



September 29, 2016

To
The BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai- 400001

Ref. : Seya Industries Limited, **Scrip Code:** 524324

Sub. : Annual Report FY 2015-16

Dear Sir,

In accordance with the provisions of Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we submit herewith soft copy of the Annual Report for the Financial Year 2015-16 duly approved and adopted by the Shareholders of the Company at the 26th Annual General Meeting (since Incorporation) held on September 28, 2016.

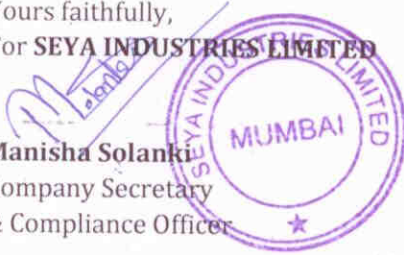
Kindly acknowledge the receipt and take the same on your record.

Thanking you.

Yours faithfully,

For **SEYA INDUSTRIES LIMITED**

Manisha Solanki
Company Secretary
& Compliance Officer





Paints &
Coatings



Agriculture



Textiles



Printing
Ink



Personal
Care



Pharma



Construction

Annual Report

2015-2016

BOARD OF DIRECTORS

Mr. Ashok G Rajani
Chairman & Managing Director

Mr. Asit Kumar Bhowmik
Executive Director

Mr. Anand Taggarsai
Independent Director

Ms. Kalpana Tirpude
Independent Director

COMPANY SECRETARY
CS Manisha Solanki

STATUTORY AUDITORS
M/s. Jagiwala and Co.
Chartered Accountants

COST AUDITOR
Hemant Shah & Associates
Cost Accountants

SECRETARIAL AUDITOR
Dipali Kapadia & Associates
Practicing Company Secretary

BANKERS & FINANCIAL INSTITUTION

Bank of Baroda
Central Bank of India
IFCI Ltd

REGISTRAR & SHARE TRANSFER AGENT
Universal Capital Securities Private Limited
21, Shakil Niwas, Opp. Satya Saibaba Temple,
Mahakali Caves Road, Andheri (East),
Mumbai – 400093
☎022-28207203 – 05 📠: 022-28207207
✉info@unisec.in

AGM
Wednesday, 28-Sep-2016 at 04:00 p.m.

VENUE
T-14, MIDC, Tarapur, Boisar, Palghar – 401506

BOOK CLOSURE
22-Sep-2016 to 28-Sep-2016 (both days inclusive)

As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their Copies to the meeting

FORWARD-LOOKING STATEMENTS: Certain statements in this annual report concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statement. We have tried wherever possible to identify such statements by using words such as anticipate, estimate, expect, project, intend, plan, believe and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risk, uncertainties and even in accurate assumptions. Should known or unknown risk or uncertainties materialised, or should underline assumption proved inaccurate; our actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publically update any forward-looking statements, whether as a results of new information, future events or otherwise.

CORPORATE OVERVIEW

Chairman's Statement.....	3
Five Years Glory.....	5

STATUTORY REPORTS

Management Discussion & Analysis.....	6
Director's Report.....	15
Corporate Governance Report.....	36

FINANCIAL STATEMENTS

Independent Auditor's Report.....	43
Balance Sheet.....	46
Statement of Profit and Loss.....	47
Cash Flow Statement.....	48
Notes forming part of Financial Statements.....	49
Notice of AGM.....	63
Attendance / Proxy Slip.....	69

ABOUT SEYA

Seya Industries Ltd. (SEYA), an emerging leader in Speciality Chemicals, manufactures products having wide spectrum of applications in Pharmaceuticals (like Paracetamol, floxacins, etc), Personal & Health Care Products (like Hair dyes), Printing Inks & Paints (used in Laser/Ink jet Printers, for Road markings, etc), Agrochemicals (like DDT, etc) Insecticides/Pesticides (like Quinalphos, etc), Rubber chemicals (for Leather protection), Textile dyes (Dye of Cotton & Denim fabrics), Thermic fluids (used as heating medium), etc.

With a clear defined vision to emerge as a Global producer for Speciality Chemicals, Seya's strength lies in its in-depth product expertise, ability to adapt to new markets, provide superior Quality Products at Competitive Prices with Timely Delivery to the Satisfaction of the Customer that will make customers want to keep doing business with us.

By fostering a culture that emphasizes ethical business behavior, strong corporate governance, community involvement and safety in all that we do, we strive each and every day to earn the trust of our customers, investors, employees, suppliers and neighbors.

Embedded in our history is the promise to conduct all aspects of our business in a manner that safeguards our employees, the communities in which we live and work, and the natural world. SEYA demonstrates its commitment to CSR by Optimizing resources consumption to contribute to a sustainable environment and simultaneously promote responsible environmental practices

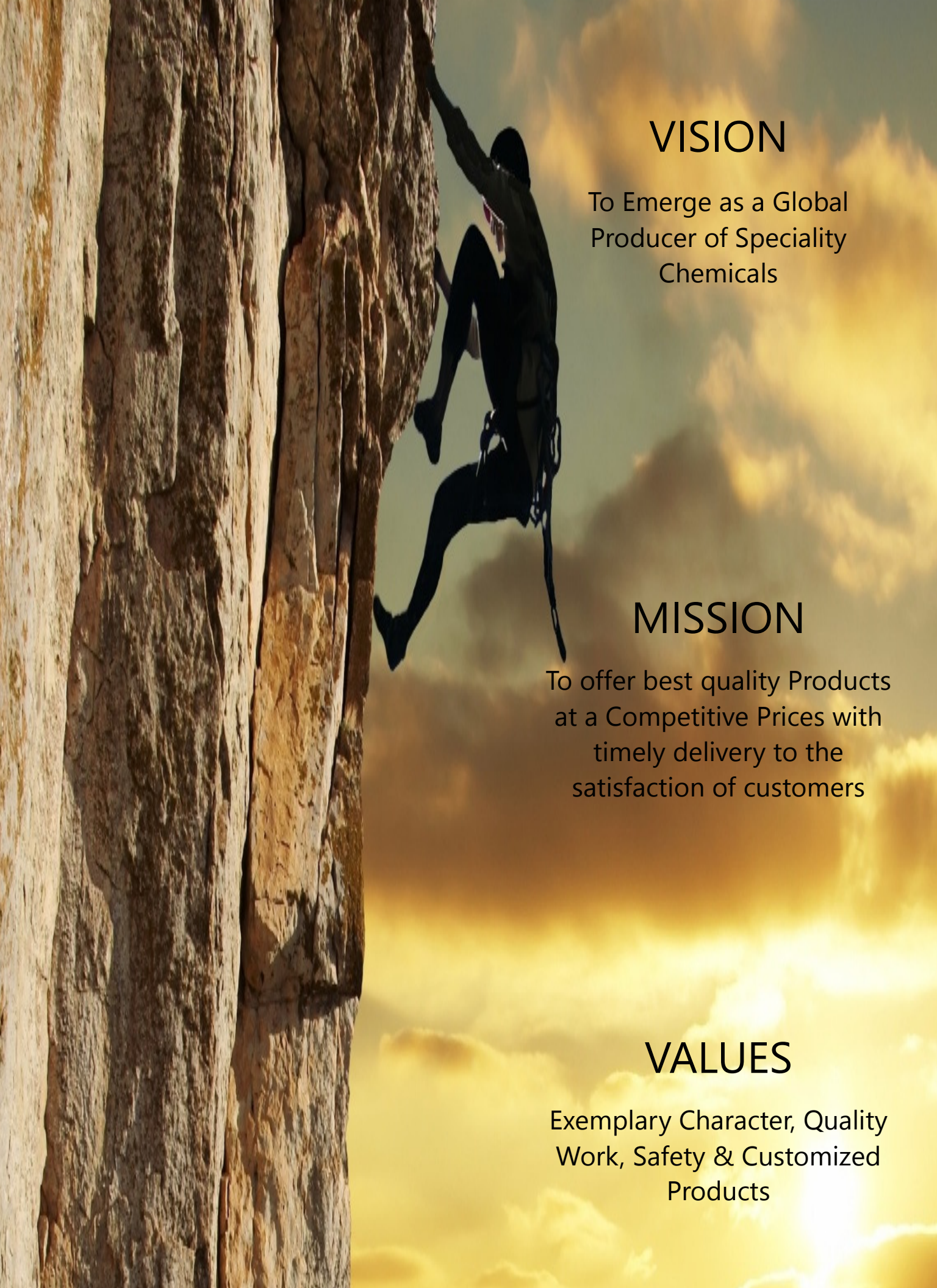
Seya has witnessed 870% growth in last 5 years with sales crossing USD 45 million and has already embarked on its journey of forward and backward Integration to achieve target sales of USD 150 million by 2020.



SEYA understands the need of eco-friendly environment for our future generation. SEYA has taken a minor step along with its shareholders to contribute its little bit to save environment by giving an opportunity to its shareholders to receive documents and notices in electronic form. We feel proud that like SEYA, its members are also actively participating in this initiative.

Those members who have still not registered their e-mail Ids are requested to do so by writing to RTA at info@unisec.in or to the Company at corporate@seya.in

For a healthy and Greener life.....



VISION

To Emerge as a Global
Producer of Speciality
Chemicals

MISSION

To offer best quality Products
at a Competitive Prices with
timely delivery to the
satisfaction of customers

VALUES

Exemplary Character, Quality
Work, Safety & Customized
Products





CHAIRMAN'S STATEMENT

“Climb the mountain so you can see the world, not so the world can see you”

My Dear Valued Stakeholders,

Warm Greetings to All of you!

It gives me immense pleasure to welcome you in the Celebrations on having completed our Silver Jubilee and sharing the same sense of exhilaration, of having achieved a major milestone in our growth trajectory towards achieving a blissful future. Looking back with pride and contentment, while there is a feeling of triumph at the performance of the Company, it's captivating to have tractioned ourselves envisaging the colossal potential in Speciality Chemicals. Your Company continues to deliver a resilient operational performance with steady improvement in profitability nudged by Speciality Chemicals segment against the tides of amplified volatility in economic landscape, yet delivering strong double-digit growth in performance. We are delighted to share yet another crowning achievement that your Company share price in BSE recorded more than centurion growth on reinstatement of trading during 2015-16, complementing our Silver Jubilee celebrations.

Global Environment

Global economic growth is expected to traverse optimistically upwards in the imminent future though gradually, especially in emerging market and developing economies. In advanced economies, a modest and uneven recovery is expected to continue, with a gradual further narrowing of output gaps. The picture for emerging market and developing economies is diverse but in many cases challenging. The slowdown and rebalancing of the Chinese economy, lower commodity prices, and strains in some large emerging market economies will continue to weigh on economy growth prospects for countries currently in economic distress where partial recovery could be frustrated by new economic or political shocks.

Global Chemical Industry

The \$5 trillion Global Chemicals Industry's recovery remains on track amid a still fragile macro environment recording a growth of

3.2% in 2016. But the Industry is not without its challenges, such as soft agriculture market fundamentals, depressed demand in energy markets, sluggishness in China and headwinds from a stronger dollar, which shall weigh on the performance of Chemical manufacturers during 2016 though low oil prices and favourable financing conditions are supporting consumer spending and investment. However, high public and private sector debt, elevated unemployment, and structural rigidities will continue to weigh on the outlook.

Winning Environment: Indian Economic Environment

India has emerged as the fastest growing major economy in the world amidst unclassified global scenario and is currently at the brightest spot among global economies to deliver improving growth, as economic fundamentals remain stronger than in other emerging market economies with the combined impact of strong structural government reforms, RBI's inflation focus supported by higher disposable income and improvement in economic activity. Government initiatives like Make in India and Digital India have been instrumental in enticing numerous foreign companies to set up their facilities in India on account of various benefits with an aim to boost the manufacturing sector of Indian economy, increase purchasing power of an average Indian consumer, boost demand, and spur development, in addition to benefiting investors thereby bringing global recognition to the potential of India as a cost effective manufacturing hub. The competitive advantage enjoyed by India due to its location, demographics and availability of requisite resources is being leveraged by several global manufacturing giants to set-up Regional manufacturing units in India.

Winning Industry: Indian Chemical Industry

The chemical sector has witnessed growth of 13-14% in the last 5 years. The growth is propelled by structural advantage with a growing market and purchasing power due to growing disposable incomes and increasing urbanization. Demand for paints, textiles, adhesives and construction have led to substantial growth opportunity for chemicals companies complimented by proposed set up of integrated PCPIR (Petroleum, Chemicals and Petrochemicals Investment Regions) for domestic and export-related Petroleum, Chemicals and Petrochemicals related products. India has all the

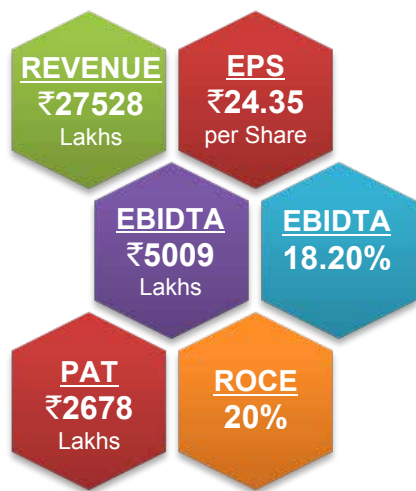
requisite ingredients for a Robust, High-growth Chemical Industry – the same ingredients that throttled Chemical Industry growth in China, which include a large and growing population, Mass urbanization and a rapidly expanding middle class supporting numerous consumer markets.

