gaurang K. Dalal, Dr. Janak D. Desai and Mrs. Sujata P. Mehta as members.

The company has spent a sum of ₹.13.04 Lacs on CSR activities during the year under review which is less than the prescribed limits of the amount of ₹. 20.90 Lacs which it is required to spend on the said activities pursuant to the provisions of Section 135 of the Companies Act, 2013 and the reasons for such lower spent is mentioned in the report on CSR activities. The CSR activities were overseen by the CSR Committee and also by the Board of Directors on a regular basis. The report on CSR activities is annexed hereto as **Annexure - 4** and forms the part of this report.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

The management discussion and analysis report as required under Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been attached and forms part of this directors' report.

**CORPORATE GOVERNANCE:**

Your company has complied with the requirements of corporate governance as prescribed under Schedule V of the SEBI (LODR) Regulations, 2015. A separate report on corporate governance forms the part of the annual report. A certificate from the auditors regarding compliance of conditions of corporate governance also forms the part of this report.

**AUDITORS:**

The members are requested to ratify the appointment of M/s Deloitte Haskins & Sells, Chartered Accountants, Ahmedabad (FRN 117365W) as the statutory auditors of the company till the conclusion of 76<sup>th</sup> annual general meeting of the company.

**SECRETARIAL AUDIT:**

Pursuant to provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company had appointed Manuprasad M. Patel practicing company secretary to undertake secretarial audit of the company. The secretarial audit report is

annexed herewith as **Annexure - 5** and forms the part of this report. The board of directors has explained the reasons for not spending the amount on CSR activities upto the prescribed limits in the CSR activities report annexed at **Annexure-4** of this report.

#### **COST AUDITORS:**

The Company has received a letter from the cost auditors M/s Dalwadi & Associates, Cost Accountants to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3) (g) of the Companies Act, 2013 and that they are not disqualified for re-appointment. The board of directors of the company at its meeting held on May 30, 2016 appointed M/s Dalwadi & Associates Cost Accountants as the cost auditors of the company to conduct the audit of cost records maintained by the company as required by the Companies (Cost Records and Audit) Rules 2014 as amended from time to time.

The members are requested to ratify the remuneration to be paid to the cost auditors of the company.

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

The information on conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Rule 8(3) of the Companies (Accounts) Rules, 2014 is appended hereto as **Annexure - 6** and forms part of this report.

#### **PARTICULARS OF EMPLOYEES:**

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014 in

respect of employees of the company will be provided upon request. In terms of section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto excluding the information on employees particulars which is available for inspection by members at the registered office of the company during the business hours on working days of the company upto the date of ensuing 75<sup>th</sup> annual general meeting of the company. If any member is interested in inspecting the same, the member may write to the company secretary in advance.

#### **APPRECIATION:**

Your directors express their deep sense of appreciation for the valuable and devoted services rendered by the chairman and managing director and the executive directors in the management and conduct of the affairs of the company. The directors also express their appreciation for the devoted services of the sole selling agents. Your directors also thank Punjab National Bank, banker to the company for extending financial assistance by way of working capital facilities and term loans at competitive rates. Your directors also wish to place on record their deep sense of appreciation for the devoted services of the company's executives, staff, workers and all associated, directly and indirectly with the affairs of the company.

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

Priyam B. Mehta  
**Chairman and Managing Director**

Place : Ahmedabad  
Date : May 30, 2016

# ANNEXURE TO DIRECTORS' REPORT

**ANNEXURE-1**  
**Form No. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**as on the financial year ended on 31<sup>st</sup> March, 2016**

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

**I. REGISTRATION AND OTHER DETAILS:**

1	CIN	L99999GJ1941PLC000471
2	Registration Date	30 <sup>th</sup> January, 1941
3	Name of the Company	Sayaji Industries Limited
4	Category / Sub-Category of the Company	Public Limited Company
5	Address of the Registered Office and contact details	P.O. Kathwada, Maize Products, Ahmedabad 382430 Telephone no. 079-22901581-1585 Fax no. 079-22902424 e-mail : maize@sayajigroup.in
6	Whether listed company	Yes
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500032 Phone : 040-44655000/040-44655188 e-mail : einward.ris@karvy.com

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

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

Sr. No.	Name and Description of main products/services	NIC code of the product/service	% to total turnover of the company
1	Maize Starch Powder	1108.12.00	20.15
2	Liquid Glucose	1702.30.01	19.75
3	Sorbitol	2905.44.00	18.13

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

Sr. No.	Name and address of the company	CIN/GLN	Holding/ subsidiary/ associate	% of shares held	Applicable section
1	M/s Sayaji Sethness Limited. Maize Products, P.O. Kathwada, Dist. Ahmedabad 382 430, Gujarat.	U24110GJ1993PLC020479	Associate Company	40.00	Section 2 (6) of the Companies Act, 2013

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

**i) Category-wise share holding**

Category of Shareholders	No of shares held at the beginning of the year				No of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A) Promoters</b>									
<b>1) Indian</b>									
a) Individual/HUF	12342	18406	30748	38.92	12342	18406	30748	38.92	00
b) Central govt	00	00	00	00	00	00	00	00	00
c) state govt(s)	00	00	00	00	00	00	00	00	00
d) Bodies Corporate	5352	23088	28440	36.00	5352	23088	28440	36.00	00
e) Banks/FIs	00	00	00	00	00	00	00	00	00
f) Any Other	10	43	53	0.07	10	33	43	0.06	-0.01
<b>Sub-total (A) (1):-</b>	<b>17704</b>	<b>41537</b>	<b>59241</b>	<b>74.99</b>	<b>17704</b>	<b>41527</b>	<b>59231</b>	<b>74.98</b>	<b>-0.01</b>

Category of Shareholders	No of shares held at the beginning of the year				No of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Foreign</b>									
a) NRI/Individuals	00	00	00	00	00	00	00	00	00
b) Other individuals	00	00	00	00	00	00	00	00	00
c) Bodies Corporate	00	00	00	00	00	00	00	00	00
d) Banks/FIs	00	00	00	00	00	00	00	00	00
e) Any Other	00	00	00	00	00	00	00	00	00
<b>Sub-total (A) (2):-</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>	<b>00</b>
<b>Total Share holding of promoter (A)=(A)(1)+(A)(2)</b>	<b>17704</b>	<b>41537</b>	<b>59241</b>	<b>74.99</b>	<b>17704</b>	<b>41527</b>	<b>59231</b>	<b>74.98</b>	<b>-0.01</b>
<b>B. Public Shareholding</b>									
<b>1) Institutions</b>	00	00	00	00	00	00	00	00	00
a) Mutual Funds	00	00	00	00	00	00	00	00	00
b) Banks/FIs	10	4	14	0.02	10	4	14	0.02	00
c) Central Govt	00	00	00	00	00	00	00	00	00
d) State Govt(s)	00	00	00	00	00	00	00	00	00
e) Venture Capital Funds	00	00	00	00	00	00	00	00	00
f) Insurance Companies	00	00	00	00	00	00	00	00	00
g) FIs	00	00	00	00	00	00	00	00	00
h) Foreign Venture Capital Funds	00	00	00	00	00	00	00	00	00
i) Others (specify)	00	00	00	00	00	00	00	00	00
<b>Sub-total (B) (1):-</b>	<b>10</b>	<b>4</b>	<b>14</b>	<b>0.02</b>	<b>10</b>	<b>4</b>	<b>14</b>	<b>0.02</b>	<b>00</b>
<b>2. Non-Institutional</b>									
a) Bodies Corporate									
i) Indian	11	18	29	0.04	11	18	29	0.04	00
ii) Overseas	00	00	00	00	00	00	00	00	00
b) Individual									
i) Individual Shareholders holding nominal share Capital upto ₹ 1 Lakh	5781	12283	18064	22.86	6246	11828	18074	22.87	0.01
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	00	1652	1652	2.09	00	1652	1652	2.09	00
c) Others (specify)	00	00	00	00	00	00	00	00	00
<b>Sub-total (B)(2) :-</b>	<b>5792</b>	<b>13953</b>	<b>19745</b>	<b>24.99</b>	<b>6257</b>	<b>13498</b>	<b>19755</b>	<b>25.00</b>	<b>0.01</b>
<b>Total public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>5802</b>	<b>13957</b>	<b>19759</b>	<b>25.01</b>	<b>6267</b>	<b>13502</b>	<b>19769</b>	<b>25.02</b>	<b>00</b>
Shares held by custodians for GDRs & ADRs	00	00	00	00	00	00	00	00	00
<b>Grand Total (A+B+C)</b>	<b>23211</b>	<b>55789</b>	<b>79000</b>	<b>100</b>	<b>23971</b>	<b>55029</b>	<b>79000</b>	<b>100</b>	<b>00</b>

**(ii) Shareholding of Promoters**

Sr. No.	Name	Shareholding		Date	Increase / Decrease in share holding	Reason	Cumulative shareholding during the year (1/4/15 to 31/3/16)	
		No of shares at the beginning (1/4/15) / end of the year (31/3/16)	% of total shares of the Company				No of shares	% of total shares of the company
1	C V Mehta Pvt Ltd	11994	15.18	1/4/2015	0	Nil movement during the year		
		11994	15.18	31/3/2016			11994	15.18
2	Priyam Commercial Enterprises Pvt Ltd	10705	13.55	1/4/2015	0	Nil movement during the year		
		10705	13.55	31/3/2016			10705	13.55
3	Smt Sujata Priyam Mehta	14221	18.00	1/4/2015	0	Nil movement during the year		
		14221	18.00	31/3/2016			14221	18.00
4	Shri Priyam Bipinbhai Mehta	9115	11.54	1/4/2015	0	Nil movement during the year		
		9115	11.54	31/3/2016			9115	11.54
5	Bini Commercial Enterprises Pvt Ltd	5740	7.27	1/4/2015	0	Nil movement during the year		
		5740	7.27	31/3/2016			5740	7.27
6	Smt Niramayiben Bipinbhai Mehta	3812	4.83	1/4/2015	0	Nil movement during the year		
		3812	4.83	31/3/2016			3812	4.83

Sr. No.	Name	Shareholding		Date	Increase / Decrease in share holding	Reason	Cumulative shareholding during the year (1/4/15 to 31/3/16)	
		No of shares at the beginning (1/4/15) / end of the year (31/3/16)	% of total shares of the Company				No of shares	% of total shares of the company
7	Shri Vishal Priyam Mehta	1800	2.28	1/4/2015	0	Nil movement during the year	1800	2.28
		1800	2.28	31/3/2016				
8	Smt Priyaben Amalbhair Kothari	368	0.47	1/4/2015	0	Nil movement during the year	368	0.47
		368	0.47	31/3/2016				
9	Shri Varun Priyam Mehta	1367	1.73	1/4/2015	0	Nil movement during the year	1367	1.73
		1367	1.73	31/3/2016				
10	Shri Amal Kirtibhai Kothari	50	0.06	1/4/2015	0	Nil movement during the year	50	0.06
		50	0.06	31/3/2016				
11	Shri Bipinbhai Vadilal Mehta	15	0.02	1/4/2015	0	Nil movement during the year	15	0.02
		15	0.02	31/3/2016				
12	Shri Janak D Desai	12	0.02	1/4/2015	0	Nil movement during the year	12	0.02
		12	0.02	31/3/2016				
13	Shri Chirag M Shah	11	0.01	1/4/2015	0	Nil movement during the year	11	0.01
		11	0.01	31/3/2016				
14	Shri Gaurang Kantilal Dalal	10	0.01	1/4/2015	0	Nil movement during the year	10	0.01
		10	0.01	31/3/2016				
15	Shri Vishvajit Makrand Mehta	10	0.01	1/4/2015	0	Transfer	0	0
				31/7/2015	10			
		0	0	31/3/2016				
16	Shri Mahendrabhai Natvarlal Shah	10	0.01	1/4/2015	0	Nil movement during the year	10	0.01
		10	0.01	31/3/2016				
17	Shri Murli packing & Trading Co. Pvt Ltd	1	0.00	1/4/2015	0	Nil movement during the year	1	0.001
		1	0.00	31/3/2016				

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

Sr. No.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	At the beginning of the year	59241	74.99	59241	74.99
2	Date wise Increase/Decrease in promoters shareholding during the year specifying the reasons for increase/decrease(e.g. allotment/ transfer/bonus/sweat equity etc); transferred on 13/7/15 after demise of Mr. Vishvajit M. Mehta	10	-0.01	10	-0.01
	At the end of the year	59231	74.98	59231	74.98

**(iv) Shareholding Pattern of top ten shareholders (other than directors, promoters and holders of GDRs and ADRs):**

Sr. No.	Name shareholders	Shareholding		Date	Increase / Decrease in share holding	Reason	Cumulative shareholding during the year (1/4/15 to 31/3/16)	
		No of shares at the beginning (1/4/15) / end of the year (31/3/16)	% of total shares of the Company				No of shares	% of total shares of the company
1	Shri Suhasbhai V Mehta	1652	2.09	1/4/2015	0	Nil movement during the year	1652	2.09
		1652	2.09	31/3/2016				
2	Shri Mahendra Girdharlal	572	0.72	1/4/2015	0	Nil movement during the year	572	0.72
		572	0.72	31/3/2016				
3	Shri Kanhai Siddhitbhai Jhaveri	382	0.48	1/4/2015	0	Nil movement during the year	382	0.48
		382	0.48	31/3/2016				
4	Unit Trust of India during the year	343	0.43	1/4/2015	0	Nil movement during the year	343	0.43
		343	0.43	31/3/2016				
5	Shri Dhavalkumar Todarmal Sheth	295	0.37	1/4/2015	0	Nil movement during the year	295	0.37
		295	0.37	31/3/2016				
6	Shri Suhasbhai V Mehta	179	0.23	1/4/2015	0	Nil movement during the year	179	0.23
		179	0.23	31/3/2016				

Sr. No.	Name	Shareholding		Date	Increase / Decrease in share holding	Reason	Cumulative shareholding during the year (1/4/15 to 31/3/16)	
		No of shares at the beginning (1/4/15) / end of the year (31/3/16)	% of total shares of the Company				No of shares	% of total shares of the company
7	Shri Jawahirlal N Jariwala	154	0.19	1/4/2015	0	Nil movement during the year		
		154	0.19	31/3/2016			154	0.19
8	Shri Atit Tarangbhai Shah	147	0.19	1/4/2015	0	Nil movement during the year		
		147	0.19	31/3/2016			147	0.19
9	Shri Govindbhai Baldevbhai Desai	116	0.15	1/4/2015	0	Nil movement during the year		
		116	0.15	31/3/2016			116	0.15
10	Vikas Kejriwal*	0	0	1/4/2015	0	Transfer		
				5/6/2015	25		25	0.03
				9/10/2015	12		37	0.05
				30/10/2015	13		50	0.06
				18/12/2015	70		120	0.15
		120	0.15	31/3/2016			120	0.15
11	Shri Shahikant Babulal +	111	0.14	1/4/2015	0	Nil movement during the year		
		111	0.14	31/3/2016			111	0.14

\* Not in the list of Top 10 shareholders as on 1/4/2015. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/3/2016.

+ Ceased to be in the list of Top 10 shareholders as on 31/3/2016. The same is reflected above since the shareholder was one of the Top 10 shareholder as on 1/4/2015.

