

SIL/SCY/2019-20/132-133

19TH JUNE 2019

To

Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 Scrip Code: 516016	National Stock Exchange of India Ltd. Exchange Plaza, Bandra Kurla Complex, Bandra (West) Mumbai - 400 051 Scrip Code: SHREYANIND
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SUBJECT: ANNUAL REPORT (REGULATION 34 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Dear Sir,


Pursuant to the Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report for the F.Y. 2018-19 to be approved and adopted in the 39th Annual General Meeting of the Company scheduled to be held on 15th July 2019.

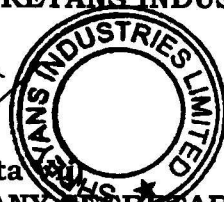
Please find the same in order and take it on your records.

Thanking you,

Yours faithfully,

For SHREYANS INDUSTRIES LIMITED


(Ruchita)
COMPANY SECRETARY
FCS: 9210



Encl.: as above

BRANCH OFFICES :-

- 5 A-D, Gopala Tower, 25 Rajendra Place, New Delhi-110 008
Tel # 011-25721042, 25732104 Fax # 91-11-25752271
E-mail : sil.delhi@shreyansgroup.com
- 912, Hub Town, Viva Building, 9th Floor, Shankar Wadi, Western Express Highway, Jogeshwari (East), Mumbai - 400 060. Tel. #: 022-67084631



39th

ANNUAL REPORT

2018 - 2019



SHREYANS INDUSTRIES LIMITED

INSPIRING US



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

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

BOARD OF DIRECTORS

MR. RAJNEESH OSWAL, CHAIRMAN AND MANAGING DIRECTOR	(DIN 00002668)
MR. VISHAL OSWAL, VICE-CHAIRMAN AND MANAGING DIRECTOR	(DIN 00002678)
MR. KUNAL OSWAL, WHOLE TIME DIRECTOR	(DIN 00004184)
MR. ANIL KUMAR, EXECUTIVE DIRECTOR AND C.E.O	(DIN 00009928)
MR. A.K. CHAKRABORTY, INDEPENDENT DIRECTOR	(DIN 00133604)
DR. PREM KUMAR, ADDITIONAL DIRECTOR (INDEPENDENT)	(DIN 00051349)
DR. N. J. RAO, INDEPENDENT DIRECTOR	(DIN 01282945)
DR. PRATIBHA GOYAL, INDEPENDENT DIRECTOR	(DIN 07174666)

CHIEF FINANCIAL OFFICER
MR. R. K. MAHAJAN

COMPANY SECRETARY
MS. RUCHITA VIJ

BANKERS

- 1) STATE BANK OF INDIA 2) IDBI BANK LIMITED 3) PUNJAB NATIONAL BANK

STATUTORY AUDITORS

M/S. K.C. KHANNA & CO.
NEW DELHI

SECRETARIAL AUDITORS

M/S. P.S. BATHLA & ASSOCIATES
LUDHIANA

COST AUDITORS

M/S. RAJAN SABHARWAL & ASSOCIATES
LUDHIANA

REGISTRAR & TRANSFER AGENTS

M/S. SKYLINE FINANCIAL SERVICES (P) LIMITED
D-153/A, 1ST FLOOR OKHLA INDUSTRIAL AREA PHASE - I
NEW DELHI - 110020
TEL: 011 40450193-97, EMAIL: admin@skylinerta.com

REGISTERED & CORPORATE OFFICE

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

WORKS

- SHREYANS PAPERS, AHMEDGARH, DISTT. SANGRUR (PB.) - 148021
TEL: +91-161-5206300 FAX: +91-1675-240512, EMAIL: spm@shreyansgroup.com
- SHREE RISHABH PAPERS, VILLAGE BANAH, DISTT. S. B. S. NAGAR (PB.) - 144522
TEL: +91-1881-273627-28-29 FAX: +91-1881-273645, EMAIL: srp@shreyansgroup.com

BRANCHES

- 5 A-C, GOPALA TOWER,
25, RAJENDRA PLACE, NEW DELHI-110008
TEL: +91-11-25818258-59, 25721042
EMAIL: sil.delhi@shreyansgroup.com
- 912, HUB TOWN, VIVA BUILDING,
9th FLOOR, SHANKAR WADI, WESTERN
EXPRESS HIGHWAY, JOGESHWARI (EAST)
MUMBAI - 400060
TEL: +91-22-67084631
EMAIL: sil.mumbai@shreyansgroup.com

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NOTICE

NOTICE is hereby given that, the 39th Annual General Meeting of the members of the Company will be held on Monday, the 15th July 2019 at 11.00 a.m. at the Registered Office of the Company at Village Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana 141 123 to transact the following business.

AS AN ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2019 and the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend, if any, for the Financial Year 2018-19.
3. To appoint a director in place of Mr. Rajneesh Oswal (DIN: 00002668), who retires by rotation and being eligible offers himself for re-appointment.

AS SPECIAL BUSINESS**ITEM NO. 4****TO CONSIDER AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Section 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of deposits) Rules, 2014 and other applicable provisions of the Companies Act, 2013, if any, (including any statutory modification(s) thereof for the time being in force), the consent of the Company be and is hereby given to invite/accept/renew unsecured deposits from members and/or from public in any form or manner from time to time, through circular, advertisement or through any other permitted mode, up to the maximum permissible prescribed limit and on such terms and conditions as the Board may in its absolute discretion deem fit and necessary.

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

ITEM NO. 5**TO CONSIDER AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:**

“RESOLVED THAT, pursuant to the provisions of Section 148 and its related and applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules 2014, (including any statutory modifications thereof for the time being in force), the remuneration of Rs. 60,000/- (Rupees Sixty Thousand only) plus Goods and Service tax as applicable and reimbursement of out of pocket expenses, if any, for the financial year ending 31st March, 2020 as approved by the Board of Directors of the Company and paid/to be paid to M/s.Rajan Sabharwal and Associates (Firm Registration No. 101961), Cost Accountants, Ludhiana, appointed by the Board as Cost Auditors to conduct the audit of the cost accounts of the Company, be and is hereby ratified.

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

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

“RESOLVED THAT pursuant to the provisions of Sections 149,

150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, Dr. Pratibha Goyal (DIN 07174666), Independent Non-Executive Director of the Company, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for re-appointment, be and is hereby re-appointed as an Independent (Non-Executive) Director of the Company to hold office for another term of 5 (five) consecutive years with effect from 10th August 2019 to 9th August 2024 and whose office shall not be liable to retire by rotation.”

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

“RESOLVED THAT, pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, Dr. N.J. Rao (DIN 01282945), Independent Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for re-appointment, be and is hereby re-appointed as an Independent (Non-Executive) Director of the Company to hold office for another term of 5 (five) consecutive years with effect from 13th August 2019 to 12th August 2024 and whose office shall not be liable to retire by rotation.”

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

“RESOLVED THAT, pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, Mr. A.K. Chakraborty (DIN 00133604), Independent Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for re-appointment, be and is hereby re-appointed as an Independent (Non-Executive) Director of the Company to hold office for another term of 1 (one) year with effect from 13th August 2019 to 12th August 2020 and whose office shall not be liable to retire by rotation.”

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

“RESOLVED THAT, pursuant to the provisions of Sections 149, 150, 160 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory

modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, the consent of the Company be and is hereby accorded to appoint Dr. Prem Kumar (DIN 00051349), who was appointed as an Additional Director (Non-Executive Independent) on the Board w.e.f. 13th May 2019 for a term of 5 (five) consecutive years effective from 13th May 2019 to 12th May 2024, not liable to retire by rotation.”

**By order of the Board
For Shreyans Industries Limited**

**Sd/-
Ruchita Vij**

**Company Secretary
FCS 9210**

Dated : May 13, 2019

Place : Ludhiana

NOTES:

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

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

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

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

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

5. The Register of Members and Share Transfer books of the Company shall remain closed from 9th July 2019 to 15th July 2019 (both days inclusive), for the purpose of Annual General Meeting of the Company and payment of dividend, if any, for both physical and electronic segments.

6. Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the meeting, will be paid within a period of 30 days from the date of declaration, to those members whose name appear on the Register of Members as on 8th July 2019.

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

8. Copies of the Annual Report are being sent by electronic mode only to those members whose email addresses are registered with the company/depository participants(s) for communication purposes unless any members has requested for hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2019 are being

sent by the permitted mode.

9. The members are requested to:

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

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

11. All dividends remaining unclaimed and unpaid for a period of seven years from the date it is lying in the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. The Company has uploaded the details of unclaimed and unpaid dividend amounts lying with the Company on the website of the Company at www.shreyansgroup.com. The said information was also filed with MCA and the same can be accessed at www.iepf.gov.in.

Furthermore, in terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) shares on which dividend remains unpaid or unclaimed for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits, if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholder from IEPFA by following the procedure prescribed under the aforesaid rules.

Therefore, it is in the interest of shareholders to regularly claim the dividends declared by the Company.

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

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

The instructions for shareholders voting electronically are as under:-

- (i) The remote e-voting period begins on 11th July 2019 (09.00 A.M.) and ends on 14th Jul 2019 (05.00 P.M.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) 8th July 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

Any person, who acquires shares of the Company and becomes a shareholder of the Company after dispatch of the

Notice of AGM and holds shares as of the cut-off date i.e. 8th July 2019 may obtain the login ID and password by sending a request at cs@shreyansgroup.com.

- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in De-mat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are holding shares in physical form or first time user in case holding shares in De-mat form, follow the steps given below:

	For Members holding shares in Demat Form (First time user) and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both De-mat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number* in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Please enter the DOB or Dividend Bank Details in order to login. Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or Folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank details as recorded in your demat account or in the Company records for the said demat account or Folio. If the details are not recorded with the depository or company please enter the Member ID / Folio no. in the Dividend Bank details field.

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

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in De-mat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the De-mat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password

confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - (xi) Click on the **EVS(190603007)** for the **<Shreyans Industries Limited>** on which you choose to vote.
 - (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 - (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
 - (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
 - (xvii) If De-mat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
 - (xix) Note for Institutional Shareholders: Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to www.evotingindia.com and register themselves as Corporate.
A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
14. M/s. P.S. Bathla & Associates, Company Secretaries in practice, Ludhiana have been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner (including the ballot forms). The Scrutinizer shall within a period of 48 hours from the conclusion of e-voting

period, unblock the votes in presence of at least two witnesses not in employment of the Company and make a report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.

15. The Results shall be declared within 48 hours from the conclusion of the AGM. The results declared along with the Scrutinizer's report shall be placed on the Company's website www.shreyansgroup.com and on the website of CDSL and communicated to the Stock Exchanges.

**By order of the Board
For Shreyans Industries Limited**

**Sd/-
Ruchita Vij
Company Secretary
FCS 9210**

Dated : May 13, 2019

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

CIN: L17115PB1979PLC003994

Tel.: +91-161-2685270, 98761-00948

Email: cs@shreyansgroup.com, atl@shreyansgroup.com

Website: www.shreyansgroup.com

ANNEXURE TO THE NOTICE

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

ITEM NO. 4

Pursuant to Section 73 of the Companies Act, 2013 and rules made there under and after approval of the members of the Company at its meeting held on 10th August, 2018, the Company had issued circular to the members of the Company, being invitation for deposits from members, which is valid up to the date of 39th Annual General Meeting of the Company i.e. up to 15th July, 2019.

The Board of Directors at their meeting held on 13th May, 2019 decided to continue invite/accept/renew unsecured deposits from members and/or public after complying with the relevant provisions of the Companies Act, 2013 and rules made there under, to enable the Company to maintain an alternate source of financing, and only need based deposits shall be accepted and/or renewed.

The Board recommends this resolution for the approval of members by means of an ordinary resolution.

NOTICE OF INTEREST

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

ITEM NO. 5

The Board of Directors at their meetings held on 13th May, 2019 has approved the appointment of M/s.Rajan Sabharwal and Associates, (Firm Registration No. 101961), Ludhiana as Cost Auditors to conduct the audit of the cost accounts of the Company for the financial year 2019-20 as per the directions which may be issued by the Central Government and the remuneration was fixed as given in the resolution.

As per Rule 14 of the Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors shall be ratified by the shareholders.

The Board recommends the aforesaid resolution for approval of the members by means of an Ordinary Resolution.

NOTICE OF INTEREST

None of the Directors/Key Managerial Personnel of the

Company/their relatives are in any way concerned or interested in the said resolution.

ITEM NO. 6 to 8

In terms of the Companies Act 2013 and SEBI Listing Agreement/ Regulations, Dr. Pratibha Goyal (in 36th AGM for a term of three years from 10th August 2016 to 9th August 2019), Mr. M. L. Gupta, Mr. A.K. Chakraborty and Dr. N.J. Rao (in 34th AGM for a term of five years from 13th August 2014 to 12th August 2019) were appointed as Independent Directors of the Company.

As per Section 149(10) of the Companies Act 2013, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for second term of upto five consecutive years on the Board of a Company.

However, Mr. M.L. Gupta (DIN 00272672), Independent Director, on account of health issues had resigned w.e.f 13th May 2019 which was taken note by the Nomination and Remuneration Committee and Board in their meeting held on 13th May 2019.

Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Dr. Pratibha Goyal, Mr. A.K. Chakraborty and Dr. N.J. Rao, being eligible for re-appointment as an Independent Director and offering themselves for re-appointment, the Board has proposed for re-appointment of Independent Directors in its meeting held on 13th May, 2019, as detailed below:

Name & DIN of Director	Proposed second term
Dr. Pratibha Goyal (DIN 07174666)	5 (five) consecutive years with effect from 10 th August 2019 to 9 th August 2024
Dr. N.J. Rao (DIN 01282945)	5 (five) consecutive years with effect from 13 th August 2019 to 12 th August 2024.
Mr. A.K. Chakraborty (DIN 00133604)	1 (one) year with effect from 13 th August 2019 to 12 th August 2020.

Accordingly, the Board recommends passing of Special Resolutions (Item no. 6-8) in relation to re-appointment of above mentioned Independent Directors of the Company.

NOTICE OF INTEREST

None of the Directors/Key Managerial Personnel of the Company/their relatives except the appointees i.e. Dr. Pratibha Goyal, Dr. N.J. Rao and Mr. A.K. Chakraborty, are in any way concerned or interested in the said resolutions.

ITEM NO. 9

In the opinion of the Nomination and Remuneration Committee of the Directors, Dr. Prem Kumar (DIN 00051349), fulfills the conditions for his appointment as an Independent Director as specified in the Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Committee also opined that, he possesses appropriate skills, experience and knowledge as required for occupying the position of an Independent Director. The Board has also received declaration from Dr. Prem Kumar that, he meets the Criteria of Independence as prescribed under Section 149(6) read with Schedule IV of the Companies Act, 2013 and Regulation 16(b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Based on the recommendations of the Nomination and Remuneration Committee, the Board in its meeting held on

13th May, 2019, has considered and recommended the appointment of Dr. Prem Kumar as an Additional Director (Non-Executive Independent) on the Board of the Company. Further, the Board is seeking approval of the shareholders of the Company to appoint Dr. Prem Kumar as Director (Non-Executive Independent) for a term of 5 (five) years effective from 13th May 2019 to 12th May 2024.

NOTICE OF INTEREST

None of the Directors/Key Managerial Personnel of the Company/their relatives, except Dr. Prem Kumar (DIN 00051349) himself, are in any way concerned or interested in the said resolution.

ANNEXURE TO ITEM NOS. 3, 6,7, 8 & 9 OF THE NOTICE

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

Name of the Director	Rajneesh Oswal	Pratibha Goyal	N. J. Rao	A. K. Chakraborty	Prem Kumar
DIN	00002668	07174666	01282945	00133604	00051349
Date of Birth	27.06.1966	10.08.1968	10.01.1949	07.04.1945	26.06.1953
Date of Appointment on the Board	30.06.1989	24.05.2016	26.12.2003	19.07.2005	13.05.2019
Expertise in specific functional areas	Business Management	Management-Education	Paper Technocrat	Finance Secretarial and Legal	Consulting
Qualifications	MBA	Ph. D	M. Tech, Ph. D in Chemical Engineering	FCS, FICWA	Master's in Economics, M. Phil and Ph. D
Directorship of other public limited companies	Adinath Textiles Limited	Hero Cycles Limited	NIL	1. Manaksia Limited 2. Manaksia Steels Limited 3. Manaksia Coated Metals & Industries Limited 4. Manaksia Aluminium Company Limited	1. Roop Polymers Limited 2. Roop Autimotives Limited
Memberships of Committees of other public limited companies (mandatory committees only)	Stakeholder's Relationship Committee (Adinath Textiles Limited)	NIL	NIL	Audit Committee Chairman (Manaksia Coated Metals & Industries Limited and Manaksia Aluminium Company Limited)	Audit Committee (both companies)
Disclosure of relationship between directors inter-se	He is brother of Mr. Vishal and Mr. Kunal Oswal.	Not related with other directors, promoter, Manager and KMPs.	Not related with other directors, promoter, Manager and KMPs.	Not related with other directors, promoter, Manager and KMPs.	Not related with other directors, promoter, Manager and KMPs.
No. of shares held in the Company as on May 13, 2019	6,250	NIL	NIL	NIL	NIL

By order of the Board
For Shreyans Industries Limited
Sd/-
Ruchita Vij
Company Secretary
FCS9210

Dated : May 13, 2019
Regd. Office: Village: Bholapur, P.O. Sahabana,
Chandigarh Road, Ludhiana 141 123
CIN: L17115PB1979PLC003994
Tel.: +91-161-2685270, 98761-00948
Email: cs@shreyansgroup.com , atl@shreyansgroup.com
Website: www.shreyansgroup.com

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 39th Annual Report on the business and operations of the Company along with Audited Financial Statements for the year ended 31st March 2019.

Financial Performance			(₹ in lakhs)
PARTICULARS	2018-19	2017-18	
Revenue from operations [net of excise duty]*	57,390.91	46,357.47*	
Other Income	598.23	459.18	
Total	57,989.14	46,816.65	
Profit before Interest & Financial Charges, Depreciation, Exceptional Items and Tax	8,624.02	6,041.19	
Less: Interest & Financial Expenses	636.99	559.90	
Less: depreciation	938.64	878.46	
Profit before Tax	7,048.39	4,602.83	
Less: Provision for taxation	2,353.36	1,484.57	
Profit after taxation	4,695.03	3,118.26	
Add: Other comprehensive income arising from remeasurement of Defined Benefit Plan (net of tax)	(29.28)	66.71	
Total Comprehensive Income	4,665.75	3,184.97	

Previous year's figures have been regrouped for comparison purposes with current year's presentation wherever necessary.

CORPORATE REVIEW

Paper industry maintained a healthy trend during the year under review and products of the Company could get better realization in the market. However, prices of inputs, especially wood pulp, chemicals, power and fuel showed significant uptrend during the year. Total revenue of the Company increased to ₹579.89 crores against ₹468.17 crores of last year, showing about 24% increase. Profit before interest & financial charges and depreciation was significantly higher by 43% at ₹86.24 crores against ₹60.41 crores of last year. Net profit after tax was also higher by 51% at ₹46.95 crores against ₹31.18 crores of last year. It is expected that paper industry will continue to do well in the current financial year also because of healthy demand growth in various segments of paper industry included writing and printing paper.

Increase in cheap imports of paper from ASEAN countries continues to be a threat for domestic paper industry. The cost of raw material and manufacturing cost is much higher in India which adversely impacts competitiveness of the domestic paper industry especially writing and printing paper segment.

PERFORMANCE REVIEW

Our focus for the last few years has been on enhancement of our product quality and at the same time reduction in costs and increase in efficiencies. These initiatives were pursued with even

vigour during the year under review with significant positive results. The performance of both units of the Company is as follows:

SHREYANS PAPERS

Total production of paper in this unit was 49,858 MTs, which was almost at the same level of 49,169 MTs of last year. Capital expenditure for an additional Boiler along with normal capital expenditure was incurred in the unit to maintain its operations. Wire section of paper machine was also renovated during the year. In the current year further capital expenditure is planned to strengthen the bleach plant to further improve the quality of end product and optimize other operating parameters. Total capital expenditure planned is in the range of ₹25 crores to 30 crores. This will help the unit to further improve its operations in terms of quality and better environmental performance.

SHREE RISHABH PAPERS

Total paper production in this unit was 39,704 MTs which was significantly higher as compared to last year's production of 31,881 MTs. The impact of modernization undertaken in the past year constituting of installation of new Head Box, continuous digester, approach flow system, and additional dryers is reflected in the operations of the unit.

In the current year further capital expenditure to install improvised Bleach Stage Washers, additional Fluidized Bed Reactor soda recovery plant, Turbo calenders and Steam condensate system at paper machine are planned to strengthen the operations of the unit. Total capital expenditure planned is in the range of ₹27 crores to 32 crores.