Winning Sector: Speciality Chemicals

India's Specialty Chemicals industry, which is valued at \$25 billion, could well be the next big theme on the Indian bourses. The industry delivered 13 per cent growth over the past five years led by domestic consumption. The Speciality chemical segment having a significant market size and growth in end-user industries has supported demand for high value, Speciality and Pharma chemicals. Your company continues to focus on consistent, competitive, profitable and responsible growth with its forward integration products in the Fine and Speciality Chemicals segment which witnessed Revenue from the segment contributing to almost 95% of the total revenue and those from the new products comprising 86% of Net Sales.

Winning Performance: Silver Jubilee Achievement

SEYA, exhibited exhilarating performance and endorsed its Silver Jubilee Celebrations by yet another year of excitement and achievements. Our actions are bearing fruit and I am delighted to announce that in FY 2015-16 Revenue from Operation grew by almost 11% to ₹27,528 Lakhs while EBITDA margin was 18.20% (₹5,009 Lakhs) underscoring an extra-ordinary growth of 47% (PY ₹3,417 Lakhs) even amidst extremely challenging backdrop of sharp decline in the global crude oil prices considerably reducing realisations.



The Profit After Tax(PAT) stood at ₹2,678 Lakhs up by a whopping 106% as compared to ₹1303 Lakhs in previous year. The loftier numbers also abridged the Net Debt to EBITDA to 1.92 (PY 2.61). It feels great to see your offspring grow up, and achieve more than what you ever thought was possible and SEYA is one such offspring, who is making all of us feel proud. While top-line growth was fringed due to aligning product prices with that linked to crude oil, the positive momentum better represented by the growth in volumes, margins and overall profitability. We continue to plough back our surplus in enhancing our capabilities, which, we are confident, will enable and ensure future growth and long term value creation for our shareholders, on the spine of good performance, the Board of Directors has recommended a dividend of ₹1.00 per share of a face value of ₹10.

Winning Strategies

Our Company has an advantage that its Businesses have good potential to grow (as the industries they serve are growing) and its manufacturing blueprint is reasonably complex (not complicated) and integrated, therefore not easily replicable. Your Company will continue to create a large base to outpace the industry and deliver persistent growth year-on-year on the vertebrae of its strengths, combined with cost leadership and value-added product offerings gaining momentum from stability in the global crude oil prices and related petrochemical. Your Company has already initiated work for its upcoming projects integral to our existing business operations by embarking on a backward & forward integration project and capacity expansion of captive products in addition to reducing cost of energy, diversification in new high value added products. Once implemented it will further strengthen your Company's sustainability and resilience and create value for its esteemed shareholders.

Winning Outlook

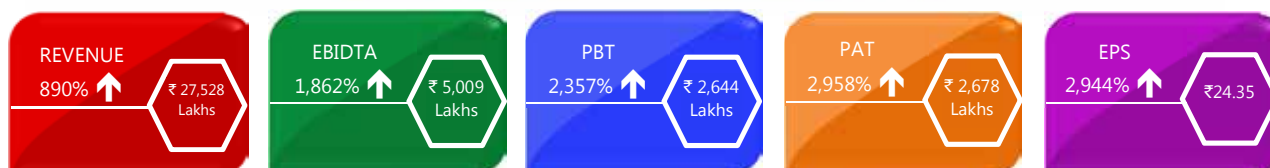
A mountain has the height, but not the depth; an ocean has the depth, but not the height. Let our thinking encompass the height of a mountain and the depth of an ocean. With a Pioneering Past, Persistent Present, and Purposeful Future, Your Company continues to expand its footprint in Speciality Chemicals. The world's epicentre has shifted to Indian manufacturers to fill the void created by the deficit in supply owing to shutdown of Leading companies in China due to environmental concerns crafting highly lucrative opportunity for SEYA, which is well known as one of the lowest cost producers in its class of products globally, owing to the level of integration in our manufacturing processes and wide international market presence through merchant exports. With a sense of excitement and anticipation, we welcome this next level of growth.

Winning Team

We live in a time of extraordinary change – a change that is reshaping the way we live, the way we work. It is a change that is promising amazing breakthroughs, but also economic disruptions. It is a change that is broadening opportunities, but also widening inequalities. The constants which help us face the change are the eternal Values. Rooted in Values is our Integrity, Understanding, Unity, Responsibility and Excellence, I must take this opportunity to congratulate and express my appreciation to the human assets of Seya. I am proud that they have proved that a plausible impossibility is better than a convincing possibility. SEYA has a professional management team in place which is well embedded across all functions and levels, and this team will continue to lead and drive SEYA.

My dear shareholders your support gave SEYA Incredible strength which can't be explained in words. Your belief and confidence in the company and its management helped SEYA to achieve what it has achieved today. We resolute to remain committed to significantly keep enhancing value of our stakeholders. I would also like to thank our bankers who have continued to repose their faith in the company and we are encouraged by their unstinting support. My fellow board members, customers, vendors and other stakeholders without their support and encouragement SEYA's growth story is incomplete. I will complete with words of exhortation by a Chinese Proverb, "When the root is deep, there is no need to fear the wind". That is the clarion call for Team SEYA, To raise the bar and expand our horizons, to win the goals that we have set for ourselves in terms of Performance, Excellence, Quality and Innovation.

ASHOK G RAJANI
Chairman & Managing Director



₹ in Lakhs

Statement of Profit & Loss	2015-16	2014-15	2013-14	2012-13	2011-12
Net Revenue	27,528.04	24,761.11	13,130.89	5,421.66	2,839.14
Other Income	183.75	70.30	153.66	48.37	33.57
Finance Cost	1,271.94	991.05	122.27	5.58	3.00
Profit Before Taxation	2,644.11	1,370.97	587.94	224.54	107.62
Profit After Taxation	2,678.34	1,303.07	335.60	181.73	87.59
Earnings per share (₹)	24.35	11.85	3.05	1.65	0.80

Balance Sheet	2016	2015	2014	2013	2012
Reserves & Surplus	7,809.10	5,414.40	4,111.34	3,775.74	3,594.01
Net-Worth	24,035.27	6,514.40	5,211.34	4,875.74	4,694.01
Net Fixed Assets	39,709.26	35,513.32	35,796.56	29,113.70	28,330.81
Current Assets	14,766.14	10,924.92	5,538.01	3,035.79	3,262.13
Current Liabilities	6,190.61	6,466.29	3,861.25	1,560.98	1,873.88

Segment Wise	2016	2015	2014	2013	2012
Speciality Chemical Intermediates	26,177.73	22,559.84	9,394.40	1,127.44	1,173.47
Organic Chemical Intermediates	918.28	1,499.98	2,632.32	2,302.86	1,394.63
Inorganic Chemical Intermediates	8.52	34.23	45.27	27.02	43.30
Pharmaceutical Intermediates	362.95	658.57	744.60	680.07	204.51
Agrochemical Intermediates	60.57	8.49	267.30	1,092.63	22.97
Others	-	-	0.45	191.65	28.97

Key Ratios	2016	2015	2014	2013	2012
EBIDTA (% of Net Revenue)	18.20	13.80	12.17	10.78	8.97
PBT / Net Sales (%)	9.61	5.54	4.48	4.14	3.79
PAT / Net Sales (%)	9.73	5.26	2.56	3.35	3.09
Return on Net Worth (%)*	41.95	37.24	28.31	11.87	11.99
Return on Capital Employed (%)	19.76	16.92	8.15	4.93	2.23

* Excluding Preference Capital

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS ENVIRONMENT

Global

The global economic environment continues to remain challenging with trimmed forecast of world GDP growth from 3.4% to 3.2% in 2016-17 on account of weakening growth prospects in emerging and developing economies led by slowdown in the Chinese economy, depressed commodity prices and strains in some large emerging market economies like Brazil and Russia. A modest albeit uneven recovery continue in the advanced economies with the US continuing to grow moderately, supported by consumption; however, lower investments and exports could weigh on growth.

In the Euro area, real GDP growth is expected to decrease to 1.5% in 2016 from 1.6% in 2015 prompting European Central Bank (ECB) to expand the scope of its quantitative easing programme, cutting its policy rates and reviving up asset purchases, which monetary stimulus is expected to continue till 2017 due to decelerating global growth outlook, increasing geopolitical risks and a revised inflation forecast (0.1% from 1%) for 2016. Consumer spending and investment are backed by low oil prices and favourable financing conditions. However, high public and private sector debt, elevated unemployment, and structural rigidities will continue to weigh on the outlook. Further, uncertainty around the European Union (EU) referendum on Brexit could weigh on business investment.

Japan's economic performance remains subdued despite a volatile yen and low oil prices keeping the economy on a positive growth trajectory. Aging population and slow productivity growth due to lack of structural reforms continue to create challenges necessitating government measures to achieve the growth and inflation targets through an ultra-accommodative monetary policy.

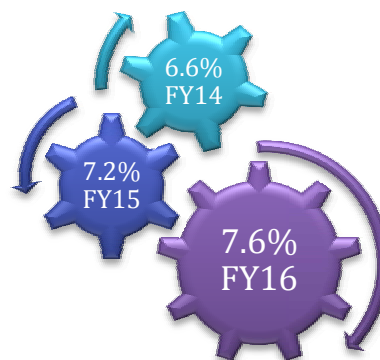
Strong decelerating forces due to the structural changes of moving from investment towards consumption and services continue to slowdown China's economy to 6.5% in 2016 compared to 6.9% in 2015. Chinese banks can deleverage on the vertebrae of governmental support due to Government Debt in the range of 40-50% of GDP. Potential dumping of chemicals, metals, and electronic items by China in the global trade markets could be an area of concern tractioned by heavy overhang of capacity in China across sectors. China's faster-than-expected slowdown in exports and imports is reflecting its weak investment and manufacturing activity, which is having spillovers to other economies, thus impacting confidence and increasing volatility in financial markets.

Low global crude oil prices will impact the fuel exporters' growth prospects, while supporting growth and demand prospects in importer countries. The four key transitions that are likely to continue influencing the global outlook are:

- i. The gradual slowdown and rebalancing of economic activity in China away from investment and manufacturing towards consumption and services;
- ii. Lower prices for energy and other commodities;
- iii. Gradual tightening in monetary policy in the US led by a resilient US recovery even while several other major advanced economies continue to ease monetary policy;
- iv. Downside risks to the EU economy closely linked to Brexit.

Domestic

The Indian economy continues to recover from a growth slowdown in the past two years, high fiscal deficit and stagnant industrial activity. The investment activity is likely to pick up, led by Government efforts to boost investment in infrastructure, particularly roads, railways and urban infrastructure. The growth, based on the new GDP series was 6.6% in FY 2014, 7.2% in FY 2015 and is expected at 7.6% in FY 2016.



Expectations of a normal monsoon after two consecutive years of rainfall deficiency, improving real incomes of households and lower input costs of firms should contribute to strengthening the growth aiding RBI to cut interest rates further on the Governments' commitment to stick to the fiscal discipline (3.5% in FY 2017) as per the Union Budget 2016-17.

India has emerged as the fastest growing major economy driven by rising real incomes, domestic demand, lower inflation, downward trend in global commodity prices, improving trade, current account and fiscal deficit levels, strong foreign capital inflows and a stable rupee. The proposed Goods and Services Tax (GST), a key milestone, with growing public investments and improving environment for infrastructure investments shall create a platform for sustainable growth, ranking India in the global index in the ease of doing business and claiming its rightful place in the global economy.

With realistic growth in tax revenue estimated for the current fiscal in line with expected growth, various measures announced to eliminate tax distortions and improving the ease of doing business has enthused foreign investors. The Government has upheld a strong thrust on rural and infrastructure spending and accommodating the additional expenses for the pay commission recommendations, without violating the fiscal deficit targets. The farm sector saw a 94% increase in allocation, with crop insurance and irrigation being the biggest beneficiaries against modest increase in safety net for non-farm community. Unabridged, rural development spend is budgeted to nurture at a moderate pace of 11% per year in FY 2017 compared to 15% in PY. However, development of agri-markets and push to agriculture investment, steps to increase farm profitability, long-term solutions to impart skills training and creating employment in the non-farm sector are key challenges for rural India which need to be addressed.

Effective implementation of infrastructure investments shall spill-over growth creating leeway for infrastructure spending through the Government's own resources on roads, highways, agriculture and rural development despite pressure on fiscal consolidation. On conjecture of normal monsoon, current level of international crude oil prices and exchange rate RBI's 5% inflation estimate and 2.5% Wholesale Price Index (WPI) for FY 2016-17 seems squat.