**(v) Shareholding of directors and key managerial personnel:**

Sr. No.	Name of Directors and KMP	Shareholding		Date	Increase / Decrease in share holding	Reason	Cumulative shareholding during the year (1/4/15 to 31/3/16)	
		No of shares at the beginning (1/4/15) / end of the year (31/3/16)	% of total shares of the Company				No of shares	% of total shares of the company
1	Shri Priyam Bipinbhai Mehta	9115	11.54	1/4/2015	0	Nil movement during the year		
		9115	11.54	31/3/2016			9115	11.54
2	Shri Varun Priyam Mehta	1367	1.73	1/4/2015	0	Nil movement during the year		
		1367	1.73	31/3/2016			1367	1.73
3	Shri Vishal Priyam Mehta	1800	2.28	1/4/2015	0	Nil movement during the year		
		1800	2.28	31/3/2016			1800	2.28
4	Smt Sujata Priyam Mehta	14221	18.00	1/4/2015	0	Nil movement during the year		
		14221	18.00	31/3/2016			14221	18.00
5	Shri Mahendrabhai Natvarlal Shah	10	0.01	1/4/2015	0	Nil movement during the year		
		10	0.01	31/3/2016			10	0.01
6	Shri Vishvajit Makrand Mehta	10	0.01	1/4/2015	0	Transfer		
				31/7/2015	10		0	0
		0	0	31/3/2016				
7	Shri Janak D Desai	12	0.02	1/4/2015	0	Nil movement during the year		
		12	0.02	31/3/2016			12	0.02
8	Shri Gaurang Kantilal Dalal	10	0.01	1/4/2015	0	Nil movement during the year		
		10	0.01	31/3/2016			10	0.01
9	Shri Chirag M Shah	11	0.01	1/4/2015	0	Nil movement during the year		
		11	0.01	31/3/2016			11	0.01
10	Shri Rajesh Hasmukhlal Shah	0	0	1/4/2015	0	Nil movement during the year		
		0	0	31/3/2016			0	0
11	Shri N J Deora	0	0	1/4/2015	0	Nil movement during the year		
		0	0	31/3/2016			0	0

**V. INDEBTEDNESS**
**Indebtedness of the company including interest outstanding/accrued but not due for payment**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal amount	519838025.34	137243706.01	216734000.00	873815731.35
(ii) Interest due but not paid	0.00	0.00	0.00	0.00
(iii) Interest accrued but not due	1758823.01	0.00	0.00	1758823.01
Total (i+ii+iii)	5215596848.35	137243706.01	216734000.00	875574554.36
Change in Indebtedness during the financial year				
• Addition	310841417.49	0.00	80343000.00	393175354.49
• Reduction	67061157.11	137243706.01	40224000.00	244528863.12
Net change	245771197.38	(137243706.01)	40119000.00	148646491.37
Indebtedness at the end of the financial year				
(i) Principal amount	763618285.72	0.00	256853000.00	1020471285.72
(ii) Interest due but not paid	0.00	0.00	0.00	0.00
(iii) Interest <b>accrued</b> but not due	1990937.00	0.00	0.00	1990937.00
Total (i+ii+iii)	765609222.72	0.00	256853000.00	1022462222.72

**VI. A. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**(₹ in lacs)**

Sr. No.	Particulars of remuneration	Name of MD/WTD/Manager			Total Amount
		Chairman and Managing Director Mr. Priyam B. Mehta	Executive Director Mr. Varun P. Mehta	Executive Director Mr. Vishal P. Mehta	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income – tax Act, 1961	75.00	51.00	57.00	183.00
	(b) Value of perquisites u/s17(2) of the Income-tax Act,1961	15.00	13.45	7.65	36.10
	(c) Profits in lieu of salary under section 17(3) of the income tax Act 1961	—	—	—	—
2.	Stock option	—	—	—	—
3.	Sweat equity	—	—	—	—
4.	Commission-as % of profit-others, specify	—	—	—	—
5.	Others, please specify	—	—	—	—
	Total (A)	90.00	64.45	64.65	219.10
	Ceiling as per Act	90.00	84.00	84.00	258.00

**B. Remuneration to other directors:**
**(₹ in lacs)**

Sr. No.	Particulars of remuneration	Name of Director					Total Amount
		CA Mahendra N Shah	CA Chirag M Shah	Dr. Gaurang K Dalal	Dr. Janak D Desai	Smt. Sujata P Mehta	
3.	Independent Directors						
	• Fee for attending board/committee meetings	2.10	2.10	2.05	1.70	—	7.95
	• Commission	—	—	—	—	—	—
	• Others, please specify	—	—	—	—	—	—
	Total (1)	2.10	2.10	2.05	1.70	—	7.95
4.	Other Non- Executive Directors						
	• Fee for attending board/committee meetings	—	—	—	—	1.70	1.70
	• Commission	—	—	—	—	—	—
	• Others, please specify	—	—	—	—	—	—
	Total (2)	—	—	—	—	1.70	1.70
	Total (B) = (1+2)	2.10	2.10	2.05	1.70	1.70	9.65
	Total Managerial Remuneration	2.10	2.10	2.05	1.70	1.70	9.65
	Overall Ceiling as per the Act	6.00	6.00	6.00	6.00	5.00	29.00

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

(₹ in lacs)

Sr. No.	Particulars of remuneration	CFO Shri N J Deora	Company Secretary Shri Rajesh H Shah	Total
1.	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income – tax Act, 1961 (b) value of perquisites u/s17(2) of the Income-tax Act,1961 (c) profits in lieu of salary under section 17(3) of the income tax Act 1961	18.35 6.12 —	17.94 5.94 —	36.29 12.06 —
2.	Stock option	—	—	—
3.	Sweat equity	—	—	—
4.	Commission-as % of Profit- others, specify	—	—	—
5.	Others, please specify	—	—	—
	Total (A)	24.47	23.88	48.35

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

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

## ANNEXURE - 2

## DISCLOSURE IN THE BOARD'S REPORT UNDER RULE 5 OF COMPANIES (APPOINTMENT &amp; REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

i	The ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year 2015-16	Director's name	Ratio to mean remuneration
		Mr. Priyam B. Mehta, Chairman & Managing Director	40.55 :1
		Mr. Varun P. Mehta, Executive Director	29.04 : 1
		Mr. Vishal P. Mehta, Executive Director	29.13 : 1
		CA Mahendra N. Shah, Director	0.95 : 1
		CA Chirag M. Shah, Director	0.95 :1
		Dr. Gaurang K Dalal, Director	0.92 :1
		Dr. Janak D. Desai, Director	0.77 : 1
		Mrs. Sujata P. Mehta, Director	0.77 : 1
ii	The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2015-16 as compared to 2014-15	Director's CFO/CS Name	% increase in remuneration
		Mr. Priyam B. Mehta, Chairman & Managing Director	5.45
		Mr. Varun P. Mehta, Executive Director	14.39
		Mr. Vishal P. Mehta, Executive Director	25.33
		CA Mahendra N. Shah, Director	-2.33
		CA Chirag M. Shah, Director	-2.33
		Dr. Gaurang K Dalal, Director	-12.76
		Dr. Janak D. Desai, Director	25.93
		Mrs. Sujata P. Mehta, Director	3.03
		Mr. N J Deora,CFO	23.59
		Mr. Rajesh H. Shah,CS	32.45
iii	Percentage increase in the median remuneration of employees in the financial year 2015-16 as compared to 2014-15	26.25%	
iv	No. of permanent employees on the roll of the company	As on 31.3.2016	As on 31.3.2015
		844	866
v	Explanation on the remuneration between the average increase in the remuneration and the company performance	Increase in remuneration is to compensate the inflationary effect and is in line with industry standards.	

<b>vi</b> Comparison of the remuneration of the KMP against the performance of the company	Increase in remuneration of the KMP is to compensate the inflationary effect and is in line with industry standards.				
<b>vii</b> Variations	Details	31.3.2016	31.3.2015		
	Market Capitalization	NA	NA		
	P E Ratio	NA	NA		
	% increase / decrease of market quotation	NA	NA		
	Net worth (₹)	4821.47 Lacs	4667.31 Lacs		
<b>viii</b> Average percentile increase in salaries of employees other than managerial personnel	During 2015-16 5.00%		During 2014-15 12.00%		
	Justification for increase with reason for any exceptional circumstances		Normal industry standards applied.		
<b>ix</b> Comparison of remuneration of each KMP against the performance of the company	Name of the KMP	Remuneration for the year ended			Reason against performance of the company
		31.3.16	31.3.15	% change	
	Mr. Priyam B. Mehta CMD	90.00 lacs	85.34 lacs	5.46	The increase is justified keeping in view the inflation & prevailing industry standards.
	Mr. N J Deora, CFO	24.47 lacs	19.81 lacs	23.59	
	Mr. Rajesh H. Shah, CS	23.88 lacs	18.03 lacs	32.45	
<b>x</b> Key parameters for any variable components of remuneration availed by the Directors	Nil				
<b>xi</b> Ratio of the remuneration of the highest paid director to that of the employees who are not director but receive remuneration in excess of the highest paid director during the year	Nil				

The board of directors of the company affirms that the remuneration is as per the remuneration policy of the company.

**ANNEXURE - 3**

**Form - AOC- 2**

**Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub – section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto**

**1. Details of contracts or arrangements or transactions not at arm's length basis**

- (a) Names(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts/arrangements/transactions
- (d) Salient terms of the contract or arrangements or transaction including the value, if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) Date(s) of approval by the Board
- (g) Amount paid as advances, if any
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

**There are no contracts or arrangements or transactions entered into with related party which are not at arm's length basis**

**2. Details of material contracts or arrangements or transactions at arm's length basis**

<b>Name of related party and nature of relationship</b>	<b>Nature of contract/ arrangement/ transaction</b>	<b>Duration</b>	<b>Salient features of contract/ arrangement/ transaction</b>	<b>Justification for entering into contract/ arrangement/ transaction</b>	<b>Date(s) of approval by the board</b>	<b>Amount paid in advance, if any</b>
Sayaji Sethness Ltd. - common director	Supply of D M water	Since last September, 2008	Supply of D M water generated by company of ₹ 3.07 lacs in the year 2015-16	No extra expenses incurred by the company for such generation	At the board meetings held on 26.5.15, 7.9.15, 9.11.15 & 13.2.16	Nil
N B Commercial Enterprises Ltd. common director	Biogas engine given on lease	Since October 2013	Lease agreement for 5 years for biogas engine given on lease. Lease rent of ₹ 17.50 lacs received in the F/Y 2015-16	The company installed new and higher capacity gas engine and thought it fit to give old gas engine on lease	At the board meetings held on 26.5.15, 7.9.15 & 9.11.15	Nil
N B Commercial Enterprises Ltd. common director	Sale of biogas	Since October 2013	Sale of biogas generated by the company of ₹35.05 lacs in F/Y 2015-16	No additional expense incurred by the company for generation of biogas which is otherwise flared as per norms of GPCB	At the board meetings held on 26.5.15, 7.9.15, 9.11.15 & 13.2.16	Nil

## ANNEXURE- 4

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

## 1. Brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or program.

The CSR policy was approved by the Board of Directors on 26<sup>th</sup> July, 2014.

The objective of the company's CSR policy is to lay down guiding principles for proper functioning of CSR activities to attain sustainable development of the nearby society.

The company has been engaged in CSR related activities since many years and has contributed generously in the areas like health care, education, wild animal protection etc. The company has donated its precious land for establishment of a primary school in its area and has procured furniture, computers, electrical fittings etc. required by the school for the benefit of children living in nearby areas. Contributions have also been made in the past for the programs formed by the Government of Gujarat for education of girls in the state.

The CSR policy adopted by the company intends to do CSR activities in various areas which include the areas like education, infrastructure support to education centers, skill development, community health care, (specialized in medical treatment, health camps etc.) saving wild animals, animal welfare, sanitation and public health, rain water harvesting, construction, repair and maintenance of community centers, promotion of art and culture, taking measures for benefit of armed forces veterans etc.

Web Link : <https://www.maizeproducts.com/investors/investor-relations>

## 2. Composition of CSR committee

Name of the Member	Designation
Mr. Varun P. Mehta	Chairman
Dr. Janak D. Desai	Member
Dr. Garuang K. Dalal	Member
Mrs. Sujata P. Mehta	Member

## 3. Average net profit of the company for last three financial years : ₹ 1045.21 lacs

## 4. Prescribed CSR Expenditure (2% of the amount as in item 3 above)

The company is required to spend ₹20.90 lacs.

## 5. Details of CSR expenditure done in the financial year under review :

- Total sum spent for the financial year : ₹13.04 lacs
- Amount unspent, if any : ₹7.86 lacs
- Manner in which the amount is spent during the financial year is detailed below :

Sr. No.	Project activities	Sector	Locations	Amount outlay (budget) project or program-wise (₹ Lacs)	Amount spent on The project or program (₹ Lacs)	Cumulative expenditure upto Reporting Period (₹ Lacs)	Amount spent, direct or through implementing agency (₹ Lacs)
1	Cleaning of primary school and safety of students	Promotion of education	Kathwada Ahmedabad	4.25	4.20	4.20	4.20
2	Installation/repairs of fixtures in school/ construction of sheds	Promotion of education	Kathwada Ahmedabad	2.25	2.12	2.12	2.12
3	Contribution to wild life sos	Animal Welfare		1.50	1.50	1.50	1.50
4	Distribution of Medicines & Health Check-ups	Healthcare	Kathwada Ahmedabad, Ahmedabad City	3.25	3.12	3.12	3.12
5	Community services	Woman empowerment	Kathwada Ahmedabad	2.10	2.10	2.10	2.10
				13.35	13.04	13.04	13.04

Note : The amount was spent directly by the Company.

## Reasons for lower than stipulated amount spent on CSR Activities

The company is committed to focus on inclusive growth and improve the lives of the communities around which it carries out its manufacturing activity and the company has undertaken many activities near its manufacturing facilities for the welfare of communities in the year 2015-16. The CSR initiatives usually involve setting up the foundation of programs at a small scale to learn from ground realities, getting feedback from community and then putting up enhanced sustainable model to ensure maximum benefit to the community. For this reasons the company's spend on CSR activities has been less than the prescribed limits during the year under review. The company is considering new initiatives in this direction by way of contributing to a trust for the protection and welfare of rescue dogs for which land would be provided by the company from its area and building is under modification and other facilities are being created for protection and welfare of at least 10 dogs with the intention to increase the number in future judging by the response which it gets in future. This will ensure that the company spends the amount which it is required to spend on the CSR activities in the times to come.

**ANNEXURE - 5**  
**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2016**

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

To,  
The Members,  
**Sayaji Industries Limited**  
**P.O. Kathwada, Maize Products**  
**Ahmedabad-382430**

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

Based on my verification of the **Sayaji Industries Limited's** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit. I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2016 complied with the statutory provisions listed hereunder and also that the company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31.03.2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2013;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (d) The Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India ( Listing Obligation and Disclosure Requirements) Regulations, 2015 (effective from 1<sup>st</sup> December,2015)
- (iii) The Listing Agreements entered into by the Company with The Calcutta Stock Exchange Limited and The Stock Exchange Ahmedabad.

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

The company has complied with the provisions of Section 135 of the Companies Act, 2013 pertaining to Corporate Social Responsibility for the year 2015-16 except Section 135(5). The company has informed that board of directors would explain the reasons for shortfall of expenses of ₹.7.86 Lacs on CSR activities during the year under review in the report of the Board of Directors.

**I further report that**

The board of directors of the company is duly constituted with proper balance of executive directors, non-executive directors and independent directors. No changes in the composition of the board of directors that took place during the period under review.

The adequate notice is given to all directors to schedule the board meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. During the period under review all the decisions in the board meetings were carried out unanimously in compliance with the provisions of the Act.

I have relied on the representation made by the company, its officers and reports of the statutory auditor for system and mechanism framed by the company for compliances under other Acts , Laws and Regulations applicable to the company as listed in Annexure I.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. (As mentioned above and listed in Annexure I)

**I further report that** during the audit period, there were no specific event/instances having major bearing on the company's affair.

**MANUPRASAD PATEL**  
FCS : 2588 C P No. : 6357

Place : AHMEDABAD  
Date : 27<sup>th</sup> May, 2016

#### **ANNEXURE I**

laws applicable to the Company being Sayaji Industries Limited :

- a. Ozone Depleting Substances (Regulations) Rules, 2000.
- b. The Indian Boiler Act, 1923(Amended 1960)
- c. The Chemical Accidents (emergency planning, preparedness and response) Rules, 1996.
- d. Food Safety and Standard, Act, 2006

#### **And also the following laws with its regulations:**

- (i) Employees Provident Fund and Miscellaneous Provisions Act, 1952
- (ii) Employees State Insurance Act, 1948
- (iii) Employers Liability Act, 1938
- (iv) Environment Protection Act, 1986 and other environmental laws
- (v) Equal Remuneration Act, 1976
- (vi) Factories Act, 1948
- (vii) Hazardous Wastes (Management and Handling) Rules, 1989 and Amendment Rules, 2003
- (viii) Indian Contract Act,1872
- (ix) Income Tax Act,1961 and Indirect Tax Laws
- (x) Central Excise and Sault Act
- (xi) Indian Stamp Act,1899
- (xii) Industrial Dispute Act,1947
- (xiii) Maternity Benefit Act,1961
- (xiv) Minimum Wages Act,1948
- (xv) Negotiable Instrument Act, 1881
- (xvi) Payment of Bonus Act,1965
- (xvii) Payment of Gratuity Act,1972
- (xviii) Payment of Wages Act,1936 and other applicable Labour laws

## ANNEXURE - 6

Information under Rule 8 (3) of Companies (Accounts) Rules 2015 and forming part of the directors' report for the year ended 31<sup>st</sup> March, 2016.

**A. Conservation of energy**

- [i] Steps taken or impact on conservation of energy:
1. During the year, in the 40T capacity Boiler VFD (variable frequency drive) was installed on boiler feed pumps which has resulted in saving of approx. 700 -800 kWh/day.
  2. During the year, VFD (variable frequency drive) was installed on PA (Primary Air) fan of 40T Boiler, which has resulted in saving of approx. 150 – 180 kWh/day.
  3. In the wet milling section, SO<sub>2</sub> cylinders were put in operation in place of sulphur furnace. Due to efficient SO<sub>2</sub> absorption there is a saving of approx. 150 – 200 kWh/day.
  4. 3 Nos new oil expellers have been installed in place of old oil expellers. This has resulted in substantial saving of power.
- [ii] Steps taken by the company for utilizing alternate sources of energy:  
The company continues to use 1800 KVA biogas engine which utilizes biogas captured while treating the effluents which are generated from the manufacturing processes of the company. This has resulted in substantial savings in power costs. Utilization of methane rich biogas for generation of electricity reduces emissions of the greenhouse gases into environment and thus supports green environment.
- [iii] Capital investment on energy conservation equipments and proposals, if any, being implemented for reduction of consumption of energy :
1. The company is in the process of replacing highly efficient bio gas burner in place of existing old burner on gluten dryer which will give more efficiency and better output/product with less consumption of fuel [i.e. biogas].
  2. Due to installation of secondary air system in 40T/44kg Boiler, thermal efficiency of boiler has improved. This has given better performance of boiler in terms of improved coal/steam ratio and consequential reduction in (fuel) coal consumption.

**B. Technology absorption, adaptation & innovation**

- [i] Efforts, in brief, made towards technology absorption:
1. The company has installed pneumatic conveying system along with automatic bagging, weighing on 8T/hr starch dryer. This has resulted in substantial reduction in manpower/labour due to which operating cost per ton of maize starch powder has reduced significantly.
  2. Due to installation of pneumatic conveying, quality of starch has improved considerably. This in turn has helped in maintaining consistent quality of starch which is being exported in sizeable quantity in the international market.
- [ii] Benefits derived as a result of the above efforts:
1. Due to automatic weighing and bagging of starch powder, besides saving of manpower, the system has given very good improvement in packing and this has minimized substantial losses of product that was taking place due to manual weighing and packing.
- [iii] In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished :
- |   |   |
|---|---|
| (a) Technology Imported   | During the year under review, the company continued its technical assistance agreements with SIGMA & Tate & Lyle. Both will share their technical know-how and expertise in good faith for improvement of production efficiency of the plants of the company. |
| (b) Year of Import  | —   |
| (c) Has technology been fully absorbed.   | —   |
| (d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plan of action. | —   |
- [iv] Research and development (R & D)  
The company has developed modified starch for food application, single shot textile sizing starch and new grade of sorbitol which has substituted imported starch and polyol and has opened a new market segment for the company. The company is continuing its research to increase range of polyol, develop cold water soluble starch for different applications and also develop high degree substituted cationic starch for paper application. The company has incurred expenditure of ₹. 23.58 lacs on R & D activities.