FINANCIAL REVIEW**EQUITY SHARE CAPITAL**

The paid up Equity Share Capital as on March 31, 2019 was ₹13.82 crores. During the year under review, the Company has neither issued any shares nor granted stock options and nor sweat equity.

FINANCE

An amount of ₹11.61 crores, out of existing term loan of ₹25.01 crores were repaid during the year. Overall financial cost relating to borrowings has declined during the year despite increase in operations of the Company. However, an amount of ₹1.68 crores has been paid to PSPCL as interest on arrears of voltage surcharge, which is being contested by the Company.

EXTERNAL CREDIT RATING

During the year under review, CARE Ratings Limited has upgraded the external credit rating for the Long term and Short term Bank facilities of the Company from BBB+ to A-. The facility wise upgraded rating is as under:

Facilities	Amount (₹/Cr)	Upgraded Rating
Long Term Bank Facilities	35.97	CARE A-; Stable [A minus: Outlook: Stable]
Short Term Bank Facilities	40.00	CARE A2+ [A two Plus]

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

OTHER EQUITY

The Company does not propose to carry any amount to any reserves.

DIVIDEND

Your Directors proposed a dividend of ₹5 per share [i.e. 50% including a one-time Special Dividend of 30%] for the financial year ended 31st March 2019 [previous year 18%]. The dividend, if approved by the shareholders, will be paid to all the equity shareholders whose names appear in the Register of Members as on 8th July 2019. The proposed dividend would result in cash outflow of ₹833.31 lakhs including corporate dividend tax.

DEPOSITS

(₹ in Crores)

PARTICULARS	From Members	From Directors
(a) accepted during the year;	3.21	---
(b) remained unpaid or unclaimed as at the end of the year;	---	---
(c) whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved-		
(i) at the beginning of the year;	---	---
(ii) maximum during the year;	---	---
(iii) at the end of the year;	---	---
(d) The details of deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013.	---	---

At the end of the year, fixed deposits from the public and directors were outstanding to the tune of ₹5.56 crores and ₹Nil respectively. There were no overdue deposits as on 31st March 2019. The Company has accepted deposits from the members and public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

FUTURE PLANS/PROSPECTS

Continuous technical and operational upgradation of the production facilities is a hallmark of the Company's policy and keeping the same trend a major capex is planned in Shree Rishabh Papers unit of the Company during the year as stated above. Besides this, normal capital expenditure is being done continuously to make operations of the Company more competitive.

NUMBER OF MEETINGS HELD

The details of Board and Committee Meetings held during financial year 2018-19, are given in the Corporate Governance Report.

DIRECTORS/KEY MANAGERIAL PERSONNEL

Mr. Rajneesh Oswal, Director of the Company, is liable to retire by rotation at the forthcoming Annual General Meeting under Article 86(1) of Article of Association of the Company and being eligible, offer himself for re-appointment.

Mr. M.L. Gupta (DIN 00272672), Independent Director, on account of health issues had resigned w.e.f 13th May 2019 which was taken note by the Nomination and Remuneration Committee and Board in their meeting held on 13th May 2019.

All other Independent Directors submitted their declarations that, they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015). Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Dr. Pratibha Goyal, Mr. A.K. Chakraborty and Dr. N.J. Rao, being eligible for re-appointment as an Independent Director and offering themselves for re-appointment, the Board has proposed for re-appointment of Independent Directors for second term as detailed in Notice of 39th Annual General Meeting.

Based on the recommendations of the Nomination and Remuneration Committee of directors, the Board in its meeting held on 13th May, 2019, has considered and recommended the appointment of Dr. Prem Kumar as an Additional Director (Non-Executive Independent) on the Board of the Company. Further, the Board is seeking approval of the shareholders of the Company to appoint Dr. Prem Kumar as Director (Non-Executive Independent) for a term of 5 (five) years effective from 13th May 2019 to 12th May 2024.

There were no changes in Key Managerial Personnel during the year under review.

BOARD EVALUATION

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

REMUNERATION POLICY

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

AUDIT COMMITTEE

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

The composition of the Audit Committee is given in Corporate Governance Report.

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

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM/WHISTLE BLOWER POLICY

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

STATUTORY AUDITORS

At 37th Annual General Meeting held on 7th September 2017 M/s. K.C. Khanna & Company, were appointed as Statutory Auditors of the Company to hold office from 37th Annual General Meeting till the conclusion of the 42nd Annual General Meeting.

The Auditors' Report on the accounts of the Company for the year under review requires no comments. Further, there were no frauds reported by the Statutory Auditors of the Company during the period under review neither under Section 143(12) of the Act nor which are reportable to the Central Government.

COST AUDIT

Maintenance of Cost Records as specified by the Central Government under Section 148(1) of the Companies Act, 2013, is applicable on the Company and accordingly, such accounts and records related to cost audit, are made and maintained by the Company.

M/s. Rajan Sabharwal & Associates were appointed as Cost Auditors of your Company for auditing the cost accounts records for Financial Year 2018-19 under provisions of Section 148(1) of the Companies Act, 2013. They are likely to submit Cost Audit Report within the prescribed time limit.

Furthermore, the Board has re-appointed M/s Rajan Sabharwal and Associates, (Firm Registration No. 101961) as Cost Auditors of the Company for Financial Year 2019-20.

SECRETARIAL AUDIT

M/s P. S. Bathla & Associates, Practising Company Secretaries, at Ludhiana, were appointed to conduct the secretarial audit of the Company for Financial Year 2018-19, as required under Section 204 of the Companies Act, 2013 and Rules made there under. The Secretarial Audit Report for Financial Year 2018-19 is appended as an **Annexure II** to the Board's Report.

The Secretarial Auditors' Report for the year under review requires no comments.

The Board has re-appointed M/s P. S. Bathla & Associates, Practising Company Secretaries, Ludhiana as Secretarial Auditor of the Company for Financial Year 2019-20.

RELATED PARTY TRANSACTIONS

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

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

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

This Policy as considered and approved by the Board has been uploaded on the website of the Company at

http://www.shreyansgroup.com/upload/c1449201532SIL_Related_Party_Transaction_Policy_07_11_2015.pdf

PARTICULARS OF EMPLOYEES

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

EXTRACT OF ANNUAL RETURN

An extract of the Annual Return as of March 31, 2019 pursuant to the sub-section (3) of Section 92 of the Companies Act, 2013 read with Rule 12 (1) of the Companies (Management and Administration) Rules, 2014 and forming part of the report is placed on the website of the Company as per provisions of Section 134(3)(a) and is available at http://shreyansgroup.com/upload/a1559544481SIL_EXTRACT_OF_ANNUAL_RETURN_31_03_2019_MGT9.pdf

INDUSTRIAL RELATIONS

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

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

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

INTERNAL FINANCIAL CONTROL SYSTEMS

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

ASSOCIATES AND SUBSIDIARIES

The Company has no Associates & Subsidiaries as on 31st March, 2019.

CORPORATE GOVERNANCE

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

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

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

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

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

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

of such institutions. Your Company actively participates with number of NGOs for holding medical check-up camps, sports events and other social activities.

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

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

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

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

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

GENERAL DISCLOSURES

Your directors state that, no disclosure or reporting is required in respect of the following matters as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. No unclaimed/unpaid Dividend to be transferred to Investor Education and Protection Fund.
3. The Company has already complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at

Workplace (Prevention, Prohibition and Redressal) Act, 2013. There were no complaints/cases reported with internal complaints committee formed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENT

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

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

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

For and on Behalf of the Board

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

Place : Ludhiana

Date : May 13, 2019

Annexure I**NOMINATION AND REMUNERATION POLICY**

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

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

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

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

The Nomination and Remuneration Committee while considering a remuneration package must ensure a balanced approach reflecting short and long term performance objectives appropriate to the working of the company and its goals. The Committee shall consider that a successful remuneration policy must ensure that any increase in the remuneration package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.

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

Remuneration packages are designed to attract high-caliber executives in a competitive market and remunerate executives fairly and responsibly. The remuneration shall be competitive and based on the individual responsibilities and performance. Remuneration is designed to motivate delivery of our key business strategies, create a strong performance-orientated environment and reward achievement of meaningful targets over the short- and long-term.

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

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

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

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

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

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

Annexure II**Form No. MR-3****SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Shreyans Industries Limited

Vill. Bholapur, P. O. Sahabana

Chandigarh Road, Ludhiana-141123

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

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year 1st April, 2018 to 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s **Shreyans Industries Limited** ("the Company") for the financial year ended on 31st March, 2019 according to the provisions of:
 - I. The Companies Act, 2013 (the Act) and the rules made there under;
 - II. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
 - III. The Depositories Act, 1996 and the Regulations and By-laws framed there under;
 - IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**"):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable as the Company has not issued any shares during the year under review)
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable as the Company has not issued any shares/options to directors/employees under the said guidelines/regulations during the year under review)
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable as the Company has not issued Debt Securities during the Audit Period under review)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer agent during the Financial Year under review)
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable to the Company during the Audit Period as there was no event in this regard)
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. (Not applicable as the Company has not bought back/proposed to buy-back any of its securities during the financial year under review)

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

- (i) The Secretarial Standards issued by The Institute of Company Secretaries (ICSI) of India.
- (ii) The SEBI Listing Obligations and Disclosure Requirements (LODR) Regulations, 2015

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

2. I, further report that

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

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

All decisions at Board Meetings and Committee Meetings have been carried out unanimously as recorded in the minutes of the meetings of Board of Directors and Committee of the Board, as case may be.

I further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For P S Bathla & Associates

Parminder Singh Bathla
Company Secretary

Place : Ludhiana
Dated : May 13, 2019

FCS No. 4391
C.P No. 2585

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

'Annexure A'

To,

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

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

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

For P S Bathla & Associates

Parminder Singh Bathla
Company Secretaries

Place : Ludhiana
Dated : May 13, 2019

FCS No. 4391
C.P No. 2585

Annexure III

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

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

1 (i)

Name of the Director/KMP and Designation	Remuneration in Fiscal 2019 (₹ in lakhs)	% Increase in remuneration from previous year	Ratio of Remuneration to MRE*
Rajneesh Oswal (Chairman and Managing Director)	354.05	51.51	165.44
Vishal Oswal (Vice-Chairman and Managing Director)	354.00	51.56	165.42
Kunal Oswal (Whole Time Director)	28.77	(7.08)	13.44
Anil Kumar (Executive Director & CEO)	150.99	10.36	70.55
R K Mahajan (Chief Financial Officer)	15.13	7.45	7.07
Ruchita Vij (Company Secretary)	7.18	N.A.**	3.35

**Remuneration of Ms. Ruchita Vij for the financial year 2018-19 cannot be compared with her remuneration in the financial year 2017-18 as she received remuneration for only a part of financial year 2017-18 [i.e. w.e.f. 29th August 2017].

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

*MRE-Median Remuneration of Employee based on annualized salary

(ii) The median remuneration of employees of the Company during the financial year was ₹2.14 lakhs p.a;

(iii) In the financial year, there was an increase of 11% in the median remuneration of employees;

(iv) There were 1,339 permanent employees on the rolls of the Company as on March 31, 2019;

(v) Average percentile increase in the salaries of employees other than the managerial personal in the last financial year i.e. 2018-19 was 10.68% whereas, the percentile increase in the managerial remuneration for the same financial year was 38.73%.

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

2 Details of top ten employees in terms of remuneration:

Name of Employee	Designation of the employee	Remuneration received* ₹ in lakhs	Qualifications	Experience (No. of Years)	Date of Commencement of employment	Age (years)	The last employment held by such employee before joining the Company	%age of equity shares held by the employee in the Company	Whether relative of any Director or Manager of the Company
Rajneesh Oswal	Chairman and Managing Director	354.05	MBA from USA	30	30-06-1989	53	Executive Director Adlnath Textiles Limited	0.05%	Rajneesh Oswal, Vishal Oswal and Kunal Oswal are real brothers
Vishal Oswal	Vice Chairman and Managing Director	354.00	B.Com	24	03-08-1995	46	---	---	
Kunal Oswal	Whole Time Director	28.77	B.Com	22	29-01-2007	45	---	0.62%	

Name of Employee	Designation of the employee	Remuneration received ₹ in lakhs	Qualifications	Experience (No. of Years)	Date of Commencement of employment	Age (years)	The last employment held by such employee before joining the Company	%age of equity shares held by the employee in the Company	Whether relative of any Director or Manager of the Company
Anil Kumar	Executive Director & CEO	150.99	MBA B.Sc (Engg.)	46	01-04-1983	69	Vardhman Group	---	Director
Ashok Kumar Goyal	President	31.14	B.Com LLB, DBM FCS, MEP	36	09-04-2018	59	Vardhman Polytex Limited	---	No
Arun Kumar Kapoor	Sr. Vice President	25.93	A.C.A	39	01-04-1987	61	Arihant Fabrics Ltd.	---	No
Jagdeesa Panchami	Vice President	23.74	Intermediate	55	02-03-1991	76	Anil Steel & Ind. Ltd.	---	No
Vijay Kumar Singla	Vice President	23.34	Diploma [Mech. Engg.]	40	21-11-1981	60	Maghan Paper Mill	---	No
Arun K. Goel	Vice President	22.28	M.A. (Eco.) PGD (PM)	36	09-08-1999	59	Bharti Telecom Ltd.	---	No
Jitender Kumar Gautam	Vice President	21.81	M.A. (Economics)	42	25-12-1981	64	Munish Paper	---	No

Employed throughout the year and were in receipt of remuneration at the rate of not less than ₹102 lakhs per annum.

Name of Employee	Designation of the employee	Remuneration received* ₹ in lakhs	Qualifications	Experience (No. of Years)	Date of Commencement of employment	Age (years)	The last employment held by such employee before joining the Company	%age of equity shares held by the employee in the Company	Whether relative of any Director or Manager of the Company
Rajneesh Oswal	Chairman & Managing Director	354.05	MBA from USA	30	30-06-1989	53	Executive Director, Adinath Textiles Limited	0.05%	Rajneesh Oswal, Vishal Oswal and Kunal Oswal are real brothers
Vishal Oswal	Vice-Chairman & Managing Director	354.00	B.Com	24	03-08-1995	46	---	---	
Anil Kumar	Executive Director & CEO	150.99	MBA, BSC (Engg)	46	01-04-1983	69	General Manager Vardhman Group, Ludhiana	0.01%	---

None of the Employee was employed for a part of the financial year and separated, who were in receipt of remuneration at the rate of not less than ₹8.50 lakhs per month.

Annexure IV

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

A) CONSERVATION OF ENERGY

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

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

- Improvement in energy usage efficiency in lighting systems by installation of more efficient lighting solutions such as Light Emitting Diodes in phased manner.
- Retrofitting and replacement of motors, pumps, fans, air compressors, vacuum and air conditioning systems with higher energy efficiency equipment in phased manner.
- Installation of variable frequency drives to optimize energy consumption in a phased manner.
- Reduction in line losses from steam pipelines by optimizing the network.
- Implementation of blow heat recovery in pulp mill to improve efficiency for optimum usage of steam.
- Optimisation of compressed air systems to minimise losses and reduce energy consumption.

ii) Steps taken for utilising alternate sources of energy:

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

(iii) Capital investment on energy conservation equipment during the year: NIL

B) TECHNOLOGY ABSORPTION

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

(i) Efforts made towards technology absorption:

- Speed increase of paper machines at both the units helped increase production.
- In house steam & condensate modification at unit in Ahmedgarh
- Upgradation of Wire part and Third press at Paper machine at unit in Ahmedgarh.

ii) Benefits derived:

The initiatives have enabled the company in terms of product & quality improvement, cost reduction, product development and enhance customer satisfaction.

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

Sr. No.	a. Details of Technology	b. Year of Import
1	Head Box and Dryers	2017-18

c. whether the technology has been fully absorbed: Yes

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

iv) Details of Expenditure on Research and Development are given in Note no. 51 to Financial Statements.**C. FOREIGN EXCHANGE EARNING AND OUTGO**

Details of expenditure in foreign exchange and earnings in foreign exchange are given below:

	₹ In lakhs
Expenditure in Foreign Exchange	4,627.59
Earnings in Foreign Exchange	583.40

Annexure V**Corporate Social Responsibility (CSR)**

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

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

Weblink of CSR Policy: http://www.shreyansgroup.com/upload/c1426228101Corporate_Social_Responsibility_Policy.pdf

2. The Composition of the CSR Committee.

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

3. Average net profit of the company for last three financial years

Particulars	Year ended			Average
	31.03.2018	31.03.2017	31.03.2016	
Net Profit (₹ in lakhs)	4,552.11	3,561.75	1,085.62	3,066.49

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

Two Percent of the amount as in item 3 above: ₹ 61.33 lakhs

Unspent amount from previous year: ₹ 15.78 lakhs

The Company was required to spend ₹ 77.11 lakhs towards CSR.

5. Details of CSR spent during the financial year.

(a) Total amount spent for the financial year; ₹ 43.59 lakhs

(b) Amount unspent, if any ; ₹ 33.52 lakhs

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

S. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period	Amount spent : Direct or through implementing agency*
₹ in lakhs							
1	Promoting education, eradicating poverty, hunger and malnutrition, especially in rural areas, empowering women economically, supplementing primary education and participating in rural capacity building programmes and such other initiatives	Literacy	Ahmedgarh, Ropar, Ludhiana (Punjab)	44.59	24.03	68.62	*
2	Promoting preventive healthcare, sanitation, family welfare, community hospitals and rural development programmes especially in rural areas.	Health Care	Ahmedgarh, (Punjab)	50.59	11.12	61.71	*
3	Contribute towards improvement in standard of Environment, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water.	Live Stock	Ahmedgarh, Ludhiana (Punjab)	2.81	0.60	3.41	*
4	Contribute towards training to promote cultural & rural sports, nationally recognized sports, Paralympics and Olympics sports	Sports	Ahmedgarh, (Punjab)	1.98	1.42	3.40	*
5	Contribute towards development of infrastructure of village's schools, health care centers and hospitals. Includes contribution/ donation to relief funds or any other fund set up by Central Government for socio economic development and relief.	Community Welfare	Ahmedgarh, (Punjab)	7.34	6.42	13.76	*
Total				107.41	43.59	151.00	

*** Details of the Implementing Agencies :**

- | | |
|---|---|
| 1. Darshan Kumar Oswal Public Charitable Trust, Ludhiana | 10. GuruNanak Mission Sewa Society, Ahmedgarh |
| 2. SOS Children Villages of India, New Delhi | 11. Shree Radhey Krishna Gau Dham Trust Regd., Ludhiana |
| 3. Virjanand Samarak Samiti Trust, Kartarpur (PB) | 12. Christian Medical College and Hospital, Ludhiana |
| 4. Sewa Bharti Regd., Ahmedgarh | 13. Shri Parasnath Public Charitable Trust, Ludhiana |
| 5. Lion Service Trust Regd, Ahmedgarh | 14. Govt. Girls Senior Secondary School, Sohana |
| 6. V V Reasearch Institute Hoshiarpur, Punjab | 15. Elementary School Teachers, Tonsa, Roparn |
| 7. Sh Sh 1008 Swami Rameshwar Giri Charitable Hospital, Ahmedgarh | 16. Shree Sanatan Dhram Mahavir Dal, Ahmedgarh |
| 8. Palampur Rotary Eye Foundation | 17. Sports & Welfare Club [Regd], Ahmedgarh |
| 9. Social Welfare Organization Regd., Ahmedgarh | 18. Chief Minister Distress Fund, Kerala |
| | 19. India's Braveheart, New Delhi |

6. The Company has spent ₹43.59 lakhs (approx 56%) in the Financial year 2018-19 on activities as provided in Para 5 (c) above. The CSR Committee plans to construct building for Hospital "Sh Sh 1008 Swami Rameshwar Giri Charitable Hospital, Ahmedgarh" during the year 2019-20. The estimated contribution of the Company for the construction of building is around ₹30 lakhs.

7. Responsibility Statement:

"It is hereby affirmed that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company."

(Sd/-)

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

Place : Ludhiana
Dated : May 13, 2019

(Sd/-)

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

Place : Ludhiana
Dated: May 13, 2019

MANAGEMENT DISCUSSIONS AND ANALYSIS

Your Company is a public limited Company established in 1979 to manufacture Writing and Printing Paper with a capacity of 10,000 MTs per annum. The mill is located at Ahmedgarh, District Sangrur [Punjab]. In 1994, your Company purchased the paper division of M/s Zenith Limited situated at village Banah, District S.B.S. Nagar in Punjab. After certain modifications in both the paper divisions, the combined present capacity for manufacture of Writing and Printing Paper stands at 94,000 MTs per annum.