CHEMICAL INDUSTRY OVERVIEW AND OUTLOOK

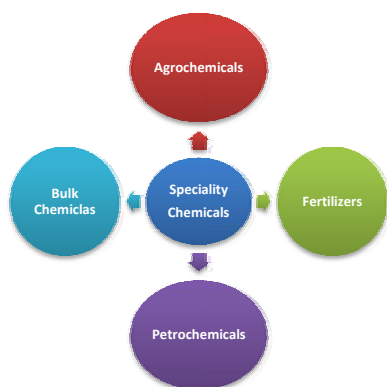
Global

The global chemical industry witnessed steady progress in the last decade reflecting an average annual growth of about 11%. The industry however witnessed a gradual shift to the emerging Asian regions from the developed western world which led to 'easternisation' in production of chemicals. While this was largely led by China where chemicals sales swelled rapidly, other emerging markets also contributed to this growth. While China continues to

remain the most important chemical market, the recent slowdown in that country is viewed as a positive factor for chemical manufacturers in other emerging markets like India where the chemical industry is worth US\$ 144 billion and IBEF expecting the industry to touch US\$ 224 billion by FY 2017. The Indian Chemical Industry forms a backbone for the Indian economy, accounting for about 2.5% of the Gross Domestic Product (GDP), 16% of India's manufacturing and 9% of the exports. Robust demand for chemicals over the past few years has been fuelled by strong economic growth, large population and rise in per-capita income. As a result of strong domestic demand and Asia's increasing contribution to the global chemicals industry, India has emerged as one of the 'focus destinations' of companies worldwide.

Domestic

The Indian chemical industry enjoys the position of third largest producer in Asia and sixth largest producer in the world, in terms of volume of production. Bulk chemicals account for 39% of the Indian Chemical Industry, followed by agrochemicals 20.3% and speciality chemicals 19.5%. Pharmaceuticals and biotechnology account for the remaining share. India's growing per capita consumption and demand for agriculture related chemicals offer huge scope of growth for the sector in the near-term. Consequently foreign firms have increasingly strengthened their presence in the Indian chemical space attracted by the emerging size and returns. From April 2000 to May 2015, the total foreign direct investment (FDI) into the Indian chemicals industry (excluding fertilisers) stood at US\$ 10.49 billion. In line with increase in the demand of value-added products, the Indian speciality chemicals, is now one of the fastest growing industries globally (next only to China), delivering 13% annual average growth over the last five years reaching US\$ 25 billion in 2014. Apart from exports, steadily rising domestic demand has supported this momentum. This is further backed by faster GDP growth, domestic demand attaining critical mass, low cost manufacturing, and enhanced focus on process R&D and engineering capabilities. More importantly, several bulk chemical producers have started moving up the value chain to manufacture Speciality Chemicals with applications across consumer, industrial and infrastructure segments which are driven by the overall growth of the economy. On the other hand, exports have been growing rapidly as India is becoming an important manufacturing hub for such chemicals. Tightening environmental norms in developed countries and slowdown in China (in certain segments) are key contributors to export-led growth. The road ahead looks encouraging with healthy double-digit growth expected in the end-user industries, which will help the Indian speciality chemical industry to continue to deliver robust growth. The 'Make in India' initiative of the Government of India is also likely to add impetus to the emergence of India as a manufacturing hub for the Chemical Industry in the medium term. Overall, the Indian Speciality Chemical space is set to emerge as the fastest growing globally and is projected to reach US\$ 80-100 billion by FY 2023.



INDIAN SPECIALTY CHEMICAL INDUSTRY

The Indian Speciality Chemicals Industry has been an integral part of the Indian economy even as the story has recently gained prominence. The \$ 25 billion Indian speciality chemicals sector has grown from one dominated by small niche players into a multi-faceted global footprint. Speciality chemicals comprise high value, low volume chemicals recognized for their performance enhancing end use applications. Being 'usage-specific', speciality chemicals touch upon every population segment, finding downstream applications in paints, coatings, plastics, home care surfactants, flavours and fragrances. Traditionally, a majority of the Indian market was characterised by SMEs working around low costs but without processes, quality and customer engagement capabilities at par with global peers.

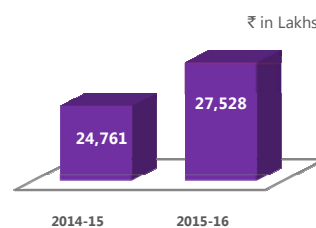


In recent years, there has been a decisive shift, the Indian specialty chemicals industry moving from a generic space to a knowledge based and innovation driven niche. The industry grew from \$ 16 billion in FY 09-10 to \$ 25 billion in FY 13-14 and projected to grow to \$ 44 billion by FY 18-19. The structural foundation of the Indian speciality chemicals sector remains strong, catalysed by a visible increase in the consumption of value added high performance products in all spheres of life. India's position as a manufacturing hub for specialty chemicals strengthened following an increasing shift in manufacturing capacities to Asia, following a weakening in Chinese exports and a sustained improvement in India's competitiveness. Going ahead, the Make in India campaign is set to accelerate sectoral growth by attracting foreign direct investment that validates India's emergence as a leading global speciality chemicals manufacturing location on the back of improvements in infrastructure, regulation, licenses and taxes.

FINANCIAL PERFORMANCE

The Company's continued focus in expanding business in newer horizon's resulted significant growth in operations during the year. The Company has added another year of achievements in its success book. During the year, business delivered a record revenue performance near to ₹28,000 lakhs marks for the first time.

REVENUES

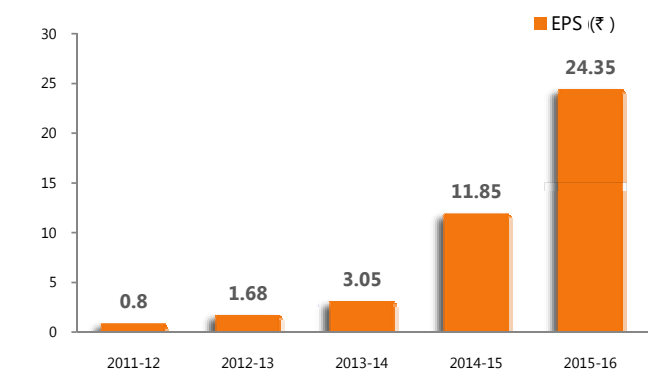
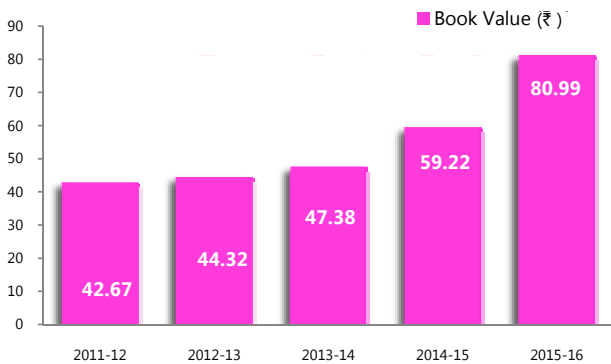
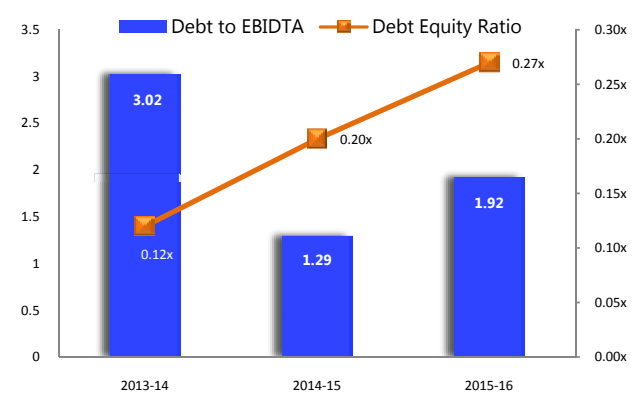
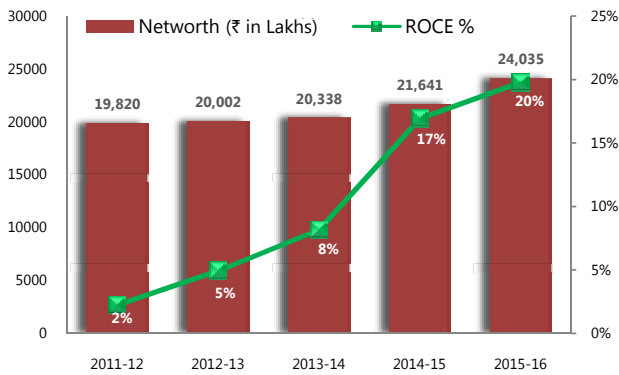
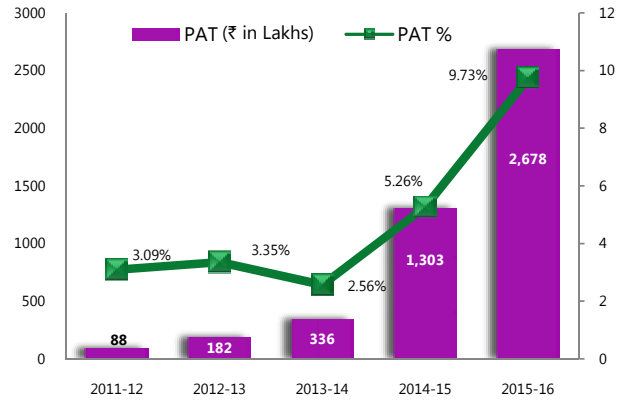
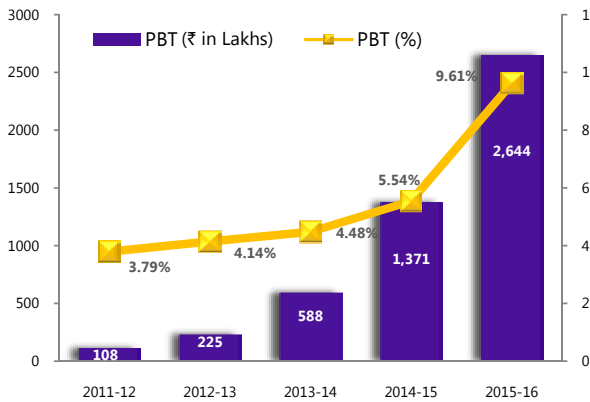
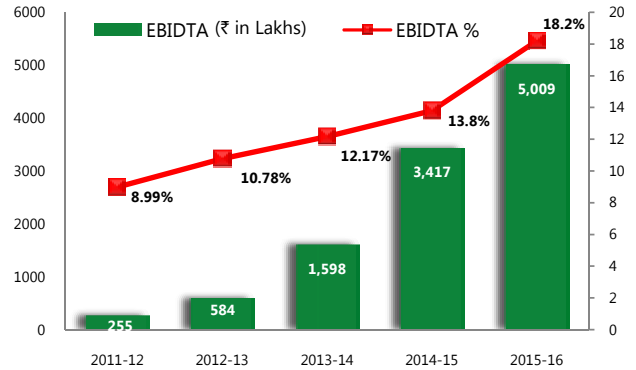
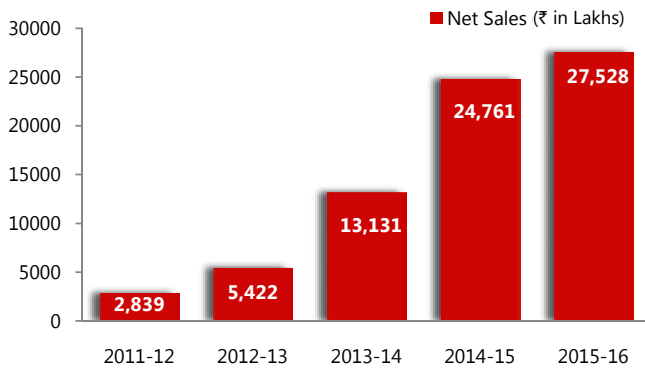


Net Sales during the year was ₹27,528.04 Lakhs as compared to ₹24,761.11 Lakhs in PY, reporting an increase by **11.17%**. The prices of crude oil and related petrochemical intermediates, which form an important source of raw materials for your Company declined significantly over the past one year thereby muting top-line growth. Despite this, overall volume growth stood healthy at 15% driven by balanced growth of almost 5% from the Speciality Chemicals contributing 95% of Revenue, followed by 3.43% in Organic Chemical Intermediates, Pharmaceuticals and Agrochemicals/Inorganic Chemicals finishing the top-line at 1.32% & 0.25% respectively due to the new products launched continued to deliver double digit growth to sharp decline in International Crude Oil prices resulting in disruption of volume off-take by some customers, however the same was set-off as Global prices of crude oil stabilised at albeit lower levels.