**C. Foreign Exchange earnings and outgo:**

The above information in respect of Foreign exchange earnings and outgo is set out in Note No.23 (xi) and 23(xii) to the Accounts.

# CORPORATE GOVERNANCE REPORT

## OVERVIEW OF CORPORATE GOVERNANCE OF SAYAJI INDUSTRIES LTD. AT A GLANCE

Sayaji Industries Limited believes in good corporate governance to achieve highest standard of transparency, integrity, accountability and good corporate practices which help all the stakeholders like the shareholders, employees, creditors, lenders and society at large. The company has been prompt in discharging its statutory and social obligations. The board of directors supports the broad principles of corporate governance and is committed to align and direct the actions of the company to achieve the objectives of transparency, accountability and integrity.

At Sayaji, corporate governance has grown since more than 75 years with its journey of efficient industrial entrepreneurship. Company is in continued compliance with guideline of corporate governance since many years as stipulated in the earlier listing agreements entered into by the company with the stock exchanges and now in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

Presently in place of listing agreement the listed companies are required to comply with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. As per Regulation 3 of the said Regulations, unless otherwise provided, these regulations shall apply to the listed entity whose specified securities are listed on main board or SME Exchange or institutional trading platform. "Main Board" has been defined as main board as defined in clause (a) of sub-regulation (1) of regulation 106N of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as a recognized stock exchange having nationwide trading terminals, other than SME exchange. Recognized stock exchange having nationwide trading terminals means the Bombay Stock Exchange Limited, the National Stock Exchange Limited or any other recognized stock exchange which may be specified by the Board in this regard. In view of the above the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are applicable only to specified securities listed on "main board" Ahmedabad Stock Exchange Limited and The Calcutta Stock Exchange Limited are not the main board as defined under the SEBI Regulations. The company has however, sent a letter to SEBI for their informal guidance by way of interpretive letter to clarify whether the aforesaid regulations are applicable to the company or not on December 21, 2015 and response from SEBI is still awaited. In the meanwhile the company has started complying with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by way of abundant

caution and its commitment towards adherence to its policy to achieve objectives of transparency, accountability and integrity.

## BOARD OF DIRECTORS

### BOARD MEETINGS

The board of directors presently comprises of eight directors out of which three are executive directors and five are non-executive directors. Except Mrs. Sujata P. Mehta all other non-executive directors are independent directors and are leading professionals from varied fields whose input bring in independent judgment to the discussions and deliberations in the board meetings. During the year 2015-16 five Board meetings were held on 26.05.2015, 13.08.2015, 07.09.2015, 09.11.2015, and 13.02.2016. A meeting of Independent directors of the company was also held on 18.03.2016.

### Composition and attendance of each director at the meeting of the board of directors and at the last AGM

The composition of the board of directors and their attendance at the meetings of board of directors during the year and at last annual general meeting are given below :

Name of the director	DIN	Category of directorship	No. of board meetings attended	No. of directorships held in other Indian public limited companies	Attendance at the last AGM	Qualification shares held by non-executive directors	Inter-se relationship
Mr. Priyam B. Mehta	00030933	Executive-Chairman & managing director	5	3	Yes	-	Related to Mrs. Sujata Mehta, Mr. Varun Mehta & Mr. Vishal Mehta
Mr. Varun P. Mehta	00900734	Executive director	5	3	Yes	-	Related to Mr. Priyam Mehta, Mrs. Sujata Mehta & Mr. Vishal Mehta
Mr. Vishal P. Mehta	02690946	Executive director	5	3	Yes	-	Related to Mr. Priyam Mehta, Mrs. Sujata Mehta & Mr. Varun Mehta
CA Mahendra N. Shah	00021194	Non executive-Independent director	5	1	Yes	10	Related to CA Chirag M Shah
Dr. Janak D. Desai	02565216	Non executive-Independent director	4	-	Yes	12	Not Related to any director
Dr. Gaurang K. Dalal	00040924	Non executive-Independent director	4	1	Yes	10	Not Related to any director
CA Chirag M. Shah	00021298	Non executive-Independent director	5	-	Yes	11	Related to CA Mahendra Shah
Mrs. Sujata P. Mehta	00037746	Non executive	5	-	Yes	14221	Related to Mr. Priyam Mehta, Mr. Varun Mehta & Mr. Vishal Mehta

- None of the directors of the company holds any membership/ chairmanship in board committees of other companies.
- The meeting of the independent directors of the company was held on March 18, 2016 at the registered office and works of the company. The directors of the company were familiarized with the production processes of the company, the products manufactured by the company, its clients in India and overseas and were also shown the manufacturing activities and utilities of the company. The web link where details of familiarization programs imparted to independent directors is <http://www.maizeproducts.com/vp/content/uploads/2016/05/Independent-Directors-Familiarization-Program1.pdf>

- All the information required to be furnished to the board of directors as per regulation 17 (7) of part E of Schedule II to SEBI (Listing Obligations and Disclosure Requirements) Regulations was made available to them along with the detailed notes. This information includes minutes of meeting of audit committee, nomination and remuneration committee, stakeholders relationship committee, annual operating plans and budgets and updates thereof, quarterly results, information about recruitment of senior officers just below the board level, materially important litigations, show cause/ demand notices, prosecution and penalty, fatal or serious accidents or dangerous occurrences, material effluent or pollution problems if any, material default in financial obligations if any, sale of material nature of investments, sale of assets which are not in the normal course of business, details of joint venture, acquisition of companies or collaboration agreement, details of foreign exchange exposure and the steps taken by the management to limit the risks of adverse exchange rate movement, non compliance of any regulatory, statutory or listing requirements as well as shareholder services such as non-payment of dividends etc.

**AUDIT COMMITTEE**

The company has formed the audit committee and the same now comprises of four directors. CA Mahendra N. Shah, a very senior chartered accountant with extensive experience in the field of accounting, finance, taxation, securities contract and regulation act etc. was appointed as a member of audit committee with effect from 30.05.2016. After his appointment three of the members are independent directors and the chairman and managing director of the company is also a member of the audit committee. CA Chirag M. Shah is the chairman of the audit committee. During the year four audit committee meetings were held on 26.05.2015, 07.09.2015, 09.11.2015 and 13.02.2016.

The audit committee at the board level acts as a link between the independent auditors, internal auditors, the management and the board of directors and oversees the financial reporting process. The audit committee interacts with the internal auditors, independent auditors, secretarial auditors and cost auditors and reviews and recommends their appointment and remuneration. The audit committee is provided with all necessary assistance and information to enable it to carry out its functions effectively.

In general the audit committee reviews the audit and internal control procedures, accounting policies and the company's financial reporting process and ensures that the financial statements are correct, sufficient and credible and exercises the powers as recommended from time to time by SEBI, stock exchanges and/or under the Companies Act, 2013. Further audit committee also reviews the following information mandatorily:

- Management discussion and analysis of financial conditions and results of operations.
- Statement of significant related party transactions submitted by the management.

- Management letters/ letters of internal control weaknesses if any, issued by the statutory auditors.
- Internal audit report relating to internal control weaknesses if any, and implementation of action points arising there from.
- The recommendation of appointment, remuneration and terms of appointment of auditors of the company.
- Review and monitor the auditors' independence and performance and effectiveness of audit process.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Appointment, removal and terms of remuneration of the internal auditors.
- Quarterly and annual financial statements
- Risk assessment and minimization procedures.
- Matters required to be included in the director's responsibility statement to be included in the board report in terms of section 134 of the Act.
- Changes, if any, in accounting policies and practices and reason for the same.
- Major accounting entries involving estimates based on the exercise of judgment by the management.
- Significant adjustments made in the financial statements arising out of audit findings.
- Compliance with listing and other legal requirements relating to financial statements.
- Qualifications, if any, in the draft audit report.
- Scrutiny of inter-corporate loans and investments.
- Evaluation of internal financial controls.
- Reviewing the findings of any internal investigations, if any, by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Reviewing functioning of whistle blower mechanism.
- Carrying out any other function as mentioned in the terms of reference of audit committee.

**The composition of audit committee and particulars of attendance at the audit committee meetings during the year under review are given below :**

Name of directors	Chairman/Member	Category of directorship	No. of meetings attended
CA Chirag M. Shah	Chairman	Non-executive – independent	4
Dr. Gaurang K. Dalal	Member	Non-executive – independent	3
CA Mahendra N. Shah*	Member	Non-executive – independent	–
Mr. Priyam B. Mehta	Member	Executive – promoter	4

\* appointed as a member with effect from 30/5/2016.

The Sr. executive vice president (finance) and the Sr. executive vice president (accounts) are permanent invitees to the audit committee meetings. The company secretary acts as secretary to the audit committee. The Chairman of the audit committee was also present at the 74<sup>th</sup> annual general meeting of the company held on 13<sup>th</sup> August, 2015.

**NOMINATION AND REMUNERATION COMMITTEE**

The company has three whole time directors on the board whose remuneration is approved by the committee subject to approval of the board of directors, members and if required by the Central Government in compliance with the provisions of Companies Act, 2013 and relevant schedules under the said Act. Members of remuneration committee are CA Mahendra N. Shah - Independent director as the chairman, CA Chirag M. Shah - Independent director and Dr. Janak D. Desai - Independent director as members.

The terms of reference of the committee, inter alia, include: (a) formulation of policy for determining qualification, positive attributes and independence of a director and remuneration for the directors, key managerial personnel and other employees and recommend the same to the board and (b) identification of persons who are qualified to become directors and who may be appointed in senior management cadre in accordance with the criteria as per the policy approved by the board. The policy of the company is to remain competitive in the industry, to attract and retain the best talent and appropriately reward executives for their individual performance and contribution to the business of the company.

During the year 2015-16, meetings of nomination and remuneration committee were held on 26.05.2015 and 09.11.2015. CA Chirag M. Shah and CA Mahendra N. Shah attended both the aforesaid meetings. Dr. Janak D. Desai attended only the meeting held on 26.05.2015.

**Details of remuneration paid to directors:**

(₹ in Lacs)

Name of director	Salary	Perquisites*	Sitting fees for attending meeting of board of directors and committee meetings
Mr. Priyam B. Mehta	75.00	15.00	Nil
Mr. Varun P. Mehta	51.00	13.45	Nil
Mr. Vishal P. Mehta	57.00	7.65	Nil
CA Mahendra N. Shah	-	-	2.10
Dr. Janak D. Desai	-	-	1.70
Dr. Gaurang K. Dalal	-	-	2.05
CA Chirag M. Shah	-	-	2.10
Mrs. Sujata P. Mehta	-	-	1.70

**SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION**

As per provisions of the Companies Act, 2013 and as provided in the Listing Agreement, the company has appointed independent directors for the period of five years at its 73<sup>rd</sup> Annual General Meeting. All the independent directors of the company are highly qualified and are experts in their respective filed. They actively take part in the discussions at the board meetings and provide valuable independent inputs which enable board of directors of the company to take informed decisions on issues discussed at the meetings.

In case of appointment of new independent directors, the board and the independent directors shall satisfy itself with regard to independent nature of the director

vis-a-vis the company so as to enable the board to discharge its functions and duties effectively. It will also be ensured that the candidate identified for appointment as a director is not disqualified for appointment under section 164 of the Companies Act, 2013. The board and independent directors shall consider the attributes/ criteria like qualification, expertise and experience of the director in his respective field, personal, professional or business standing, diversity of the board etc. and in case or reappointment of non executive director, the board shall take into consideration the performance evaluation of the director and his engagement level.

The non executive directors are entitled to receive sitting fees for each meeting of the board and committee attended by them of such sum as approved by the board within overall limits prescribed under the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Presently the Company has three executive directors. Mr. Priyam B. Mehta is the chairman and managing director of the company. He has been with the company for more than three decades and has been instrumental in the progress of the company since the management of the company was taken over by him with his late father Mr. Bipin V. Mehta. Mr. Varun P. Mehta is the Executive Director of the company and he is looking after the all important functions like H R, finance and plant operations. Mr. Vishal P. Mehta is also the executive director of the company and is looking after the functions like production, purchase and plant operations. There has been a substantial increase in the turnover and profitability of the Company due to efforts on the part of the managing director and executive directors of company.

At the time or appointment or re-appointment, the executive directors shall be paid remuneration as agreed between the company (which includes nomination and remuneration committee and the board of directors) and the executive directors within the overall limits prescribed under the Companies Act, 2013 and Schedule V to the Act. The remuneration shall be subject to the approval of the members of the company in general meeting and subject to approval of Central Government, if required.

The remuneration of the executive directors comprises only of fixed component. The fixed component comprise salary, allowances, amenities and other benefits.

**PERFORMANCE EVALUATION POLICY**

The company has adopted performance evaluation policy for evaluation of performance of its directors and the board of directors itself. The board of directors has carried out the annual performance evaluation of its own performance, the directors individually as well as the evaluation of performance of its audit committee, nomination and remuneration committee, CSR committee and stakeholders relationship committee. A structured questionnaire was prepared after taking into

consideration various aspects of the board's functioning such as effectiveness in decision making, effectiveness in developing corporate governance structure, effectiveness in providing suggestions and advices to the management, creation of environment for open discussion and meaningful participation at the meetings, effectiveness in considering the reports and financial statements of the company and efforts for improvement in the same etc.

A separate exercise was carried out to evaluate the performance of the executive directors including the chairman and managing director who were evaluated on the parameters like leadership initiatives, new ideas suggestions and planning, effectiveness in decision making, compliance with policies of the company, its code and ethics, timely inputs on minutes etc. The performance evaluation of independent directors was carried out by the board. The performance evaluation of executive directors and non independent director was carried out by the independent directors. The directors expressed their satisfaction with the evaluation process.

#### INDEPENDENT DIRECTORS MEETING

The meeting of independent directors of the company was held on 18<sup>th</sup> March, 2016 wherein the independent directors of the company were informed in detail about the business of the company, its products and clients of the company. The independent directors of the company were also enlightened of their roles, functions and duties keeping in mind the provisions of the Companies Act, 2013. The independent directors at the meeting reviewed the performance of the non independent directors and the board of directors based on the parameters as discussed above in performance evaluation policy of the company.

#### RISK MANAGEMENT

The company has identified the risks associated with the business of the company and has taken measures to minimize the same and the details, if required are presented to and discussed at the board meeting. The risk management issues are discussed in the management discussion and analysis report.

#### STAKEHOLDERS RELATIONSHIP COMMITTEE

The terms of reference of the committee are to resolve grievances of shareholders, investors, public deposit holders and other stakeholders of the company.

The members of company's stakeholders relationship committee are CA Mahendra N. Shah- chairman, Dr. Gaurang K. Dalal- member, Mr. Varun P. Mehta- member and Mr. Vishal P. Mehta- member. During the year 2015-16, meetings of stakeholders relationship committee were held on 26.05.2015, 13.08.2015, 09.11.2015 and 13.02.2016. CA Mahendra N. Shah, Mr. Varun P. Mehta and Mr. Vishal P. Mehta attended all the meetings of the committee. Dr. Gaurang K. Dalal attended all the meetings of the committee except the meeting held on 13.08.2015.

Number of investor complaints received, solved and pending during the period from 1.4.2015 to 31.3.2016

Nature of complaints	Received	Solved	Pending
Non receipt of securities/complaint relating to transfer of shares	0	0	0
Non receipt of dividend warrants	12	12	0
Correction of names on securities	1	1	0
Clarification regarding shares	0	0	0

#### WHISTLE BLOWER POLICY

The company has in place a mechanism of reporting illegal or unethical behaviour. Employees are free to report violations of laws, rules, regulations or unethical conduct to the notified persons. The reports received from any employees will be reviewed by the audit committee. It is affirmed that no person has denied access to the audit committee in this respect. The directors and senior management are required to maintain confidentiality of such reporting and ensure that whistle blowers are not subjected to any discriminatory practice.

#### GENERAL BODY MEETING

Location and time for the last three Annual General Meetings

Year ended	Date	Time	Venue	No. of special resolutions passed
31st March, 2015	13th August, 2015	9.00 a.m.	Bhuriba Lallubhai Mehta Primary School, P.O. Kathwada, Maize Products, Ahmedabad - 382430.	1
31st March, 2014	26th July, 2014	9.00 a.m.	Bhuriba Lallubhai Mehta Primary School, P.O. Kathwada, Maize Products, Ahmedabad - 382430.	3
31st March, 2013	14th August, 2013	10.30 a.m.	Bhuriba Lallubhai Mehta Primary School, P.O. Kathwada, Maize Products, Ahmedabad - 382430.	3

#### SPECIAL RESOLUTIONS PASSED THROUGH POSTAL BALLOT

During last year two special resolutions, i.e. for adoption of new set of articles of association of the company and for obtaining consent of the members for creation of charge/ hypothecation/ mortgage on the assets of the company were passed through the postal ballot. The board had appointed Mr. Niraj Trivedi, Practicing Company Secretary as a scrutinizer to ensure that the postal ballot process is conducted in a fair and transparent manner. The shareholders of the company had the option to vote either through the postal ballot or through the e-voting facility and they casted their votes through karvy e-voting platform. The details of voting pattern in respect of the resolutions passed through the postal ballot are as given below :

Special Resolution No.	Total Valid Votes	Votes with Assent	Percentage (Approx.)
1- for adoption of new set of Articles of Association	59,568	59,486	99.86%
2- for obtaining consent of members for creation of charge/hypothecation/ mortgage on assets of the company	59,569	59,487	99.86%

There are no special resolution which are proposed to be conducted through postal ballot apart from those mentioned above.