The Indian Paper Industry accounts for about 4% of the World's production of paper. Paper industry in India is highly fragmented. There are over 750 mills spread across the country, capacity ranging from 5 TPD to over 1200 TPD. Total installed capacity is estimated at 17-18 million tonnes with production of more than 17 million tonnes. The products are broadly classified as [1] Newsprint, [2] Writing and Printing Paper, [3] Packaging Paper and Board, and [4] Specialty Papers and others. Your Company produces Writing and Printing Paper.

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

Writing and Printing Paper accounts for about 35%, Newsprint 20% and Industrial and speciality papers 45%. The per capita consumption of paper in India stands at a little over 13 Kgs. which is well below the World average of 57 Kgs. India remains the fastest growing market for paper globally and has grown from 9.3 million tones in FY08 to 17.1 million tones in FY18 witnessing a CAGR of 6.3 percent. The demand for Writing and Printing Paper in India is expected to grow on account of rapidly improving literacy rates and increasing office documentation needs.

Paper industry in India witnessed improved performance which is attributable to better realizations driven by high input cost. International pulp prices, key raw material continued to inch up till September end pushing up the paper prices. China, the largest importer of waste paper globally, announced a ban on certain grades of waste paper in July last year which came into force in January 2018. The move led to increased demand for pulp pushing up the global pulp prices. However, pulp prices have softened during last couple of months, which in turn has affected paper prices also.

Financial Performance and Analysis

The discussions in this section relate to the financial results pertaining to the year ended March 31, 2019, prepared in accordance with the Indian Accounting Standards (referred to as 'Ind AS') prescribed under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, as amended from time to time. Significant accounting policies used in the preparation of the financial statements are disclosed in the notes to the consolidated financial statements. The following table gives an overview of the financial results of the Company:

(₹ in lakhs)

	Year ended 31 March 2019	% of Revenue	% Growth	Year ended 31 March 2018	% of Revenue
Revenue	57,390.91	100.00%	23.80%	46,357.47	100.00%
Earnings before interest, tax, depreciation and amortisation (before other income)	8,025.79	13.98%	43.78%	5,582.01	12.04%
Profit Before Tax (PBT)	7,048.39	12.28%	53.13%	4,602.83	9.93%
Profit after tax attributable to shareholders of the Company	4,665.75	8.13%	46.49%	3,184.97	6.87%
Earnings per share (in ₹)	33.96	-	50.53%	22.56	-

Previous year's figures have been regrouped for comparison with current year's presentation where ever necessary.

Key Financial Ratios

In accordance with the SEBI (Listing Obligations and Disclosure Requirements 2018) (Amendment) Regulations, 2018, the Company is required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key financial ratios. The Company has identified the following ratios as key financial ratios:-

	Unit	Year ended 31 March 2019	Year ended 31 March 2018	% Change
Debt Equity Ratio	times	0.16	0.30	45.97
Current Ratio	"	1.69	1.35	25.46
Receivables Outstanding in Days to Sales	days	25.07	24.95	0.45
Inventory in days to Cost of goods sold	"	28.74	27.07	6.17
Interest Coverage Ratio	times	14.20	10.61	33.81
Operating Profit Margin	%	12.17	9.84	23.66
Net Profit Margin	%	8.13	6.87	18.33

Ratios where there has been a significant change as compared to previous year

Paper Industry maintained a healthy trend during the year and witnessed increase in Prices of Paper (including writing and printing paper). Also increase in total Production of the company by 10.50% contributed significantly to the Operating profits. Increase in Margins/earnings on account of above reasons resulted in improvement in the profitability ratios and Earning per share as compared to the previous year. In addition to the repayments of borrowings (term loans) falling due during the year, the company also partly prepaid the installments of Term loans falling due during the succeeding years due to better liquidity. This resulted in improvement in debt equity ratio and interest coverage ratio. The Company managed the surplus funds through Investments in various securities. These investments (current) significantly improved the Current ratio of the Company.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS

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

Development and well being of people working for the Company has been a corner stone of management policy. This is reflected through very low employees' turnover at all levels including workers, staff, officers and managers. Company lays special emphasis on staff training and retraining through internal workshops and also nominating staff/officers to various training programmes. As on 31st March 2019, Company has 1339 employees consisting of 93 managers, 334 staff/officers and 912 workers.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

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

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

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

OUTLOOK

As mentioned in the earlier part of the report, the supply and demand for writing and printing papers in India is already fairly balanced. While demand for writing and printing papers is showing negative or no growth in different parts of the World due to digitization, the growing emphasis on education sector in India is expected to result in a growth of at least 4 to 6%. Since there are no new major capacities in the offing in the near future, the market for writing and printing papers should remain fairly firm in the near future. Major issues confronting India's Pulp and Paper industry are high cost of production caused by inadequate availability and high cost of raw materials, power cost and concentration of mills in one particular area, non-availability of good quality fibre, uneconomical plant size, technological obsolescence and environmental challenges. Compliance with increasingly stiffer environmental standards has been another challenge for the Paper industry. However at Shreyans, we have taken adequate steps to meet or exceed all environmental norms. A close watch is constantly kept on various developments and diversification of product range whenever found necessary will be undertaken. Company shall also look forward business opportunities, if situation so warrants. Eco-friendly technology adopted by the Company, motivated manpower and market leadership vision makes future outlook quite optimistic.

CAUTIONARY STATEMENT

Statements in this report on Management discussion and analysis relating to the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based upon certain assumptions and expectations of future events. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand-supply conditions, selling prices, raw material costs and availability, changes in government regulations and tax structure, general economic developments in India and abroad, factors such as litigation, industrial relations and other unforeseen events.

The Company assumes no responsibility in respect of forward looking statements made herein which may undergo changes in future on the basis of subsequent developments, information or events. Market data and product information contained in this report is gathered from published and unpublished reports and their accuracy cannot be assured.

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

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

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

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

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

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

Name of the Director	DIN	Category of Directorship	No. of Board Meetings attended	Attendance at the last AGM
Rajneesh Oswal Chairman & Managing Director	00002668	Promoter & Executive Director	4	Yes
Vishal Oswal Vice-Chairman & Managing Director	00002678	Promoter & Executive Director	4	Yes
Kunal Oswal Whole time Director	00004184	Promoter & Executive Director	4	Yes
Anil Kumar Executive Director & CEO	00009928	Executive Director	4	Yes
N.J. Rao Independent Director	01282945	Non Executive Director	3	Yes
A. K. Chakraborty Independent Director	00133604	Non Executive Director	3	Yes
M. L. Gupta Independent Director	00272672	Non Executive Director	4	Yes
Pratibha Goyal Independent Director	07174666	Non Executive Director	3	No

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

Name of the Director	No. of Directorships in all public companies*	Membership of the Board Committees in all Public Companies**	Chairmanship of the Board Committees in all Public Companies**	Directorship in other listed entity and category
Rajneesh Oswal	2	2	---	Adinath Textiles Ltd. (Chairman & Managing Director)
Vishal Oswal	2	1	---	Adinath Textiles Ltd. (Vice-Chairman & Managing Director)
Kunal Oswal	1	---	---	---
Anil Kumar	2	2	---	---
N.J. Rao	1	1	---	---
A. K. Chakraborty	5	1	2	1. Manaksia Ltd. 2. Manaksia Steels Ltd. 3. Manaksia Coated Metals & Industries Ltd. 4. Manaksia Aluminium Company Ltd. (Non- Executive Independent Director in all above listed Companies)
M. L. Gupta	4	2	2	1. Bihar Sponge Iron Ltd. 2. Shreyans Financial And Capital Services Ltd. (Non- Executive Independent Director in all above listed Companies)
Pratibha Goyal	2	1	1	---

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

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

(d) Four Board Meetings were held during the Financial Year 2018-19 on 25th May, 2018, 10th August, 2018, 13th November, 2018 and 7th February, 2019.

(e) The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Business Dynamics	Understanding of business dynamics, across various markets, industry verticals and regulatory jurisdictions.
Strategy and Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.

(f) The Board of Directors hereby confirms that in its opinion, the Independent Directors of the Company fulfill the conditions as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations and are independent of the management

(g) Detailed reasons for the resignation of an Independent Director who resigns before the expiry of his tenure:

It is hereby confirmed that, on account of health issues, Mr. M.L. Gupta (DIN 00272672), Independent Director, had resigned w.e.f 13th May 2019 and there were no other material reasons other than those provided.

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

Board Evaluation

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

Board Familiarization Programme

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

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

3. Audit Committee

i. Terms of Reference:

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

All the financial statements of the Company are first reviewed by the Audit Committee before presentation to the Board of Directors.

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

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

Name of Member	Designation	Meetings Attended
M. L. Gupta	Chairman	4
A. K. Chakraborty	Member	3
Pratibha Goyal	Member	3
Anil Kumar	Member	4
N.J. Rao	Member	3

iii. Four Meetings of the Audit Committee were held during Financial Year 2018-19 on 25th May, 2018, 10th August, 2018, 13th November, 2018 and 7th February, 2019.

The Company Secretary acts as Secretary to the Committee.

4. Nomination and Remuneration Committee

i. Terms of Reference:

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

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

Two meetings of the Nomination and Remuneration Committee were held during the Financial Year 2018-19 on 13th November 2018 and 7th February, 2019.

Name of Member	Designation	Meetings Attended
M. L. Gupta	Chairman	2
A. K. Chakraborty	Member	1
Pratibha Goyal	Member	2

The Company Secretary acts as Secretary to the Committee.

iii. Nomination and Remuneration Policy

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

iv. Remuneration of Directors

A. Executive Directors

(₹ in lakhs)

Name and Designation	Remuneration				
	Basic Salary	Provident Fund	Other Benefits	Performance Incentive	Total
Rajneesh Oswal Chairman & Managing Director	314.73	37.77	1.55	---	354.05
Vishal Oswal Vice- Chairman & Managing Director	314.78	37.77	1.45	---	354.00
Kunal Oswal Whole time Director	24.00	2.88	1.89	---	28.77
Anil Kumar Executive Director and CEO	54.00	6.48	36.51	54.00	150.99

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

Mr. Anil Kumar, Executive Director & CEO is entitled to the performance Incentive, as may be decided by the Board, along with fixed salary in terms of resolution passed at the Annual General Meeting held on 7th September, 2017.

B. Non-Executive Directors

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

(₹ in lakhs)

Name	Sitting Fees for Board Meeting	Sitting Fees for Committee Meeting	Total
A.K. Chakraborty	0.30	0.25	0.55
M. L. Gupta	0.50	0.35	0.85
N. J. Rao	0.30	0.15	0.45
Pratibha Goyal	0.40	0.30	0.70

5. Stakeholders Relationship Committee

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

i. Composition

Name of Member	Designation	Meetings Held	Meetings Attended
Pratibha Goyal	Chairperson	13	13
Rajneesh Oswal	Member	13	13
Anil Kumar	Member	13	13
Vishal Oswal	Member	13	12

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

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

Particulars	Number of Complaints	Particulars	Number of Complaints
Pending as on 01-04-2018	0	Resolved during the year	46
Received during the year	46	Pending as on 31-03-2019	0

6. Corporate Social Responsibility

In compliance with the provisions of Section 135 of the Companies Act, 2013, the Board has constituted "Corporate Social Responsibility Committee." One meeting of the Corporate Social Responsibility Committee was held during the Financial Year 2018-19 on 25th May, 2018.

The composition of the committee as at March 31, 2019 and details of member's participation at the meeting of the committee are as under:

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

The Company Secretary acts as Secretary to the Committee.

7. Independent Director's Meeting

During the year, the Independent Directors met on 7th February, 2019 to:

- Review the performance of Non-Independent Directors and the Board as a whole.
- Review the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors.
- Evaluate the quality, quantity and timeliness of flow of information between the Company Management and the board that is necessary for the Board to effectively and reasonably their duties.

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

Financial Year	Date of A.G.M.	Time	Venue	No. of Special Resolution Passed
2017-18	10 th August, 2018	11.00 A.M.	Regd. Office of the Company at Vill. Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana-141 123	1
2016-17	7 th September, 2017	11.00 A.M.	Regd. Office of the Company at Vill. Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana-141 123	5
2015-16	10 th August, 2016	11.00 A.M.	Regd. Office of the Company at Vill. Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana-141 123	3

(ii) Postal Ballot

During the year under review, two resolutions were passed through Postal Ballot as carried out as per the procedure mentioned in Rule 22 of Companies (Management and Administration) Rules, 2014, including any amendment thereof.

1. Revision in remuneration of Mr. Rajneesh Oswal, Chairman & Managing Director.
2. Revision in remuneration of Mr. Vishal Oswal, Vice-Chairman & Managing Director.

9. Disclosures

- The details of related party transactions are placed before Audit Committee and these are disclosed in the Notes on Account to the Balance Sheet. For the year 2018-19, there was no transaction of material nature with related parties, which are not in the normal course of business.
- The Company is in compliance with the requirements of the Stock exchanges, SEBI and other statutory authorities on all matters relating to the capital market during the last three years. The company has complied with all mandatory requirements of clause Listing Regulations on corporate governance. The company has followed accounting treatment as prescribed in Accounting Standards applicable to the Company. There were no penalties or strictures imposed on the company by Stock Exchanges or SEBI, any statutory authority on any matter related to the above.
- The Company has a Whistle Blower Policy in place for employees to report concerns about unethical behavior. No personnel have been denied to approach the Management or the Audit Committee on any issue.
- Mr. Rajneesh Oswal, Chairman & Managing Director, Mr. Vishal Oswal, Vice Chairman & Managing Director and Mr. Kunal Oswal, whole time Directors, are real brothers. No other director is having any relationship with each other.
- All the necessary disclosures/policies/codes/intimations etc under the Companies Act, 2013, SEBI (LODR) Regulations, as amended from time to time and other enactments etc are uploaded under separate section "INVESTORS" on website of the Company i.e. www.shreyansgroup.com.

10. Means of Communication

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

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

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

11. General Shareholder Information**i. AGM: Date, Time and Venue**Date & Time: 15th July 2019 at 11.00 a.m.

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

ii. Financial YearThe Company's Financial Year starts from 1st April every year and conclude on 31st March, next year.**iii. Date of Book Closure**The Register of Members and Share Transfer books of the Company shall remain closed from 9th July, 2019 to 15th July, 2019 (both days inclusive), for the purpose of payment of dividend, if any and AGM, for both physical and electronic segments.**iv. Dividend Payment date (tentative)**Credit or dispatch of dividend warrants tentatively between 21st July 2019 to 10th August 2019.**v. Listing on Stock Exchanges**

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

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

Stock Code

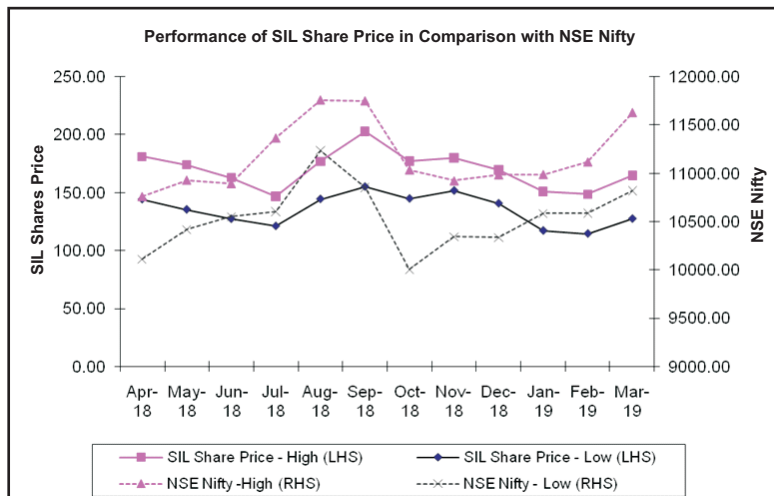
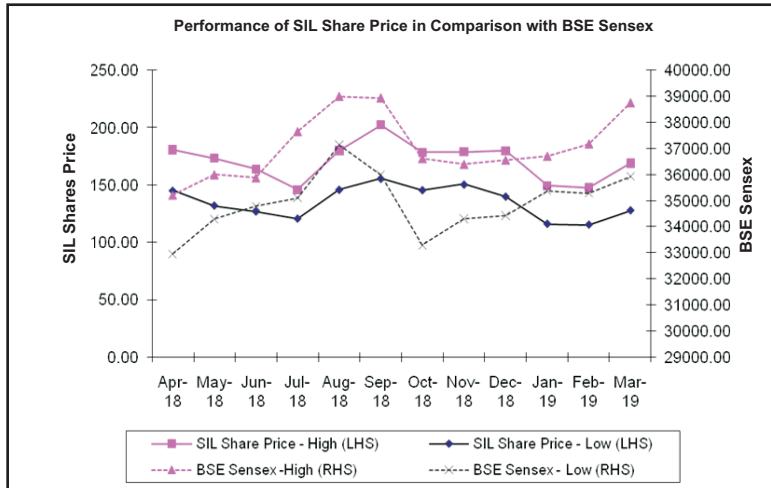
Bombay Stock Exchange Limited	516016	ISIN	INE231C01019
National Stock Exchange of India Limited	SHREYANIND	Corporate Identification Number	L17115PB1979PLC003994

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

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

Month & Year	Share price at Bombay Stock Exchange Limited		Share Price at National Stock Exchange of India Ltd	
	High	Low	High	Low
Apr - 18	180.90	145.10	181.00	144.20
May - 18	173.50	132.00	174.00	135.30
Jun - 18	163.95	126.85	162.95	127.20
Jul - 18	146.25	120.55	146.80	121.00
Aug - 18	180.00	145.95	176.90	144.35
Sep - 18	202.35	155.60	202.70	155.05
Oct - 18	178.60	145.60	177.15	144.75
Nov - 18	179.10	150.50	180.05	151.65
Dec - 18	179.90	139.90	169.50	140.60
Jan - 19	149.45	115.95	151.00	117.00
Feb - 19	147.85	115.25	148.80	114.40
Mar - 19	169.00	127.85	164.80	127.35

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



viii. Registrar and Share Transfer Agent

Name : Skyline Financial Services (P) Ltd.
 Address : D-153/A 1st Floor, Okhla Industrial Area, Phase -1
 New Delhi-110 020
 Phone No. : 011-40450193-97
 Contact Person : Mr. Subhash Aggarwal, Director / Mr. Virender Rana, Vice-President

ix. Share Transfer System

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

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

- x. **DISTRIBUTION OF EQUITY SHARE CAPITAL AS ON : 31.03.2019**
Nominal Value of Each Share : ₹10

Shareholding Nominal Value (₹)	No of Shareholders	% to Total Numbers	Shareholding Amount (₹)	% to Total Amount
Up To 5,000	20,475	94.99	1,79,80,760	13.01
5,001 To 10,000	565	2.62	43,92,950	3.18
10,001 To 20,000	262	1.22	38,81,040	2.81
20,001 To 30,000	82	0.38	21,17,130	1.53
30,001 To 40,000	42	0.19	14,94,590	1.08
40,001 To 50,000	34	0.16	15,81,920	1.14
50,001 To 1,00,000	43	0.02	31,56,370	2.28
1,00,000 and Above	53	0.25	10,36,40,740	74.97
TOTAL	21,556	100	13,82,45,500	100

- xi. **Dematerialisation of shares and Liquidity**

As on 31.03.2019, 78.95% of total paid up share of the Company is held with depositories in dematerialized form. The Equity shares of the Company are regularly traded at the BSE and NSE.

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

The Company has not issued any GDR's/ADR's. The Company has not allotted any equity share during the financial year 2018-19.

- xiii. **Location of Plants:**

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

- xiv. **Address for correspondence:**

Registered Office:

Ruchihta Vij,
Company Secretary
Shreyans Industries Limited
Vill. Bholapur, P.O. Sahabana,
Chandigarh Road, Ludhiana (India) -141123
Ph. (0161) 2685270, 9876400948
Email: atl@shreyansgroup.com
cs@shreyansgroup.com
Website: www.shreyansgroup.com

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

To,
The Members,
Shreyans Industries Ltd.
Ludhiana

I hereby confirm that all Board Members and Senior Management Personnel have affirmed compliance with the code of conduct for the Directors and Senior Management Personnel as approved by the Board, for the Financial Year ended 31st March, 2019 in terms of regulations 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place : Ludhiana
Date : May 13, 2019

Rajneesh Oswal
Chairman & Managing Director
(DIN: 00002668)

CMD & CFO CERTIFICATION

To
The Members,
Shreyans Industries Ltd.,
Ludhiana

- a) We have reviewed financial statements and the cash flow statements for the year ended 31st March, 2019 and that to the best of our knowledge and belief:
- these statements do not contain any materially untrue statement or omit any material fact or contains statements that might be misleading;
 - these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design of operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee
- significant changes in internal control over financial reporting during the year;
 - significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
 - instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Rajneesh Oswal
Chairman & Managing Director
(DIN: 00002668)
Place : Ludhiana
Date : May 13, 2019

R. K. Mahajan
Chief Financial Officer

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

To
The Members
Shreyans Industries Ltd

We have examined the compliance of conditions of corporate governance by Shreyans Industries Limited (the company) for the year ended 31st March, 2019 as stipulated under the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. ('Listing Regulations')

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned listing regulations, as applicable.