₹in Lakhs

	2015-16	2014-15	Change	% Change
Revenue from Operations	27,528.04	24,761.11	2,766.93	11.17

FINANCIAL HIGHLIGHTS



Segment Revenue

For better understanding of Company's business, your Company has classified its business segments based on the respective end use of its products which does not have any financial impact, viz.

Fine & Speciality Chemicals

Revenues from this segment were ₹26,177.73 Lakhs in FY 2015-16, compared to ₹22,559.84 Lakhs in FY 2014-15, contributing 95.09% to total revenue during the year and demonstrating highest momentum in performance as several end-user segments continued to benefit from increased demand thereby professing bright future prospectus for this segment. Due to the differentiation from standardised products, the focus is based on quality of product, long-term relationships, stable and sustainable operations and global best practices for suppliers and customers. The shift towards higher contribution products in the overall product mix and traction from newly introduced products has been instrumental in the strong performance of this segment.

Organic Intermediates

Revenues from this segment end-user were at ₹918.28 Lakhs for the year (PY ₹1,499.98 Lakhs) thereby contributing 3.34% to total revenue during the current year. The lower revenues are due to conscious decision taken by your Company to leverage higher operating capacities for high margin Fine & Speciality Chemicals segment however consolidation in prices of some key raw materials, improved realisations.

Pharmaceutical Intermediates

Revenues from this segment end-user stood at ₹362.95 Lakhs compared to ₹658.57 Lakhs in PY contributing 1.32% to total revenue. The lower revenues are due to conscious decision taken by your Company to leverage higher operating capacities for high margin Fine & Speciality Chemicals segment however consolidation in prices of some key raw materials, improved realisations.

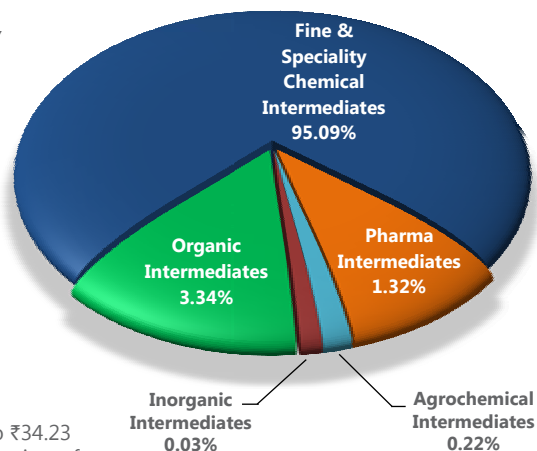
Inorganic Intermediates

Revenues from this segment end-user stood at ₹8.52 Lakhs for FY 16 compared to ₹34.23 Lakhs in PY. The lower revenues from this segment were due to captive consumption of certain products for newly introduced forward integrated products combined with fall in the prices due to over-supply in the market, however the revenue contributed to only 0.03% in the Topline.

Agrochemical Intermediates

Revenues from this segment end-user were at ₹60.57 Lakhs in FY 16 compared to ₹8.49 Lakhs in PY witnessing trajectorial growth due to conscious view taken by your Company to leverage its capacity in this segment by catering to niche Agrochemical industries.

Your Company demonstrated its versatility, adaptability and dynamism by focusing on Fine & Specialty Chemical segment end-users with higher profitability, higher volumes, stable and increasing demand thereby remarkably increasing the Top line and Bottom line growth of your Company, despite falling crude prices correcting input cost resulting in muted top-line due to alignment of sales prices of products.

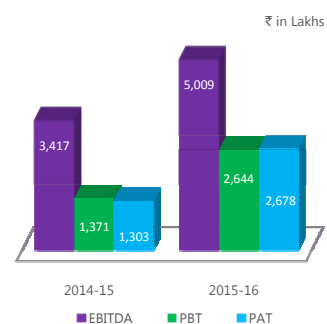


	2015-16	2014-15	Change	% Change
Fine & Speciality Chemical Segment	26,177.73	22,559.84	3,617.89	16.04
Organic Chemical Intermediate Segment	918.28	1,499.98	(581.70)	(38.78)
Inorganic Chemical Intermediate Segment	8.52	34.23	(25.71)	(75.11)
Agrochemical Intermediate Segment	60.57	8.49	52.08	613.43
Pharmaceutical Segment	362.95	658.57	(295.62)	(44.89)

Profitability

EBITDA for FY 2015-16 was higher by **46.60%** at ₹5,009.26 lakhs compared to ₹3,416.88 lakhs in PY. The growth in EBITDA was driven by high value led growth from new products introduced in the Fine & Speciality Chemical segments with improved cost efficiencies and positive impact as a result of de-bottlenecking initiatives. Your Company was able to maintain the spread in key products despite the reduction in selling prices of certain products, namely those that are linked to petrochemical intermediates. A combination of factors including favourable product mix, efficiency gains and better realisations across key products also contributed to better EBITDA performance.

Profit before Tax (PBT) was up **92.86%** at ₹2,644.11 lakhs compared to ₹1,370.97 lakhs in PY. **Profit after Tax (PAT)** was higher by **105.54%** at ₹2,678.34 lakhs in FY 2015-16 compared to ₹1,303.07 lakhs in PY 2014-15. This growth has come about despite significant increase in Interest and Depreciation cost on account of full commissioning of the forward integrated new products. FY 2015-16 was a challenging year for the industry owing to slowdown in emerging markets combined with lower commodity prices, however, your Company was able to maintain its trend of steady growth in profitability and delivered a healthy performance backed by focus on value-added products.

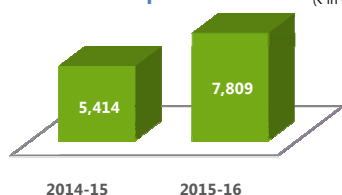


₹ in Lakhs

	2015-16	2014-15	Change	% Change
Earnings before Interest, Depreciation & Tax	5,009.26	3,416.88	1,592.38	46.60
Profit Before Tax	2,644.12	1,370.96	1,273.16	92.87
Profit After Tax	2,678.34	1,303.07	1,375.27	105.54

Reserves & Surplus

(₹ in Lakhs)

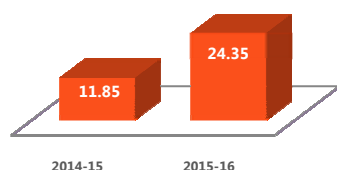


There has been no transfer to the general reserve account during the period under review. Total reserves and surplus increased by 44.28% to reach the level of ₹7,809.10 Lakhs as compared to previous year of ₹5,414.40 Lakhs.

₹ in Lakhs

	2015-16	2014-15	Change	% Change
General Reserves	2,013.53	2,013.53	-	-
Profit & Loss account	5,795.57	3,400.87	2,394.70	70.41
Reserves & Surplus	7,809.10	5,414.40	2,394.70	44.23

Earnings per Share (₹)

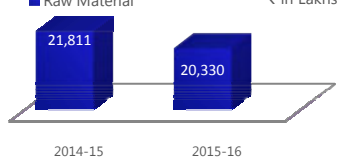


Earnings per Share (EPS) increased to ₹24.35 in FY 2015-16 as compared to ₹11.85 in FY 2014-15. It has showed **105%** growth on Y-o-Y. Your Company initiated a dividend paying track record during the year and the Board of Directors recommended a dividend of ₹1.00 (Rupee One Only) per Equity Share of a Face Value of ₹10/- each.

	2015-16	2014-15	Change	% Change
Earnings Per Share (₹)	24.35	11.85	12.50	105.46

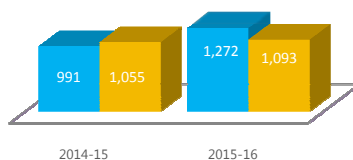
Expenses

₹ in Lakhs



Raw material cost stood at ₹20,330 Lakhs compared to ₹21,811 Lakhs in PY, an decrease of 6.79%, mainly due to decrease in prices of principal inputs related to crude oil prices, however there were no Inventory losses due to efficient Inventory Management and Price correction forecast by your Company.

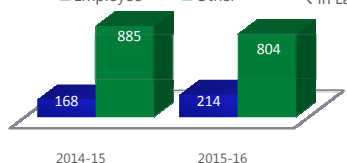
■ Finance ■ Depreciation ₹ in Lakhs



Finance cost was higher at ₹1,272 Lakhs due to post commissioning interest cost against Long Term Loan and Short Term Working Capital Loan availed from Banks & Institutions for Upgradation, modernisation and added capacity of Nitro Chlorobenzene Plants which were commissioned during the year under review.

Depreciation and Amortisation Expenses increased to ₹1,093 Lakhs from ₹1,055 Lakhs (YOY) due to post commissioning Depreciation expense of added capacity of Nitro Chlorobenzene Production Plants which was commissioned during the year.

■ Employee ■ Other ₹ in Lakhs



Employee Benefit Expenses increased to ₹214 Lakhs from ₹168 Lakhs (YOY) due to escalation in annual remuneration and induction of new employees for Forward Integration Products & Added Capacity of Nitro Chlorobenzene Production Plants which were commissioned during previous year.

Your Company has delivered strong and consistent record of revenue and profit growth yet again, demonstrating resilience in the current uncertain environment

₹ in Lakhs

	2015-16	2014-15	Change	% Change
Raw Material Cost	20,330.55	21,810.81	(1,480.26)	(6.79)
Finance Cost	1,271.94	991.04	280.90	28.34
Depreciation & Amortisation Expenses	1,093.21	1,054.87	38.34	3.63
Employee Benefit Expenses	214.18	168.44	45.74	27.16
Other Expenses	804.31	884.87	(80.56)	(9.10)

SWOT ANALYSIS

Although the present per capita consumption in India is very low as compared to other countries, the growing domestic household promises increasing opportunities for growth on the back of increasing disposable income of a growing middle class. Though China at a feverish pace controls the market, its present pricing policy is repellent due to increasingly stringent pollution control policy and measures being strictured by its Government. The brand value 'Made in India' is lead by knowledge, power and vast experience in handling customer demands and is at its brightest spot in the Chemical industry. Challenges of REACH compliance, escalation of Crude Oil prices, fuelling, cascading and spiralling effect of prices of Inputs and Rupee v/s Dollar remain matter of concern. Your Company has adjudicated its SWOT for clutching the Opportunities and extenuating the Threats.

Key Strengths

Leadership & Management Team: Seya is led by a strong and experienced management team with strong fundamental knowledge and keen awareness of the shifts in the industry landscape comprising first generation technocrats all possessing excellence in Chemical Engineering. Your Company has established a record of blockbuster returns with capex execution leading to consistent revenue growth, value-addition and margins expansion. Your management possesses a proven track record in formulating strategies, implementing pioneering technologies and introducing high value high margin products to accelerate the growth momentum by establishing best-in-class global practices which have enabled your Company to enhance stakeholder value while adhering to the code of Responsible Care and ethical values.

Integration & Global Size Plant: Seya's sustained focus on process development, plant automation and high quality benchmarks has made it possible to emerge as one of the highest quality at lowest-cost producers of benzene derivatives in the world. Your Company's integrated facilities with backward and forward cost-efficient processes and diversified downstream applications complemented by competitive, large and integrated supply chains empower your Company to address the growing needs of large global customers. Your Company has the largest installed capacities for its premium high valve and high margin products. Your Company is a global entity in integrated backwards and forwards in its range of chemicals and also across various value chains, enhancing its capability to supply a basket of products and becoming a one-stop source. This has resulted in the fragmentation of competitive risks as very few global players are as integrated and diversified as your Company.

Diversified Product portfolio: Your Company's de-risked portfolio with diverse products addresses different end-user applications across customers and geographies spanning from Agrochemicals, Polymers, Dyes, Pigments, Printing Inks, Pharmaceuticals, Health & Home Care, Oil & Gas, Rubber Chemicals, Flavours & Fragrances, Food Ingredients, Cattle Feed, etc. thereby insulating itself from vagaries in any one product or segment. Your Company supplies products to more than 100 customers. Each Product results in engagements with multiple customers, an effective entry barrier for competition providing flexibility to shift products based on market dynamics, countering demand vagaries and converting process by-products into commercially viable products, enhancing value.

Innovation & Technical Expertise: Innovation is deep-rooted in the DNA of your Company. Seya executes complex and hazardous chemical processes with high success rates by leveraging its experience in indigenous development and capability in developing, managing, storing and handling various types of chemicals in quantities ranging from a few kilos to several tonnes. Your Company's expertise and competence provides customers the comfort that it will undertake these complex processes safely and in a cost competitive manner while adhering to the highest standards of quality has built technological capabilities through know-how transfer, resulting in

several differentiated processes/ chemistries. The enriching product mix combined with scale has enhanced the earning efficiency.

Quality, Safety, Sustainability: Your Company practices the most stringent global environment, health and safety standards, ensuring optimal productivity and business sustainability. Seya has been REACH-compliant and emphasizes on Reduce-Reuse-Recover principles across its manufacturing site following the highest SHE (Safety, Health & Environment) standards. Your Company is looked upon as a benchmark and standard of Quality. Your company has revolutionized Quality of all the Products it manufactures to standard which can be matched by none and commands premium pricing for all its products.