**DISCLOSURES**

Disclosures on materially significant related party transactions, i.e. transactions of the company of material nature, with its promoters, the directors or management, their subsidiaries or relatives etc, that may have potential conflict with the interests of the company at large :

All transactions with related parties are in the ordinary course of business and at arm's length. The company has not entered into any transactions of a material nature with any related parties which are in conflict with the interest of the company. A note on particulars of material contracts/arrangements entered into by the company with related parties referred to in sub - section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto has been annexed to the board report. The details of related party transactions are also disclosed in the note 23(xiii) to accounts in this annual report. Web link where policy on dealing with related party transactions is <http://www.maizeproducts.com/wp-content/uploads/2016/05/related-party-transaction-policy.pdf>

The company does not have any material subsidiary company. The company has not advanced any loans or advances in the nature of loans to its subsidiaries or to associate company or to any other firms/ companies in which directors are interested. The company is not a subsidiary of any company.

**Compliance with accounting standards**

In the preparation of financial statements there is no deviation from the prescribed accounting standards.

**Code of conduct**

The code of conduct for all board members and senior management of the company has been prescribed by the company. Certificate of compliance to that effect is attached to this report.

**Compliance with corporate governance requirements**

The company has complied with corporate governance requirements specified in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Cases of non-compliance/ penalties**

There are no non-compliances by the company on any matter related to the capital markets during the last three years. Similarly, there are no penalties or strictures imposed on the company by the stock exchange, SEBI or any other statutory authorities on any matter related to capital markets during the last three years.

**MEANS OF COMMUNICATION**

The company normally publishes the quarterly and annual results in leading English & Gujarati dailies.

The company has its own website [www.maizeproducts.com](http://www.maizeproducts.com) on which the quarterly results are displayed.

The management discussion and analysis report is attached to the directors' report and forms part of the annual report.

**GENERAL SHAREHOLDER INFORMATION**

**Annual general meeting**

**Day and date** : Tuesday 13<sup>th</sup> September, 2016  
**Time** : 9.00 a.m.  
**Venue** : Bhuriba Lallubhai Mehta Primary School, P.O. Kathwada - Maize Products, Ahmedabad- 382430.

**Financial calendar (tentative)**

**Financial year** : April-March  
**First quarter results** : 2<sup>nd</sup> week of August, 2016  
**Half yearly results** : 2<sup>nd</sup> week of November, 2016  
**Third quarter results** : 2<sup>nd</sup> week of February, 2017  
**Fourth quarter/ annual results** : 2<sup>nd</sup>/ week/ end of May, 2017  
**Book closure date** : Thursday, the 8<sup>th</sup> September, 2016 to Tuesday, the 13<sup>th</sup> September, 2016 (both days inclusive).

**Dividend payment date** : 24<sup>th</sup> September, 2016

**Listing in stock exchange(s)** : Your company's shares are listed at Ahmedabad Stock Exchange Limited and The Calcutta Stock Exchange Limited.

**Notes regarding payment of annual listing fees** : The annual listing fees for the year 2016-17 has been already paid by the company to The Calcutta Stock Exchange Limited. The Ahmedabad Stock Exchange Limited has not been operating and is in the process of closure as required by the circular of Securities and Exchange Board of India. The company has therefore not sent listing fees to them.

**Stock code at Ahmedabad stock exchange limited** : SAYAJIINDU / 52210

**Scripe code at The Calcutta stock exchange limited** : 030025

**ISIN with NSDL and CDSL** : INE327G01016

**CIN** : L99999GJ1941PLC000471

**Market price data and stock performance**

The equity shares of the company are listed at Ahmedabad Stock Exchange Limited and The Calcutta Stock Exchange Limited. There is no trading in the equity shares of the company at the aforesaid stock exchanges. The data of market price and stock performance is therefore not given.

## Compliance Officer

Rajesh H. Shah  
 Company secretary &  
 Sr. executive vice president  
 Sayaji Industries Limited  
 P.O. Kathwada, Maize Products,  
 Ahmedabad-382430.  
 Phone : +91(79) 22901581-85  
 Fax : +91(79) 22902424  
 e-mail : rhs@sayajigroup.in

## Registrar and Transfer Agents

Karvy Computershare Private Limited  
 Karvy Selenium Tower B, Plot 31-32,  
 Gachibowli Financial District,  
 Nanakramguda, Hyderabad - 500032  
 Phone No : 040-44655000/040-44655188  
 e-mail : einward.ris@karvy.com

## Share transfer systems

Since the company's shares are traded in the demat segment on stock exchange, bulk of the transfer takes place in the electronic form. The transfer of physical shares are handled by M/s Karvy Computershare Private Limited at the address as mentioned above.

## Pattern of shareholding as on 31<sup>st</sup> March, 2016

Sr. No.	Category	No. of shares held	% of total shareholding
1	Promoters	59231	74.98
2	Mutual fund	0	0.00
3	Banks, financial institutions, insurance companies	14	0.02
4	Foreign institutional investors	0	0.00
5	Private bodies corporate	29	0.03
6	Indian Public	19721	24.96
7	NRIs/ OCBs	5	0.01
8	GDR/ ADR	0	0.00
	Grand total	79000	100.00

## Distribution of shareholding as on 31<sup>st</sup> March, 2016

No. of equity shares	No. of folios	% of total folios	No. of shares	% of total shareholding
Less than 50	4405	98.92	14675	18.58
51 to 100	17	0.38	1126	1.43
101 to 200	8	0.18	1034	1.31
201 to 300	2	0.05	522	0.66
301 to 400	4	0.09	1466	1.85
401 to 500	1	0.02	435	0.55
501 to 1000	3	0.07	2379	3.01
More than 1000	13	0.29	57363	72.61
Total	4453	100.00	79000	100.00

## Dematerialization of shares and liquidity

The company's equity shares are available for dematerialization on both National Securities Depository Limited and Central Depository Services (India) Limited. Equity shares of the company are traded in demat form on stock exchange. 23971 equity shares being 30.34% of the capital have been dematerialized by investors and bulk of transfer takes place in the demat form.

## Outstanding GDRs/ ADRs/ Warrants or any convertible instruments and conversion rate and likely impact on equity

Nil

## Plant location

P.O. Kathwada, Maize Products, Ahmedabad-382 430.

## Address for correspondence

Shareholders may correspond with the company at its registered office at

The Secretarial department  
 Sayaji Industries Limited  
 P.O. Kathwada, Maize Products,  
 Ahmedabad-382 430.

# CERTIFICATE

## Auditors' Report on Corporate Governance :

To,  
 The Members of Sayaji Industries Limited  
 Ahmedabad

1. We have examined the compliance of conditions of Corporate Governance by SAYAJI INDUSTRIES LIMITED ("the Company"), for the year ended on March 31, 2016 as stipulated in :

- Clause 49 (excluding 49(VII)(E) of the Listing Agreement of the Company with stock exchange(s) for the period from April 01, 2015 to November 30, 2015.
- Clause 49(VII)(E) of the Listing Agreements of the company with the stock exchange(s) for the period from April 1, 2015 to September 01, 2015.
- Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) for the period from September 02, 2015 to March 31, 2016 and

- Regulation 17 to 27 (excluding regulation 23(4) and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V to the Listing Regulations for the period from December 01, 2015 to March 31, 2016.

2. The compliance of conditions of Corporate Governance is the responsibility of the Management, Our examination was limited to the procedure and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing

Regulations for the respective periods of applicability as specified under the paragraph 1 above, during the year ended March 31, 2016.

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

For Deloitte Haskins & Sells  
Chartered Accountants  
(Registration No 117365W)

**(Gaurav J. Shah)**

Partner

Membership No. 35701

Place: Ahmedabad  
Date: May 30, 2016

To,  
The Shareholders  
Sayaji Industries Limited

**Declaration by the chairman & managing director  
Regulation 17(8) of SEBI(Listing Obligations and  
Disclosure Requirements) Regulations, 2015**

I, Priyam B. Mehta, chairman and managing director of Sayaji Industries Limited declare that to the best of my knowledge and belief, all the members of the board of directors and senior management personnel have affirmed compliance with code of conduct for the year ended 31<sup>st</sup> March, 2016.

**Priyam B. Mehta**  
Chairman & Managing Director

Place : Ahmedabad.  
Date : May 30, 2016

## CEO/CFO CERTIFICATE

To  
The Board of Directors  
Sayaji Industries Limited  
Ahmedabad

### CERTIFICATE

We have reviewed the financial results and the cash flow statement of Sayaji Industries Limited for the financial year ended 31<sup>st</sup> March, 2016 and certify that

- (a) This results and statements, to the best of our knowledge and belief :
- (i) do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- (b) To the best of our knowledge and belief, there are no transactions entered into by the company during the year which are fraudulent, illegal or violative of company's code of conduct;
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and audit committee, deficiencies in the design or the operation of such internal controls, if any, of which we are aware, and the steps we have taken or propose to take to rectify this deficiency;
- (d) We have also indicated to the auditors and to the audit committee :
- (i) significant changes in the internal controls with respect to the financial reporting during the year;
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) to the best of our knowledge and belief, there are no instance of significant fraud of which we have become aware involving either the management or employee having a significant role in the company's internal control systems over financial reporting.

**N J Deora**  
Sr. Exe. VP  
(Accounts)

**Priyam B. Mehta**  
Chairman & Managing Director

Place : Ahmedabad  
Date: May 30, 2016

# MANAGEMENT DISCUSSION AND ANALYSIS

Your directors have pleasure in presenting the management discussion and analysis report for the year ended on March 31, 2016.

## INDIAN ECONOMY

As per the World Bank forecast, India is now the world's fastest growing economy and is relatively well positioned to weather the global volatility and even set for a modest acceleration of growth in the years ahead. The latest development update expects India's economic growth to be at 7.5% in this year followed by further acceleration to 7.8% in 2016-17 and 7.9% in 2017-18. The softer oil prices together with structural reforms has given a boost to domestic demand and allowed India to achieve faster growth despite sluggish exports.

The acceleration in growth however would require the reforms like flagging the goods and service tax, power sector reforms and a recovery of export growth. Public sector banks which account for three-fourth of domestic credit are under stress with a rising share of non-performing assets which needs to be addressed efficiently. There is also need for states to use the higher allocation of resources judiciously and ensure that the resources are utilised for boosting growth.

The India Meteorological Department has predicted normal or in excess monsoon for the year 2016 which would bring relief to the 10 states which are suffering from the worst drought in decades. It is predicted that the rains in 2016 would be between 104 and 110 percent of the long term average and it will be fairly distributed across India. It is expected that farm production including maize would be better in 2016-17 on account of the above normal monsoon which would be good for India, Indian economy and Indian farmers.

## STARCH INDUSTRY – AN OVERVIEW

### GLOBAL STARCH MARKET

Global starch consumption is projected to reach 133.5 million metric tons by the year 2018, driven primarily by the diversity and sheer number of end-use applications in both food and non-food industries, according to a new report from market researcher Global Industry Analysts, Inc. (GIA).

According to "Starch : A Global Strategic Business Report" economic recovery, rise in per capita consumption, and growing demand for starch products from developing nations translates into a bright outlook for the sector. Starch end-use applications have grown in number over the years, and now include diverse

applications ranging from food and beverages to medicine, cosmetics, pharmaceuticals and more.

Growing consumption of liquid starches and modified starches has been one of the key reasons behind the quick recovery of the market post recession. With the global economy gradually improving and resulting in an increased intake of processed and convenience foods, the market for modified starch, which finds substantial usage in these food applications, is finding increased demand, thereby driving the overall market at a CAGR of more than 7% till 2018.

According to the report, the United States is the largest supplier of starch in the world, followed by China. Recent growth in the global starch market has been particularly driven by developing markets in Asia-Pacific. In fact, the sector, which includes China, India, Thailand, South Korea and Philippines, is expected to have a CAGR of 9.0% till 2018.

### INDIAN STARCH SCENARIO

Maize being an agro based commodity, the production and prices of the same is largely dependent on the monsoon in India and this year as the monsoon was below normal there has been a substantial increase in the price and availability of maize and the entire starch industry had to import maize. However, with normal or in excess monsoon forecast for the year 2016 across India is expected to positively impact the farm production including the maize which may be good news for industries depending on farm products.

Indian corn starch market is forecasted to double in the next four years. The utilization of corn starch in wide array of industries and new food consumption habits are the major drivers of the market. The end user industries such as paper, paint, food, textile, pharmaceutical, FMCG and confectionery are witnessing positive growth rate, thus increasing demand for corn starch in the country. There has been additions in the corn wet milling processing capacity of major starch manufacturers in India in the past few years and the trend is likely to continue in the times to come with the entry of global players in the market. Margins and growth in revenue of major corn starch companies remained under stress due to higher maize prices and comparatively lower finished products prices. However, with good monsoon and increase in the demand for the products of starch industry the things are expected to improve in the year 2016-17. The growth potential for corn starch is tremendous in the country with current starch consumption per capita way below global average.

The Indian organized starch industry is at a nascent stage comprising around 40 starch and derivative products from corn as against international market which comprises more than 800 such products. Thus there is a huge scope of increase in demand in the coming years. The Indian starch industry is expected to grow at 15% p.a. in the coming years. The size of the

starch industry in India is negligible as compared to international market. The profit of the industry also fluctuate from year to year due to erratic availability of the basic raw material- corn being an agri-product and depends on natural vagaries.

In other countries like USA and China, industry specific types of corn varieties are available, while in India no such segregation is done due to ignorance on the part of farmers and total absence of standardization. In India also there is a possibility of rise in the profitability of starch industry with reduction in input costs due to better recovery by using industry specific corn and by direct purchasing from farmers. There would be more concentration on the modified starch segment which is estimated to grow from approx. USD 12.76 billion in 2012 to USD 15.23 billion by 2017, being growth of 3.2% CAGR over the said period.

## **OPPORTUNITIES AND THREATS**

### **OPPORTUNITIES**

Per capita consumption of starch in India is very less at approx. 2 kg as compared to global average of around 6 kg and US average of 65 kgs. There is also a huge scope of increase in starch and derivative products in India, where just 40 starch and derivative products are produced as against approx. 800 such products globally. All this augurs well for the starch industry in India and Sayaji Industries Limited which is one of the largest players in the Industry with diversified product portfolio is expected to gain from this growth of demand.

### **THREATS/ RISKS**

#### **Risk relating to increased competition in Starch Industry**

There has been a huge capacity addition by major players in the starch industry which has led to fierce competition in the industry. Added to this, the price of maize and all other input costs may go up further in view of below normal monsoon, which may affect the margins of the industry.

#### **Risk mitigation**

To ensure safety and prosperity of the business, the company has indentified and minimized the risks associated with its business.

The growth of starch industry depends on growth of sectors like textile, pharmaceuticals, paper, paints, food, confectioneries, FMCG etc. All these sectors are growing at a healthy rate and this has helped all the players in the starch industry to grow at a healthy rate. The company has been able to pass on some portion of increased input costs to its clients. The company is the largest exporter in the industry and approx. 19% of its turnover comes from exports. This concentration in the export market has helped the company to get good prices for its products. The company also puts more efforts on the products with a better margin and tries to cut costs at all levels by applying stringent cost cutting measures. The company is also planning to enhance its

maize grinding capacity which would be utilised to manufacture higher margin products to enhance the overall profitability of the company.

#### **Risk relating to decrease in demand**

#### **Risk mitigation**

The product portfolio of the company is diversified and the products are supplied to various industries ranging from textile, FMCG, food, paper, paints, pharmaceuticals, confectionery etc. If there is a slow down in some industry, the company concentrates more on the sectors which are growing and supplies to such industries. In addition to above sectors like paper, paints, leather, FMCG, pharmaceuticals etc. are expected to register good growth with the growth of Indian economy which is expected to increase demand for starches and its derivatives.

#### **Risk relating to scarcity/ quality of raw materials**

#### **Risk mitigation**

The major raw material of the company is maize. The company has since many years established a very efficient maize procurement policy to ensure availability of quality maize at competitive price. This year due to non-availability of maize locally the company also ensured import of maize which has helped continued its operations. The company also has storing arrangement in and around its plant to ensure that sufficient stock of raw materials is maintained and there is no disruption in the production. For other important input being power, the company has its own power generating turbine wherein the power is generated at a comparatively lower rate. The company has started generating more power from biogas captured while treating its effluents which makes available green energy at a very low cost.

#### **Geographic presence is required for growth**

#### **Risk mitigation**

Though the company is located at a far distance from the maize growing area, it is near to the industries which utilizes the products of the company. Thus the disadvantage is mitigated by being near to the markets which utilizes the products of the company.

#### **Change in environment regulations**

#### **Risk mitigation**

The company has its own state-of-the-art facilities to treat the effluents generated from its manufacturing processes. The company has further improved its effluent treatment facilities keeping in mind proposed expansion plans. It has also taken all the required measures to ensure that emissions are within the statutory limits prescribed by the pollution control authorities. As indicated above, the company has started generating more electricity from the biogas processed while treating its effluents in bio digesters.

**BUSINESS OUTLOOK**

The company continues to remain one of the market leaders in the starch industry. The products of the company are very well accepted in local and international markets due to its quality and applications. There has been continuous increase in the maize grinding activity of the company. The company is presently grinding approx. 650T/ day on a consistent basis and is further planning to increase its activity gradually and utilize such increased facility for production of high margin products.

The company found it difficult to source maize at competitive price due to prevailing draught situation in most part of India. The company also had to import maize to continue its operation. Due to increased competition and sluggish market conditions, the price of the finished products could not be increased in proportion to increased input costs as a result of which the margins of the company remained under pressure during the year under review which has adversely affected the financial parameters of the company. The production of the company was also affected due to break out of fire in the starch dryer department of the company. However, despite this there has been slight increase in the activity and turnover of the company. The operating profit of the company is ₹ 2276.57 lacs as against ₹ 2845.15 lacs in the previous year. The Gross Profit of the Company stands at. ₹ 1160.50 lacs as against. ₹ 2043.04 lacs in the previous year. During the year under review, the profit before tax of the company is ₹ 372.84 lacs as against ₹ 1328.61 lacs in the previous year and the net profit after tax is ₹ 273.01 lacs as against ₹ 941.21 lacs in the previous year. The maize grinding activity of the company increased by approx. 3% as compared to previous year.