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

For P. S. Bathla & Associates
Company Secretaries

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

Place : Ludhiana
Dated : May 13, 2019

Certificate from Company Secretary in Practice (Pursuant to clause 10 of Part C of Schedule V of LODR)

In pursuance of sub clause (i) of clause 10 of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; in respect of Shreyans Industries Limited (CIN: L17115PB1979PLC003994), I hereby certify that:

On the basis of written representation/declaration received from the Directors and taken on record by the Board of Directors, as on March 31, 2019, none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of Companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

For P. S. Bathla & Associates
Company Secretaries

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

Place : Ludhiana
Dated : May 13, 2019

INDEPENDENT AUDITORS' REPORT

To
The Members,
Shreyans Industries Limited

Report on the Audit of the Financial Statements**Opinion**

We have audited the accompanying standalone financial statements of **Shreyans Industries Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash flows for the year ended, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Standalone Financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures

to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may

reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, 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 including other comprehensive income, statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e. On the basis of the written representations received from the directors as on 31st March 2019 taken on record by the Board of directors, none of the directors is disqualified as on 31st March 2019 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 an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h. 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 37 to the standalone financial statements.
 - (ii) The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were 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 sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

FOR K.C. KHANNA & CO.
Chartered Accountants
(Firm Reg. No. 000481N)

Place : Ludhiana
Dated : May 13, 2019

(Abhishek Goel)
Partner
M. No. 521575

Annexure- "A" to the Independent Auditors' Report
 (Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Shreyans Industries Limited 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 control over financial reporting of Shreyans Industries Limited ("the Company") as of 31st March 2019 in conjunction with our audit of financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanation 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 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on

Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR K.C. KHANNA & CO.
Chartered Accountants
(Firm Reg. No. 000481N)

Place : Ludhiana

(Abhishek Goel)

Dated : May 13, 2019

Partner

M. No. 521575

Annexure- "B" to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Shreyans Industries Limited of even date)

(i) In respect of the Company's fixed assets:-

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) According to the information and explanations given to us, the Company has adopted a policy of physical verification of fixed assets once in block of every three years. The last verification of entire block of fixed assets was done in the year ended March 31, 2018. Further in our opinion the frequency of physical verification of the fixed assets is reasonable having regard to the size of the Company and nature of its business. As explained to us, no discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, title deed of the immovable property is held in the name of the company.

(ii) According to the information and explanations given to us, the inventories have been physically verified by the management at the reasonable intervals during the year. In our opinion the frequency of verification is reasonable. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.

(iii) According to the information and explanations given to us we report that the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore the provisions of paragraph 3(iii) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us, the Company has complied with the requirements of the section 186 of the Companies Act, 2013 pursuant to investment made. The company has not granted loans to directors or to the person in whom directors are interested. Therefore, the provisions of section 185 of the Companies Act, 2013 are not applicable to the company.

(v) According to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76, other relevant provisions of the Companies Act, 2013 and the rules framed thereunder. Therefore, the provisions of paragraph 3(v) of the order are not applicable to the company.

(vi) We have broadly reviewed the cost records maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act 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 such records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and on the basis of the records of the Company examined by us, in our opinion, the Company has been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess, goods and service tax and other statutory dues applicable to it with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amounts in respect of statutory dues payable were outstanding as on the last day of the financial year concerned for a period of more than six months from the date they became payable as at 31st march, 2019.

(c) According to the information and explanations given to us, and the records of the company examined by us, there are no dues of income tax, service tax, duty of custom, which have not been deposited with the appropriate authorities on account of any dispute. However according to information and explanations give to us, the following dues of duty of excise, sales tax, CST and value added tax have not been deposited by the company with appropriate authorities on account of dispute:

Name of the Statute	Nature of Dues	Disputed Amount (₹ in lakhs)	Amount deposited (₹ in lakhs)	Amount Unpaid (₹ in lakhs)	Period to which relates	Forum where dispute is pending.
Central Excise Act, 1944	Excise Duty	57.64	30.32	27.32	2006-2007 to 2009-2010	Customs, Excise & Service Tax Appellate Tribunal, Chandigarh
Central Excise Act, 1944	Excise Duty	1.45	0.93	0.53	Various years from 1996-1997 to 2000-2001	Joint Commissioner, Ludhiana
Central Excise Act, 1944	Excise Duty	1.43	-	1.43	2004-2005	Assistant Commissioner, Phagwara
Central Excise Act, 1944	Excise Duty	49.25	49.25	-	2002-2003	CESTAT, Chandigarh

Name of the Statute	Nature of Dues	Disputed Amount (₹ in lakhs)	Amount deposited (₹ in lakhs)	Amount Unpaid (₹ in lakhs)	Period to which relates	Forum where dispute is pending.
Punjab VAT Act, 2005	Sales Tax	4.00	1.00	3.00	2016-2017	Punjab & Haryana High Court, Chandigarh
Central Excise Act, 1944	Excise Duty	73.77	11.54	62.23	2003-2004 to 2008 to 2009	Commissioner Appeals, Ludhiana
Punjab VAT Act, 2005	CST	17.39	4.35	13.04	2011-2012	VAT Tribunal
Punjab VAT Act, 2005	VAT	15.25	3.81	11.44	2012-2013	DETC Appeals

- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to a financial institution bank or government. The Company has not issued any debentures during the year or in the preceding year.
- (ix) In our opinion and according to the information and explanations given to us, the term loans taken during the year by the Company have been applied for the purpose for which they were raised. The company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year.
- (x) According to the information and explanations given to us, no fraud on or by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination records of the company, the company has paid / provided for the managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) According to the information and explanations given to us, the company is not a Nidhi Company. Therefore the provisions of paragraph 3(xii) of the order are not applicable to the company.
- (xiii) According to the information and explanations given to us, and based on our examinations of the records of the company, transactions with the related parties are in compliance with section 177 and section 188 of the Act,

where applicable and the details of the transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- (xiv) According to the information and explanations given to us, the company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the financial year under audit. Thus the provisions of paragraph 3 (xiv) of the Order are not applicable to the company.
- (xv) According to information and explanations given to us, and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, provisions of paragraph 3 (xv) of the Order are not applicable to the company.
- (xvi) According to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause 3(xvi) of the order is not applicable to the company.

FOR K.C. KHANNA & CO.
Chartered Accountants
(Firm Reg. No. 000481N)

Place : Ludhiana
Dated : May 13, 2019

(Abhishek Goel)
Partner
M. No. 521575

BALANCE SHEET AS AT 31ST MARCH 2019

(₹ in lakhs)

	Note No.	As at 31 st March 2019	As at 31 st March 2018
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	3	17,458.48	16,864.29
(b) Capital work-in-progress		267.46	723.95
(c) Intangible Assets	3	2.82	3.35
(d) Financial Assets			
i Investments	4	85.73	51.78
ii Loans	5	3.07	3.66
iii Others financial assets	6	106.95	12.34
(e) Other Non Current assets	7	818.98	553.05
Total Non-current assets		18,743.49	18,212.42
(2) Current assets			
(a) Inventories	8	4,151.95	3,369.53
(b) Financial Assets			
i Investments	9	6,628.05	4,595.97
ii Trade receivables	10	3,913.61	3,962.40
iii Cash and Cash equivalents	11	16.48	31.42
iv Bank Balances (other than iii above)	12	319.35	366.20
v Loans	13	37.79	37.77
vi Other financial assets	14	181.19	119.73
(c) Current tax assets (Net)	15	28.48	-
(d) Other current assets	16	430.56	282.31
Total Current assets		15,707.46	12,765.33
TOTAL ASSETS		34,450.95	30,977.75
EQUITY AND LIABILITIES			
Equity			
a) Equity Share capital	17	1,382.47	1,382.47
b) Other Equity	18	18,440.10	14,074.38
Total Equity		19,822.57	15,456.85
Liabilities			
(1) Non-current liabilities			
(a) Financial Liabilities			
i Borrowings	19	1,440.99	2,144.27
ii Other financial liabilities	20	9.79	9.79
(b) Provisions	21	407.22	660.37
(c) Deferred tax liabilities (Net)	22	3,334.05	3,071.42
(d) Other non-current liabilities	23	140.06	156.84
Total Non-current liabilities		5,332.11	6,042.69
(2) Current liabilities			
(a) Financial Liabilities			
i Borrowings	24	1,299.99	1,700.11
ii Trade payables			
a) total outstanding dues of micro enterprises and small enterprises	25	14.04	-
b) total outstanding dues of creditors other than ii (a) above	"	4,443.02	4,479.34
iii Other financial liabilities	26	2,576.07	2,527.51
(b) Other current liabilities	27	777.82	559.39
(c) Provisions	28	185.33	112.23
(d) Current tax liabilities (Net)	15	-	99.63
Total Current liabilities		9,296.27	9,478.21
TOTAL EQUITY AND LIABILITIES		34,450.95	30,977.75

See accompanying notes forming part of the financial statements

As per our report of even date attached

For K.C. KHANNA & CO
Chartered Accountants
(Firm Regn. No. 000481N)**(ABHISHEK GOEL)**

Partner

M.No. 521575

PLACE : Ludhiana

DATE : May 13, 2019

(R.K. MAHAJAN)

C F O

(RUCHITA VIJ)

Company Secretary

(ANIL KUMAR)Executive
Director & CEO
DIN 00009928**(VISHAL OSWAL)**Vice Chairman &
Managing Director
DIN 00002678**(RAJNEESH OSWAL)**Chairman &
Managing Director
DIN 00002668

For and on behalf of the Board of Directors

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019

(₹ in lakhs)

	Note No.	For the year ended 31 st March 2019	For the year ended 31 st March 2018	
I	Revenue from operations	29	57,390.91	46,971.88
II	Other Income	30	598.23	459.18
III	Total Income (I + II)		<u>57,989.14</u>	<u>47,431.06</u>
IV	Expenses :			
	Cost of materials consumed	31	25,412.55	22,975.12
	Purchase of stock-in-trade	32	1,743.76	-
	Changes in inventories of finished goods, stock-in-trade and work in progress	33	(278.54)	(180.94)
	Excise duty on sales of goods (refer Note 45)		-	614.41
	Employee benefits expense	34	5,649.68	4,953.05
	Finance costs	35	636.99	559.90
	Depreciation and amortization expense	3	938.64	878.46
	Other expenses	36	16,837.67	13,028.23
	Total Expenses (IV)		<u>50,940.75</u>	<u>42,828.23</u>
V	Profit before exceptional items and tax (III-IV)		<u>7,048.39</u>	<u>4,602.83</u>
VI	Exceptional Item		-	-
VII	Profit before tax (V-VI)		7,048.39	4,602.83
VIII	Tax expense:			
	1) Current tax		2,075.00	1,276.25
	2) Tax adjustments of earlier years		-	23.87
	3) Deferred tax		278.36	184.45
IX	Profit for the year (VII-VIII)		<u>4,695.03</u>	<u>3,118.26</u>
X	Other Comprehensive Income			
A	(i) Items that will not be reclassified to profit or loss		(45.01)	102.02
	(ii) Income tax relating to items that will not be reclassified to profit or loss		15.73	(35.31)
B	(i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Total Other Comprehensive Income/(loss)		<u>(29.28)</u>	<u>66.71</u>
XI	Total Comprehensive Income for the period (IX+X) (Comprising profit and other comprehensive income for the period)		<u>4,665.75</u>	<u>3,184.97</u>
XII	Earning per equity share(Face Value of ₹10 each)			
	i) Basic (₹)		33.96	22.56
	ii) Diluted (₹)		33.96	22.56

See accompanying notes forming part of the financial statements

As per our report of even date attached

For K.C. KHANNA & CO
Chartered Accountants
(Firm Regn. No. 000481N)(ABHISHEK GOEL)
Partner
M.No. 521575(R.K. MAHAJAN)
C F O(RUCHITA VIJ)
Company Secretary(ANIL KUMAR)
Executive
Director & CEO
DIN 00009928(VISHAL OSWAL)
Vice Chairman &
Managing Director
DIN 00002678(RAJNEESH OSWAL)
Chairman &
Managing Director
DIN 00002668PLACE : Ludhiana
DATE : May 13, 2019

For and on behalf of the Board of Directors

STATEMENT OF CHANGES IN EQUITY

(₹ In lakhs)

Particulars	Equity share capital	Other Equity					Total
		Reserves and Surplus				Other comprehensive income/(loss)	
		Capital reserve	Securities premium	General reserve	Retained Earnings	Remeasurement of the defined benefit liability/asset	
As at 1 st April 2017	1,382.47	2.10	1,923.75	3,896.67	5,403.46	(87.02)	11138.96
Dividend for the year ended 31 st March 2017 (₹1.50 per share)					(207.37)		(207.37)
Dividend Distribution Tax on above					(42.21)		(42.21)
Profit for the year transferred from statement of profit and loss					3,118.26		3,118.26
Other Comprehensive Income for the year (net of income tax)						66.71	66.71
As at 31 st March 2018	1,382.47	2.10	1,923.75	3,896.67	8,272.14	(20.31)	14074.38
As at 1 st April 2018	1,382.47	2.10	1,923.75	3,896.67	8,272.14	(20.31)	14074.38
Dividend for the year ended 31 st March 2018 (₹1.80 per share)					(248.84)	-	(248.84)
Dividend Distribution Tax on above					(51.15)	-	(51.15)
Profit for the year transferred from statement of profit and loss					4,695.03	-	4,695.03
Other Comprehensive Income for the year (net of income tax)					-	(29.28)	(29.28)
As at 31 st March 2019	1,382.47	2.10	1,923.75	3,896.67	12,667.17	(49.59)	18440.10

As per our report of even date attached
For K.C. KHANNA & CO
Chartered Accountants
(Firm Regn. No. 000481N)

For and on behalf of the Board of Directors

(ABHISHEK GOEL)
Partner
M.No. 521575

(R.K. MAHAJAN)
C F O

(RUCHITA VIJ)
Company Secretary

(ANIL KUMAR)
Executive
Director & CEO
DIN 00009928

(VISHAL OSWAL)
Vice Chairman &
Managing Director
DIN 00002678

(RAJNEESH OSWAL)
Chairman &
Managing Director
DIN 00002668

PLACE : Ludhiana
DATE : May 13, 2019

CASH FLOW STATEMENT

(₹ in lakhs)

	For the year ended 31 st March 2019	For the year ended 31 st March 2018
A CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax as per statement of profit and loss	7,048.39	4,602.83
Adjustment for :		
Depreciation and amortisation expense	938.64	878.46
Interest Income	(40.28)	(82.67)
Dividend on non current investments	(0.01)	(0.02)
Net Loss/(gain) on sale of current investments	(347.93)	(167.89)
Net fair valuation Loss/ (gain) on Financials assets	14.76	(50.72)
Interest expenses	534.15	479.03
Net Loss/(gain) on sale/discard of property, plant and equipment	(124.21)	104.14
Amortisation of other Financial Assets	2.13	2.73
Allowances for doubtful/ credit loss for trade receivables and advances written back	(6.90)	(49.35)
Provisions no longer required written back	(2.63)	(1.07)
Trade receivable and other balances written off/(back) (net)	(2.90)	48.23
	964.82	1,160.87
Operating Profit Before Working Capital Changes	8,013.21	5,763.70
Changes in working capital		
Adjustment for Increase/(Decrease) in operating assets:		
Trade receivables	39.50	(1,503.74)
Inventories	(782.42)	(462.92)
Loans (Current)	(0.02)	41.10
Loans (Non-current)	1.26	(0.25)
Other assets (Current)	(148.25)	268.17
Other assets (Non-current)	(55.05)	(23.78)
Other financial assets (Current)	(75.40)	(14.13)
Other financial assets (Non-current)	(91.69)	105.60
Adjustments for increase/(decrease) in operating liabilities:		
Trade payables	(22.28)	1,017.99
Provisions (Non-current)	(298.16)	(55.47)
Provisions (Current)	73.10	(7.11)
Other financial liabilities (Current)	373.81	(734.25)
Other financial liabilities (Non-current)	-	9.79
Other liabilities (Current)	240.13	60.09
Other liabilities (Non-current)	(9.33)	10.59
	(754.80)	(1,288.32)
Cash generated from operations	7,258.41	4,475.38
Income taxes paid (Net of refund)	(2,203.11)	(1,146.44)
Net cash from operating activities	5,055.30	3,328.94
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipments	(1,129.00)	(3,581.88)
(Increase)/ Decrease in capital advance	(210.88)	407.68
(Purchase)/Proceeds (of)/from investment	(1,732.87)	(105.29)
Proceeds from sale of Property, Plant and Equipments	169.95	80.94
Dividend received	0.01	0.02
Interest received	51.30	125.24
(Increase)/Decrease in Bank Balances	46.85	(80.72)
Net cash used in investing activities	(2,804.64)	(3,154.01)

C CASH FLOW FROM FINANCING ACTIVITIES

(Payments)/Proceeds (of)/from long term debt (Net)	(1064.62)	529.41
(Payments)/Proceeds (of)/from current borrowings (Net)	(400.12)	(13.64)
Interest Paid	(512.66)	(454.17)
Dividend Paid (including taxes)	(288.20)	(239.52)
Net cash used financing activities	(2265.60)	(177.92)
Net increase in cash and cash equivalents	(14.94)	(2.99)
Cash and cash equivalents at beginning of year	31.42	34.41
Cash and cash equivalents at the end of year	16.48	31.42

See accompanying notes forming part of the financial statements

As per our report of even date attached
For K.C. KHANNA & CO
Chartered Accountants
(Firm Regn. No. 000481N)

For and on behalf of the Board of Directors

(ABHISHEK GOEL)
Partner
M.No. 521575

(R.K. MAHAJAN)
C F O

(RUCHITA VIJ)
Company Secretary

(ANIL KUMAR)
Executive
Director & CEO
DIN 00009928

(VISHAL OSWAL)
Vice Chairman &
Managing Director
DIN 00002678

(RAJNEESH OSWAL)
Chairman &
Managing Director
DIN 00002668

PLACE : Ludhiana
DATE : May 13, 2019

NOTES TO FINANCIAL STATEMENTS**1 Corporate and General Information**

Shreyans Industries Limited ("the Company") is a public company domiciled in India and incorporated on 11th June, 1979 under the provisions of the Companies Act, 1956. The name of the company at its incorporation was Shreyans Paper Mills Ltd. and subsequently changed to Shreyans Industries Limited on 20th October 1992. The company is engaged in the manufacturing of Writing and Printing Paper. The Company caters to both domestic and international market. The equity shares of the Company are listed on National Stock Exchange of India Ltd (NSE) and Bombay Stock Exchange Limited (BSE).

The registered office of the company is situated at Village Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana-141123, Punjab. The financial statements are approved for issue by the Company's Board of Directors on May 13, 2019.

2 (i) Significant accounting Policies**(a) Basis of preparation of financial statements**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial assets and liabilities (including derivative instruments) which are measured at fair value, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(b) Statement of Compliance

The financial statements comply in all material aspects with Indian Accounting Standards

(c) Functional and Presentation currency

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees. All amounts have been rounded-off to the nearest lakhs, up to two places of decimal, unless otherwise indicated.

(d) Use of Estimates and Judgements

The preparation of financial statements, in conformity with Ind AS requires management to exercise judgments, make estimates and assumptions. These judgements, estimates and assumptions effect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgement and use of assumption in these financial statements have been disclosed in notes. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made, and if material their effects are disclosed in the notes to the financial statements.

The areas involving significant estimates and judgement include determination of useful life of property, plant and equipment (Refer note 3), measurement of defined benefit obligations (Refer note 39), recognition and measurement of provisions and contingencies (Refer note 37) and recognition of deferred tax assets/liabilities (Refer note 52).

(e) Revenue recognition

The Company derives revenue primarily from sale of Writing and Printing Paper and Soda Ash (from chemical recovery). Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch up transition method, applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The following is a summary of new and/or revised significant accounting policies related to revenue recognition:

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for returns, discounts, value added taxes and amounts collected on behalf of third parties.