Key Opportunities

Make in India – Geographical shift: India has recently developed into an important manufacturing hub for Speciality Chemicals on account of superior compliance with environmental norms, increasing competitiveness and decline in Chinese competitiveness. India is poised to capitalize growing opportunities in the export of speciality chemicals with increasingly stringent compliance to environment norms in China which has affected global supply enabling Indian producers with large capacities, international quality compliance and environment standards to benefit. Maturing of the Chinese economy has increased labour and other Costs in China with incremental compliances necessitating additional investments in effluent treatment thereby enhancing costs and impacting capacity utilization assessed by increased competitiveness of Rupee v/s. Chinese Yuan widening the Indian fosse. Amidst this the Government's ambitious 'Make in India' initiative has given tremendous boost to the Indian manufacturing sector attracting capital, technological investment and totting impetus to the emergence of India as a manufacturing hub for the chemical industry. Your Company driven by extensive product and process innovation, a significant differentiator over the commoditized Indian chemical industry. With strong technical expertise, high Safety, Health & Environment standards as well as deep customer relationships, it remain at the forefront to make significant headway in high value chemicals strengthening product mix and scale resultantly driving earnings efficiency.

Large addressable market: To address the country's large and dispersed end-user market, companies have to start adopting a key-account strategy for large customers and partnership with other companies to build distribution networks across geographies. Companies have realized the importance of having a strong vendor base and partnership arrangements with cost effective local companies to achieve a leadership position.

India as an R&D hub for specialty chemicals: Large MNCs have started tapping the India's cost advantage by investing in production for exports and also moving some of their R&D work to India. There is a large untapped potential in this space.

Opportunities for local customization: A key success factor in the Indian specialty chemical market is the local customization. Many customers are willing to sacrifice on some of the product attributes for a lower product price. These offerings can also be expanded to other Asian markets.

Key Challenges

Regulatory and environment: While chemical industry addresses growing need for materials required by different sectors, the industry employs highly complex manufacturing process that often involves handling of toxic and hazardous chemicals. The process being energy intensive, the importance of safety, health, security and environmental protection cannot be underestimated. The export performance of specialty chemicals so far has been good. European and developed markets have progressively tightened their import regulations citing environmental concerns and protection of domestic manufacturers. The most impactful regulation from an Indian perspective has been the European Union's REACH (Registration, Evaluation, Authorization

and Restriction of Chemicals) which addresses the production and use of chemicals and their potential impact on human health and environment. The substantial impact of REACH will come into effect from June 2018 that will regulate any chemical supplied to EU. REACH increases the safety, health and environmental compliance of chemical manufacturers supplying to EU, affecting underlying process costs. In a scenario where a number of Indian companies are likely to find this transition challenging, Seya has been REACH-complaint since its inception by adhering to highest standards of SHE (safety, Health & Environment).

Non-availability of Alternate Energy Sources: Chemicals manufacturing Industry consistently requires high amount of energy in production processes through conventional fuels like coal, furnace oil, etc. for generation of power or as a heat energy source. Use of non-conventional energy like wind power, solar power or natural gas becomes unfeasible as these alternate fuels have shortcomings like lack of reliability of continual supply, inability to generate energy in large quantity, sizeable capital expenditure, availability at higher costs, etc. However your Company has implemented state-of-art Energy Management Systems and continues to focus sharply on improving Utility efficiencies at its facilities along with widening its scope of Green Chemistry.

Volatility in Raw Materials Prices: Volatility in the global prices of raw materials is the foremost challenges faced by the chemical industry which can be well mitigated due to the time lag before price hikes or cost revision enabling the same to be passed on to customers. While your Company has enhanced inventory management procedure, it periodically reviews prices with suppliers, which remains as an inherent weakness in the industry. Sharp corrections in the crude oil prices aligns prices of various raw materials procured by the Company which influence topline even as they have a limited impact on profitability due to adoption of a cost plus pricing model for all its products. While the topline remains elastic to raw material price movements, enhanced volumes and superior product mix drive the profit capturing the essence of your Company's value chain.

STRATEGIES FOR GROWTH

SEYA has envisaged its growth path, by a clear and defined vision to:

- Invest locally with Scale and Size matching global norms and adopt cutting edge technology (developed or acquired)
- Secure Feedstock and Technology
- Become a coveted employer - Attract and Retain talent

- Establish a targeted innovation platform, Invest more in R&D
- Create a positive, consumer & environment friendly image

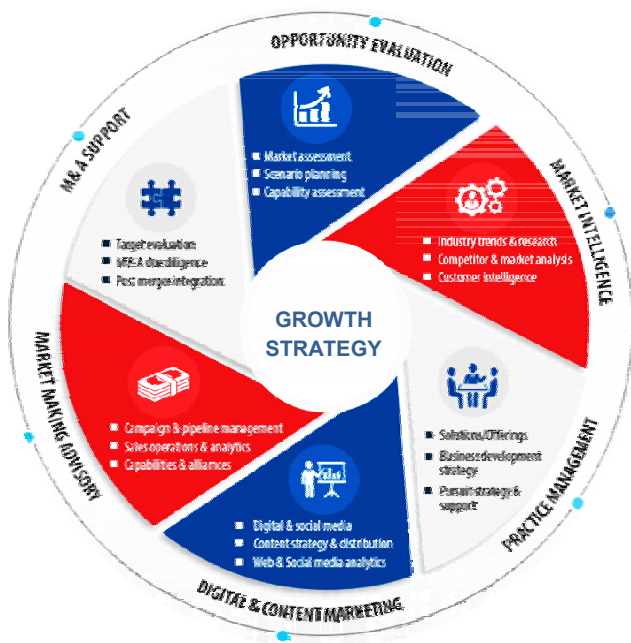
Your Company is addressing cost issues of raw materials and its price volatility and high energy costs which shall result in reduction in energy and fixed costs, yield better cash flows and aid in debt reduction, all of which will result in long-term value creation for its stakeholders. Cash generation through operational excellence and to realize the synergies of being a fully integrated facility shall drive efficiencies and effectiveness in transitioning to value-added products. To meet the increasing demand last year your Company had announced setting-up of a Greenfield project to be self-reliant for most of its Raw materials, Reduce Cost of Energy, Diversify into Specialised High Value & High Margin products, Value addition to By-Products by reusing the same for manufacturing of high margin products and expansion in capacity of its captive use products. With a Capital Outlay of ₹73,458 Lakhs and having so far incurred ₹31,533 Lakhs, this phase of expansion shall phoenix up the Bottom and Top-line of the Company and shall make it achieve leading and dominant position in Speciality Chemicals globally for all its products. The Project entails:

- Expansion of Intermediate Product for downstream consumption
- Backward Integration into manufacture of Bulk Raw Material so as to reduce Raw material & Logistics Cost and Environmental Hazard
- Recovery of Waste Heat and Recycle/Reuse of By-products so as to reduce Cost of: Materials, Energy and Effluent treatment
- Forward Integration & Diversification into high value & high margin Speciality Chemicals based on existing product mix which are having high demand and growth potential considering their application in end-user industries to achieve better integration in the existing value chain through established market network and customer base
- Captive consumption of 50% of products proposed to be manufactured
- Setting-up of Captive & Cogen Power plants based on Waste Heat Recovery Systems.

The recently introduced forward integrated products in the Fine and Speciality chemicals are expected to report good volumes. Increasing utilisation of these newly launched products will further propel volume growth and profitability. Going forward, your Company foresees stronger customer relations, higher efficiencies and robust growth in Fine & Speciality Chemicals end-user segment.

INTERNAL CONTROL SYSTEMS & ITS ADEQUACY

The Company has robust systems for internal audit, risk assessment and mitigation and well-established internal control and risk management processes both at the business and operational levels. The Internal Auditor reports directly to the Chairman of the Audit & Risk Management Committee of the Board of Directors, which ensures process independence. Internal audit function plays a key role in providing to both the operating management and to the Audit & Risk management Committee of the Board, an objective is to view and reassurance of the overall control systems and effectiveness of the risk management processes across the Company. Internal Audit also assesses opportunities for improvement in business processes, systems and controls and provides recommendations designed to add value to the operations. The scope and authority of the Internal Audit Department is derived from the Audit Charter approved by the Audit Committee. Internal Audits with respect to financial and compliance matters are performed by an Internal Auditor and operational level internal audit is performed by the in house team of managers, engineers and project and production team. The internal audit department which operates on a decentralised basis continuously monitors the adequacy and effectiveness of the internal control environment across the Company and the status of compliance

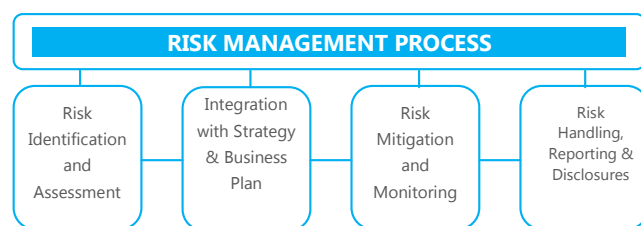


RISK MANAGEMENT

Managing Risk is an integral part of Seya’s business. The Company operates a structured and continuous process of identifying, analysing, responding and mitigating the risk events that have the potential to generate adverse effect on the achievements of organisational objectives. This section discusses various dimensions of our enterprise risk management and is not exhaustive and is for information purpose only. Our business model is subject to uncertainties that could cause actual results to differ materially from those reflected in the forward looking statements. The overall approach to Risk Management at Seya is based on the following principles:

- Aims at value creation and protection
- An integral part of processes and decision making
- Addresses uncertainties explicitly
- Is structured, dynamic and responsive to change

Risk Categories & Mitigants



RISK MANAGEMENT POLICY

Governance Structure

The Policy has been approved by Board and the implementation of the Policy is reviewed at various levels. Audit & Risk Management Committee reviews the aggregated risks and proposed mitigants across Seya at aperiodic frequency.

Execution

The execution of Risk management across Seya is carried out by various Risk Owners. The Risk owner is responsible for creation of appropriate Risk assessment methodologies, risk mitigation plan and policies.

Risk Identification

To ensure that Risk is considered in every decision taken across Seya, efforts are being made to train and sensitise the whole organisation on various risks Seya exposed to.

The following broad categories of risks have been considered in the risk management framework:

- **Strategic Risk**
It includes the range of external events and trends (like government policies that can adversely impact the Company’s strategic growth trajectory and destroy stakeholder value.

Mitigant

The applicable regulatory framework is continuously tracked by various teams within Seya. Appropriate action as necessary is being undertaken to ensure compliance with all regulatory requirements.

- **Operational Risk**

These are those risks which are associated with operational uncertainties like failure in critical equipment, attrition etc.

Mitigant

Hazop Study and Safety studies for Process risks are carried out at regular intervals through EHS initiatives and dedicated committee formed for Managing process related hazards and safety

- **Financial Risk**

This covers financial risk facing the organisation in terms of internal systems, planning & funding.

Mitigant

Apart from detailed review across levels and functions an independent risk team evaluates all deals before the approval

- **Reputational Risk**

Seya is expected to maintain global quality standards in manufacturing. Any deviation with regards to quality compliance of products would impact the Consumers and hence adversely affect the Company’s performance.

Mitigant

Dedicated quality control and assurance team actively monitors the adherence to prescribed quality standards. Most stringent Quality Control and Quality Management systems are in place and reviewed periodically.

HUMAN RESOURCES

Seya’s talent base, as on March 31, 2016 stands at 103. With a view to equip the Company to address the business challenges of a dynamic economic environment, the HR function focused on retaining and attracting suitable talent, enhancing the technical / behavioural skills of employees and optimising employee costs. Learning and Development has been prioritized as a means of expanding the knowledge base of employees, which is seen as a key driver of growth. Taken together, these initiatives and processes are making a positive impact on talent attraction, retention and commitment.

Managing the human asset for an Organization is a strategy that helps build the resources for a robust future. A ready second line of leadership; a highly engaged workforce; low manpower turnovers are few of the multiple gambits handled by the Human Resources Team. We hire high-caliber professionals to augment the current team to lead teams into the future, by building the base cadres, as well as, through induction of experienced professionals into senior leadership positions. Leadership development is considered as an essential requirement to Talent Management. The important aspect of building leadership is through alignment with the strategic learning and development agenda. Keeping the above in mind, there is an increasing focus on Strategic Leadership Planning to create a leadership and talent pipeline for the next 3 years for future readiness. We therefore focus on identifying the strengths of individuals and leverage them by providing relevant trainings and a successful career path. The strategy of leadership development has ensured that each of our businesses is managed by a team of competent, passionate and inspiring leaders.