Export turnover of the company during the year under review is ₹ 10227.83 Lacs as against ₹ 12364.69 lacs in the previous year due to unrest in middle east and far east countries where major portion of products of the company are exported and recession in the global market. The company, however, is the largest exporter of starches and its derivatives in India. This is possible due to quality of the products of the company and its ability to adhere to the delivery requirements of its international clientele at competitive rates. The company has received ISO 22000:2005 which certifies the quality standards of the products and processes which the company adopts to manufacture its products. Efforts have been put to enlarge the product portfolio of the company by including the high value products to ensure that the bottom line is improved. Efforts are also on to further improve the technical efficiency of the company with the help of the consultants and experts in the field. The company has been able to establish its name in the industry and boast of reputed clients like Hindustan Unilever, Asian Paints, ITC, Colgate, Berger Paints, West Coast Papers, ZyduS Cadila, Torrent etc. to name a few. With all the efforts as aforesaid and expectation of improved demand for the products of the company due to increased agricultural output and lower maize prices,

it is expected that the operating efficiency of the company may further improve resulting into enhanced top line and bottom line in the years to come.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The company has a proper and adequate internal finance control system to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly.

The internal control is exercised through documented policies, guidelines and procedures. It is supplemented through documented policies, guidelines and procedures. It is supplemented by an extensive program of internal audit conducted by two internal auditors and has an effective internal control system commensurate with its size and nature of business to ensure that all the transactions are properly executed and recorded. The audit observations and corrective action taken thereon are periodically reviewed by the audit committee to ensure effectiveness of the internal control system. The systems are also reviewed by the management and statutory auditors of the company to ensure efficiency and transparency in the operations of the company. The system is also in place to ensure that the financial and other records are reliable for preparing financial statements and other data and for maintaining accountability of persons.

**COMPANY PERFORMANCE AND ANALYSIS**

- There has been an increase in the activity of the company during the year under review as compared to previous year.
- Export of the company has been ₹.10227.83 Lacs during the year under review.
- Profitability of the company remained under stress due to increase in the maize price and other input costs which could not be passed on fully to the market due to increased competition & sluggish market conditions. However, with application of stringent cost cutting measures, increased productivity from debottlenecking, automation and better product mix the company was able to earn some profit during the year under review.
- Despite of increase in turnover of the company the credit period has been reduced due to efforts on the part of sole selling agents of the company.
- EPS of the company works out to ₹.345.58.

**INDUSTRIAL RELATIONS**

Industrial relations remain cordial. The company organizes regular training programs for the workers and executives to ensure that their efficiency remains high and motivation increases. The company provides ample opportunity to its employees to sharpen their skills by organizing visits of experts in its plant and by visiting the factories of collaborators. The company has been able to retain its employees for years and has ensured that they also grow with the growth of the company.

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF SAYAJI INDUSTRIES LIMITED

### Report on the Financial Statements

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

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143(11) of the Act.

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

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

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2016, and its profit and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, as applicable.
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses a unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells  
Chartered Accountants  
(Firm Registration No. 117365W)  
**Gaurav J. Shah**  
Partner  
(Membership No.35701)

Place : Ahmedabad  
Date : May 30, 2016

# ANNEXURE "A"

## TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

We have audited the internal financial controls over financial reporting of Sayaji Industries Limited ('the Company') as of March 31, 2016 in conjunction with our audit of standalone financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditor's Responsibility

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

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

of material misstatement of the financial statements, whether due to fraud or error.

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

### Meaning of Internal Financial Controls Over Financial Reporting

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

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

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

For Deloitte Haskins & Sells  
Chartered Accountants  
(Firm Registration No. 117365W)

**Gaurav J. Shah**  
Partner  
(Membership No. 35701)

Place : Ahmedabad  
Date : May 30, 2016

## ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section 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) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for loans, guarantees, etc., (state the exact nature for which these have been pledged) are held in the name of the Company based on the confirmations directly received by us from lenders / parties.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals. Material discrepancies noticed on physical verification during the year have been properly dealt with in the books of account. The physical verification of inventories lying with third parties or goods-in-transit is performed by performing alternate procedures such as obtaining confirmations
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended with regard to the deposits accepted. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on March 31, 2016 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (₹. in Lacs)	Amount Unpaid (₹. in Lacs)
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal, Ahmedabad	AY 2008-09, 2009-10, 2010-11, 2011-12	6.44	6.44
Income Tax Act, 1961	Income Tax	The Commissioner of Income Tax (Appeals)	AY 1997-98, 2012-13 & 2013-14	6.27	6.27

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government. The Company has not issued any debentures.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the

Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For Deloitte Haskins & Sells  
Chartered Accountants  
(Firm Registration No. 117365W)

**Gaurav J. Shah**

Partner

(Membership No. 35701)

Place : Ahmedabad

Date : May 30, 2016

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**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2016**

	Note No.	As at 31.03.2016 ₹ in Lacs	As at 31.03.2015 ₹ in Lacs
<b>A EQUITY AND LIABILITIES</b>			
<b>1 SHAREHOLDERS' FUNDS</b>			
(a) Share Capital	2	79.00	79.00
(b) Reserves & Surplus	3	4,742.47	4,588.31
		<u>4,821.47</u>	<u>4,667.31</u>
<b>2 NON CURRENT LIABILITIES</b>			
(a) Long Term Borrowings	4	3,867.33	3,709.19
(b) Deferred Tax Liabilities (Net)	23.vi	1,120.17	1,088.67
(c) Long Term Provisions	5	326.54	339.38
		<u>5,314.04</u>	<u>5,137.24</u>
<b>3 CURRENT LIABILITIES</b>			
(a) Short Term Borrowings	6	5,219.06	3,967.79
(b) Trade Payables	7	-	-
- Dues of Micro and Small Enterprises		-	-
- Dues of creditors other than Micro and Small Enterprises	23.v	5,832.06	3,880.14
(c) Other Current Liabilities	8	1,999.75	1,882.19
(d) Short Term Provisions	9	362.12	363.98
		<u>13,412.99</u>	<u>10,094.10</u>
<b>TOTAL</b>		<u><u>23,548.50</u></u>	<u><u>19,898.65</u></u>
<b>B ASSETS</b>			
<b>1 NON CURRENT ASSETS</b>			
(a) Fixed Assets			
(i) Tangible Assets	10	12,900.49	11,401.96
(ii) Intangible Assets		109.30	-
(iii) Capital Work-In-Progress		158.04	305.17
(iv) Intangible Assets under Development		-	103.56
		<u>13,167.83</u>	<u>11,810.69</u>
(b) Non Current Investments	11	138.17	154.98
(c) Long Term Loans and Advances	12	520.22	472.02
		<u>13,826.22</u>	<u>12,437.69</u>
<b>2 CURRENT ASSETS</b>			
(a) Inventories	13	4,552.83	2,433.10
(b) Trade Receivables	14	3,430.47	3,706.64
(c) Cash and Cash Equivalents	15	244.00	192.49
(d) Short Term Loans and Advances	16	1,494.98	1,128.73
		<u>9,722.28</u>	<u>7,460.96</u>
<b>TOTAL</b>		<u><u>23,548.50</u></u>	<u><u>19,898.65</u></u>

See accompanying notes forming part of the Financial Statements 1 to 23

As per our attached report of even date

<b>For Deloitte Haskins &amp; Sells</b> Chartered Accountants	<b>Priyam B. Mehta</b> Chairman & Managing Director	<b>Vishal P. Mehta</b> Executive Director	<b>CA Mahendra N. Shah</b> Director
<b>Gaurav J. Shah</b> Partner	<b>Dr. Gaurang K. Dalal</b> Director	<b>Dr. Janak D. Desai</b> Director	<b>Sujata P. Mehta</b> Director
	<b>CA Narayansingh J. Deora</b> Sr. Executive V. P. (Accounts)	<b>Rajesh H. Shah</b> Company Secretary	
Ahmedabad Date : May 30, 2016	Ahmedabad Date : May 30, 2016		

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

	Note No.	For the year 2015-16 ₹ in Lacs	For the year 2014-15 ₹ in Lacs
<b>INCOME</b>			
1	17	53,281.65	50,400.68
		4,134.21	3,594.13
		49,147.44	46,806.55
2	18	81.66	76.57
3		49,229.10	46,883.12
<b>4 EXPENDITURE</b>			
(a)	19.a	29,753.84	25,459.56
(b)	19.b	16.85	118.01
(c)	19.c	(301.23)	(22.42)
(d)	20	4,326.43	3,695.06
(e)	21	1,116.07	802.11
(f)	10	787.66	714.43
(g)	22	13,156.64	14,787.76
		48,856.26	45,554.51
5		372.84	1,328.61
<b>6 Tax Expense:</b>			
(a)		76.00	423.50
(b)		(74.70)	(47.89)
(c)		67.03	-
		68.33	375.61
(d)		31.50	11.79
		99.83	387.40
7		273.01	941.21
8	23.xv		
(a)		345.58	1,191.41
(b)		345.58	1,191.41
See accompanying notes forming part of the Financial Statements 1 to 23			

As per our attached report of even date

**For Deloitte Haskins & Sells**  
Chartered Accountants

**Priyam B. Mehta**  
Chairman & Managing Director

**Vishal P. Mehta**  
Executive Director

**CA Mahendra N. Shah**  
Director

**Gaurav J. Shah**  
Partner

**Dr. Gaurang K. Dalal**  
Director

**Dr. Janak D. Desai**  
Director

**Sujata P. Mehta**  
Director

**CA Narayansingh J. Deora**  
Sr. Executive V. P. (Accounts)

**Rajesh H. Shah**  
Company Secretary

Ahmedabad  
Date : May 30, 2016

Ahmedabad  
Date : May 30, 2016

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

	Year ended 31 <sup>st</sup> March, 2016		Year ended 31 <sup>st</sup> March, 2015	
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net profit before tax		372.84		1,328.61
<b>Adjustments for:</b>				
Depreciation	787.66		714.43	
Interest Expenses	1,116.07		802.11	
Dividend	(48.11)		(36.03)	
Provision for Doubtful Advances	-		680.00	
Provision for Doubtful Trade Receivable	5.10		30.22	
Provision for Diminution in value of Investments	26.22		-	
(Profit)/Loss on sale of Fixed Assets	(0.89)		13.93	
(Profit)/Loss on sale of Investment	(9.41)		-	
Unrealised Exchange fluctuation (Gain)/Loss	20.36		(31.38)	
		<b>1,897.00</b>		<b>2,173.28</b>
Operating profit before working capital changes		<b>2,269.84</b>		<b>3,501.89</b>
<b>Adjustments for:</b>				
Trade and Other Receivables	(160.53)		257.27	
Inventories	(2,119.73)		(61.40)	
Trade Payables	2,039.65		(1,220.38)	
		<b>(240.61)</b>		<b>(1,024.51)</b>
Cash Generated From Operations		<b>2,029.23</b>		<b>2,477.38</b>
Taxes paid		<b>(56.59)</b>		<b>(546.74)</b>
<b>Net Cash From Operating Activities</b>		<b>1,972.64</b>		<b>1,930.64</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Fixed Assets	(2,145.15)		(3,278.05)	
Sale of Fixed Assets	1.24		29.40	
Purchase of Investments	(15.93)		-	
Sale of Investment	6.52		-	
Dividend Received	48.11		36.03	
Interest Received	17.51		6.94	
Cash & Cash Equivalent not considered as Cash & Cash Equivalent	(1.66)		(4.17)	
-Balance in Earmarked accounts				
<b>Net Cash From Investing Activities</b>		<b>(2,089.36)</b>		<b>(3,209.85)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from Borrowings	2,141.27		3276.80	
Repayment of Loans	(674.72)		(1,038.13)	
Interest Paid	(1,133.58)		(809.05)	
Dividend & Tax thereon paid	(166.40)		(138.64)	
<b>Net Cash Generated in Financing Activities</b>		<b>166.57</b>		<b>1,290.98</b>
<b>Net Changes in Cash &amp; Cash Equivalents (A+B+C)</b>		<b>49.85</b>		<b>11.77</b>
Add: Cash and Cash Equivalents at the beginning of the year		<b>149.68</b>		<b>137.91</b>
<b>Cash and Cash Equivalents at the end of the year</b>		<b>199.53</b>		<b>149.68</b>
<b>Reconciliation of Cash and cash equivalents with Cash and Bank Balance</b>				
Cash & Cash Equivalents as per Note 15		<b>244.00</b>		<b>192.49</b>
Less: In earmarked accounts (Refer Note 2 Below)				
- Unpaid Dividend Account		<b>24.10</b>		<b>20.75</b>
- Balance held as margin money		<b>20.37</b>		<b>22.06</b>
Net cash and cash equivalent (as defined in AS 3 Cashflow Statements) included in Note 15		<b>199.53</b>		<b>149.68</b>

**Notes:**

- The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard-3 on Cash Flow Statements issued by The Institute of Chartered Accountants of India.
- Cash and Cash Equivalents include deposits with banks of ₹ 20.37 Lacs (Previous Year ₹ 22.06 Lacs) and unpaid dividend accounts with banks of ₹ 24.10 Lacs (Previous Year ₹ 20.75 Lacs), which is not available for immediate use.

As per our attached report of even date

**For Deloitte Haskins & Sells**  
Chartered Accountants

**Gaurav J. Shah**  
Partner

Ahmedabad  
Date : May 30, 2016

**Priyam B. Mehta**  
Chairman & Managing Director

**Dr. Gaurang K. Dalal**  
Director

**CA Narayansingh J. Deora**  
Sr. Executive V. P. (Accounts)

Ahmedabad  
Date : May 30, 2016

**Vishal P. Mehta**  
Executive Director

**Dr. Janak D. Desai**  
Director

**Rajesh H. Shah**  
Company Secretary

**CA Mahendra N. Shah**  
Director

**Sujata P. Mehta**  
Director

## Notes Forming Part of the Financial Statements

### NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

#### i **Basis of Preparation of Financial Statements:**

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the company and are consistent with those used in the previous year.

#### ii **Use of Estimates:**

The preparation of financial statements in conformity with the Indian GAAP requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the difference between the actual results and the estimates are recognized in the periods in which the results are known/materialise.

#### iii **Fixed Assets:**

Fixed assets are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

Capital assets under erection/installation are reflected in the Balance Sheet as "Capital work in Progress".

#### iv **Operating Lease:**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

#### v **Depreciation:**

Depreciable amount for the assets is the cost of assets, or other amount substituted for the cost, less its estimated residual value. Depreciation on all fixed assets is provided on Straight Line Method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Depreciation on fixed assets purchased/acquired during the year is provided on pro-rata basis according to the period each asset was put to use during the year. Similarly, depreciation on assets sold/discarded/demolished during the year is provided on pro-rata basis.

#### vi **Impairment of Assets:**

Impairment is ascertained at each balance sheet date in respect of Cash Generating Units. An impairment loss is recognised whenever the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the greater of the net realizable value and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

#### vii **Investments:**

Investments that are intended to be held for not more than one year from the date of which such Investments are made are classified as Current Investments. All other Investments are classified as Long-term Investments. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

Current Investments are carried at lower of cost and fair value determined on an individual investment basis. Cost of investment includes acquisition charges such as brokerage, fees and duties.

#### viii **Inventories:**

Inventories are valued at lower of cost and net realisable value, except by-products which is valued at net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold

## Notes Forming Part of the Financial Statements

at or above cost. Cost is determined on a First in First out (FIFO) basis except for Stores, Spares (including Packing Materials & Chemicals), where monthly weighted average cost basis method is adopted. Cost includes cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Obsolete, slow moving and defective inventories are identified and provided for.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated costs necessary to make the sale.

### ix **Cash and Cash Equivalents (for purposes of Cash Flow Statement):**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### x **Cash Flow Statement:**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### xi **Employee Benefits:**

#### a) **Defined Contribution Plan.**

The Company's contributions paid/payable for the year to Provident Fund and Superannuation Fund are recognized in the Statement of profit and loss.

#### b) **Defined Benefit Plan**

The Company's liabilities towards gratuity and leave encashment are determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past services are recognized on a straight-line basis over the average period until the amended benefits become vested. Actuarial gain and losses are recognized immediately in the statement of profit and loss as income or expenses. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the balance sheet date on Government bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

### xii **Borrowing Cost:**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

### xiii **Revenue Recognition:**

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, which generally co-incides with delivery of goods to customers.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is net of trade discounts, rebates and returns. Excise Duty and VAT collected on sales are shown by way of further deduction from sales.

Interest income is recognized on the time basis determined by the amount outstanding and the rate applicable and where no significant uncertainty as to measurability or collectability exists.

Dividend from investments is recognized when the right to receive the payment is established and when no significant uncertainty as to measurability or collectability exists.

### xiv **Foreign Currency Transactions:**

#### **Initial Recognition:**

Transactions in foreign currency are recorded at the exchange rates prevailing at the time the transactions are effected. Any income or expense on account of exchange rate difference either on settlement or on translation is recognized in the Statement of profit and loss account for the period in which the difference takes place.

## Notes Forming Part of the Financial Statements

### Measurement at Balance Sheet Date:

At the year end, monetary items denominated in foreign currency are reported using the closing rate of exchange. In cases of items which are covered by forward exchange contracts, the differences between the year end rates and rate on the date of contract is recognised as exchange difference and the premium paid on forward contract is recognised over the life of contract.

Non monetary foreign currency items are carried at historical cost.