The effect on adoption of Ind AS 115 was insignificant as the revenue is of short term nature and performance obligations are satisfied upon delivery of goods.

i) Sale of Writing and Printing Paper and Soda Ash

Revenue is recognized as and when Writing and Printing Paper and Soda Ash is sold. Revenue from the sale of Writing and Printing Paper, Soda Ash and Traded Goods is recognised when control of the goods is passed to the buyer i.e. at the point of sale / delivery to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. Sale is net of sales returns, discounts and goods and services tax.

ii) Export Incentives

The revenue in respect of export benefits is recognised on post export basis at the rate at which the entitlements accrue.

iii) Dividend

Dividend Income from investments is recognized when shareholder's right to receive payment is established.

iv) Interest**Interest from customer**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Other Interest

Interest income is recognised using effective interest rate (EIR).

v) Rental Income

The company policy for recognizing of revenue from operating lease is described below in part no 2 (i) m.

vi) Insurance and other claims

Insurance and other claims are recognized when there exist no significant uncertainty with regard to the amount to be realized and the ultimate collection thereof.

(f) Employee Benefits**i) Short Term Employee benefit:**

The short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised on an undiscounted accrual basis during the year when the employees render the services. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services.

ii) Defined Contribution plan**Provident Fund:**

Employees receive benefit in the form of Provident fund which is a defined contribution plan. The company has no obligation, other than the contribution payable to the provident fund. The company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

iii) Defined Benefit Plan**Gratuity:**

The Company provides for gratuity a defined benefit retirement plan "The gratuity plan" covering eligible employees. The gratuity plan provides for lump sum payment to vested employee at retirement, death, incapacitation or termination of employee of an amount based on the respective employees' salary and the tenure of employment with the company.

Liability with regard to Gratuity Plan is determined by actuarial valuation, performed by an independent actuary at each Balance sheet date using the project unit credit method.

The company fully contributes all ascertained liabilities to the SIL-Group Gratuity Trust. Trustees administer contributions made to the trust and Contributions are invested in a scheme with Life Insurance Corporation of India as permitted by Indian Law.

The Company recognises the net obligation of a defined plan in its Balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligations is recognized in Other Comprehensive Income.

iv) Other long term employee benefit**Compensated absences:**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the Balance Sheet date. The cost of providing benefits is determined using projected unit credit method, with actuarial valuations being carried out at each Balance sheet date. Actuarial gain /loss are recognised in the statement of profit or loss in the period in which they occur.

(g) Property, Plant and Equipment

Freehold land is stated at cost and not depreciated. All other items of Property, plant and equipment are stated at cost less accumulated depreciation and impairment if any. The Cost of an item of Property, Plant and Equipment comprises:

- a) its purchase price net of recoverable taxes where applicable and any attributable expenditure (directly or indirectly) for bringing the asset to its working condition for its intended use.
- b) Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.
- c) Initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, if any, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Depreciation on property plant and equipment is provided on Straight Line Method on the basis of useful lives of such assets specified in Part C of Schedule II to the Companies Act, 2013, The useful life of Property, plant and equipment is as under:

Building	- 30-60 years.
Plant and Machinery	- 15-25 years.
Office Equipment	- 5 Years
Computer Equipment	- 3 years.
Furniture and fittings	- 10 years
Vehicles excluding Motor cycles	- 08 years.
Motor cycles	- 10 years.

On transition to Ind-As, the company has elected to continue with the carrying value of all the property, plant and equipment recognised as at 01 April, 2017, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. The depreciation method, useful lives and residual value are reviewed periodically and at the end of each reporting period.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

(h) Intangible assets

Intangible assets are stated at cost less accumulated amount of amortisation and impairment if any. Cost includes purchase price and all other direct expenses incurred to make the intangible asset ready for its intended use. Intangible assets are amortised over their respective individual estimated useful lives on a straight line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence etc. The amortization method, estimated useful lives are reviewed periodically and at end of each reporting period.

Intangible assets (Softwares) have been amortised on estimated useful life of six years.

(i) Impairment of property, plant and equipment

Property, plant and equipment and intangible assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU (Cash Generating unit) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

(j) Inventories

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

a) Raw Material and Components	First in First out method plus direct expenses
b) Stores and Spares	Weighted Average method plus direct expenses
c) Work-in-progress	Cost of material plus Conversion cost depending upon the stage of completion.
d) Finished Goods	Cost of material plus conversion cost, packing cost, and other overheads incurred to bring the goods to their present conditions and location.
e) Material in Transit	Actual cost plus direct expenses to the extent incurred.

(k) Government Grants

The government grants are recognised only when there is a reasonable assurance of compliance that conditions attached to such grants shall be complied with and it is reasonably certain that the ultimate collection will be made.

Government grants related to revenue are recognised on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate.

Consequent to the amendment in Ind-AS 20 "Government Grants" w.e.f April 1, 2018, the Company has opted to continue and treat 'Government grant in relation to Property, plant and equipment' as deferred income and the same is recognised in the statement of profit and loss on a systematic basis over the useful life of the asset.

(l) Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalised as a part of cost of such asset. Qualifying asset is one that takes substantial period of time to get ready for its intended use. All other borrowing costs are recognised as expenditure in the period in which these are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange difference to the extent regarded as an adjustment to the borrowing cost.

(m) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessor

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

The Company as lessee

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

(n) Foreign currency transactions**i) Functional and Presentation currency**

The functional currency of the company is Indian rupee. These financial statements are presented in Indian rupees.

ii) Transaction and balances

Transactions in foreign currency are initially recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency at the date of the transaction.

Effective 01 April 2018, the company has adopted Appendix-B to Ind-AS 21 'Foreign currency transaction and advance consideration', which clarifies the date of transaction for the purpose of determining the exchange rate to be used on initial recognition of the related asset, expense or income where an entity has paid or received advance consideration in a foreign currency. The effect on account of adoption of this amendment is insignificant.

Monetary items denominated in foreign currency are recognised using the closing exchange rate as on balance sheet date.

Non-monetary items are measured in terms of historical cost in a foreign currency is translated using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on reporting of monetary items at rates different from rates at which these were recognised on initial recognition during the period or reported in previous financial statements as recognised in the statement of profit or loss in the period in which they arise.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statements of profit and loss, within finance cost. All other foreign exchange gains and losses are presented in the statement of profit and loss on net basis.

(o) Accounting for taxes on income

Income tax expense comprises of current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognised directly in equity, in which case it is recognized in other comprehensive income.

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date.

A deferred income tax asset is recognized only to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference and tax losses can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

MAT credit is recognised 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 for which the MAT credit can be carried forward for set off against the normal tax liability. The said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement grouped with deferred tax assets (net) in the financial statement.

(p) Earnings Per Share

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

For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholder is divided by the weighted average number of shares outstanding during the period after adjusting for the effects of all dilutive potential equity shares, if any.

(q) Dividend

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's Board of Directors.

(r) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Initial Recognition and measurement

All financial assets and liabilities are recognized at fair value on initial recognition. Transaction cost in relation to financial assets and financial liabilities other than those carried at fair value through profit or loss are added to the fair value on initial recognition.

Transaction cost that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are carried at fair value through profit or loss are immediately recognized in the statement of profit or loss.

ii. Subsequent measurement

➤ Non-derivative financial instruments

1. Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2. Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The company can make an irrevocable election for its investment which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the company has made an irrevocable election based on its business model, for its investment which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

3. Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently measured at fair value through profit or loss.

4. Financial liabilities

The financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

➤ Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for these contracts is generally a bank.

This category has financial assets or liabilities which are not designated as hedges.

Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income/other expenses. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

➤ **Cash Flow Hedge**

The Company has not designated derivative financial instruments as cash flow hedges.

➤ **Equity Share capital
Equity Shares**

Equity shares issued by the company are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

Derecognition of financial instruments

A financial asset is derecognized when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

A financial liability is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

Measurement of Fair value of financial instruments

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

Based on the three level fair value hierarchy, the methods used to determine the fair value of financial assets and liabilities include quoted market price, discounted cash flow analysis and valuation certified by the external valuer.

In case of financial instruments where the carrying amount approximates fair value due to the short maturity of those instruments, carrying amount is considered as fair value.

(s) **Impairment of financial assets**

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in statement of profit or loss.

(t) **Cash flow statement**

The cash flow statement is prepared in accordance with the Indian Accounting Standard (Ind AS) – 7 “Statement of Cash flows” using the indirect method for operating activities.

(u) **Cash and cash equivalent**

Cash and cash equivalent for the purpose of statement of cash flows include bank balances, where the original maturity is three months or less. Other short term highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value. Bank overdraft are included as a component of cash and cash equivalent for the purpose of statement of cash flow.

(v) **Provisions and Contingent Liabilities**

A provision is recognized if, as a result of past event, the company has a present obligation (legal or constructive) and on management judgement that is reasonably estimable and it is probable that an outflow of economic benefits will be required to settle the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as finance cost.

Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- A present obligation arising from past events, when no reliable estimate is possible;
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

2 (ii) **Critical accounting estimates**

➤ Useful lives of property, plant and equipment

The estimated useful lives of property, plant and equipment are based on a number of factors including the effects of obsolescence, internal assessment of user experience and other economic factors (such as the stability of the industry, and known technological advances) and the level of maintenance expenditure required to obtain the expected future cash flows from the asset.

The Company reviews the useful life of property, plant and equipment at the end of each reporting date.

- Recoverable amount of property, plant and equipment
The recoverable amount of property plant and equipment is based on estimates and assumptions regarding the expected market outlook and expected future cash flows. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.
- Post-retirement benefit plans
Employee benefit obligations are measured on the basis of actuarial assumptions including any changes in these assumptions that may have a material impact on the resulting calculations.
- Recognition of deferred tax assets
Recognition of deferred tax assets depends upon the availability of future profits against which tax losses carried forward can be used.

2 (iii) Recent Accounting pronouncements:

a) Ind AS 116- Leases

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit and Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

Full retrospective- Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors

Modified retrospective- Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ended March 31, 2019 will not be retrospectively adjusted. The Company has elected certain available practical expedients on transition.

b) Ind AS 12- Appendix C- Uncertainty over Income Tax Treatments

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition-

- i) Full retrospective approach- Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight.
- ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

Amendment to Ind AS 12 - Income taxes

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

c) Amendment to Ind AS 19 - plan amendment, curtailment or settlement.

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date of application of this amendment is annual period beginning on or April 1, 2019.

Note 3: Property, Plant and Equipment**(₹ In lakhs)**

Particulars	GROSS BLOCK			
	As at 01 April 2018	Additions during the year	Disposals/ Discard	As at 31 March 2019
A. Tangible assets				
Freehold land	380.74	-	0.60	380.14
Buildings	2,031.25	178.28	1.22	2,208.31
Plant and Equipments	15,231.26	1,209.58	20.35	16,420.49
Office equipments	51.13	12.63	0.02	63.74
Furniture and fixtures	43.07	7.54	-	50.61
Vehicles	786.51	177.46	53.65	910.32
Subtotal	18,523.96	1,585.49	75.84	20,033.61
B. Intangible assets				
Computer Software	4.43	-	-	4.43
Subtotal	4.43	-	-	4.43
Grand total (A + B)	18,528.39	1,585.49	75.84	20,038.04
Previous year	15,552.13	3,187.11	210.85	18,528.39

Particulars	DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 01 April 2018	For the year*	Eliminated on disposal/ discard of assets	As at 31 March 2019	Balance as at 31 March 2019	Balance as at 31 March 2018
A. Tangible assets						
Freehold land	-	-	-	-	380.14	380.74
Buildings	191.69	92.01	0.27	283.42	1,924.89	1,839.56
Plant and Equipments	1,252.34	715.63	2.72	1,965.25	14,455.24	13,978.92
Office equipments	18.98	11.06	-	30.05	33.69	32.15
Furniture and fixtures	12.10	5.73	-	17.83	32.78	30.97
Vehicles	184.56	121.13	27.11	278.58	631.74	601.95
Subtotal	1,659.67	945.56	30.10	2,575.12	17,458.48	16,864.29
B. Intangible assets						
Computer Software	1.08	0.54	-	1.62	2.82	3.35
Subtotal	1.08	0.54	-	1.62	2.82	3.35
Grand total (A + B)	1,660.75	946.10	30.10	2,576.74	17,461.30	16,867.64
Previous year	800.21	886.31	25.77	1,660.75	16,867.64	14,751.92

Particulars	Current Year	Previous Year
* Depreciation/Amortisation for the year	946.10	886.31
Less amount transferred from deferred revenue on account of capital grant against PPE	(7.46)	(7.85)
Depreciation/Amortisation expense charged to statement of profit or loss	938.64	878.46

4 Investments (Non Current)

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Others		
Investments carried at fair value through Profit or loss (FVTPL)		
Investment in equity instruments (quoted)		
900 (Previous year : 900) equity shares of ICICI Bank Ltd ₹2 each fully paid)	3.61	2.51
1280000 (Previous year: 1280000) equity shares of Adinath Textiles Ltd ₹10 each fully paid up	31.36	-
50 (Previous year: 50) equity shares of Himachal Fibres Ltd ₹10 each fully paid up	-	-
50 (Previous year: 50) equity shares of Shiva Papers Ltd ₹10 each fully paid up	-	-
50 (Previous year: 50) equity shares of Priyadarshani Spg & Weaving Mills Ltd ₹10 each fully paid up	-	-
50 (Previous year: 50) equity shares of Aurangabad Paper Mill Ltd ₹10 each fully paid up	-	-
50 (Previous year: 50) equity shares of Pasupati Spng. & Weaving Mills Ltd ₹10 each fully paid up	-	-
Investment in equity instruments (unquoted)		
23500 (Previous year: 23500) equity shares of Fountain Tie up Pvt Ltd ₹10/- each fully paid up	50.76	49.27
5 (Previous year: 5) equity shares of Raheja Chamber Premises Society Ltd ₹50 each fully paid up	- *	- *
1 (Previous year: 1) equity shares of The Karnal Sugar Co-operative Sugar Ltd ₹10 each fully paid up	-	-
	85.73	51.78
1. Aggregate amount of quoted investments and market value thereof	34.97	2.51
2. Aggregate amount of unquoted investments	50.76	49.27
* Read as ₹250/-		
5 Financial Asset: Loans		
Financial assets at amortized cost considered good - unsecured		
Employee Loans	3.07	3.66
	3.07	3.66
6 Other financial assets		
Financial assets at amortized cost (unsecured considered good, unless otherwise stated)		
Deposits with Banks with maturity period more than 12 months	102.14	10.45
Interest accrued on fixed deposits	4.81	1.89
	106.95	12.34

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
7 Other non current assets		
(Unsecured considered good)		
Advances for property, plant and equipment	465.90	255.02
Prepaid expenses	33.75	25.21
Balances with Statutory/Government Authorities	101.20	101.20
Deferred Expenses for Employee Benefit (Loan)	0.56	1.01
Others	217.57	170.61
	<u>818.98</u>	<u>553.05</u>
8 Inventories		
(At cost or net realizable value whichever is lower)		
Raw materials	1,682.07	1,415.98
Work in Progress	347.18	137.91
Finished Goods	350.23	280.96
Stores, Spares and components	1,657.88	1,498.93
Material in Transit		
- Raw Material	52.76	10.71
- Store, Spares and components	61.83	25.04
	<u>4,151.95</u>	<u>3,369.53</u>

Notes:

- The cost of inventories recognised as an expense during the year was ₹27312.18 lakhs (previous year : ₹24644.64 lakhs).
- The mode of valuation of inventories has been stated in Note 2 (j) on Accounting policy for inventories i.e. at cost or net realisable value which ever is lower
- Inventories are hypothecated against loans repayable on demand from banks. (Refer Note 24 on Borrowings)

9 Investments (current)**Investments carried at Fair value through Profit or loss (Mandatorily measured)****(i) Investment in Bonds/ Debentures (quoted)**

^ NIL (Previous year : 6) Non Convertible Bond of Vijaya Bank Perpetual for value ₹10 lakhs each	-	61.21
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(ii) Investment in Equity Fund/Liquid Funds/Debt Funds (Quoted)

100000 units (Previous year: 100000) of ₹10 each fully paid-up of SBI Banking Financial Services Fund-GP	17.99	14.74
25733.733 units (Previous year: 25733.733) of ₹100 each fully paid-up of Birla Sunlife Balanced 95 Fund- Growth	195.68	189.64
143636.886 units (Previous year: 143636.886) of ₹100 each fully paid-up of ICICI Prudential Balanced Fund, Direct GP	206.94	190.19
Nil Units (Previous year: 919681.177) of ₹10 each fully paid-up of Birla Sunlife balanced Adv Fund- GP	-	457.36
572021.187 units (Previous year: 572021.187) of ₹10 each fully paid-up of ICICI Prudential Balanced Fund- GP	769.03	714.45
526842.632 units (Previous year: 526842.632) of ₹10 each fully paid-up of Reliance Regular Saving Fund- Balanced- GP	290.36	280.99
^ Nil (Previous year: 11894.561) units of ICICI Prudential Liquid Fund- Direct Plan- GP	-	30.59
* 506019.980 units (Previous year: 1023032.713) of ₹10 each fully paid-up of DSP Black Rock Income Opp. Fund- GP	142.02	292.70

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
(ii) Investment in Equity Fund/Liquid Funds/Debt Funds (Quoted) Contd..		
Nil (Previous year: 263404.687) units of ₹10 each fully paid-up of DSP Black Rock Bond Fund- GP	-	145.19
* 2052966.750 units (Previous year: 4196623.221) of ₹10 each fully paid-up of Kotak Medium Term Fund- GP	313.77	605.69
3134185.527 units(Previous year: 3134185.527) of ₹10/- each fully paid-up of Kotak Income Opp. Fund-GP	637.59	599.42
Nil (Previous year : 2349438.159) units of ₹10/- each fully paid-up of ICICI Prudential Regular saving fund-GP	-	436.41
* 1287919.461 units(Previous year: 667405.26)of ₹10/- each fully paid-up of Reliance Reg Savings Fund-Debt Plan-GP	331.88	161.56
* 1169179.700 units (Previous year: 1169179.700) of ₹10 each fully paid-up Birla Sunlife Corporate Bond Fund- GP	159.82	151.30
* 2296566.706 units (Previous year :1466112.281) of ₹10/- each fully paid up Franklin India Corporate Bond Opp. Fund -GP	449.64	264.53
5015.442 units (Previous year :Nil) of ₹1000/- each fully paid up Franklin India Short Term Income Plan - GP	200.48	-
6110191.53 units (Previous year :Nil) of ₹10/- each fully paid up Axis Equity Saver Fund - GP	780.88	-
* 2201511.705 units (Previous year :Nil) of ₹10/- each fully paid up BOI AXA Credit Risk Fund - GP	291.41	-
436916.820 units (Previous year :Nil) of ₹10/- each fully paid up ICICI Prudential Balanced Advantage Fund- GP	154.41	-
653811.181 units (Previous year :Nil) of ₹10/- each fully paid up Edelweiss Balanced Advantage Fund- GP	154.04	-
Edelweiss All Weather Equity Solution Fund (Previous year :Nil)	300.00	-
20 units (Previous year :Nil) of ₹100000/- each fully paid up HDB Financial Services Ltd	202.82	-
967397.816 units (Previous year :Nil) of ₹10/- each fully paid up HDFC Hybrid Equity Fund - GP	526.69	-
Aventus Enhanced Return Fund Class AI-7th closure (Previous year :Nil)	308.14	-
Aventus Enhanced Return Fund Class AI-13th closure (Previous year :Nil)	194.47	-
	6,628.05	4,595.97
1. Aggregate amount of quoted investments	6,628.05	4,595.97
2. Aggregate Market Value of quoted investments	6,628.05	4,595.97
3. Aggregate amount of unquoted investments	-	-

^ These Investments are made through Portfolio management services

* Lien marked in favour of Deutsche Bank AG against the overdraft facility sanction by it.