A productive and innovative workplace has been and will continue to remain a key requirement for successful business performance in the Company’s perspective. Therefore, there is huge emphasis on Senior Leadership commitment for Human Resource Development practices that seek and nurture employee participation and involvement in managing the shop floor by strengthening the employee engagement initiatives. Innovation is at the core of our business and at the very heart of everything that we do, be it in research, operations and this is true for HR as well. It is in the DNA of SEYA where employees are empowered with the ability to bring new ideas to the table. The Company believes in the conduct of affairs of the Company in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. With this aim, the Company has introduced the “Whistle Blower Policy/ Vigil Mechanism” for Directors and Associates to report genuine

concerns or grievances of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The main objective of the policy is to build and strengthen a culture of transparency and trust within the organisation. As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act'), the Company has constituted Internal Complaints Committees (ICC) across all the locations which are responsible for redressal of complaints related to sexual harassment at respective locations. The objective of the Policy is to create and provide a work environment that is safer, civilized, free from any sort of hostility, supportive to the diversity & dignity of all Associates, where Associates feel secure at the workplace on the basis of natural justice and confidentiality.

COMPANY OUTLOOK

The sharp fall in crude oil prices during 2015-16 triggered a massive correction in petrochemicals and intermediate prices with users drawing on stocks. This coupled with reduction in global demand occasioned adverse global environment. Notwithstanding subsisting constraints of difficult market conditions, the current year should end on a positive note since the demand in the Speciality Chemicals is largely driven by domestic market considering the low per capita consumption ratio and increase in discretionary spending. Comparative low labour costs, excellent army of technical manpower, capabilities to research and develop facilities, potential to increase share in undeveloped domestic and global markets shall empower Speciality Chemicals growth. Your company has geared itself for growth even in the backdrop of leaden markets by leveraging its low cost, fully integrated and automated manufacturing facilities with improved service skills though fluctuations in foreign exchange and crude oil prices may impact sales realisation however the operating profit margins shall continue to grow. Considering the overwhelming response of your company's participation in Chemspec Europe 2016, your company has strategized to set up of Sales office in Europe and North America to further propel its momentous growth by i) broadening its market reach in new geographies, ii) increasing its manufacturing and working capital efficiencies and iii) introducing new products.

Your company is in the business of manufacture of Specialty Chemicals which have applications in end user segments like Computer Printing Inks, Pigments & Paints, Pharmaceuticals, Personal & Health Care

Products, Agrochemicals, Insecticides/Pesticides, Organic Chemical Intermediates, Rubber chemicals, Textile dyes, Thermic fluids, etc. The products proposed to be manufactured by the Company are falling under the category of Speciality Chemicals which have good demand and market potential in both domestic and International markets, with demand in domestic market expected to follow an accelerated growth path considering that the present capita consumption is only 40% of International standards. Moreover, after the REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) regulation imposed by European Countries and stringent Pollution Control norms being recently implemented in China, costs of handling effluents have increased resulting in relocation of manufacturing operations by large number of companies to India. Due to greater use of polyester and cotton-based fabrics, there has been a shift towards reactive dyes used in cotton-based fabrics and disperse dyes used in polyester, hence the demand is expected to grow with textile industry being the largest consumer; however substantial growth will also be driven by markets such as printing inks, paints and plastics considering increasing use of these products in recent times.

Compliance with global regulations and India's manufacturing competitiveness has helped the Speciality Chemicals market to grow significantly especially with focus & initiatives taken by the Indian Govt. to increase the share of manufacturing in GDP from 16% to 25% by 2022 and that the demand be met through domestic production by increased use of Technology & Innovation available in India through large pool of Technical man-power as well as scientists and researchers. Several initiatives have been taken by the Indian Govt. to support the growth of Specialty chemicals; However the execution of these initiatives is likely to define the rate of growth of Specialty Chemicals market.

Cautionary Statement

The report contains forward-looking statements, identified by words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' and so on. All statements that address expectations or projections about the future, but not limited to the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realised. The Company's actual results, performance or achievements could thus differ from those projected in any forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events.

DIRECTOR'S REPORT

Dear Members

We are delighted to present the 26th Annual Report and the Audited Financial statements for the financial Year Ended March 31, 2016

Financial Performance

Financial Results	Year Ended 31-Mar-16	Year Ended 31-Mar-15
Total Revenue	27,711.79	24,831.45
Profit Before Interest, Depreciation and Exceptional items (EBIDTA)	5,009.27	3,416.88
Depreciation and Amortization	1,093.21	1,054.87
Finance Cost	1,271.94	991.04
Profit Before Tax	2,644.12	1,370.97
Tax	(34.23)	67.90
Profit After Tax	2,678.35	1,303.07
Earnings per Share (₹)	24.35	11.85
Book Value per share (₹)	80.99	59.22

₹ in Lakhs

Your Company has complemented its Silver Jubilee celebrations by commensurate Silver Jubilee Performance!! Competing and surpassing its own performance with determination to achieve its vision of being a Global Leader in manufacturing of Speciality Chemicals the Silver Jubilee year was felicitated by All-time-high share price of ₹157.50 at BSE with a blockbuster 106% increase in Profit after Tax.

Your Company has delivered a strong performance with steady growth in profitability while recording progress on several strategic initiatives, including expansion plans even amidst extremely challenging backdrop for the chemical industry in wake of sharp decline in the global crude oil prices and related petrochemical intermediates and slow recovery in key emerging Markets.

Your Company clocked double-digit growth of 11% (YOY) in revenues which stood at ₹27,712 Lakhs compared to PY ₹24,831 Lakhs trajected by volume growth of 15% despite decline in crude oil prices and related petrochemical intermediates, considerably reducing realisation of all products. Amplified operating margins and strong growth in volumes was equipoised by lower realisation steering to temperate growth in absolute revenues Modernisation and Upgradation initiatives taken by your Company to improve operating efficiency, abetted 47% growth in Earnings (Profit) Before Interest, Depreciation, Tax & Amortisation (EBIDTA) to ₹5,009 Lakhs from ₹3,417 Lakhs (PY). The traction from newly introduced products has been instrumental in healthy trajectory in the Speciality Chemicals segment resulting in commendable growth in volumes and higher contribution in the overall product mix. Export markets supported the momentum with procurement of high volumes on the back of high visibility thereby maintaining the spread.

Profit Before Tax stood at ₹2,644 Lakhs whereas Profit after Tax was at ₹2,678 Lakhs, up 93% and 106% respectively (YOY) breaking the ground of reduced realisations on account of lowering of crude oil prices and contributing to whopping Earnings Per Share at ₹24.35 on enhance capital compared to ₹11.85 per Share (PY).

Dividend

Your Directors are please to recommend a dividend of ₹1 per share (10%) on the Ordinary Shares of the Company amounting to ₹132.39 Lakhs, including Dividend Tax. The Dividend payment is subject to approval of members at the ensuing Annual General Meeting.

Share Capital

During the period under review the Company has issued and allotted unlisted Non-Convertible Redeemable Preference Shares in accordance with the provisions of Section 42, 55, 62 of the Companies Act, 2013 ("the Act").

Management Discussion & Analysis and Corporate Governance Reports

Pursuant to Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Management Discussion & Analysis and the Corporate Governance Report are presented in a separate section forming part of the Annual Report.

Capacity Expansion, New Projects & Diversification

During the year in retrospect your company has undertaken modernisation and upgradation Project of its Nitro Chlorobenzene manufacturing plant at a Capital outlay of ₹6,552 Lakhs which has resulted in Increase in Raw material efficiency, Improvement product quality, Reduction in Utilities consumption, Increase in ease of operation and moreover increase in Capacity of Nitro Chlorobenzenes from 15000 TPA to 33000 TPA. This expansion will further enhance the profitability by contributing to the Top & Bottom line.

Last year your Company had announced setting-up of a Greenfield project to be self-reliant for most of its Raw materials, Reduce Cost of Energy, Diversify into Specialised High Value & High Margin products, Value addition to By-Products by reusing the same for manufacturing of high margin products and expansion in capacity of its captive use products. With a Capital Outlay of ₹73,458 Lakhs and having so far incurred ₹31,533 Lakhs, this phase of expansion shall phoenix up the Bottom and Top-line of the Company and shall make it achieve leading and dominant position in Speciality Chemicals globally for all its products.

Credit Rating

Credit Rating agencies have upgraded the ratings to A- (A Minus) ratings for the long term loan facilities availed by the company and A2 for short-term facilities enjoyed by the Company.

Finance

Your Company obeys to austere guiding principles to efficiently manage its working capital level and maintain its debt at a reasonable level. The long term debt of your Company increased during the year due to borrowing of Long Term Loans for Upgradation, Modernisation and Set-up of additional facility of Nitro Chlorobenzenes, expanding your Company's footprint from 15000 TPA to 33000 TPA which resulted in modest increase in Interest cost on additional term borrowings. Depreciation increased due to capitalisation of the Continuous Nitration facility, despite this your Company's enhanced financials have tractioned advancement of financial parameters. Your Company

endures its emphasis to effectively manage its cash flows through prudent regulators to reduce the overall interest costs. Robust Cash flow, Repayment of Term loan and Effective management of working capital have leveraged Debt/Equity ratio at 0.40x with a Net Debt/EBITDA of 1.92x, propounding much more financial flexibility for Upcoming Projects.

Reserves & Surplus

The Reserves, at the beginning of the year were ₹5,414 Lakhs and the Reserves at the end of the year are ₹7,809 Lakhs. During the period under review no amount is transferred to General Reserves.

Deposits

The Company has neither accepted nor renewed any deposits during the year under review. The Company does not have any deposits which are not in compliance with the requirements of Chapter V of the Act.

IT Initiatives

The Company's Information Technology (IT) infrastructure is continuously reviewed and renewed in line with the development in technology and its requirements.

Directors and Key Managerial Personnel

Directors

In Accordance with the provision of the Act and the Articles of Association of the Company, Mr. Asit Kumar Bhowmik is liable to retire by rotation and being eligible offered himself for reappointment.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Section 149(6) of the Act and Regulation 16 of the Listing Regulations. In the opinion of the Board, they fulfil the conditions of independence as specified in the Act, and the Rules framed there under and are independent of the management.

The brief resume and other details relating to the Director who is proposed to be appointed / re-appointed as required to be disclosed under Regulation 36(3) of Listing Regulations is mentioned in the explanatory Statement annexed to the Notice of 26th Annual General Meeting.

Key Managerial Personnel (KMP)

Mr. Ashok G Rajani, Managing Director and Ms. Manisha Solanki, Company Secretary are the KMP as per the definition under Section 2(51) and Section 203 of the Act.

Performance evaluation of Board, its committees and of Director's

The Board recognise the Importance of reviewing and improving upon its performance. For this purpose they discuss the effectiveness of the functioning of the Chairman, Executive Directors, and other Directors and to agree ways in which performance can be further improved looking at the likely needs in future.

A structured questionnaire was prepared after taking into consideration, various aspect of the Board's functioning, composition of the Board and its committees, culture, execution and performance of specific duties, obligation and governance.

The Performance evaluation of the Chairman and Non-independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with evaluation process of Board.

Familiarization Programme for Independent Directors

The Company proactively keeps its Directors informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the industries.

The Details of programmes for familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company and related matters are put up on the website of the Company under the link http://www.seya.in/wp-content/uploads/2011/06/Familiarization-Program_for-Independent-Directors-Seya.pdf

Governance Guidelines

The Company has adopted governance guidelines on Board effectiveness. The governance guidelines cover aspects related to composition and role of the Board, Chairman and Directors, Board diversity, definition of independence, Directors' term, retirement age and committees of the Board. It also covers aspects relating to nomination, appointment, induction and development of Directors, Director Remuneration, Code of Conduct, Board Effectiveness Review and mandates of Board committees.

Procedure for Nomination and Appointment of Directors

The Nomination and Remuneration (NRC) is responsible for developing competency requirements for the Board based on the industry and strategy of the Company. The Board composition analysis reflects in-depth understanding of the Company, including its strategies, environment, operations, financial conditions and compliance requirements.

NRC conducts a gap analysis to refresh the Board on a periodic basis, including each time a Director's appointment or re-appointment is required. The Committee is also responsible for reviewing the profiles of potential candidates vis-à-vis the required competencies and meeting potential candidates, prior to making recommendations of their nomination to the Board. At the time of appointment, specific requirements for the position, including expert knowledge expected, is communicated to the appointee.

Policy on Directors' Appointment and Remuneration Including criteria for determining Qualifications, Positive Attributes and Independence of a director

The Company has in place Remuneration Policy for the Directors, KMP and other employees pursuant to the provisions of the Act and the Listing Regulations which is set out in Annexure I which forms part of the Board' Report.

Meetings of the Board

The details of the number of meetings of the Board of Directors held during the Financial Year 2015-16 forms part of the Corporate Governance Report.

Employee Stock Option

The Company has not issued any Employee Stock Options during the period under review.