### xv Segment reporting:

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

### xvi Operating Cycle

Based on the nature of products/activities of the company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

### xvii Earnings per share:

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

### xviii Service tax input credit:

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

### xxi Taxes on Income:

Income tax expense for the year comprises of current tax, deferred tax. Current tax provision is determined in accordance with applicable tax rates on the basis of reliefs, deductions etc. available under the Income Tax Act, 1961. Deferred Tax is recognised for all timing differences between book and taxable profit, subject to the consideration of prudence, applying the tax rates that have been enacted or substantively enacted as on the Balance Sheet date.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

### xx Provision, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

## Notes Forming Part of the Financial Statements

### Note 2 : SHARE CAPITAL

	As at 31.03.2016		As at 31.03.2015	
	Number of Shares	₹ in Lacs	Number of Shares	₹ in Lacs
<b>(a) Authorised</b>				
Equity Shares of ₹ 100/- each with voting rights	200,000	200.00	200,000	200.00
<b>(b) Issued, Subscribed and fully paid up</b>				
Equity Shares of ₹ 100/- each with voting rights	79,000	79.00	79,000	79.00
<b>Total</b>		79.00		79.00

- (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

	Opening Balance	Fresh Issue During the Year	Closing Balance
Equity Shares with voting rights			
<b>Year ended 31<sup>st</sup> March, 2016</b>			
- Number of Shares	79,000	–	79,000
- Amount (₹)	7,900,000	–	7,900,000
<b>Year ended 31<sup>st</sup> March, 2015</b>			
- Number of Shares	79,000	–	79,000
- Amount (₹)	7,900,000	–	7,900,000

- (ii) Details of Shareholders holding more than 5% shares:

Class of Shares/Name of Shareholder	As at 31.03.2016		As at 31.03.2015	
	Number of Shares held	% holding in that class of Shares	Number of Shares held	% holding in that class of Shares
Equity Shares with Voting Rights				
Sujata Priyam Mehta	14,221	18.00	14,221	18.00
C.V. Mehta Private Limited	11,994	15.18	11,994	15.18
Priyam Commercial Enterprises Pvt. Ltd.	10,705	13.55	10,705	13.55
Priyam B. Mehta	9,115	11.54	9,115	11.54
Bini Commercial Enterprises Pvt. Ltd.	5,740	7.27	5,740	7.27

- (iii) The Company has issued only one class of shares referred to as Equity Shares having a par value of ₹ 100/-. All Equity Shares carry one vote per share without restrictions and are entitled to Dividend, as and when declared. All Equity shares rank equally with regard to the Company's residual assets.
- (iv) The amount of per share dividend recognised as distributions to Equity Shareholders during the year ended March 31, 2016 is ₹ 125/- (Previous Year ₹ 175/-), subject to approval by Shareholders in the ensuing Annual General Meeting.

## Notes Forming Part of the Financial Statements

## NOTE 3 : RESERVES AND SURPLUS

	As at 31.03.2016 ₹ in Lacs	As at 31.03.2015 ₹ in Lacs
<b>(a) Capital Reserve</b>		
Opening Balance	2.79	2.79
<b>(b) Capital Redemption Reserve</b>		
Opening Balance	53.59	53.59
<b>(c) Securities Premium Account</b>		
Opening Balance	275.50	275.50
<b>(d) General Reserve</b>		
Opening Balance	3,615.15	2,815.15
Add: Transferred from Surplus in Statement of Profit & Loss	100.00	800.00
Closing Balance	3,715.15	3,615.15
<b>(e) Surplus in Statement of Profit &amp; Loss</b>		
Opening Balance	641.28	727.48
Less: Depreciation on Tangible Fixed Assets with Nil remaining useful life on transition to Schedule II of the Companies Act, 2013. (Net of deferred tax (Nil) (Refer Note No. 23vii)	-	61.01
Add: Profit for the year	273.01	941.21
	914.29	1,607.68
Less: Transferred to/Appropriations		
General Reserve	(100.00)	(800.00)
Proposed Dividend on Equity Shares to be distributed to the Shareholders (₹ 125/- per Share) (Previous year ₹ 175/- per Share)	(98.75)	(138.25)
Tax on Dividend	(20.10)	(28.15)
Closing Balance	695.44	641.28
<b>Total</b>	<b>4,742.47</b>	<b>4,588.31</b>

## NOTE 4 : LONG TERM BORROWINGS

	As at 31.03.2016 ₹ in Lacs	As at 31.03.2015 ₹ in Lacs
<b>(a) Term Loans</b>		
From Banks & Financial Institutions		
Secured	1,760.99	1,952.33
<b>(b) Public Deposits *</b>		
Unsecured	1,367.84	1,068.36
<b>(c) Deposits from Related Parties (Refer Note 23.xiii)</b>		
Unsecured	738.50	688.50
<b>Total</b>	<b>3,867.33</b>	<b>3,709.19</b>

\* Public Deposits includes deposits accepted from Directors amounting to ₹ 229.00 Lacs (Previous year ₹ 151.00 Lacs)

- (i) Overdraft from Punjab National Bank of ₹ 487.50 Lacs (Previous year ₹ Nil) is secured by mortgage of property situated at Kathwada Unit. This loan is repayable in 120 equal monthly instalments.
- (ii) Term Loans from Kotak Mahindra Bank of ₹ 1900.00 Lacs (Previous Year ₹ 2500.00 Lacs) is secured by way of Equitable mortgage of building in Mumbai. The said loan is repayable in 20 equal quarterly instalments.
- (iii) Vehicle loans from Banks & Financial Institution amounting to ₹ 52.33 Lacs (Previous year ₹ 114.54 Lacs) are secured by way of hypothecation of respective motor vehicles purchased. The said loans are repayable in 36 equal monthly instalments.

## NOTE 5 : LONG TERM PROVISIONS

	As at 31.03.2016 ₹ in Lacs	As at 31.03.2015 ₹ in Lacs
<b>Provision for Employee Benefit (Refer Note 23.viii)</b>		
(a) Provision for Compensated Absences	166.79	150.01
(b) Provision for Gratuity (Net)	159.75	189.37
<b>Total</b>	<b>326.54</b>	<b>339.38</b>

## Notes Forming Part of the Financial Statements

### NOTE 6 : SHORT TERM BORROWINGS

	As at 31.03.2016 ₹ in Lacs	As at 31.03.2015 ₹ in Lacs
<b>(a) Public Deposits</b>		
Unsecured	22.70	11.51
<b>(b) Purchase Bill Discounting with Bank</b>		
Unsecured	-	1,372.44
<b>(c) Purchase Bill Discounting with Banks</b>		
Secured	1,971.53	-
<b>(c) Working Capital Loans from Bank</b>		
Secured	3,224.83	2,583.84
<b>Total</b>	<b>5,219.06</b>	<b>3,967.79</b>

- (i) Working Capital loans are secured by hypothecation of present and future stock of stores, stock-in-trade including stock meant for exports and book debts present and future and collaterally secured by hypothecation of plant & machineries of Kathwada Unit excluding specific plant and machinery, if any, purchased and/or to be purchased under any scheme of financial institution/bank and other assets excluded for the charge and also by mortgage of land and building of Kathwada Unit.
- (ii) Purchase bill discounting is secured by way of equitable mortgage of building in Mumbai.

### NOTE 7 : TRADE PAYABLES

	As at 31.03.2016 ₹ in Lacs	As at 31.03.2015 ₹ in Lacs
<b>Trade Payables (Refer Note 23.v)</b>		
(Other than acceptances)		
<b>For Supply of Goods</b>		
- Dues of Micro and Small Enterprises	-	-
- Dues of Creditors other than Micro and Small Enterprises	4,341.65	2,578.39
<b>For Others</b>		
- Total outstanding dues of Micro Enterprises and Small Enterprises	-	-
- Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	1,490.41	1,301.75
<b>Total</b>	<b>5,832.06</b>	<b>3,880.14</b>

### NOTE 8 : OTHER CURRENT LIABILITIES

	As at 31.03.2016 ₹ in Lacs	As at 31.03.2015 ₹ in Lacs
<b>(a) Current Maturities of Long Term Debt (Refer Note below)</b>	<b>1,103.03</b>	1,056.09
<b>(b) Unpaid Dividends</b>	<b>24.10</b>	20.75
<b>(c) Unpaid Matured Public Deposits</b>	<b>15.29</b>	5.09
<b>(d) Other Payables</b>		
(i) Statutory Remittances	95.17	169.08
(ii) Payable on Purchase of Fixed Assets	191.92	112.59
(iii) Trade/Security Deposit Received	19.76	21.59
(iv) Advances from Customers	430.53	420.66
(v) Others	119.95	76.34
<b>Total</b>	<b>1,999.75</b>	<b>1,882.19</b>

**Note:** Current Maturities of Long Term Debt (Refer Note (i) to (iv) in Note 4 - Long Term Borrowings) for details of Security.

## Notes Forming Part of the Financial Statements

### NOTE 9 : SHORT TERM PROVISIONS

	As at 31.03.2016 ₹ in Lacs	As at 31.03.2015 ₹ in Lacs
<b>(a) Provision for Employee Benefits (Refer Note 23.viii)</b>		
(i) Provision for Compensated Absences	88.21	61.73
(ii) Provision for Gratuity (Net)	155.06	135.85
	<b>243.27</b>	<b>197.58</b>
<b>(b) Provision - Others</b>		
(i) Provision for Proposed Equity Dividend	98.75	138.25
(ii) Provision for Tax on Proposed Dividend	20.10	28.15
	<b>118.85</b>	<b>166.40</b>
<b>Total</b>	<b>362.12</b>	<b>363.98</b>

### NOTE 10 : FIXED ASSETS

(₹ in Lacs)

Particulars	GROSS BLOCK (AT COST)				ACCUMULATED DEPRECIATION				NET BLOCK	
	Balance as at 01.04.2015	Additions during the year	Disposals during the year	Balance as at 31.03.2016	Balance as at 01.04.2015	Depreciation for the year	Eliminated on disposal of assets	Transition Adjustment recorded against surplus balance in Statement of Profit & Loss *	Balance as at 31.03.2016	Balance as at 31.03.2015
<b>Tangible Assets</b>										
(a) Land										
Freehold	0.80	-	-	0.80	-	-	-	-	0.80	0.80
(b) Buildings										
Owned	2,143.62	900.91	-	3,044.53	651.99	105.18	-	-	757.17	2,287.36
(c) Plant & Machinery										
Owned	16,014.19	1300.97	-	17,315.16	6,611.65	572.25	-	-	7,183.90	10,131.26
(d) Furniture & Fixtures										
Owned	167.10	10.26	-	177.36	112.83	9.37	-	-	122.20	55.16
(e) Office Equipments										
Owned	187.07	33.60	-	220.67	119.94	24.76	-	-	144.70	75.97
(f) Vehicles										
Owned	534.05	29.78	3.59	560.24	148.47	65.08	3.24	-	210.31	349.93
(g) Others										
Agricultural Equipments	0.35	-	-	0.35	0.34	-	-	-	0.34	0.01
<b>Intangible Assets</b>										
Software	-	120.32	-	120.32	-	11.02	-	-	11.02	109.30
<b>Total</b>	<b>19,047.18</b>	<b>2,395.84</b>	<b>3.59</b>	<b>21,439.43</b>	<b>7,645.22</b>	<b>787.66</b>	<b>3.24</b>	<b>-</b>	<b>8,429.64</b>	<b>13,009.79</b>
Previous Year	15,885.92	3,220.70	59.44	19,047.18	6,854.49	714.43	16.11	92.41	7,645.22	11,401.96

\* Refer Note No. 23vii

Buildings include :

- ₹ 313.42 Lacs (Previous Year ₹ 313.42 Lacs) being the cost of ownership premises in a co-operative housing society including cost of fifteen shares of the face value of ₹ 750/- received under the Bye-laws of the Society in the name of the Company.
- ₹ 4.50 Lacs (Previous Year ₹ 4.50 Lacs) being the cost of ownership premises in a cloth market association including cost of one share of the face value of ₹ 100/- received under rules and regulation of the association in the name of the Company.

Depreciation and Amortization relating to continuing operations	For the year ended 31.03.2016 ₹ in Lacs	For the year ended 31.03.2015 ₹ in Lacs
Depreciation for the year on Tangible Assets as per Note 10	776.64	714.43
Amortization for the year on Intangible Assets as per Note 10	11.02	-
<b>Total Depreciation</b>	<b>787.66</b>	<b>714.43</b>

## Notes Forming Part of the Financial Statements

<b>Note : Details of Assets acquired under Hire Purchase Agreements :</b>				
	<b>Gross Block</b>		<b>Net Block</b>	
	<b>31.03.2016</b> ₹ in Lacs	<b>31.03.2015</b> ₹ in Lacs	<b>31.03.2016</b> ₹ in Lacs	<b>31.03.2015</b> ₹ in Lacs
Vehicles	<b>83.06</b>	324.13	<b>72.38</b>	259.48
<b>Details relating to assets given on Operating lease.</b>			<b>For the year ended 31.03.2016</b> ₹ in Lacs	<b>For the year ended 31.03.2015</b> ₹ in Lacs
Gas Engine as a part of Plant & Machinery:				
Gross Block			<b>310.32</b>	310.32
Accumulated Depreciation			<b>247.37</b>	164.08
Net Block			<b>62.95</b>	146.24
Depreciation for the year on such assets			<b>83.29</b>	83.29
It may be noted that the said operating lease agreement with N.B. Commercial Enterprise Limited (Enterprise under common control) got expired in October 2015.				

### NOTE 11 : NON CURRENT INVESTMENTS

	<b>As at 31.03.2016</b>			<b>As at 31.03.2015</b>		
	<b>Quoted</b> ₹ in Lacs	<b>Unquoted</b> ₹ in Lacs	<b>Total</b> ₹ in Lacs	<b>Quoted</b> ₹ in Lacs	<b>Unquoted</b> ₹ in Lacs	<b>Total</b> ₹ in Lacs
<b>Other Investments (At Cost)</b>						
<b>(a) Investment in Equity Instruments</b>						
(i) <u>Of Joint Venture Company</u>						
12,00,000 Equity Shares of ₹ 10/- each (Previous Year: 12,00,000 Nos.)	-	<b>120.00</b>	<b>120.00</b>	-	120.00	120.00
(ii) <u>Of other entities</u>						
2,500 Equity Shares of ₹ 10/- each of Rapicut Carbide Limited (P.Y - 2,500 Nos.)	<b>0.05</b>	-	<b>0.05</b>	0.05	-	0.05
2360 Equity Shares of Punjab National Bank of ₹ 2/- each (P.Y - 2,360 Nos of ₹ 2/- each)	<b>1.84</b>	-	<b>1.84</b>	1.84	-	1.84
4,500 Equity Shares of Cama Hotels Ltd. of ₹ 10/- each (P.Y - 4,500 Nos)	-	<b>0.58</b>	<b>0.58</b>	-	0.58	0.58
2,500 Equity Shares of Sterling (Guj) Hospitals Ltd. of ₹ 10/- each (P.Y - 2,500 Nos)	-	<b>0.25</b>	<b>0.25</b>	-	0.25	0.25
2,51,100 Equity Shares of Ahmedabad Commodity Exchange of ₹ 10/- each (Previous Year: 2,51,100 Nos.)	-	<b>25.64</b>	<b>25.64</b>	-	25.64	25.64
	<b>1.89</b>	<b>146.47</b>	<b>148.36</b>	1.89	146.47	148.36
<b>(b) Investment in Mutual Funds</b>						
(i) Nil Units of "Principal Emerging Bluechip Fund-Growth Plan" of ₹ 10/- each (P.Y - 23,300 Units)	-	-	<b>0.00</b>	6.52	-	6.52
(ii) 1,59,329 Units of "Principal Assets Allocation Fund" of ₹ 10/- each (P.Y - Nil)	<b>15.93</b>	-	<b>15.93</b>	-	-	0.00
<b>(c) Other Non Current Investments -</b>						
<b>National Saving Certificates</b>						
<b>Total</b>	-	<b>0.10</b>	<b>0.10</b>	-	0.10	0.10
<b>Total</b>	<b>17.82</b>	<b>146.57</b>	<b>164.39</b>	8.41	146.57	154.98
Less: Provision for Diminution in value of Investments	-	<b>26.22</b>	<b>26.22</b>	-	-	0.00
<b>Total</b>	<b>17.82</b>	<b>120.35</b>	<b>138.17</b>	8.41	146.57	154.98
Aggregate amount of Quoted Investments			<b>17.82</b>			8.41
Aggregate Market Value of Quoted Investments			<b>18.80</b>			20.75
Aggregate Amount of Unquoted Investments (At Cost)			<b>120.35</b>			146.57

## Notes Forming Part of the Financial Statements

## NOTE 12 : LONG TERM LOANS AND ADVANCES

	As at 31.03.2016 ₹ in Lacs	As at 31.03.2015 ₹ in Lacs
<b>(a) Capital Advances</b> Unsecured, Considered Good	92.37	72.29
<b>(b) Security Deposits</b> Unsecured, Considered Good	5.82	5.82
<b>(c) MAT Credit Entitlement</b> Unsecured, Considered Good	325.78	287.25
<b>(d) Advance Income Tax</b> (Net of Provisions for Income Tax ₹1,386.50 Lacs) (Previous year ₹1,319.90 Lacs)	96.25	106.66
<b>Total</b>	<b>520.22</b>	<b>472.02</b>

## NOTE 13 : INVENTORIES

(At Lower of Cost or Net Realisable Value)

	As at 31.03.2016 ₹ in Lacs	As at 31.03.2015 ₹ in Lacs
<b>(a) Raw Materials</b>	2,474.85	737.48
<b>(b) Work-In-Progress</b>	441.72	533.18
<b>(c) Finished Goods</b>	865.02	708.61
<b>(d) By Products (At Net Realisable Value)</b>	416.81	180.53
<b>(e) Stores, Spare Parts, Chemicals, Packing Material and Fuel</b>	354.43	273.30
<b>Total</b>	<b>4,552.83</b>	<b>2,433.10</b>

## NOTE 14 : TRADE RECEIVABLES

	As at 31.03.2016 ₹ in Lacs	As at 31.03.2015 ₹ in Lacs
<b>Trade Receivables outstanding for a period exceeding Six months from the date they were due for payment</b> Unsecured, Considered Good Doubtful	 150.89 63.51	 105.62 58.41
Less: Provision for Doubtful Trade Receivables	214.40 63.51	164.03 58.41
	150.89	105.62
<b>Other Trade Receivables</b> Unsecured, Considered Good	3,279.58	3,601.02
<b>Total</b>	<b>3,430.47</b>	<b>3,706.64</b>
Trade Receivables includes debts due from:		
	As at 31.03.2016 ₹ in Lacs	As at 31.03.2015 ₹ in Lacs
Company in which any Director is a Director <b>N. B. Commercial Enterprises Limited</b>	 0.34	 2.47

## Notes Forming Part of the Financial Statements

### NOTE 15 : CASH & CASH EQUIVALENTS

	As at 31.03.2016 ₹ in Lacs	As at 31.03.2015 ₹ in Lacs
<b>(a) Cash on Hand</b>	<b>18.97</b>	18.93
<b>(b) Balance with Banks</b>		
(i) In Current Accounts	49.72	79.83
(ii) In Deposit Accounts	130.84	50.92
(iii) In Earmarked Accounts		
- Unpaid Dividend Accounts	24.10	20.75
- Balances held as Margin Money or Security against Borrowings, Guarantees and Other Commitments (Refer Note below)	20.37	22.06
<b>Total</b>	<b>244.00</b>	192.49
Of the above, the balances that meet the definition of Cash and Cash Equivalents as per AS 3 <i>Cash Flow Statements</i> is	<b>199.53</b>	149.68
<b>Note :</b>		
Balances with banks include margin monies amounting to ₹ 20.37 Lacs (As at 31.03.2015 ₹ 22.06 Lacs) which have an Original maturity of more than 12 months.		