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
10 Trade receivables		
Trade Receivable Considered good, Secured	31.07	56.40
Trade Receivable Considered good, Unsecured	3,882.54	3,906.00
Trade Receivable with significant credit risk	-	6.90
Trade Receivable Credit Impaired	11.66	6.33
	<u>3,925.27</u>	<u>3,975.63</u>
Loss allowances for credit impaired	(11.66)	(13.23)
	<u>3,913.61</u>	<u>3,962.40</u>
Trade receivables includes ₹1.08 lakhs, (Previous year ₹2.16 lakhs) due from Related Party The Company has used a practical expedient by computing the expected loss allowances for trade receivables based on historical credit loss experience		
11 Cash and Cash equivalents		
Balance with banks in		
-Current accounts	6.20	13.29
-Cheques in hand	0.44	-
Cash on hand	9.84	18.13
	<u>16.48</u>	<u>31.42</u>
12 Other Bank Balances		
Earmarked balances with banks		
a) Balances with banks		
- In current accounts (unpaid dividend Account)	52.58	40.79
b) - In Fixed Deposits (held under margin money and other commitments)		
-with maturity less than 3 months	108.62	143.55
-with maturity more than 3 months but less than 12 months	158.15	181.86
-with maturity more than 12 months	102.14	10.45
Total	<u>421.49</u>	<u>376.65</u>
Less Disclosed as "Non Current Financial Assets" (refer Note 6)	102.14	10.45
Total	<u>319.35</u>	<u>366.20</u>
13 Financial Assets: Loans		
Financial assets at amortized cost considered good - unsecured		
Employee Loans	37.48	36.84
Employee Advances	0.31	0.93
	<u>37.79</u>	<u>37.77</u>

(₹ in lakhs)

Particulars	As at	
	31 st March 2019	31 st March 2018
14 Other Financial Assets		
Financial assets at amortized cost (unsecured considered good, unless otherwise stated)		
Interest Receivable		
-Interest accrued on fixed deposits	5.40	7.43
-others	67.08	78.99
Other Recoverables		
-Considered Good	108.71	33.31
	<u>181.19</u>	<u>119.73</u>
15 Current Tax Asset / Liability(Net)		
Provision for current taxes	4,246.35	3,822.39
Prepaid Taxes	4,274.83	3,722.76
Current Tax Asset (Net of Provision)	<u>28.48</u>	<u>-</u>
Current Tax Liability (Net of Advance Tax)	<u>-</u>	<u>99.63</u>
16 Other current assets		
Advances to vendors	121.87	150.32
Prepaid expenses	285.66	86.28
Balances with Statutory/Government Authorities	12.88	36.26
Others	10.15	9.45
	<u>430.56</u>	<u>282.31</u>

17 Equity share capital

(₹ in lakhs)

Particulars	As at		As at	
	31 March 2019		31 March 2018	
	Number	Amount	Number	Amount
Authorised				
Equity shares of ₹10 each (par value)	19,000,000	1,900.00	19,000,000	1,900.00
Redeemable Cumulative Preference shares ₹10 each (par value)	100,000	10.00	100,000	10.00
Total	<u>19,100,000</u>	<u>1,910.00</u>	<u>19,100,000</u>	<u>1,910.00</u>
Issued, subscribed and fully paid-up				
Equity shares of ₹10 each (par value)	13,825,000	1,382.46	13,825,000	1,382.46
Forfeited Shares (Amount Originally paid up)	-	0.01	-	0.01
Total	<u>13,825,000</u>	<u>1,382.47</u>	<u>13,825,000</u>	<u>1,382.47</u>

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

Particulars	Equity Share Capital (₹ in lakhs)			
	As at		As at	
	31 st March 2019		31 st March 2018	
	Number	Amount	Number	Amount
Issued, subscribed and paid-up equity shares				
Shares and share capital outstanding at the beginning of the period	13,825,000	1,382.47	13,82,5000	1382.47
Shares and share capital issued during the period	-	-	-	-
Shares and share capital outstanding at the end of the period	13,825,000	1,382.47	13,82,5000	1382.47

b) Rights, preferences and restrictions attached to equity shares

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

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

The Board has recommended a Dividend of ₹5/- per equity share of ₹10/-, i.e. 50% including one time special dividend of ₹3/- per equity share for the financial year ended March 31, 2019 (Previous year 18%) subject to the approval of the Shareholders in the ensuing Annual General Meeting.

c) The details of equity shareholders holding more than 5% of the aggregate equity shares

Particulars	As at 31 March 2019		As at 31 March 2018	
	Number of Shares held	% shareholding	Number of Shares held	% shareholding
Jagvallah Parasnath Capital Investment (P) Ltd	912,501	6.60%	912,501	6.60%
Adeep Investment Company	737,395	5.33%	737,395	5.33%
Ojesvi Investment & Mercantile Company	752,500	5.44%	752,500	5.44%
Lavina Investment & Mercantile Company	782,250	5.66%	782,250	5.66%
Mood Dealers Pvt. Ltd	2,060,000	14.90%	2,060,000	14.90%
Achin Investment & Mercantile Company	717,150	5.19%	717,150	5.19%

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

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

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

Particulars	(Number of shares)	
	As at 31 March 2019	As at 31 March 2018
Equity shares allotted as fully paid up pursuant to contract (s) without payment being received in cash	-	-
Equity shares allotted as fully paid up by way of bonus shares	-	-
Equity shares bought back by the Company	-	-

18 Other Equity*

A Particulars	Note	(₹ in lakhs)	
		As at 31 March 2019	As at 31 March 2018
a. Capital reserve	I (a)		
Opening balance		2.10	2.10
Additions		-	-
Deductions		-	-
Closing balance		2.10	2.10
b. Securities premium	I (b)		
Opening balance		1,923.75	1,923.75
Additions		-	-
Deductions		-	-
Closing balance		1,923.75	1,923.75
c. General reserve	I (c)		
Opening balance		3,896.67	3,896.67
Additions		-	-
Deductions		-	-
Closing balance		3,896.67	3,896.67
d. Retained earnings	I (d)		
Opening balance		8,272.14	5,403.46
Additions		4,695.03	3,118.26
Deductions		(299.99)	(249.58)
Closing balance		12,667.19	8,272.14

Particulars	Note	(₹ in lakhs)	
		As at 31 March 2019	As at 31 March 2018
e. Items of other comprehensive income:	I (e)		
Opening balance		(20.31)	(87.02)
Additions		(29.28)	66.71
Deductions			
Closing balance		(49.59)	(20.31)
Total		18,440.10	14,074.38

* Refer Statement of Change in Equity for movement during the year

Note

I Nature and purpose of reserve

- a) **Capital reserve:** The amount of capital profit on reissue of forfeited shares is recognised as Capital Reserve.
- b) **Securities premium account:** The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. It can be utilized in accordance with the provisions of the Companies Act 2013, for issuance of bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs etc
- c) **General Reserve:** General Reserves are the free reserves of the Company which are kept aside out of Company's profit to meet future requirement as and when they arise. The Company had transferred a portion of the profit after tax to General reserves pursuant to the earlier provisions of the Companies Act '1956. Mandatory transfer to General Reserve is not required under the Companies Act' 2013.
- d) **Retained earnings:** Retained earnings are the accumulated profit earned by the Company till date less transfer to General Reserve and payment of Dividend (including dividend distribution tax).
- e) **Other comprehensive income:** Remeasurements of defined benefit liability/(asset) comprises actuarial gains and losses and return on plan assets (excluding interest income).

II Proposed Dividend on Equity Shares (refer note 48)

Particulars	(₹ in lakhs)	
	As at 31 March 2019	As at 31 March 2018
Dividend for the year ended 31 st March, 2019: ₹5 per share (31 st March, 2018 : ₹1.80 per share)	691.23	248.84
Dividend Distribution Tax on proposed dividend	142.08	51.15
Total	833.31	299.99

B Preference share capital

Particulars	(₹ in lakhs)			
	As at 31 March 2019		As at 31 March 2018	
	Number	Amount	Number	Amount
Authorised				
Redeemable Cumulative Preference shares ₹100 each (par value)	100,000	100.00	100,000	100.00

Rights attached to preference shares

The company has not issued preference shares during the current and previous year.

19 Borrowing (Non-Current)

Particulars	(₹ in lakhs)	
	As at 31 March 2019	As at 31 March 2018
Secured		
Term Loans		
From Banks	1,344.88	2,485.44
Less :Current maturities of non current borrowings	344.54	625.17
From Others	10.66	16.15
Less: Current maturities of non current borrowings	5.94	5.49
Unsecured		
Deposits		
From related parties (refer note 54)	139.70	84.88
From others	362.18	332.76
Less: Current maturities of non current deposits	65.95	144.30
Total	1,440.99	2,144.27

a) Details of security for term loans

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

b Terms of repayment of term loans from banks

Borrowings	₹ in lakhs		Installment Schedule					
	Balance as at		Number of Installment		Rate of Interest %	Installment ₹ lakhs	Periodicity of repayment	
	31 st March 2019	31 st March 2018	As at 31 st March 2019	As at 31 st March 2018			As at 31 st March 2019	As at 31 st March 2018
SBI	49.51	299.38	1	6	10.95	50.00	Due in July 2020	Quarterly
SBI	24.40	210.26	1	8	10.95	25.00	Due in April 2022	Quarterly
IDBI**	-	424.40	-	17	-	-	-	Quarterly
SBI	61.22	182.18	3	9	10.95	20.00	Quarterly wef October '2019	Quarterly
IDBI	1157.07	1287.07	18	20	10.25	65.00	Quarterly	Quarterly wef October '2018
ICICI Bank Ltd	-	2.49	-	10	-	0.26	-	Monthly
HDFC Bank Ltd	1.34	3.19	8	20	9.64	0.17	Monthly	Monthly
HDFC Bank Ltd	1.34	3.19	8	20	9.64	0.17	Monthly	Monthly
HDFC Bank Ltd	16.33	31.34	12	24	8.63	1.42	Monthly	Monthly
HDFC Bank Ltd	17.75	34.06	12	24	8.63	1.55	Monthly	Monthly
HDFC Bank Ltd	5.23	7.88	21	33	9.16	0.27	Monthly	Monthly
HDFC Bank Ltd	10.69	-	25	-	9.02	0.47	Monthly	-
	1344.88	2485.44						

* Note: Figures of term loan stated above in para (a) includes current maturities of long term debt shown separately in Note No 26

** Repaid during the year

c Terms of repayment of term loans from others

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

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

20 Other Financial Liabilities

(₹ in lakhs)

Particulars	As at 31 st March 2019	As at 31 st March 2018
Financial liabilities at amortized cost		
Security Deposits	9.79	9.79
Total	9.79	9.79
21 Provisions		
Provision for employee benefits :		
- Gratuity (Net) (refer note 39)	133.59	411.05
- Compensated Absences	273.63	249.32
Total	407.22	660.37

(₹ in lakhs)

Particulars	As at 31 st March 2019	As at 31 st March 2018
22 Deferred Tax Liability		
a) Deferred Tax Liability		
Property, Plant and Equipment	3,388.26	3,163.31
Investments measured at FVTPL	137.12	210.53
	<u>3,525.38</u>	<u>3,373.84</u>
b) Deferred Tax Asset		
Expenditure deductible in future years	191.33	302.42
	<u>191.33</u>	<u>302.42</u>
Net (a-b)	<u>3,334.05</u>	<u>3,071.42</u>

Deferred Tax Assets and Deferred Tax Liability have been offset as they relate to the same governing taxation laws.
(Refer Note No. 52 for deferred tax movement and related disclosures)

23 Other non current liabilities

Deferred Government Grant related to Property, plant and equipment	99.13	106.19
Others Payables		
Due To Employees	40.93	50.65
Total	<u>140.06</u>	<u>156.84</u>

24 Borrowings (current)**a) Loan repayable on demand**

From banks		
Secured	641.08	847.88
Unsecured	102.72	202.94
From Others (Unsecured)		
Inter Corporate Deposits	66.03	36.03
Loans and advances form Related Parties (refer note 54)	436.16	503.03

b) Deposits (Unsecured)

- From related parties (refer note 54)	-	46.20
- From public	54.00	64.03
Total	<u>1,299.99</u>	<u>1,700.11</u>

Details of security of loans repayable on demand (secured)

- Secured loans repayable on demand from banks for working capital ₹641.08 lakhs (previous year ₹847.88 lakhs) are secured by hypothecation of stocks of raw materials, finished goods, bills receivables, book debts and all other movable assets of the company and further secured by way of second charge on the immovable assets situated at village Banah and at Ahmedgarh and also personally guaranteed by two promotor directors of the company.
- The Company has obtained overdraft facility from Bank against pledge of current investment as stated in Note No 9. However outstanding balance against this facility is ₹Nil (previous year ₹Nil)

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
25 Trade Payable		
Total Outstanding dues of Micro Enterprises and Small Enterprises [Refer Note 44]	14.04	-
Total Outstanding dues to others	4,443.02	4,479.34
	<u>4,457.06</u>	<u>4,479.34</u>
26 Other Financial Liabilities		
Financial liabilities at amortized cost		
Current Maturities of Long term debt-Secured	350.48	630.67
Current Maturities of Deposits- Unsecured*	65.95	144.30
Interest accrued but not due on borrowings	93.00	71.24
Interest accrued and due on borrowings	0.61	0.88
Security Deposits	343.54	348.27
Others Payables		
-Due to Employees	726.21	653.08
-Expense payable	743.31	532.25
-Unclaimed dividend#	52.58	40.79
- Payable on purchases of Property, Plant & Equipment	199.85	105.05
Financial Liabilities at Fair Value through Profit and Loss		
-Derivative Instruments	0.72	0.98
	<u>2,576.07</u>	<u>2,527.51</u>
*Current maturities of Long term debt includes ₹55.87 lakhs (previous year ₹128.58 lakhs) as deposits from shareholders and public, and ₹10.08 lakhs (previous year ₹15.72 lakhs) as deposits from related parties.		
# As at the year end there is no amount due for payment to the Investor Education and Protection Fund under Section 125 of Companies Act, 2013.		
27 Other current Liabilities		
Advances from customers	517.41	271.83
Deferred Government Grant related to Property Plant and equipment	7.45	7.85
Others Payables		
Due To Employees	22.76	16.72
Statutory remittances**	230.20	262.99
	<u>777.82</u>	<u>559.39</u>
** Statutory remittance includes contribution to provident fund and ESIC, tax deduction at source, Goods and Service tax etc.		
28 Provisions		
Provision for employee benefits :		
- Compensated Absences	185.33	112.23
	<u>185.33</u>	<u>112.23</u>
29 Revenue from operations		
Sale of products		
Paper	50,483.06	42,681.14
Soda Ash (from Chemical Recovery)	4,731.24	3,990.71
By Product & Miscellaneous	375.65	280.11
Traded Goods:		
Paper	1,684.96	-
Waste Paper	65.45	-
Other Operating Revenues		
Export Incentives	50.55	19.92
	<u>57,390.91</u>	<u>46,971.88</u>

(₹ in lakhs)

Particulars	For the year ended 31 st March 2019	For the year ended 31 st March 2018
30 Other income		
Interest income		
on Bank deposits	27.25	25.31
from Others	13.03	57.36
Dividend Income From Non current Investments	0.01	0.02
Net Gain on sale of Investments -carried at FVTPL (Net of reversal of fair valuation gain on sale on investments)	347.93	167.89
Net Gain on fair value of Investments	-	50.72
Net gain on foreign currency transaction	18.13	45.04
Reversal of expected credit loss in trade receivables	6.90	49.35
Provisions no longer required written back	2.63	1.07
Sundry Balances written back	19.07	2.81
Rent Received	19.93	17.90
Net Gain on disposal/discard of property, plant and equipment	124.21	-
Other Financial Asset carried at Amortised cost	0.67	0.58
Miscellaneous	18.47	41.13
	<u>598.23</u>	<u>459.18</u>
31 Cost of material consumed		
Raw material consumed		
Opening Stock of Raw material	1,415.98	1,365.15
Purchases of Raw material	25,678.64	23,025.95
Less Closing Stock	1,682.07	1,415.98
Consumption of Raw material	<u>25,412.55</u>	<u>22,975.12</u>
Item wise detail		
Waste Paper	378.41	292.45
Wood Pulp	4,504.18	3,153.97
Straws/Grasses	6,852.37	5,791.12
Caustic Lye	9,047.01	9,400.29
Chlorine	272.06	89.24
Other Dyes & Chemicals	4,358.52	4,248.05
	<u>25,412.55</u>	<u>22,975.12</u>
32 Purchase of stock in trade		
Paper	1,673.21	-
Waste paper	70.55	-
	<u>1,743.76</u>	<u>-</u>
33 Changes in inventories of finished goods, stock-in-trade and work in progress		
Opening Stock		
Work in Progress	137.91	159.39
Finished goods	280.96	85.00
	<u>418.87</u>	<u>244.39</u>
Closing Stock		
Work in Progress	347.18	137.91
Finished goods	350.23	280.96
	<u>697.41</u>	<u>418.87</u>
Net (Increase) / Decrease in opening and closing stock	(278.54)	(174.48)
Net movement in Excise duty on finished goods	0.00	(6.46)
	<u>(278.54)</u>	<u>(180.94)</u>

(₹ in lakhs)

Particulars	For the year ended 31 st March 2019	For the year ended 31 st March 2018
34 Employee benefits expense		
Salaries, wages and other allowances	5,064.52	4,400.89
Contribution to provident and other funds	511.29	448.42
Staff welfare expense	73.87	103.74
	<u>5,649.68</u>	<u>4,953.05</u>
35 Finance cost		
a) Interest expenses		
-On Term loan and other working capital loans	193.81	278.16
-Others	340.34	200.87
b) Other borrowing costs	100.04	77.56
c) Processing Charges amortised	2.80	3.31
Total	<u>636.99</u>	<u>559.90</u>
36 Other expenses		
Power and fuel	10,743.26	8,233.57
Consumption of stores and spares parts	424.97	423.15
Packing material	909.87	835.29
Repairs and Maintenance		
- Plant and Machinery	1,774.38	1,604.40
- Building	241.05	163.83
- Others	12.51	16.50
Rent	25.35	22.41
Insurance Charges	59.05	58.96
Expenditure of CSR Activities (refer note 49)	43.59	22.75
Rates and taxes	23.07	30.65
Legal and Professional Charges	36.65	39.23
Director Sitting Fees	2.55	2.10
Payment to Auditors (refer note 43)	4.39	5.14
Trade Receivables and other balances written off	10.86	51.04
Expected Credit Loss	5.32	6.34
Net loss on fair value of Investments	14.76	-
Net loss on disposal/discard of Property, plant and equipment	-	104.14
Commission on sales	1,110.70	512.70
Miscellaneous	1,395.34	896.03
	<u>16,837.67</u>	<u>13,028.23</u>

37 Contingent liabilities and commitments (to the extent not provided for)

(No cash outflow is expected)

A Contingent Liabilities

- a) Claims against the company not acknowledged as debt in respect of direct and indirect taxes amounted to ₹220.19 lakhs (previous year ₹224.90 lakhs). These matters are pending before various Appellate authorities. According to the management and tax advisors that the demand raised is not in accordance with the provisions of respective laws and its ultimate resolution will not have a material adverse effect on the company financial position and result of operations.

Amount paid to statutory authorities against above tax claims amounted to ₹101.20 lakhs (previous year ₹101.20 lakhs) is included under Note 7 'Other non current assets'.

Liability on account of outstanding bank guarantees and letter of credit is ₹2675.64 lakhs (previous year ₹2162.52 lakhs).

B Commitments

	As at March 31, 2019	As at March 31, 2018
a) Estimated amount of contracts remaining to be executed on Capital account and not provided for (net of advances)	2,010.02	550.21
b) Others #	4.71	3.00
	<u>2,014.73</u>	<u>553.21</u>

#Bonds executed in favour of The President of India under sub section (l) of the section 142 of the Custom Act 1962 for fulfillment of the obligation under the said Act.

- 38 There are no disputed dues of GST, custom duty which have not been deposited by the company. The details of disputed service tax, excise duty and VAT/sales tax as at March 31'2019 are as follows:

(₹ in lakhs)

Name of the Statute	Nature of Dues	Forum where dispute is pending	Disputed Amount	Amount Unpaid
Central Excise Act, 1944	Excise Duty	Customs, Excise and Service Tax Appellate Tribunal, Chandigarh	57.64	27.32
Central Excise Act, 1944	Excise Duty	Assistant Commissioner, Phagwara	1.43	1.43
Central Excise Act, 1944	Excise Duty	Commissioner Appeals, Ludhiana	73.77	62.23
Central Excise Act, 1944	Excise Duty	Joint Commissioner, Ludhiana	1.46	0.53
Central Excise Act, 1944	Excise Duty	Customs, Excise and Service Tax Appellate Tribunal, Chandigarh	49.25	-
Punjab VAT Act, 2005	Sales Tax	High Court, Chandigarh	4.00	3.00
Punjab VAT Act, 2005	CST	VAT Tribunal	17.39	13.04
Punjab VAT Act, 2005	VAT	DETC Appeals	15.25	11.44

39 Disclosures as required by Indian Accounting Standard (Ind AS) 19 Employee Benefits:

- a) Contribution to Defined Contribution Plans, recognised in the Statement of Profit and Loss for the year under employee benefits expense, are as under:

	For the year ended 31 st March 2019	For the year ended 31 st March 2018
Provident fund administered through Regional Provident Fund Commissioner	370.02	315.58
Other funds	-	-

The expenses incurred on account of the above defined contribution plans have been included in Note No.33 "Employee Benefits Expenses" under the head "Contribution to provident and other funds"

- b) Defined Benefit Plans:

The following tables set out the funded status of the gratuity plan and the amounts recognized in the Company's financial statements as at March 31, 2019 and March 31, 2018.