Directors' Responsibility Statement

Based on framework of the internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost and secretarial auditors and external consultant(s) including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by Management and the relevant Board Committees, including the Audit & Risk Management Committee, the Board is of the Opinion that the Company's internal financial controls were adequate and effective during the financial year 2015-16. Accordingly, pursuant to Section 134(5) of the Act, the Board of Directors, based on the representations received from the Operating Management and to the best of their knowledge and ability, confirms that:

- a. in the preparation of the Annual accounts for the financial year ended March 31, 2016, the applicable accounting standards have been followed and that there are no material departures;
- b. they have, in selection of the accounting policies, consulted the Statutory Auditors and have applied their recommendations consistently and made judgements and estimates that are

reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profit of the Company for the year ended on that date;

- c. they have taken proper and sufficient care to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared annual accounts on a 'going concern basis.'
- e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f. proper system has been devised to ensure compliance with provisions of all applicable laws and that such systems are adequate and operating effectively.

Contracts & Arrangements with Related Parties

All related party transactions entered into were on an arm's length basis and in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Regulations. Further, there were no transactions with related parties which qualifies as material transactions under the Listing Regulations. The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on company's website at the link <http://www.seya.in/wp-content/uploads/2011/06/Related-Party-Transactions-Policy-Seya.pdf>

The details of the transactions with related parties are provided in the accompanying financial statements.

Corporate Social Responsibility (CSR)

The CSR Committee has formulated and recommended to the Board, a CSR Policy indicating the activities to be undertaken by the Company as approved by the Board.

The CSR activities are being undertaken by your Company through various Implementing agency with area specific need and focus to reach out to marginalised and deprived section of the society and bridge the gap between the haves and have nots by promotion of building health, livelihood and education. The interventions of some implementing agency were spread across India while some concentrated in the state of Andhra Pradesh. During FY 2015-16, your Company has spent ₹15.66 Lacs on CSR activities, against the requirement of ₹14.55 Lacs, being 2% of average of the net profits for the preceding three years.

The Company's overall CSR initiative focuses on the following sectors and issues:

- Poverty alleviation, livelihood enhancement and infrastructure support, including programs on agriculture growth animal husbandry development and promotion of social enterprises.
- Education and vocational skill development
- Environment sustainability by investing in bio-diversity, natural resource management, awareness and environment education, and mitigation of climate change impact.
- Health Care, nutrition, sanitation and safe drinking water.
- Women empowerment
- Responding to any disasters, depending upon where they occur and its ability to respond to meaningfully.

The CSR Policy is available on the Company's website. The Annual Report on CSR activities is enclosed as Annexure - II

Material changes and commitments, if any, affecting the financial position of the Company

No material changes and commitments affecting the financial Position of the Company occurred between the end of the financial year to which this financial statement relates and on the date of this report.

Significant and material orders

No significant and material orders were passed by the Regulators / Courts / Tribunals, impacting the Company's going concern status and future Operations.

Internal Financial Control

Internal Financial control systems of the Company are commensurate with its size and the nature of its operations, these have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable accounting standards and relevant status, safeguarding assets from unauthorised use, executing transactions with proper authorisation ensuring compliance of corporate policies. The Company has well defined delegation of power with authority limits for approving revenue as well as expenditure, both capital and revenue.

The Company's internal audit function monitors and assesses the adequacy and effectiveness of the internal financial control. The Audit Committee deliberated with the members of management, considered the systems as laid down and met the internal auditors and statutory auditors to ascertain, inter alia, their views on the internal financial control systems. The Audit Committee has satisfied itself of the adequacy and effectiveness of the internal financial control system as laid down and kept the Board of Directors informed.

Auditors

Statutory Auditors

M/s. Jagiwala and Co., Chartered Accountants, Mumbai, Statutory Auditor of the Company, holds office till the conclusion of the ensuing Annual General Meeting and being eligible, are recommended for re-appointment on the terms and conditions recommended by the Audit and Risk Management Committee to the Board of Directors. Pursuant to the provisions of Section 139 of the Act and the Rules framed thereunder, it is proposed to appoint M/s. Jagiwala And Co. as the statutory auditors of the Company from the conclusion of forthcoming AGM till the conclusion of 27th AGM to examine and audit the accounts of the Company for the financial year 2016.

Further, the Report of the Statutory Auditors along with notes to schedules is enclosed to this Report. The observations made in the Auditor's Report are self-explanatory and therefore do not call for any further comments.

Cost Auditors

The Board has appointed M/s. Hemant Shah & Associates, Cost Accountants as the Cost Auditor for the Financial Year 2015-16. M/s. Hemant Shah & Associates, have been appointed as Cost Auditor of the Company for the Financial Year 2016-17 and approval of members is being sought for ratification of their remuneration.

Secretarial auditor

In terms of Section 204 of the Act and Rules made there under, M/s. Dipali Kapadia & Associates, Practising Company Secretary have been appointed as Secretarial Auditor of the Company. The Report of the Secretarial Auditors is enclosed as Annexure - III to this report. With Respect to comment on CFO, your Directors would like to place on record that the Board had appointed one candidate as CFO, however, before company could assess his skills and knowledge, he left the organisation due to some personal reasons. This is crucial position which requires proper due diligence before appointing anyone on this position, there has been a delay in appointing CFO. Interviews are in process and the Company shall appoint CFO very soon. At present, responsibility of CFO is carried out by the Managing Director of the Company.

Audit & Risk Management Committee

The Company has an Audit & Risk Management committee comprising Mr. Anand Taggarsi, Mr. Ashok G Rajani, and Ms. Kalpana

Tirpude. The Board has accepted the recommendations made by the Audit & Risk Management Committee from time to time.

Risk Management

Risk management policy of the Company promotes a proactive approach in reporting, evaluating and resolving risks associated with the business. Mechanisms for identification and prioritisation of risks include risk survey, business risk environment scanning, and inputs from the Materiality Assessment Report and focused discussions in Risk Management workshops.

Identified risks are used as one of the key inputs for the development of strategy and business plan. The respective risk owner selects a series of actions to align risks with the Company's risk appetite and risk tolerance levels to reduce the potential impact of the risk should it occur and/or to reduce the expected frequency of its occurrence.

Mitigation plans are finalised, owners are identified and progress of mitigation actions are monitored and reviewed. The risk assessment update is provided to the Audit & Risk Management Committee (ARMC) on periodical basis. ARMC is appointed by the Board and comprises Directors and executives from the Company and is chaired by an Independent Director. ARMC assists the Board of Directors in overseeing the Company's risk management processes and controls.

Whistle Blower Policy and Vigil Mechanism

In accordance with the provisions of Section 177 (9) of the Act, and Regulation 22 of the Listing Regulations, your Company has a vigil mechanism which has been adopted in the form of Whistle Blower Policy. The policy has been formulated with a view to provide a mechanism for Directors and employees of the Company to report genuine concerns. The Whistle Blower Policy also provides for adequate safeguards against victimization of persons who use vigil mechanism and for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. The Whistle Blower Policy is uploaded on the website of Company i.e. www.seya.in

Share Registrar and Transfer Agents

The Company's Registrar & Transfer agents for shares are M/s. Universal Capital Securities Private Limited (RTA). RTA is duly registered with SEBI. The contact details of RTA are mentioned in the Report of Corporate Governance.

Investors are requested to address their queries, if any, to RTA; however in case of difficulties, as always, they are welcome to contact the Company's Investor Services Department, the contact particulars of which are contained in the Report of Corporate Governance.

Consolidated Financial Statements

There being no subsidiaries and associates companies, disclosure requirements pursuant to Regulation 33 & 34 of the Listing Regulation are not applicable.

Subsidiaries / Joint Ventures / Associate Companies

As on March 31, 2016, the Company did not have any subsidiary, joint venture or associate company. Since the Company doesn't have any subsidiary, a policy on material subsidiary has not been formulated.

Particulars of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013, during FY 2015-16

During the period under review, the Company has not given any loans, guarantees or Made investments under Section 186 of the Companies Act, 2013.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The Particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be

disclosed pursuant to the provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014, are provided in Annexure – IV to this Report.

Research and Development

The Company recognizes the need to have well equipped R&D facilities to meet customer requirements and developing cutting edge products. Detailed report on Research and Development carried out by your Companies given as an Annexure IV of this report.

Human Resources Management

Your company considers human resources as the main assets of the Company. Your company continuously focus on training requirements of its employee on a continuing basis. With a view to increase the productivity, the management periodically organises various training programmes and lectures which boosts and motivates the employee to give their best to the organisation.

During the year under review, your Company's industrial relations at all manufacturing and other locations have remained amicable. All these efforts are concentrated on attracting and retaining the best talent in the industry as people are at the centre of your Company's growth.

Particulars of Employees

The Information required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 are given as Annexure V to this Report.

None of the Company's Employees were covered by the disclosure requirement pursuant to the provisions of Section 197 of the Companies Act, 2013 read with Rules 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Statement of Company's Affairs

The statement of Company's affairs is given under the heading 'Five Years Glory' and various other headings in this Report and in the Management Discussion and Analysis Report annexed to the Directors' Report.

Insurance

All the insurable interests of your Company including inventories, buildings, plant and machinery are adequately insured against risk of fire and other risks.

Environment, Health and Safety

Employee's Health, Safety and Environmental protection are core business values within your Company. The Company's Management believes that environment and safety of all its stakeholders including those who associated with the projects sites and manufacturing facilities is of prime importance. We believe that it's our responsibility to protect its employees, property and environment in which it operates. As your Company deals in Chemicals, it has to make sure that the highest degree of safety measures is maintained in order to avoid any risk at the workplace. It strives towards excellence and align its growth path to make tomorrow safer, cleaner, greener and more sustainable. Your Company is committed to maintain its operations and workplace free from incidents and significant risk to the health and safety of its stake holders through improved engineering practices, strong channels of communication, safety awareness, robust checking systems and sound training practices. Your Company has well-equipped Occupational Health Centers at all its manufacturing locations to monitor health of employees on regular basis. It also monitors employees for any indications of lifestyle or work-style related diseases and provides counselling. Your Company regularly monitors the occupational health of employees working in designated hazardous areas with respect to exposure to hazardous chemicals and processes.

The employees are continuously educated and trained to improve

their awareness and skills. Environment, Health and Safety (EHS) targets assigned to each division to reduce resource consumption and are regularly monitored through an EHS scorecard which is reviewed at monthly business review meetings. All the manufacturing locations of your Company have a well-defined Environment Management System. It follows well mapped procedure in order to select projects, assess impacts on society and environment and mitigate any adverse impacts. EHS initiatives have been strengthened further due to formation of a core group for exchange of knowledge and standardising of systems and procedures. This core group also assess the Plants' Safety and Environment protection improvement activities. Periodic audits were conducted by the core group to ensure compliance with the statutory requirements.

Special emphasis is given on resource conservation and process innovations to convert waste streams into saleable products and minimise use of water in processing. Your Company proactively fulfils the environmental requirements of customers by delivering products that match international standards. Your Company continues to focus on proper treatment of effluents and reduction of pollution as a part of its Green and ecofriendly initiatives. This has made your Company a safe and healthy place to work.

Your Company is signatory to the 'Responsible Care' initiatives and Responsible care logo holding organisation. Management System at all manufacturing plants and corporate office have been assessed and are equivalent to ISO 9001, ISO 14001 & OHSAS 18001. All raw materials and products within supply chain framework of your Company are transported in a secure manner, for the safety of its customers, carriers, suppliers, distributors and contractors. Your Company takes utmost care during transportation and ensures that it complies with all the regulations.

All safety statutory requirements like licenses, mock drills under emergency conditions and testing of manufacturing equipments etc. are being complied with. Requirements of environmental acts and regulations are complied with. Effluent treatment of waste streams and suppression of fugitive emissions through sprinklers is also carried out effectively. Massive tree plantation has been undertaken to improve the greenery all around the plant.

Green Initiatives

Electronic copies of the Annual Report and Notice of the 26th Annual General Meeting are sent to all the Members whose email addresses are registered with the Company for communication purposes. For members who have not registered their email addresses, physical copies of the Notice and Annual Report are sent in the permitted mode. Members requiring physical copies can send a request to the Company.

Prevention of Sexual Harassment at Workplace

Your Company has zero tolerance towards any act which may fall under the ambit of Sexual Harassment at work place and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at work place in line with the provisions of Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules.

The following is the summary of the Complaints received and disposed-off during the financial year 2015-16:

No. of Complaints received: **NIL**
No. of Complaints Disposed-off: **NIL**

Listing Regulations

The Securities and Exchange Board of India (SEBI) has, by its notification dated September 2, 2015, issued the (Listing Obligations and Disclosure Requirements) Regulations, 2015 with an aim to consolidate and streamline the provisions of the Listing Regulations for different segments of capital markets to ensure better enforceability. The Regulations became effective from December 1, 2015 and have replaced the Listing Agreements. Accordingly, all listed entities

were required to enter into the Listing Agreement within Six (6) months from the effective date. The Company has entered into Listing Agreement with BSE Limited during the month of February 2016.