### NOTE 16 : SHORT TERM LOANS AND ADVANCES

	As at 31.03.2016 ₹ in Lacs	As at 31.03.2015 ₹ in Lacs
<b>(a) Loans and Advances to Related Parties (Refer Note 23.xiii)</b>		
Unsecured, Considered Good	0.08	3.87
<b>(b) Security Deposits</b>		
Unsecured, Considered Good	2.53	2.19
<b>(c) Loans and Advances to Employees</b>		
Unsecured, Considered Good	2.02	6.34
<b>(d) Prepaid Expenses</b>		
Unsecured, Considered Good	58.86	44.38
<b>(e) MAT Credit Entitlement</b>		
Unsecured, Considered Good	-	30.85
<b>(f) Balances with Government Authorities</b>		
(i) CENVAT Credit	155.28	190.05
(ii) PLA Balance	4.01	1.73
	<b>159.29</b>	191.78
<b>(g) Others</b>		
Unsecured, Considered Good	1,272.20	849.32
Considered Doubtful	980.00	980.00
Less: Provisions	980.00	980.00
	-	-
<b>Total</b>	<b>1,494.98</b>	1,128.73

## Notes Forming Part of the Financial Statements

## NOTE 17 : REVENUE FROM OPERATIONS

	For the year 2015-16 ₹ in Lacs	For the year 2014-15 ₹ in Lacs
(a) Sale of Products (Refer Note (i) below)	52,822.77	49,959.35
(b) Less: Excise Duty & VAT	4,134.21	3,594.13
	48,688.56	46,365.22
(c) Other Operating Revenues (Refer Note (ii) below)	458.88	441.33
<b>Total</b>	<b>49,147.44</b>	<b>46,806.55</b>
<b>Note :</b>		
(i) <b>Sale of Products comprises:</b>		
<b><u>Manufactured Goods:</u></b>		
Starches	13,502.84	12,588.10
Processed Foods	22,713.41	21,881.33
Drugs & Pharmaceuticals	2,529.37	3,113.70
By Products and Others	9,923.26	8,663.37
<b>Total Sale of Manufactured Goods</b>	<b>48,668.88</b>	<b>46,246.50</b>
<b><u>Traded Goods</u></b>		
Starches	19.68	-
Processed Foods	-	-
By Products and Others	-	118.72
<b>Total Sale of Traded Goods</b>	<b>19.68</b>	<b>118.72</b>
<b>Total Sale of Products</b>	<b>48,688.56</b>	<b>46,365.22</b>
(ii) <b>Other Operating Revenue comprise:</b>		
Export Incentives	251.60	223.16
Net Gain on Foreign Currency Transactions and Translation	195.71	198.16
Excise Refund	-	4.79
Insurance Claim	11.57	15.22
<b>Total Other Operating Revenues</b>	<b>458.88</b>	<b>441.33</b>

## NOTE 18 : OTHER INCOME

	For the year 2015-16 ₹ in Lacs	For the year 2014-15 ₹ in Lacs
(a) <b>Dividend Income:</b>		
From Long Term Investments		
Joint Venture Company	48.00	36.00
Others	0.11	0.03
(b) <b>Profit on Sales of Fixed Assets</b>	<b>0.89</b>	<b>-</b>
(c) <b>Profit on Sales of Investment</b>	<b>9.41</b>	<b>-</b>
(d) <b>Other Non Operating Income (Refer Note below)</b>	<b>23.25</b>	<b>40.54</b>
<b>Total</b>	<b>81.66</b>	<b>76.57</b>
<b>Note:</b>		
Other Non Operating Income comprises:		
- Rental Income from Operating Leases	17.50	33.12
- Miscellaneous Income	5.75	7.42
<b>Total - Other Non Operating Income</b>	<b>23.25</b>	<b>40.54</b>

## Notes Forming Part of the Financial Statements

### NOTE 19.a : COST OF MATERIALS CONSUMED

	For the year 2015-16 ₹ in Lacs	For the year 2014-15 ₹ in Lacs
Opening Stock	737.48	706.58
Add: Purchases	31,491.21	25,490.46
Less: Closing Stock	2,474.85	737.48
<b>Total</b>	<b>29,753.84</b>	<b>25,459.56</b>
<b>Material consumed comprises:</b>		
Maize	28,484.04	24,965.31
Maize Starch	1,144.83	360.51
Others	124.97	133.74
<b>Total</b>	<b>29,753.84</b>	<b>25,459.56</b>

### NOTE 19.b : PURCHASE OF TRADED GOODS

	For the year 2015-16 ₹ in Lacs	For the year 2014-15 ₹ in Lacs
Starches	16.85	–
Process Foods	–	–
By Products & Others	–	118.01
<b>Total</b>	<b>16.85</b>	<b>118.01</b>

### NOTE 19.c : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS AND STOCK-IN-TRADE

	For the year 2015-16 ₹ in Lacs	For the year 2014-15 ₹ in Lacs
<b><u>Inventories at the End of the Year</u></b>		
Finished Goods & By-Products	1,281.83	889.14
Work-In-Progress	441.72	533.18
	<b>1,723.55</b>	<b>1,422.32</b>
<b><u>Inventories at the beginning of the Year</u></b>		
Finished Goods & By-Products	889.14	995.54
Work-In-Progress	533.18	404.36
	<b>1,422.32</b>	<b>1,399.90</b>
<b>Total</b>	<b>(301.23)</b>	<b>(22.42)</b>

### NOTE 20 : EMPLOYEE BENEFITS EXPENSE

	For the year 2015-16 ₹ in Lacs	For the year 2014-15 ₹ in Lacs
Salaries and Wages	3,525.81	3,045.48
Contribution to Provident and other Funds (Refer Note 23.viii)	335.41	376.91
Staff Welfare Expenses	465.21	272.67
<b>Total</b>	<b>4,326.43</b>	<b>3,695.06</b>

## Notes Forming Part of the Financial Statements

## NOTE 21 : FINANCE COSTS

	For the year 2015-16 ₹ in Lacs	For the year 2014-15 ₹ in Lacs
Interest Expense on Borrowings	1,094.00	779.86
Loan Scrutiny & Processing Fees	22.07	22.25
<b>Total</b>	<b>1,116.07</b>	<b>802.11</b>

## NOTE 22 : OTHER EXPENSES

	For the year 2015-16 ₹ in Lacs	For the year 2014-15 ₹ in Lacs
Consumption of Packing Materials	1,907.40	2,114.00
Consumption of Stores Spare Parts and Chemicals	2,037.95	2,074.62
Power and Fuel	3,705.62	3,847.45
Rent including Lease Rentals (Refer Note 23x)	139.14	121.93
Repairs and Maintenance - Buildings	74.86	195.20
Repairs and Maintenance - Machinery	773.61	1,144.44
Repairs and Maintenance - Others	165.66	117.10
Insurance	36.42	32.68
Rates and Taxes (Refer Note 23.iv)	217.37	305.07
Sales Expenses	2,662.65	2,740.65
Technical Know-How & Service Fees	48.50	47.38
Donations and Contributions	6.55	5.77
Corporate Social Responsibilities Expenses	13.04	15.82
Payment to Auditors (Refer Note below)	17.02	12.16
Loss on Sale of Fixed Assets (Net)	-	13.93
Provision for Doubtful Advances	-	680.00
Provision for Doubtful Trade Receivables	5.10	30.22
Provision for Diminution in the value of investments	26.22	-
Directors Sitting Fees	9.86	10.65
Managerial Remuneration	252.85	225.33
General Charges	1,056.82	1,053.36
<b>Total</b>	<b>13,156.64</b>	<b>14,787.76</b>

## Note

	For the year 2015-16 ₹ in Lacs	For the year 2014-15 ₹ in Lacs
Payment to the Auditors comprises :		
a) To Statutory Auditors		
- For Audit	8.00	6.00
- For Tax Audit	0.50	0.50
- For Certification	0.51	2.91
- For Tax Matters*	6.53	2.35
- For Other Services	0.90	-
- Reimbursement of Expenses	0.58	0.40
	<b>17.02</b>	<b>12.16</b>

\* Payment made to firms in which some of the partners of audit firm are Partners is ₹ 6.53 Lacs  
(Previous year ₹ 2.35 Lacs)

## Notes Forming Part of the Financial Statements

### NOTE NO.23

- i. Previous year figures have been re-grouped/re-classified wherever necessary to correspond with the current year classification/disclosure.

	As at 31.03.2016 ₹ in Lacs	As at 31.03.2015 ₹ in Lacs
<b>ii. Commitments:</b>		
Estimated amount of contracts remaining to be executed on capital account (Net of Advance paid)	45.35	39.54
<b>iii. Contingent liabilities not provided for :</b>		
(a) Bills discounted but not matured	78.06	538.95
(b) Guarantees given by the Bankers on behalf of the Company.	202.87	200.62
(c) Disputed demand of Income tax as the Company expects to succeed in the appeal.	12.71	10.61
(d) Guarantee to Bank against credit facilities (Fund Based & Non Fund Based Limits) extended to the other company	1,186.10	805.58
Future cash outflows in respect of disputed demands are determinable only on receipt of judgements/decisions pending at various forums/authorities.		
<b>iv.</b>		
Excise Duty shown as deduction from Sales represents the amount of excise duty collected on sales. The difference between excise duty element in the amounts of closing stocks and opening stocks, excise duty paid on samples and inventory written off which is not recoverable from sales (if any) is shown under Note No. 22 of Other expenses.		
<b>v. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006</b>		
The information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors. Based on the above procedures done, as at 31st March, 2016, there is no amount outstanding towards MSME vendors which is payable by the company.		
	2015-16	2014-15
Principal amount due to suppliers and remaining unpaid under MSMED Act, 2006	—	(—)
Interest accrued and due and unpaid to suppliers under MSMED Act, on the above amount	—	(—)
Interest paid	—	(—)
Payment made to suppliers (Other than interest) beyond the appointed day, during the year	—	(—)
Interest due and payable to suppliers under MSMED Act, for payments already made for the period of delay	—	(—)
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	—	(—)
Amount of further interest remaining due and payable in succeeding year	—	(—)
<b>vi. Deferred Tax:</b>	As at 31.03.2016 ₹ in Lacs	As at 31.03.2015 ₹ in Lacs
Deferred Tax Liability:		
Depreciation	(1,713.32)	(1,624.06)
Deferred Tax Assets:		
Provision for Employee benefits	188.40	182.51
Provision for Doubtful Debts/Advances	353.68	352.88
Unabsorbed Depreciation	51.07	-
Deferred tax asset /(liability) (Net)	(1,120.17)	(1,088.67)

## Notes Forming Part of the Financial Statements

## vii. CSR Expenditure

(a) Gross amount required to be spent by the Company during the year ₹ 20.90 Lacs (Previous Year ₹ 15.24 Lacs)

(b) Amount spent during the year on: (₹ in Lacs)

Description	In Cash	
	2015-16	2014-15
(i) Construction/acquisition of any asset	-	9.57
(ii) On purposes other than (i) above		
Community Health Care	3.12	-
Education & knowledge enhancement	6.32	5.25
Others	3.60	1.00
<b>Total</b>	<b>13.04</b>	<b>15.82</b>

## viii. Employee Benefits:

The present value of gratuity and leave encashment obligations is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Details of post retirement benefits are as follows:

## a. Defined Benefit Plans:

- (i) Actuarial gains and losses in respect of defined benefit plans are recognised in the Statement of Profit & Loss.
- (ii) The Defined Benefit Plan comprises of Gratuity and Leave Encashment. Gratuity is a benefit to an employee based on 15 days last drawn basic salary including dearness allowance (if any) for each completed year of continuous service with part thereof in excess of six months. The plan is funded.
- (iii) Leave Encashment benefit is a benefit to an employee based on 30 days last drawn basic salary including dearness allowance (if any) for each completed year of continuous service with part thereof in excess of six months.

(₹ in Lacs)

b. Particulars	Gratuity		Leave Encashment	
	2015-16	2014-15	2015-16	2014-15
<b>i. Expenses recognized in Profit &amp; Loss Account for the period ended March 31, 2016</b>	<b>2015-16</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2014-15</b>
Current Service cost	49.89	38.16	32.76	25.12
Interest Cost	93.93	93.55	16.83	13.85
Expected return on plan assets	(68.08)	(66.19)	-	-
Net actuarial losses (gains)	45.82	135.25	60.68	66.45
<b>Total Expenses</b>	<b>121.56</b>	<b>200.77</b>	<b>110.27</b>	<b>105.42</b>
<b>ii. Reconciliation of Opening and Closing balances of changes in present value of the Defined Benefit Obligation</b>				
Opening defined benefit obligation as on April 1, 2015	1,181.54	1,011.40	211.74	149.75
Service cost	49.89	38.16	32.76	25.12
Interest cost	93.93	93.55	16.83	13.85
Actuarial losses (gains)	46.28	135.60	60.68	66.45
Benefits paid	(109.63)	(97.17)	(67.01)	(43.43)
<b>Closing defined benefit obligation as at March 31, 2016</b>	<b>1,262.01</b>	<b>1,181.54</b>	<b>255.00</b>	<b>211.74</b>

## Notes Forming Part of the Financial Statements

₹ in Lacs

	Gratuity		Leave Encashment	
	2015-16	2014-15	2015-16	2014-15
<b>iii. Reconciliation of Opening and Closing balances of changes in fair value of the assets</b>				
Opening fair value of plan assets as at April 1, 2015	856.32	760.84	-	-
Expected return on plan assets	68.08	66.19	-	-
Actuarial gains and (losses)	0.46	0.34	-	-
Assets distributed on settlements	-	-	-	-
Contributions by employer	131.97	126.12	-	-
Benefits paid	(109.63)	(97.17)	-	-
<b>Closing balance of fair value of plan assets as at 31.03.2016</b>	<b>947.20</b>	<b>856.32</b>	<b>-</b>	<b>-</b>
<b>iv. Net Liability recognized in the Balance Sheet as at March 31, 2016</b>				
Defined Benefit Obligation as at March 31, 2016	1,262.01	1,181.54	255.00	211.74
Fair Value of plan assets as at March 31, 2016	947.20	856.32	-	-
Present Value of unfounded obligation recognized as liability as at March 31, 2016	314.81	325.22	255.00	211.74
<b>v. Actual Return on Plan Assets</b>	<b>68.53</b>	<b>66.53</b>	<b>-</b>	<b>-</b>
<b>vi. Actuarial Assumptions</b>	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2016	As at 31st March, 2015
Discount Rate	8.08%	7.95%	8.08%	7.95%
Expected rate of return on plan assets	8.08%	7.95%	-	-
Expected rate of salary increase	4.00%	5.00%	4.00%	5.00%
Mortality	Indian Assured Lives Mortality (2006-08) ultimate			
Withdrawal Rates	2.00%	2.00%	2.00%	2.00%
Retirement Age	60 years	60 years	60 years	60 years
Actuarial Valuation Method	Projected unit credit method	Projected unit credit method	Projected unit credit method	Projected unit credit method

- (a) The Discount rate is based on the prevailing market yields of Indian Government securities as at the Balance sheet date for the estimated terms of the obligations.
- (b) Expected Rate of Return of Plan Assets : This is based on the expectation of the average long term rate of return expected on investments of the Fund during the estimated term of obligations.
- (c) Salary Escalation Rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

**vii. Investment details of Plan Assets:** To fund the obligation under the gratuity plan, contributions are made to Life Insurance Corporation Of India, who has invested the funds substantially in Government Securities.