	As at March 31, 2019	As at March 31, 2018
i) Changes in the present value of the defined benefit obligations are as follows		
Present value of defined benefit obligation at the beginning of the year	1,939.86	1,807.43
Interest cost	143.22	127.19
Current Service cost	135.40	120.25
Actual Benefits paid	(103.75)	(100.26)
Past Service cost including curtailment gains/losses	-	84.49
Actuarial (gain) / loss	46.57	(99.24)
Present value of defined benefit obligation at end of the year	<u>2,161.30</u>	<u>1,939.86</u>
ii) Changes in the Fair value of plan assets are as follows		
Fair value of plan assets at the beginning of the year	1,528.81	1,200.97
Expected return on plan assets	129.82	95.05
Contribution by the Employer	472.16	330.73
Return on plan assets (excluding amounts included in net interest expenses)	1.56	2.78
Actual Benefits paid	(104.64)	(100.72)
Fair value of plan assets at the end of the year	<u>2,027.71</u>	<u>1,528.81</u>

	(₹ in lakhs)	
	As at March 31, 2019	As at March 31, 2018
iii) Net Liability /(Assets) recognised in the Balance Sheet		
Present value of the defined benefit obligation at end of the year	2,161.30	1,939.86
Less: Fair value of plan assets	2,027.71	1,528.81
Unfunded Liability/provision in Balance Sheet	<u>133.59</u>	<u>411.05</u>
iv) Amount recognised in the statement of profit and loss		
Total Service cost	135.40	204.74
Net interest cost	13.40	32.14
Amount recognised in the statement of profit and loss	<u>148.80</u>	<u>236.88</u>
v) Amount recognised in other Comprehensive Income (OCI)		
Actuarial Gain/(Loss) arising from change in financial assumption	(6.26)	32.66
Actuarial Gain/(Loss) arising from experience adjustment	(40.31)	66.58
Actuarial Gain/(Loss) on assets	1.56	2.78
Net Income/(Expense) for the period recognized in OCI	<u>(45.01)</u>	<u>102.02</u>
vi) Fair value of total plan assets investment with LIC of India	2,027.71	1,528.81
The plan assets ₹2027.71 lakhs as on 31st March 2019, (Previous year ₹1528.81 lakhs) are maintained with Life Insurance Corporation of India (LIC). The detail of investments maintained by LIC have not been furnished to the Company. The same have, therefore, not been disclosed.		
vii) The Principal assumptions used for the purpose of the Actuarial valuation are as follows		
Discount rate (per annum)	7.60%	7.57%
Rate of increase in compensation levels (per annum)	7.00%	7.00%
Attrition rate	5.00%	2.68%
Method used	Projected unit credit	Projected unit credit
Mortality rates inclusive of provision for disability	IAL 2012-14 Ultimate	IAL 2006-08 Ultimate
The assumptions and methodology used in actuarial valuation are consistent with the requirements of Ind AS 19		
viii) The estimates of future salary increases considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.		
ix) The plan typically exposes the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.		
Investment Risk		
The Probability or likelihood of occurrence of losses relative to the expected return on any particular investment.		
Interest risk		
If the Discount Rate i.e the yield on the Government Bonds decrease in future, the Actuarial Liability will increase and vice versa. The quantum of increase in valuation liability corresponding to specific decrease in the Discount Rate and vice versa, has been shown at point no. (x) below containing the sensitivity Analysis of Key Actuarial Assumption.		
Longevity risk		
If the Mortality rate experienced by the staff of a particular company is higher than what is assumed in mortality Table used in the valuation, the valuation liability will increase.		
However, it will be very cumbersome to measure the quantum of increase for assumed reduction of Mortality rates as can be done in case of changes in salary Growth Rate and Interest Rate.		
Salary risk		
If the salary Growth Rate over the future years of services is increased, the Actuarial Liability will increase and vice versa. The quantum of increase in the valuation liability corresponding to specific increase in the salary growth rate and vice versa has been shown at point no. (x) below containing Sensitivity Analysis of Key Actuarial Assumption.		
x) The quantitative sensitivity analysis on net liability recognised on account of change in significant assumptions	(₹ in lakhs)	
Present value of obligation at the end of the period	2,161.30	1,939.86
a) Impact of change in discount rate		
1. Impact due to increase of 1%	(84.86)	(89.79)
2. Impact due to decrease of 1%	93.99	100.60
b) Impact of change in salary increase		
1. Impact due to increase of 1%	91.44	97.77
2. Impact due to decrease of 1%	(84.08)	(88.86)

(₹ in lakhs)

	As at March 31, 2019	As at March 31, 2018
c) Impact of change in Attrition rate		
1. Impact due to increase of 1%	2.46	3.03
2. Impact due to decrease of 1%	(2.76)	(3.45)

As per Actuarial certificate, sensitivities due to mortality and withdrawals are insignificant and hence impact of change has not been calculated.

xi) Maturity profile of defined benefit obligation as per Terminal Salary & TLOS:

Year ended		
a) 1st following year	716.21	565.59
b) 2nd to 5th following year	957.58	785.36
c) 6th to 10th following year	1,072.51	1,010.14
d) 11th following year onwards	2,529.44	3,410.18

xii) The company expects to contribute ₹130 lakhs to the gratuity trust during the fiscal 2020

xiii) The average duration of the defined benefit plan obligation at the end of the reporting period is 13.03 years (previous year 13.18 years)

xiv) Bifurcation of Projected Benefit Obligation (PBO) at the end of the year in current and non-current liability

	2019-20	2018-19
Current liability (amount due within one year)	703.12	555.58
Non-current liability (amount due over one year)	1,458.18	1,384.27
Total PBO at the end of year	<u>2,161.30</u>	<u>1,939.85</u>

c) Other long term employee benefits

(i) Amount recognised in profit and loss in Note No. 34 "Employee benefit expense" under the head "Salaries, wages and other allowances" towards leave encashment is ₹70.70 lakhs (Previous year ₹101.01 lakhs)

(ii) Amount taken to balance sheet

Particulars	As at March 31, 2019	As at March 31, 2018
- Current liability	185.33	112.23
- Non-current liability	273.63	249.32

40 Disclosures as required by Indian Accounting Standard (Ind AS) 17 Lease

Operating lease commitments:

(i) Company as a Lessee

The aggregate lease rentals payable are charged as Rent under 'Other Expenses'. The Company's significant leasing arrangements are primarily in respect of operating leases for premises. These lease arrangements range for a period between 11 months and 5 years. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses. The aggregate lease rentals payable are charged as Rent under 'Other Expenses'.

Future minimum rentals payable under non-cancellable operating leases are as follows:

(₹ in lakhs)

	As at 31 March 2019	As at 31 March 2018
a) Not later than one year	27.29	25.34
b) Later than one year but not later than five years	73.52	100.81
c) Later than five years	-	-
	<u>100.81</u>	<u>126.15</u>

41 Amortisation of intangible assets

Softwares have been amortised on estimated useful life of six years.

42 In accordance with the Ind AS-36 on Impairment of Assets, the Company has assessed as on the balance sheet date, whether there are any indications with regard to the impairment of any of the assets. Based on such assessment, it has been ascertained that no potential loss is present and therefore, formal estimate of recoverable amount has not been made. Accordingly, no impairment loss has been provided in the books of account.

(₹ in lakhs)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
43 Auditor's Remunerations		
Audit fee	2.50	2.50
Limited review	0.23	0.23
In other capacity:		
Other matters	0.18	0.35
Reimbursement of expenses	1.48	2.06
	<u>4.39</u>	<u>5.14</u>

(excluding applicable taxes)

44 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006

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

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
i the principal amount remaining unpaid to any supplier at the end of each accounting year	14.04	-
ii the amount of interest remaining unpaid to any supplier at the end of each accounting year	-	-
iii the amount of interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of payment made to the supplier beyond the appointed day during the period	-	-
iv the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006.	-	-
v the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
vi the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

45 Sales includes excise duty collected from customers of ₹Nil (Previous year ₹614.41 lakhs). Revenue from operations for previous period upto 30 June, 2017 includes excise duty. From 1st July 2017 onwards, the excise duty and most indirect taxes in India have been replaced with Goods and services tax (GST). The company collects GST on behalf of Government. Hence GST is not included in Revenue from operations. In view of aforesaid change in indirect taxes, the Revenue from operation for year ended 31 March, 2019 is not comparable with 31 March, 2018 to this extent.

46 Disclosure under Ind AS 115 " Revenue from Contracts with Customers "**A Disaggregated revenue information**

(₹ in lakhs)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
(i) Type of goods		
Revenue from Writing and Printing Paper	52,168.02	42,681.14
Revenue from Soda Ash & Others	5,172.34	4,270.82
	<u>57,340.36</u>	<u>46,951.96</u>

(₹ in lakhs)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
(ii) Total Revenue from Contracts with Customers		
Revenue from Customers based in India	54315.89	43944.63
Revenue from Customers based outside India	3024.47	3007.33
	<u>57340.36</u>	<u>46951.96</u>
(iii) Timing of Revenue Recognition		
Goods transferred at a point in time	57340.36	46951.96
B Trade receivables and Contract Customers		
Trade Receivables	3913.61	3962.40
Trade receivables are non-interest bearing and are generally on terms of 7 days to 30 days. In 2019 ₹5.32 lakhs (Previous year ₹6.34 lakhs) was recognised as provision for expected credit losses on trade receivables.		
Trade receivables are presented net of impairment in the Balance sheet. The Company classifies the right to consideration in exchange for deliverables as a receivable. Receivable is right to consideration that is unconditional upon passage of time.		
C Contract Liabilities		
Contract liability relate to payment received in advance for performance under contract. Contract liabilities are recognised as revenue at the time of sale of goods. Contract Liabilities includes Non current or current advances received from customers to deliver goods.		
Revenue recognised in the current reporting period to carried forward Contract liabilities:		
Revenue recognised that was included in the contract liability balance at the beginning of the period		
- Writing and Printing Paper	₹99.69 lakhs	
D Reconciling the amount of revenue recognized in the statement of Profit and Loss with the Contract Price		
Revenue as per Contract Price	58560.83	48497.37
Less : Adjustments		
Sale Return	2.95	
Freight Collected	1153.44	1494.03
Charity Collected	64.08	51.38
	<u>57340.36</u>	<u>46951.96</u>
Revenue recognized in the statement of Profit and Loss		

E Performance obligation and remaining performance obligation

The performance obligation is satisfied upon the delivery of Writing and Printing Paper and payment is generally due within 7 days to 30 days after the delivery.

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. As on 31st March, 2019, there were no remaining performance obligation as the same is satisfied upon delivery of goods/services.

47 Segment Reporting

Segment Reporting based on the guiding principles given in Ind AS 108 on 'Operating Segments', the Company's business activity falls within a single operating segment, namely manufacturing of "Writing and Printing Paper". Accordingly, the disclosure requirements of Ind AS 108 are not applicable.

A Information by Geographies

(a) Revenue from external customers		
India	54315.89	43944.63
Outside India	3024.47	3007.33

(b) The company has business operations only in India and does not hold any assets outside India

B Revenue from major customers

Information about Major Customer

Number of customer contributing 10% or more to the Company's revenue	1	1
Revenue arising from sales to the Company's largest customer.	10.50%	16.85%

48 Proposed Final Dividend

The Board of Directors have recommended a final dividend of ₹5 per equity share amounting to ₹833.31 lakhs (including dividend distribution tax) for the year 2018-2019 which includes a one-time special dividend of ₹3 per equity share (previous year final dividend ₹1.80/- per equity share amounting to ₹299.99 lakhs) after the Balance Sheet date. The same is subject to approval by the shareholders at the ensuing Annual General Meeting of the Company and therefore proposed final dividend (including dividend distribution tax) has not been recognised as a liability as at the Balance sheet date in line with Ind AS 10 "Events after the reporting period".

49 Corporate Social Responsibility (CSR)

As per section 135 of the Companies Act, 2013, a company meeting the applicable threshold, need to spend at least 2% of the average net profit for the immediate preceding three financial years on CSR activities as defined in schedule-VII of the Companies Act 2013.

(a) Gross amount required to be spent by the company during the year ₹77.11 lakhs (previous year ₹38.53 lakhs).

(b) Amount spent during the year ₹43.59 lakhs (previous year ₹22.75 lakhs)

(c) Amount remaining unspent as at the end of the year ₹33.52 lakhs (previous year ₹15.78 lakhs)

(d) CSR activities undertaken

Particulars	(₹ in lakhs)	
	For the year ended 31 March 2019	For the year ended 31 March 2018
Promoting education	24.03	10.40
Health care	11.12	8.25
Protection of livestock (environment/flora and fauna/animal welfare)	0.60	0.60
Sports development	1.42	0.40
Community Welfare	6.42	3.10
	<u>43.59</u>	<u>22.75</u>

50 Earning per share

The calculation of Earning Per Share (EPS) as disclosed in the Statement of profit and loss has been made in accordance with Ind AS- 33 on "Earnings Per Share". The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

Particulars	(Number of shares)	
	As at 31 March 2019	As at 31 March 2018
Issued equity shares	13824550	13824550
Number of Shares at the end	13824550	13824550
Weighted average shares outstanding- Basic and Diluted - A	13824550	13824550

Net profit available to equity holders of the Company used in the basic and diluted earnings per share was determined as follows:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit and loss after tax for EPS- B (₹ in lakhs)	4695.03	3118.26
Basic Earnings per share (B/A) (₹)	33.96	22.56
Diluted Earnings per share (B/A) (₹)	33.96	22.56

The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity, if any.

51 Research and Development expenses

Particulars	(₹ in lakhs)	
	For the year ended 31 March 2019	For the year ended 31 March 2018
a) Research and Development: Revenue expenses		
Salaries & wages	194.19	167.86
Depreciation	4.61	6.39
Stores and spares	24.87	16.76
Cost of utilities	-	-
Other expenses	0.21	0.41
	<u>223.88</u>	<u>191.42</u>

(₹ in lakhs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
b) Research and Development: Capital expenses		
Additions to Property, plant and equipments	15.40	-
The revenue expenses related to research and development is clubbed under respective account heads in profit and loss		
52 Disclosure pursuant to Indian Accounting Standard (Ind AS) -12 : Income Taxes		
(a) Income tax recognised in profit or loss		
Current Tax:		
In respect of the Current Tax	2075.00	1276.25
In respect of the earlier years	-	23.87
	<u>2075.00</u>	<u>1300.12</u>
Deferred Tax:		
In respect of the Current Tax	<u>278.36</u>	<u>184.45</u>
	278.36	184.45
Total income tax expenses recognised	<u>2353.36</u>	<u>1484.57</u>
(b) Income Tax recognised in other comprehensive income arising on income and expenses recognised in other comprehensive income		
Remeasurement of defined benefit obligation	<u>(15.73)</u>	<u>35.31</u>
Total income tax recognised in other comprehensive income	<u>(15.73)</u>	<u>35.31</u>
(c) Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate applicable in India:		
Profit before Tax (i)	7048.39	4602.83
Corporate tax rate as per Income Tax Act, 1961 (ii)	34.94%	34.61%
Tax on Accounting profit (iii) = (i) * (ii)	2462.99	1593.04
Add/(Less) Tax difference on account of:		
i Effect of Depreciation difference	(4.44)	(39.23)
ii Effect of expenses that are not deductible in determining taxable profit	32.14	11.10
iii Effect of expenses allowable on payment basis	32.70	48.59
iv Effect of amount of Deductions/Exemption/Non Taxable items	(5.24)	(9.04)
v Effect of indexation benefit on value of investment and PPE	(95.39)	(31.43)
vi Differential tax rate on capital gain on sale and fair valuation on investment	68.25	(0.00)
vii Others	(1.15)	8.73
Total effect of tax adjustments	<u>(109.63)</u>	<u>(108.47)</u>
Tax expense recognised during the year	<u>2353.36</u>	<u>1484.57</u>
Current Tax	2,075.00	1,276.25
Tax of earlier years	-	23.87
Deferred Tax	278.36	184.45
Total tax provided	<u>2353.36</u>	<u>1484.57</u>

d) Movement in Deferred tax balances (₹ in lakhs)

Particulars	For the year ended 31 March 2018			
	Opening Balance	Recognised in Profit and Loss	Recognised in OCI	Closing Balance
Tax effect of items constituting deferred tax assets/liabilities				
Property, Plant and Equipment	2868.45	294.86		3163.31
Employee Benefits		(35.31)	35.31	
Fair value of Investments through Profit and loss	192.98	17.55		210.53
Expenditure charged to the statement of profit and loss	(209.77)	(92.65)		(302.42)
Net Tax Liabilities/(asset)	<u>2851.66</u>	<u>184.45</u>	<u>35.31</u>	<u>3071.42</u>

Particulars	For the year ended 31 March 2019			
	Opening Balance	Recognised in Profit and Loss	Recognised in OCI	Closing Balance
Tax effect of items constituting deferred tax assets/liabilities				
Property, Plant and Equipment	3163.31	224.95		3388.26
Employee Benefits		15.73	(15.73)	
Fair value of Investments through Profit and loss	210.53	(73.41)		137.12
Expenditure charged to the statement of profit and loss	(302.42)	111.09		(191.33)
Net Tax Liabilities/(asset)	<u>3071.42</u>	<u>278.36</u>	<u>(15.73)</u>	<u>3334.05</u>

53 Reconciliation of movements of liabilities to cash flows arising from financing activities (₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Borrowings at the beginning of the year (current and non current) including current maturities of long term debt	4619.34	4100.27
Proceeds from borrowings*	555.97	1780.72
Repayment of borrowings*	2020.71	1264.96
* net movement during the year for short term borrowings		
Transaction costs related to borrowings	2.81	3.31
Borrowings at the end of the year (current and non current)	3157.41	4619.34

54 Related party disclosures:

In accordance with the requirements of Ind AS 24, on "Related party disclosures", name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are:

Related party and their relationship:-**A. Key Management Personnel:**

i	Whole time directors	Sh. Rajneesh Oswal Sh. Vishal Oswal Sh. Kunal Oswal Sh. Anil Kumar	Chairman & Managing Director Vice Chairman & Managing Director Whole Time Director Executive Director
ii	Non executive directors	Sh. Ajay Kumar Chakraborty Sh. Madan Lal Gupta Dr. Nandagiri Jagannatha Rao Dr. Pratibha Goyal	Independent Director Independent Director Independent Director Independent Director
iii	Chief Financial Officer	Mr. Rakesh Kumar Mahajan	
iv	Company Secretary	Ms Ruchita Vij	

B. Related parties**i. Enterprises over which Key Management Personnel (KMP) and relative of such personnel is able to exercise significant influence or control:**

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

ii. Relative of Key Management Personnel:

Mrs. N.K. Oswal, Manager	Mrs. Preeti Oswal, Manager
Mrs. Shikha Oswal, Manager	Mrs. Neera
Ms Namita	Ms Swati

C. Employee benefit trust:

iii. Group Gratuity Trust Fund managed by employees of the company	SIL- Group Gratuity Trust Fund (Unit Shreyans Papers)
	SIL- Group Gratuity Trust Fund (Unit Shree Rishabh Papers)

D. Details of transactions entered into with related parties during the year as required by Ind AS 24 on "Related Party Disclosures" of Companies (Indian Accounting Standards) Rules 2015.

Sr. No	Particulars	Enterprises over which KMP is able to exercise significant influence or control		Key Management Personnel (KMP)		Post employment Benefit plans	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
1	***Contractual remuneration			910.12	656.05		
1a	***Contractual remuneration outstanding as on last day of financial year			40.11	27.27		
2	Sitting fee			2.55	2.10		
3	Interest Paid	18.52	12.07	-	1.52		
4	Contribution to CSR Expenditure	9.00	6.00				
4 a	Fixed Deposits taken (including opening balance)	-	-	-	30.94		
4 b	Fixed Deposits repaid			-	30.94		
4 c	Closing Balance of Fixed Deposits	-	-	-	-		
5 a	Loan taken (including opening balance)	423.16	369.31	249.87	306.90		
5 b	Loans repaid	-	66.15	236.87	107.03		
5 c	Closing Balance of Loans	423.16	303.16	13.00	199.87		
6	Receipt against services rendered	12.00	40.0				
7	Contribution to trust towards Post Employment benefit					472.16	330.73

Sr. No	Particulars	Relatives of KMP		Total	
		Current Year	Previous Year	Current Year	Previous Year
1	***Contractual remuneration	21.00	21.09	931.12	677.14
1a	***Contractual remuneration outstanding as on last day of financial year	1.40	1.35	41.51	28.62
2	Sitting fee			2.55	2.10
3	Interest Paid	14.29	12.94	32.81	26.53
4	Contribution to CSR Expenditure			9.00	6.00
4 a	Fixed Deposits taken (including opening balance)	139.70	131.08	139.70	162.02
4 b	Fixed Deposits repaid			-	30.94
4 c	Closing Balance of Fixed Deposits	139.70	131.08	139.70	131.08
5 a	Loan taken (including opening balance)			673.03	676.21
5 b	Loans repaid			236.87	173.18
5 c	Closing Balance of Loans			436.16	503.03
6	Receipt against services rendered			12.00	40.00
7	Contribution to trust towards Post Employment benefit			472.16	330.73

*** As the liabilities for gratuity, compensated absences are provided on an actuarial basis for the Company as a whole, the amount pertaining to key managerial personnel has not been included.