**viii. Experience History:**

(₹ in lacs)

	Gratuity					Leave Encashment				
	31.03.16	31.03.15	31.03.14	31.03.13	31.03.12	31.03.16	31.03.15	31.03.14	31.03.13	31.03.12
Present value of defined obligations at the end of the year	1262.01	1181.54	1011.40	897.13	867.45	255.00	211.74	149.75	123.51	106.21
Fair value of plan assets at the end of the year	947.20	856.32	760.84	669.16	586.05	0.00	0.00	0.00	0.00	0.00
<b>Net assets / (liability) at the end of the year</b>	<b>(314.81)</b>	<b>(325.22)</b>	<b>(250.56)</b>	<b>(227.97)</b>	<b>(281.40)</b>	<b>(255.00)</b>	<b>(211.74)</b>	<b>(149.75)</b>	<b>(123.51)</b>	<b>(106.21)</b>

## Notes Forming Part of the Financial Statements

c. **Defined Contribution Plans:**

The contribution under defined contribution plans recognized as an expense for the year is as under :  
(₹ in lacs)

Particulars	2015-16	2014-15
Employer's Contribution to Provident Fund	103.08	95.12
Employer's Contribution to Family Pension Fund	91.84	67.23
Employer's Contribution to Superannuation Fund	24.06	18.60
<b>Total Contributions</b>	<b>218.98</b>	<b>180.95</b>

The above is recognized as an expense and included in the Note 20 of Employee Benefit Expense under the head "Contribution to Provident and other funds".

ix. a. **Business Segment:**

The Company operates in only one business segment i.e. Corn Wet Milling comprising mainly manufacture of Starches, its derivatives and bye products. Accordingly, no further financial information for business segment is required to be given.

b. **Geographical Segment:**

For the purpose of geographical segment, the turnover is segregated based on the location of the customer and assets are segregated based on the location of the assets.

Segment Revenue:	2015-16 ₹ in Lacs	2014-15 ₹ in Lacs
1. Sales		
(a) India	38,919.61	34,441.86
(b) Outside India	10,227.83	12,364.69
Total :	<u>49,147.44</u>	<u>46,806.55</u>
2. Other Income		
(a) India	81.66	76.57
(b) Outside India	-	-
Total :	<u>81.66</u>	<u>76.57</u>
	<u>2015-16 ₹ in Lacs</u>	<u>2014-15 ₹ in Lacs</u>
<b>Segment Assets</b>		
1. Carrying amount		
(a) India	13,006.08	11,397.09
(b) Outside India	3.71	4.87
Total :	<u>13,009.79</u>	<u>11,401.96</u>
2. Capital Expenditure		
(a) India	2,395.84	3,220.70
(b) Outside India	-	-
Total :	<u>2,395.84</u>	<u>3,220.70</u>

## x. The Company has entered into a agreement for taking on lease machinery for a period of 60 months on non cancellable basis.

The specified disclosure in respect of this agreement is given below:

Particulars	2015-16 ₹ in Lacs	2014-15 ₹ in Lacs
A. Lease payment recognised in the statement of profit and loss for the year	122.23	109.73
B. Future minimum Lease Payments		
(i) Not Later than one year	119.70	119.70
(ii) Later than one year, but not later than five years	169.58	289.28
(iii) Later than five years	-	-

## Notes Forming Part of the Financial Statements

Particulars	2015-16 ₹ in Lacs		2014-15 ₹ in Lacs	
<b>xi. Details of Imported Materials:</b>				
(a) CIF value of Imports				
i) Stores, Spare Parts & Chemicals		126.49		169.13
ii) Machineries		109.19		100.48
(b) Consumption:				
	<b>Raw Materials</b>		<b>Stores, Spares, Chemicals</b>	
	₹ in Lacs	%	₹ in Lacs	%
1. Imported	–	–	107.15	2.76
	(–)	(–)	(171.30)	(4.09)
2. Indigenous	29,753.84	100	3,838.20	97.24
	(25,459.56)	(100)	(4,017.32)	(95.91)
<b>Total :</b>	<b>29,753.84</b>	<b>100</b>	<b>3,945.35</b>	<b>100</b>
	(25,459.56)	(100)	(4,188.62)	(100)

**xii. Particulars regarding Foreign Exchange:**

a) Expenditure on accrual basis in foreign currency:	₹ in Lacs
1) Travelling	33.82 (35.31)
2) Subscription for periodicals	– (0.61)
3) Technical Know-how & Service Fees	48.50 (47.38)
4) Commission	62.89 (85.28)
5) Overseas Office Expenses	51.96 (48.81)
b) Earnings in foreign currency:	
FOB Value of Exports	9,430.86 (11,397.47)

(Figures in brackets are of Previous Year)

**xiii. Disclosures pertaining to related parties pursuant to Accounting Standard 18:**
**(A) List of Related Parties and Relationships:**
Joint Venture Company:

Sayaji Sethness Limited

Entities under Common Control:

C. V. Mehta (Pvt.) Ltd.  
 Bini Commercial Enterprises (Pvt.) Ltd.  
 N.B. Commercial Enterprises Ltd.  
 Varun Travels (Pvt.) Ltd.  
 Priyam Commercial Enterprises (Pvt) Ltd.  
 Viva Tex Chem (Pvt) Ltd.  
 Sayaji Properties LLP  
 Sayaji Agrosociences LLP  
 Sayaji Samruddhi LLP  
 Sayaji Seeds LLP  
 Sayaji Ingritech LLP  
 Sayaji Corn Products Ltd.

Key Managerial Personnel:

Shri Priyam B. Mehta  
 Shri Varun P. Mehta  
 Shri Vishal P. Mehta  
 Shri Rajesh H Shah  
 Shri Narayansingh J. Deora

Relatives of Key Managerial Personnel:

Smt. Niramayi B. Mehta  
 Smt. Sujata P. Mehta  
 Smt. Bhoomi V. Mehta  
 Smt. Kavisha V. Mehta

## Notes Forming Part of the Financial Statements

(b) Related Party Transactions and Balances:

Transactions	₹ in Lacs				
	Joint Venture Company	Entities under Common Control	Key Managerial Personnel	Relatives of Key Managerial personnel	Total
Sale of Goods	<b>2.90</b> (2.19)	<b>26.73</b> (21.77)	--- (---)	--- (---)	<b>29.63</b> (23.96)
Public Deposits received	--- (---)	--- (---)	<b>50.00</b> (92.00)	<b>59.00</b> (63.00)	<b>109.00</b> (155.00)
Inter Corporate Deposits received	<b>50.00</b> (---)	--- (---)	--- (---)	--- (---)	<b>50.00</b> (---)
Interest paid on Deposits	<b>58.50</b> (58.50)	<b>3.46</b> (3.46)	<b>14.65</b> (4.82)	<b>16.60</b> (12.03)	<b>93.21</b> (78.81)
Remuneration	--- (---)	--- (---)	<b>301.19</b> (263.17)	<b>2.50</b> (---)	<b>303.69</b> (263.17)
Sitting Fees	--- (---)	--- (---)	--- (---)	<b>2.20</b> (1.65)	<b>2.20</b> (1.65)
Reimbursement of expenses	<b>51.01</b> (40.25)	--- (---)	--- (---)	--- (---)	<b>51.01</b> (40.25)
Services Received	--- (---)	<b>98.18</b> (83.54)	--- (---)	<b>9.80</b> (---)	<b>107.98</b> (91.58)
Rent Received	--- (---)	<b>20.03</b> (32.53)	--- (---)	--- (---)	<b>20.03</b> (32.53)
Debit Balances o/s. as on 31.03.2016	<b>0.04</b> (0.03)	<b>4.24</b> (6.31)	--- (---)	--- (---)	<b>4.28</b> (6.34)
Credit Balances o/s. as on 31.03.2016	<b>700.00</b> (650.00)	<b>38.92</b> (38.60)	<b>142.00</b> (95.15)	<b>212.50</b> (137.07)	<b>1093.42</b> (920.82)

(Figures in brackets are of Previous Year)

(c) Material Transaction with Related Party

Name	₹ in Lacs					
	Remuneration	Public Deposits Received	Interest paid on Deposits	Sitting Fees	Services Received	Credit Balance as on 31.03.2016
1. Shri Priyam B. Mehta	<b>103.60</b> (98.82)	<b>28.00</b> (85.00)	<b>11.90</b> (4.53)	--- (---)	--- (---)	<b>113.00</b> (85.00)
2. Shri Varun P. Mehta	<b>74.02</b> (65.43)	<b>5.00</b> (---)	<b>0.30</b> (---)	--- (---)	--- (---)	<b>5.00</b> (---)
3. Shri Vishal P. Mehta	<b>75.23</b> (61.08)	<b>17.00</b> (7.00)	<b>2.44</b> (0.29)	--- (---)	--- (---)	<b>24.00</b> (7.00)
4. Shri Priyam B. Mehta (HUF)	--- (---)	--- (14.00)	<b>1.61</b> (0.76)	--- (---)	--- (---)	<b>14.00</b> (14.00)
5. Smt. Niramayi B. Mehta	--- (---)	<b>31.00</b> (---)	<b>4.32</b> (---)	--- (---)	--- (---)	<b>31.00</b> (---)
6. Smt. Sujata P. Mehta	--- (---)	<b>18.00</b> (21.00)	<b>6.83</b> (9.75)	<b>2.20</b> (1.65)	--- (---)	<b>112.50</b> (95.07)
7. Shri Narayansingh J Deora	<b>24.46</b> (19.81)	--- (---)	--- (---)	--- (---)	--- (---)	<b>2.04</b> (1.65)
8. Shri Rajesh H Shah	<b>23.88</b> (18.03)	--- (---)	--- (---)	--- (---)	--- (---)	<b>1.99</b> (1.50)

## Notes Forming Part of the Financial Statements

**xiv. Details of Investment made and guarantee given covered U/s 186 (4) of the Companies Act, 2013:**

- (i) Investment made by the company is given under note no. 11.
- (ii) The company has given guarantee to bank in respect of credit facilities granted by the bank to N B Commercial Enterprises Ltd, outstanding amount of ₹ 1186.10 Lacs (Previous year ₹ 805.58 Lacs)

<b>xv. Earnings per Share:</b>	<b>2015-16</b>	<b>2014-15</b>
a) Weighted average number of equity shares of ₹ 100/- each.		
Number of Shares at the beginning of the year	<b>79,000</b>	79,000
Number of Shares at the end of the year	<b>79,000</b>	79,000
Weighted average number of equity shares outstanding during the year	<b>79,000</b>	79,000
b) Net Profit after tax available for Equity Shareholders (₹ In Lacs)	<b>273.01</b>	941.21
c) Basic and diluted Earnings Per Share (₹)	<b>345.58</b>	1191.41

**xvi. Disclosures regarding Derivative Instruments:**

- a) The company uses forward exchange contracts to hedge its exposure in foreign currency. There are no contracts entered into for the purpose of speculation.
- b) The information on derivative instruments as on March 31, 2016 is as follows:

<b>Hedged Exposures</b>	Number of Contracts	Foreign Currency Amount	Reporting Currency Amount
Forward cover for export receivables	(1)	<b>\$ 116,314.50</b>	<b>₹ 78,05,866.00</b>
	(5)	(\$ 455,072.00)	(₹ 2,88,66,708.00)
Forward cover for import payables	-	-	-
	(-)	(-)	(-)
<b>Unhedged Exposures</b>			
Accounts Receivable		<b>\$1,534,096.49</b>	<b>₹ 10,16,33,892.00</b>
		(\$2,094,190.00)	(₹ 13,09,69,711.00)
		-	-
		(€145,480.00)	(₹ 97,66,072.00)
		<b>AED 48,620.00</b>	<b>₹ 8,77,591.00</b>
		(-)	(-)
Accounts Payable		<b>€ 48,020.00</b>	<b>₹ 36,14,946.00</b>
		(€ 83,020.00)	(₹ 55,73,133.00)

(Figures in brackets are of Previous Year)

**SIGNATURE TO NOTE 1 TO 23**

As per our attached report of even date

<b>For Deloitte Haskins &amp; Sells</b> Chartered Accountants	<b>Priyam B. Mehta</b> Chairman & Managing Director	<b>Vishal P. Mehta</b> Executive Director	<b>CA Mahendra N. Shah</b> Director
<b>Gaurav J. Shah</b> Partner	<b>Dr. Gaurang K. Dalal</b> Director	<b>Dr. Janak D. Desai</b> Director	<b>Sujata P. Mehta</b> Director
	<b>CA Narayansingh J. Deora</b> Sr. Executive V. P. (Accounts)	<b>Rajesh H. Shah</b> Company Secretary	
Ahmedabad Date : May 30, 2016	Ahmedabad Date : May 30, 2016		

SAYAJI INDUSTRIES LIMITED  
CIN- L99999GJ1941PLC000471

ATTENDANCE SLIP

Registered office: P.O. Kathwada-Maize products, Ahmedabad-382430  
Joint shareholders may obtain additional slip at the venue of the meeting.

Dp Id.*		Folio no.	
Client Id*		No. of shares	

Name and address of the shareholder

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I hereby record my presence at the 75<sup>th</sup> annual general meeting of the company held on Tuesday, 13<sup>th</sup> September, 2016 at 9.00 a.m. at Bhuriba Lallubhai Mehta Primary School, P.O. Kathwada - Maize Products, Ahmedabad-382430

\*Applicable for investors holding shares in electronic form.

Signature of shareholder/ Proxy

----- ✂ ----- Tear Here ----- ✂ -----

<b>SAYAJI INDUSTRIES LIMITED</b> <b>CIN- L99999GJ1941PLC000471</b> <b>Regd. office: P.O. Kathwada-Maize products, Ahmedabad-382430.</b>		<b>Proxy Form[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]</b>
Name of the shareholder(s) Registered Address	Email-Id : Folio No/*Client Id: *DP No:	
I/we, being the shareholder(s) holding _____ shares of Sayaji Industries Limited, hereby appoint 1) _____ of _____ having e-mail id _____ or failing him 2) _____ of _____ having e-mail id _____ or failing him 3) _____ of _____ having e-mail id _____ and whose signature(s) are appended below as my /our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the <b>75<sup>th</sup> Annual general meeting</b> of the company, to be held on 13 <sup>th</sup> September, 2016 at 9:00 a.m at Bhuriba Lallubhai Mehta Primary School, P.O. Kathwada - Maize Products, Ahmedabad-382430, and at any adjournment thereof in respect of such resolutions as are indicated below:** I wish my above proxy to vote in the manner as indicated in the box below:		

Resolution	For	Against
1. Consider and adopt the audited financial statement, reports of the board of directors and auditors		
2. Declaration of dividend on equity shares		
3. Appointment of Mrs. Sujata P Mehta who retires by rotation and being eligible offers herself for reappointment		
4. Ratification of Appointment of auditors		
5. Ratification of Remuneration to cost auditors		
6. Granting consent to invite and accept the deposits from general public and shareholders		
7. Approval of remuneration to Mr. Priyam B. Mehta as the managing director of the company for the remaining tenure of his appointment from 12.8.2016 to 11.8.2018		
8. Reappointment of Mr. Vishal P. Mehta as the executive director of the company for the period from 26.7.2016 to 31.3.2021 and to fix his remuneration for the period of three years from 26.7.2016 to 25.7.2019		

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2016

Signature of the share holder \_\_\_\_\_

Signature of the first proxy holder(s) \_\_\_\_\_

Signature of the second proxy holder(s) \_\_\_\_\_

Signature of the third proxy holder(s) \_\_\_\_\_

Affix  
Revenue  
stamp

**Note :**

1. **This form of proxy in order to be effective should be duly completed and deposited at the registered office of the company, not less than 48 hours before the commencement of the meeting.**
2. A proxy need not be a member.
3. A proxy can act as a proxy on behalf of shareholders not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. A shareholder holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholders.
- \*\*4 This is only optional. Please put 'X' in the appropriate column against the resolution indicated in the box. If you leave the "for" or "against" column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/ she thinks appropriate.
5. Appointing a proxy does not prevent a shareholder from attending the meeting in person if he so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.



सत्यमेव जयते

भारत सरकार  
GOVERNMENT OF INDIA  
वाणिज्य एवं उद्योग मंत्रालय  
MINISTRY OF COMMERCE & INDUSTRY

विदेश व्यापार महानिदेशालय  
DIRECTORATE GENERAL OF FOREIGN TRADE

मान्यता प्रमाण पत्र  
Certificate of Recognition

दो सितारा निर्यात सदन  
TWO STAR EXPORT HOUSE

मैसर्स ..... STATUS HOLDER No.:08/2/2198/20151124

(आई ई सी ..... और आयकर पैन .....)

को विदेश व्यापार नीति, 2015-2020 के प्रावधानों के अनुसार दो सितारा निर्यात सदन का स्तर प्रदान किया जाता है। यह प्रमाण पत्र, प्रक्रिया पुस्तक (2015 -2020) के पैरा 3.20 (बी) में दी गयी शर्तों के निहित.....वर्षों की अवधि के लिए दिनांक .....से .....तक वैध होगा।

M/s MAIZE PRODUCTS. DIVN.OF SAYAJI INDUSTRIES LTD P O KATHWADA  
MAIZE PRODUCTS CHINUBHAINAGARAHMEDABAD 382430

0888009852 AADCS0861R  
(IEC ..... and Income Tax PAN .....)

are hereby accorded the status of Two Star Export House in accordance with the provisions of the Foreign Trade Policy, 2015-2020. This Certificate is valid for a period of ..... Five ..... years effective from ..... 2015 ..... to ..... 2020 ..... subject to the conditions prescribed in Para 3.20(b) of the Hand Book of Procedures (2015-2020).

सं./No. B/ 2198

तारीख/Date : 24.11.2015

स्थान/Place : Ahmedabad

08/75/105/00076/AM16

(फाइल सं./File No.) ..... तारीख/Date : .....



*Anil Kumar Singh*

ANIL KUMAR SINGH

अपर/संयुक्त/उप महानिदेशक,  
विदेश व्यापार/विकास आयुक्त (एस.ई.झेड.)

Additional/ Joint/ Deputy  
Director General of Foreign Trade/  
Development Commissioner (SEZ)



**SAYAJI**

**Sayaji Industries Limited**

Registered Office:

P.O. Kathwada-Maize Products, Ahmedabad 382 430.

CIN : L99999GJ1941PLC000471