Mr. Rajneesh Oswal, Mr Vishal Oswal and Mr Kunal Oswal are related to each other.

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

55 Financial instruments and Risk management

i Capital management

The capital structure of the Company consists of net debt (borrowings offset by cash and bank balances) and total equity of the Company. The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through an optimum mix of debt and equity within the overall capital structure.

The Company's management reviews its capital structure considering the cost of capital, the risks associated with each class of capital and the need to maintain adequate liquidity to meet its financial obligations when they become due. The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Accordingly the management and the Board of Directors periodically review and set prudent limit on overall borrowing limits of the Company.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's gearing ratio is as follows:

Particulars	(₹ in lakhs)	
	for the year ended 31 st March 2019	for the year ended 31 st March 2018
Borrowings	3251.03	4691.47
Less: Cash and cash equivalents	16.48	31.42
Net debt (A)	3234.55	4660.05
Total equity	19822.57	15456.85
Capital and Net debt (B)	23057.12	20116.90
Gearing ratio (A/B)	14.03%	23.16%

Further, there have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year ended 31st March 2019. There were no changes in the objectives, policies or processes for managing capital during the year ended 31st March, 2019 and 31st March, 2018.

ii Categories of financial instruments

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

As at 31st March 2019**(₹ in lakhs)**

Particulars	At Cost	At Amortised Cost	Financial Assets/liabilities		Total carrying value	Total fair value
			At fair value through profit or loss	At fair value through Other comprehensive income		
Financial Assets:						
Investments (Non Current) (Refer Note 4)	-		85.73		85.73	85.73
Loans (Non Current) (Refer Note 5)		3.07			3.07	3.07
Other financial non-current assets (Refer Note 6)		106.95			106.95	106.95
Investments (Current) (Refer Note 9)		-	6628.05		6628.05	6628.05
Trade receivables (Refer Note 10)		3913.61			3913.61	3913.61
Cash and Cash Equivalents (Refer Note 11)		16.48			16.48	16.48
Other Bank Balances (Refer Note 12)		319.35			319.35	319.35
Loans (Current) (Refer Note 13)		37.79			37.79	37.79
Other financial assets (Current) (Refer Note 14)		181.19			181.19	181.19
Total	-	4578.44	6713.78	-	11292.22	11292.22
Financial Liabilities:						
Borrowings (Non Current) (Refer Note 19)		1440.99			1440.99	1440.99
Other financial liabilities (Non Current) (Refer Note 20)		9.79			9.79	9.79
Borrowings (Current) (Refer Note 24)		1299.99			1299.99	1299.99
Trade Payables (Refer Note 25)		4457.06			4457.06	4457.06
Other financial liabilities (Current) (Refer Note 26)		2575.35	0.72		2576.07	2576.07
Total	-	9783.18	0.72	-	9783.90	9783.90
As at 31st March 2018						
Financial Assets:						
Investments (Non Current) (Refer Note 4)	-*		51.78		51.78	120.40
Loans (Non Current) (Refer Note 5)		3.66			3.66	3.66
Other financial non-current assets (Refer Note 6)		12.34			12.34	12.34
Investments (Current) (Refer Note 9)		-	4595.97		4595.97	4595.97
Trade receivables (Refer Note 10)		3962.40			3962.40	3962.40
Cash and Cash Equivalents (Refer Note 11)		31.42			31.42	31.42
Other Bank Balances (Refer Note 12)		366.20			366.20	366.20
Loans (Current) (Refer Note 13)		37.77			37.77	37.77
Other financial assets (Current) (Refer Note 14)		119.73			119.73	119.73
Total	-	4533.52	4647.75	-	9181.27	9249.89
Financial Liabilities:						
Borrowings (Non Current) (Refer Note 19)		2144.27			2144.27	2144.27
Other financial liabilities (Non Current) (Refer Note 20)		9.79			9.79	9.79
Borrowings (Current) (Refer Note 24)		1700.11			1700.11	1700.11
Trade Payables (Refer Note 25)		4479.34			4479.34	4479.34
Other financial liabilities (Current) (Refer Note 26)		2526.53	0.98		2527.51	2527.51
Total	-	10860.04	0.98	-	10861.02	10861.02

*Carried at impaired value, refer Note No. 4

iii. Financial risk management

The principal financial assets of the Company include loans, trade and other receivables and cash and bank balances that derive directly from its operations. The principal financial liabilities of the company, include loans and borrowings, trade and other payables and the main purpose of these financial liabilities is to finance the day to day operations of the company.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and that advises on financial risks and the appropriate financial risk governance framework for the Company.

This note explains the risks which the company is exposed to and policies and framework adopted by the company to manage these risks:-

(A) Market risk management

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of Currency risk, Interest rate risk and other price risk.

a.1 Foreign currency risk management

The Company is exposed to foreign currency risk arising mainly on import (of raw materials and capital items) and export (of finished goods). The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently the company is exposed to foreign currency risk and the results of the company may be affected as the rupee appreciates/ depreciates against foreign currencies. Foreign exchange risk arises from the future probable transactions and recognised assets and liabilities denominated in a currency other than company's functional currency.

The company measures the risk through a forecast of highly probable foreign currency cash flows and manages its foreign currency risk by hedging appropriately. The Company uses foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

The following table analyses the foreign currency risk from monetary assets and liabilities:

Particulars	As at 31st March 2019		As at 31st March 2018	
	Euro	USD	Euro	USD
Exposure on account of financial Assets				
Trade Receivable (A)	-	-	-	1,95,385
Amount Hedged through forwards (B)	-	-	-	1,85,018
Net Exposure to Foreign Currency Assets (C=A-B)	-	-	-	10,367
Exposure on Account of Financial Liabilities				
Trade Payable and Borrowings (D)	8,400	10,02,920	-	11,28,922
Amount Hedged through forwards (E)	-	1,00,000	-	-
Net Exposure to Foreign Currency Liabilities (F=D-E)	8,400	9,02,920	-	11,28,922
Net Exposure to Foreign Currency Assets/ (Liabilities) (C- F)	(8,400)	(9,02,920)	-	(11,18,555)

The following significant exchange rates applied during the year

Currency	2018-19	2017-18	2018-19	2017-18
	Year end rates		Average Exchange rates	
INR/USD	69.16	65.18	69.92	64.47
INR/EURO	77.70	80.84	80.94	75.45

a.2 Foreign currency sensitivity analysis

Any changes in the exchange rate of EURO and USD against INR is not expected to have significant impact on the Company's profit due to the less exposure of these currencies. Accordingly, a 5% appreciation/depreciation of the INR as indicated below, against the EURO and USD would have increased/reduced profit by the amounts shown below. This analysis is based on the foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting period. The impact on the Company's profit before tax due to change in the fair value of monetary assets and liabilities including foreign currency derivatives on account of reasonably possible change in USD/EURO exchange rates (with all other variables held constant).

(₹ in lakhs)

Particulars	As at 31st March 2019	As at 31st March 2018
5% Strengthening/ weakening of USD against INR	31.57	42.69
5% Strengthening/ weakening of EURO against INR	0.34	-

b) Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

As the Company has no significant interest-bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates, which are included in interest bearing loans and borrowings in these financial statements. The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

At the reporting date the interest rate profile of the Company's interest bearing financial instrument is at its fair value:

Particulars	(₹ in lakhs)	
	As at 31st March 2019	As at 31st March 2018
Variable rate instruments		
Long term borrowings	992.19	1818.27
Current maturities of long term debt	300.00	585.00
Short term borrowings	641.08	549.35

Cash flow sensitivity analysis for variable rate instruments

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. A change of 100 basis points in interest rates for variable rate instruments at the reporting date would have increased/(decreased) profit or loss for the below years by the amounts shown below. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	(₹ in lakhs)	
	As at 31st March 2019	As at 31st March 2018
Increase/ decrease in 100 basis point	19.33	29.53

c) Other Price Risk

The company is exposed to price risk arising from equity investments. The company manages equity price risk by investing in fixed deposits/Fixed Maturity Plan, debt instruments and Liquid funds. The company does not actively trade equity investments. Equity investments are mainly held for strategic rather than trading purposes. Protection principle is given high priority by limiting company's investments to top rated money market instruments only.

Equity price risk is related to change in market reference price of investments in equity shares held by the Company. The fair value of quoted investments held by the Company exposes it to equity price risks.

The Company manages the surplus funds majorly through investments in debt based and equity mutual fund schemes. The price of investment in these mutual fund Net Asset Value (NAV) declared by the Asset Management Company on daily basis as reflected by the movement in the NAV of invested schemes. The Company is exposed to price risk on such Investment schemes.

Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However, due to the very short tenor of the underlying portfolio in the liquid schemes, these do not hold any significant price risks.

c.1 Equity price sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to equity price risks at the end of the reporting period.

The Company's exposure in Equity Investments is not material.

c.2 Mutual fund price sensitivity analysis

The sensitivity analysis below has been determined based on Mutual Fund Investment at the end of the reporting period. If NAV had been 1% higher/lower, the profit for year ended 31st March, 2019 would have increased/decreased by ₹ +/- 61.18 Lakhs (Previous year : increase/decrease by ₹40.37 lakhs) as a result of the changes in fair value of mutual funds.

(B) Credit risk management

Credit risk arises from the possibility that a counter party's inability to settle its obligations as agreed in full and in time. The maximum exposure to credit risk in respect of Trade receivables and other financial assets is as under:-

a. Trade Receivables

The Company's trade receivables consists of a large and diverse base customers including State owned Enterprises. Hence the Company is not exposed to concentration and credit risk. The company also assesses the credit worthiness of the customers

internally to whom goods are sold on credit terms in the normal course of business. Outstanding customer receivables are regularly monitored and any shipments to overseas customers are generally covered by letters of credit.

In determining the allowances for expected credit losses of trade receivables, the company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. In addition to this Company provides for credit loss based on increase in credit risk on case to case basis.

The following is the detail of allowance for lifetime expected credit loss and revenues generated from top five customers of the company.

i) Reconciliation of allowance for lifetime expected credit loss			(₹ in lakhs)
Particulars	As at 31st March 2019	As at 31st March 2018	
Balance as at beginning of the year	13.23	13.52	
Allowance for doubtful receivables based on Expected Credit Loss (ECL)	5.32	6.34	
Release to the statement of Profit and Loss	6.89	6.63	
Balance at end of the year	11.66	13.23	
ii) Revenue generated from top five customers.			
- Amount of Sales	18622.75	13881.26	
- % of total sales of paper	35.70	29.55	

Trade Receivables

Out of the Trade receivables, ₹2210.80 lakhs as at 31st March 2019 (₹2263.64 lakhs as at 31st March 2018) is due from the Company's major customers i.e. having more than 5% of total outstanding trade receivables. There are no other customers who represent more than 5% of the total balance of trade receivables.

The ageing analysis of trade receivables as of the reporting date is as follows:

			(₹ in lakhs)
Ageing of trade receivables (Gross)	As at 31st March 2019	As at 31st March 2018	
Not Due	2703.28	2572.61	
0 - 6 months past due	927.93	597.41	
More than 6 months past due	294.06	805.61	
Total Trade receivables	3925.27	3975.63	

The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables as disclosed at Note 10.

b. Other Financial Assets

The Company maintains exposure in cash and cash equivalents, time deposits with banks, investments in debt mutual funds. Investment of surplus funds are made only with approved counter parties. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

Write off policy

The financials assets are written off in case there is no reasonable expectation of recovering from the financial asset.

(C) Liquidity risk management

The objective of liquidity risk management is to maintain sufficient liquidity to meet financial obligations of the Company as they become due. The Treasury Risk Management Policy includes an appropriate liquidity risk management framework for the management of the short-term, medium-term and long term funding and cash management requirements. The Company manages the liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

The Company has access to various fund / non-fund based bank financing facilities. The amount of unused borrowing facilities (fund and non-fund based) available for future operating activities and to settle commitments as at 31st March, 2019 ₹2238.92 lakhs (as at 31st March, 2018 ₹2827.80 lakhs).

Liquidity risk table

The below is the detail of contractual maturities of the financial liabilities of the company at the end of each reporting period

Particulars	(₹ in lakhs)	
	As at 31st March 2019	As at 31st March 2018
Borrowings		
0-1 years	1299.99	1700.11
2-3 years	1050.99	1382.80
3-5 years	390.00	644.40
More than 5 years	0.00	117.07
Trade Payables		
0-1 years	4457.07	4479.34
2-3 years	-	-
3-5 years	-	-
More than 5 years	-	-
Other Financial Liabilities		
0-1 years	2576.07	2527.51
2-3 years	-	-
3-5 years	9.79	9.79
More than 5 years	-	-

iv Fair Value Measurement

(i) Fair Value hierarchy

- Level 1- Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3- Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

- (ii) The following table provides an analysis of financial instruments that are measured at fair value and have been grouped into Level 1, Level 2 and Level 3 below:

Particulars	Fair Value as at (₹ in lakhs)		
	31st March 2019	31st March 2018	Fair value hierarchy
Current Investments			
Fair Value through OCI (Equity instruments designated upon initial recognition)	-	-	-
Fair Value through Profit and Loss	6628.05	4595.97	Level 2
Fair Value through Profit and Loss	31.36	-	Level 1
Non-Current Investments			
Fair Value through Profit and Loss	3.60	2.50	Level 1
Fair Value through Profit and Loss	50.76	49.27	Level 3
Other financial current liabilities			
- Derivative financial instruments	(0.72)	0.98	Level 2

There were no transfers between Level 1 and 2 in the period. Sensitivity of Level 3 financial instruments are insignificant.

The fair value of the financial instruments are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

Investments in mutual funds: Fair value is determined by reference to quotes from the financial institutions, i.e. net asset value (NAV) for investments in mutual funds declared by mutual fund house.

Derivative contracts: The Company has entered into foreign currency contract(s) to manage its exposure to fluctuations in foreign exchange rates. These financial exposures are managed in accordance with the Company's risk management policies and procedures. Fair value of derivative financial instruments are determined using valuation techniques based on information derived from observable market data, i.e., mark to market values determined by the Authorized Dealers Banks.

Quoted equity investments: Fair value is derived from quoted market prices in active markets.

Unquoted equity investments: Fair value is derived on the basis of net asset value approach, in this approach the net asset value is used to capture the fair value of these investments.

Reconciliation of Level 3 fair value measurements

(₹ in lakhs)

Particulars	Unlisted equity instruments
As at April 1, 2017	47.60
Purchases	-
Gain/ (loss) recognised in OCI/Profit/Loss	1.67
As at March 31, 2018	49.27
Purchases	-
Gain/ (loss) recognised in OCI/Profit/Loss	1.49
As at March 31, 2019	50.76

56 Figures in bracket indicate deductions.

57 Previous year figures have been regrouped/recasted/rearranged wherever necessary to confirm to its classification of the current year.

As per our report of even date attached
For K.C. KHANNA & CO
Chartered Accountants
(Firm Regn. No. 000481N)

For and on behalf of the Board of Directors

(ABHISHEK GOEL)
Partner
M.No. 521575

(R.K. MAHAJAN)
C F O

(RUCHITA VIJ)
Company Secretary

(ANIL KUMAR)
Executive
Director & CEO
DIN 00009928

(VISHAL OSWAL)
Vice Chairman &
Managing Director
DIN 00002678

(RAJNEESH OSWAL)
Chairman &
Managing Director
DIN 00002668

PLACE : Ludhiana
DATE : May 13, 2019

SHREYANS INDUSTRIES LIMITED

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

Form No. MGT-11

Proxy form

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

Name of the member(s):

Registered address:

E-mail Id:

Folio No/ Client Id: DP ID:

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

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 39th Annual general meeting of the company, to be held on Monday, the 15th day of July, 2019 At 11.00 a.m. at registered office of the company at Village: Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana 141 123 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No:

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

Signed this..... day of 2019

Signature of shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp here

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

.....

**SHREYANS INDUSTRIES LIMITED
ATTENDANCE SLIP**

I here by record my presence at the 39th ANNUAL GENERAL MEETING of the Company being held on Monday, the 15th July, 2019 at 11.00 a.m. at the Registered Office of the Company Village Bholapur, P.O. Sahabana, Chandigarh Road, Ludhiana - 141 123

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

Signature

Folio No

Client ID.

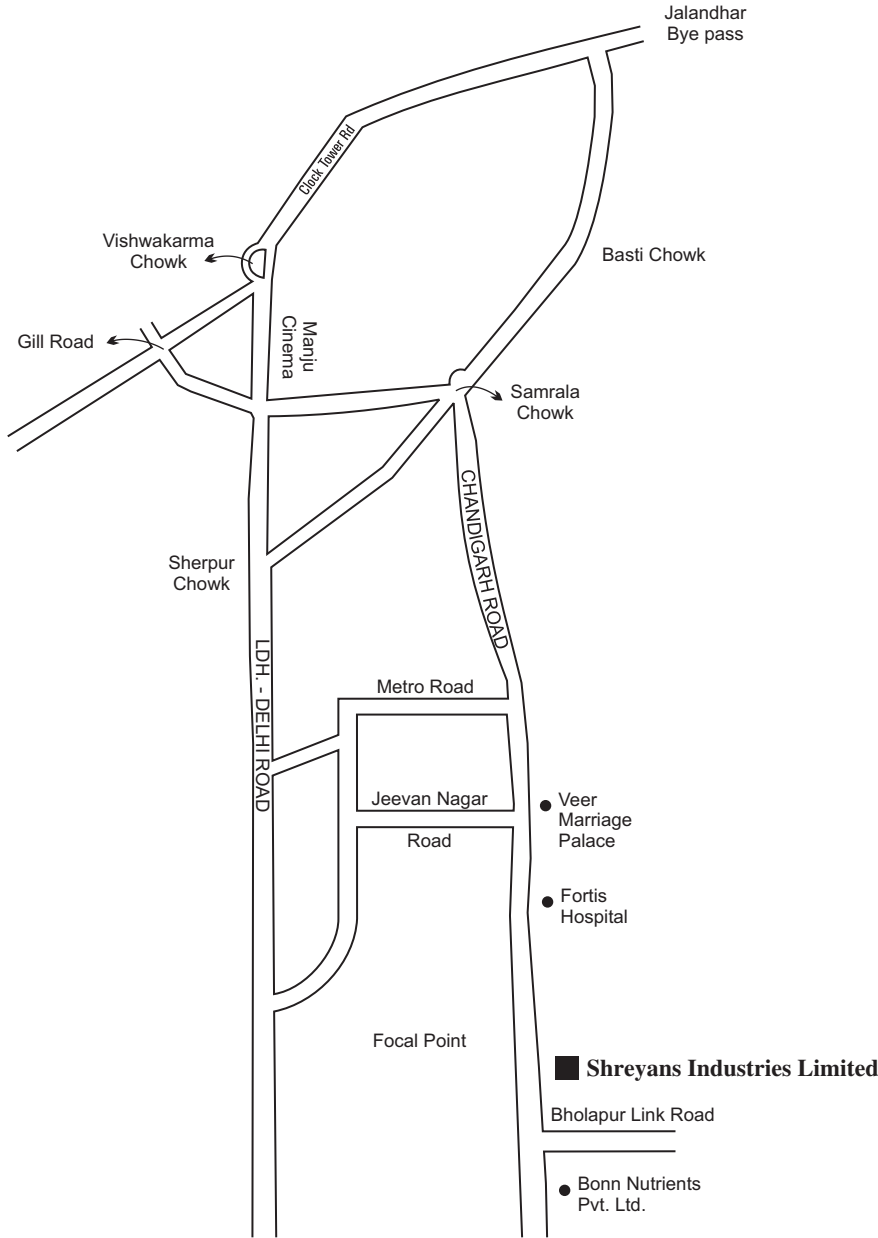
Full Name of Proxy
(IN BLOCK LETTERS)

D. P. ID.

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

Route map to the venue of the AGM

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



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Village Bholapur, P.O. Sahabana,
Chandigarh Road, Ludhiana - 141 123.
CIN: L17115PB1979PLC003994
Tel.: +91-161-2685270, 98761-00948
Email: cs@shreyansgroup.com, atl@shreyansgroup.com Website: www.shreyansgroup.com