Pursuant to the Listing Regulations, the following policies were approved and adopted by the Board:

- Policy on determination of Materiality for disclosure of events of information.
- Policy for preservation of documents, to classify documents in two categories, viz. documents which needs to be preserved permanently and documents which need to be preserved for not less than 8 years after completion of relevant transactions.
- Archival Policy, to determine the period, for which information is required to be disclosed on the Company's Website.

Extract of the Annual Return

Pursuant to Section 92(3) of the Act and Rules 12(1) of the Companies (Management and Administration) Rules, 2014 extract of annual return in form MGT-9 is enclosed as Annexure VI to this Report.

General

The Notes forming part of the Accounts are self-explanatory or to the extent, necessary, have been dealt with in the preceding paragraphs, of the Report.

Future Outlook

The Silver Jubilee Year has been overwhelming for the Company with robust growth and increase in Profitability tractioned by the newly introduced forward integrated products

Buoyance by an Optimistic economic landscape in Speciality Chemicals, your Company is confident of delivering value-led growth through its customised Speciality Chemicals portfolio steered by customer acceptance resulting in increased volumes gearing increase capacity utilisation. Your Company will continue to accelerate its momentum given the relative stability in the global prices of crude oil, improved sentiment in both domestic and international markets and its foray into diversified speciality chemical segments further improving its operational efficiency along with cost reduction.

Specialty chemical industry is a knowledge driven industry. In India it has been growing rapidly at 1.2-1.3x of GDP growth rate. Domestic demand of specialty chemicals is expected to follow an accelerated growth path driven by the strong growth outlook for end use industries. This along with increased adoption of specialty chemicals and newer usages shall propel the growth further which is evident from the contribution of 95% of the said segment to the total revenue of the Company.

Acknowledgement

Your Directors wish to express their gratitude and appreciation to all of the Company's employees at all its locations who through their competence, tremendous personal efforts as well as their collective dedication have contributed to the Company's performance.

Your Directors acknowledge with sincere gratitude the co-operation and assistance extended by the Banks, Suppliers, Vendors, Customers and all the Central and State Government authorities and all other Business associates.

The Board also takes this opportunity to express its deep gratitude for the continued co-operation and support received from its valued shareholders.

For & on behalf of the Board of Directors

ASHOK G RAJANI
Chairman & Managing Director
Mumbai, August 13, 2016

ANNEXURE – I

Criteria for determining Qualifications, Positive attributes and Independence of Directors and Nomination, Remuneration and Evaluation Policy for Directors, Key Managerial Personnel and Others

Criteria for determining qualifications, positive attributes and independence of Directors

The Nomination and Remuneration Committee (NRC) has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of the Companies Act, 2013 ("the Act") and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Independence: A Director will be considered as an 'Independent Director' if he / she meet with the criteria for 'Independent Director' as laid down in the Act and the Listing Regulations.

Qualifications: A transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender. It is also ensured that the Board has an appropriate blend of functional and industry expertise. While recommending the appointment of a Director, the NRC considers the manner in which the function and domain expertise of the individual will contribute to the overall skill-domain mix of the Board.

Positive Attributes: In addition to the duties as prescribed under the Act, the Directors on the Board of the Company are also expected to demonstrate high standards of ethical behavior, strong interpersonal and communications skills and soundness of judgment. Independent Directors are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Act.

A. Nomination, Remuneration and Evaluation Policy for Directors, Key Managerial Personnel and Others

1. Objective:

The Nomination, Remuneration and Evaluation policy (the Policy) is in compliance with Section 178 of the Act, read along with the applicable rules thereto and the Listing Regulations

The Main objectives of the policy are as follows:

- 1.1. Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, remain and motivate, to run the Company successfully.
- 1.2. Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- 1.3. Ensuring that remuneration involves a balance between fixed and incentives pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- 1.4. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- 1.5. To achieve a balance of merit, experience and skills amongst its Directors, Key Managerial Personnel and Senior Management.

2. Scope:

This Policy applies to the Board of Directors ("the Board"), Key Managerial Personnel ("the KMP") and the Senior Management personnel of Seya Industries Ltd.

This policy sets out guiding principles for the remuneration and nomination committee for recommending to the Board the remuneration of the Directors, Key Managerial Personnel and other employees of the Company.

3. Definition:

- 3.1. "Director" means a Director appointed to the Board of the Company.
- 3.2. "Key Managerial Personnel"
 - 3.2.1. The Chief Executive Officer or the Chairman or the Managing Director or the Manager
 - 3.2.2. The Company Secretary
 - 3.2.3. The Whole Time Director
 - 3.2.4. The Chief Financial Officer and
 - 3.2.5. Such other officer as may be prescribed under the Companies Act, 2013
- 3.3. "Nomination and Remuneration Committee" means the committee constituted by the Company's Board in accordance with the provisions of the Act, 2013 and Listing Regulations.
- 3.4. "Senior Management" mean personnel of the Company who are members of its core management team excluding the Board of Directors. This would also include all members of management one level below the executive directors including all functional heads.

4. Accountability:

- 4.1. The Board is ultimately responsible for the appointment of Directors and Key Managerial Personnel.
- 4.2. The Board has delegated responsibility for assessing and selecting the candidates for the role of Directors, Key Managerial Personnel and the Senior Management of the Company to the Nomination and Remuneration committee which makes recommendations & nominations to the Board.

5. Role of Nomination and Remuneration committee:

- 5.1. Reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board on regular intervals and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy, with the objective to diversify the Board;
- 5.2. Identifying individuals suitably qualified to be appointed as the KMPs or in the senior management of the Company;
- 5.3. To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- 5.4. To carry out evaluation of Director's performance and recommend to the Board appointment / removal based on his / her performance.
- 5.5. making recommendations to the Board on the remuneration payable to the Directors / KMPs / Senior Officials so appointed/reappointed;
- 5.6. to make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- 5.7. ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to

performance is clear and meets appropriate performance benchmarks,

- 5.8. To devise a policy on Board Diversity;
- 5.9. To develop a succession plan for the Board and to regularly review the plan;

6. Membership:

- 6.1. The Committee shall consist of minimum three (3) non-executive directors, majority of them being independent.
- 6.2. Minimum two (2) members shall constitute a quorum for the committee meeting.
- 6.3. Membership of the Committee shall be disclosed in the Annual Report.
- 6.4. Terms of Committee shall be continued unless terminated by the Board of Directors.

7. Chairmanship:

- 7.1. Chairman of the Committee shall be Independent Director.
- 7.2. Chairman of the Company shall be appointed as a member of the Committee but shall not be a chairman of the Committee.
- 7.3. In the absence of the Chairman, the members of the committee present at the meeting shall choose one amongst them to act as chairman.
- 7.4. Chairman of the Committee meeting could be present at the Annual general meeting of the Company or may nominate some other member to answer the shareholders queries.

8. Frequency of the Meetings:

The meeting of the committee shall be held at such regular intervals as may be required.

9. Committee Member's interests:

- 9.1. A member of the committee is not entitled to be present at the meeting when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- 9.2. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

10. Secretary:

The Company Secretary of the Company shall act as a Secretary to the committee

11. Voting:

- 11.1. Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- 11.2. In case of equality of votes, the Chairman of the meeting will have a casting vote.

12. Term / Tenure:

12.1. Managing Director / Whole time Director

The Company shall appoint or re-appoint any person as its Managing Director or whole time director for a term of not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

12.2. Independent Director:

12.2.1. An Independent Director shall hold office for a term upto five consecutive years on the Board of the Company and will be eligible for re-

appointment on passing of a special resolution by the Company and disclosure of such appointment in Board's Report shall be made.

12.2.2. No Independent Director shall hold office for more than two consecutive term of upto maximum of 5 years each, but such independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

12.2.3. Provided that an independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, whether directly or indirectly

12.2.4. At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to Seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a whole time director of a listed company or such other number as may be prescribed under the Act.

13. Retirement:

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

14. Appointment of Directors / KMPs / Senior Management Personnel:

Enhancing the competencies of the Board and attracting as well as retaining talented employees for the role of KMP / a level below KMP are the basis for the Nomination and Remuneration Committee to select a candidate for appointment to the Board. When recommending a candidate for appointment, the Nomination and Remuneration committee has regard to:

14.1 assessing the appointee against a range of criteria which includes but not be limited to qualifications, skills, regional and industry experience, background and other qualities required to operate successfully in the position, with due regard for the benefits from diversifying the Board;

14.2 the extent to which the appointee is likely to contribute to the overall effectiveness of the Board, work constructively with the existing directors and enhance the efficiencies of the Company

14.3 the skills and experience that the appointee brings to the role of KMP/Senior Official and how an appointee will enhance the skill sets and experience of the Board as a whole;

14.4 the nature of existing positions held by the appointee including directorships or other relationships and the impact they may have on the appointee's ability to exercise independent judgment;

14.5 Personal Specification:

- Degree holder in relevant disciplines;
- Experience of Management in diverse organization;
- Excellent interpersonal, Communication and representational skills;
- Demonstrable leadership skills;
- Commitment to high standards of ethics, personal integrity and probity;
- Commitment to the promotion of equal opportunities, community cohesion and health and safety in the workplace;

- Having continuous professional development to refresh knowledge and skills.

15. Duties:

- 15.1** Ensure that there is an appropriate induction & training program in place for new Directors and reviewing its effectiveness;
- 15.2** Ensure that on appointment to the Board, Non-executive Directors receive a formal letter of appointment in accordance with the guidelines provided under the Act;
- 15.3** Identify and recommend Directors who are to be put forward for retirement by rotation.
- 15.4** Determine the appropriate Size, diversity and composition of the Board;
- 15.5** Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- 15.6** Evaluate the performance of the Board members and Senior Management in the context of the Company's Performance from business and Compliance prospective;
- 15.7** Make recommendation to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- 15.8** Recommend any necessary changes to the Board.
- 15.9** Considering any other matters as may be requested by the Board;
- 15.10** to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- 15.11** to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.

16. Remuneration of Directors, Key Managerial Personnel and Senior Management:

- (i) The guiding principal is that the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, Key Management Personnel and other senior officials. The Directors, Key Management Personnel and other senior official's salary shall be based and determined on the individual person's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any.
- (ii) The Nominations & Remuneration Committee determines individual remuneration packages for Directors, KMPs and Senior Officials of the Company taking into account factors it deems relevant, including but not limited to market, business performance and practices in comparable companies, having due regard to financial and commercial health of the Company as well as prevailing laws and government/other guidelines. The Committee consults with the Chairman of the Board as and when it deems appropriate.
- (iii) The Board on recommendation of Nomination and Remuneration Committee shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

- (iv) The Board, on the recommendation of the Nomination and Remuneration Committee shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company. The remuneration payable to the Key Managerial Personnel and the Senior Management shall be as may be decided by the Board having regard to their experience, leadership abilities, initiative taking abilities and knowledge base.

16.1. Remuneration to Executive Directors:

Basic Compensation (Fixed Salaries)

Basic compensation must be competitive and reflective of the individual's role, responsibility and experience in relation to performance of day to day activities, usually reviewed on an annual basis; (includes salary, allowances, and other statutory / non-statutory benefits which are normal part of remuneration package in line with market practices).

Variable Salary:

The Nomination and remuneration committee may in its discretion structure any portion of remuneration to link rewards to corporate and individual performance, fulfillment of specified improvement targets or the attainment of certain financial or other objectives set by the Board. The amount payable is determined by the committee, based on performance against pre-determined financial and non-financial metrics.

The remuneration payable to the Directors shall be as per the Company's policy and shall be valued as per the Income Tax Rules.

16.2. Remuneration to Non-Executive Directors:

The Board on recommendation of Nomination and Remuneration Committee shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved by the shareholders.

The Independent Directors shall not be entitled to any stock option and may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose as may be decided by the Board and profit related commission as may be approved by the members.

16.3. Remuneration to other Employees:

Employees may be assigned grades according to their qualification and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

17. Evaluation / Assessment of Directors / KMPs / Senior Management personnel of the Company:

17.1. The evaluation/assessment of the Directors, KMPs and the senior officials of the Company is to be conducted yearly or at such intervals as may be considered necessary and to satisfy the requirements of the Listing Regulations.

17.2. The following criteria may assist in determining how effective the performances of the Directors/KMPs/Senior officials have been:

- Leadership & stewardship abilities;
- Contributing to clearly define corporate objectives & plans;

- Communication of expectations & concerns clearly with subordinates;
- Obtain adequate, relevant & timely information from external sources;
- Review & approval achievement of strategic and operational plans, objectives, budgets;
- Regular monitoring of corporate results against projections;
- Identify, monitor & mitigate significant corporate risks;
- Assess policies, structures & procedures;
- Direct, monitor & evaluate KMPs, senior officials;
- Review management's succession plan;
- Effective meetings;
- Assuring appropriate Board size, composition, independence, structure;
- Clearly defining roles & monitoring activities of committees;
- Review of corporation's ethical conduct
- Any other parameter which committee may feel appropriate from time to time to evaluate the performance of the Directors / KMPs / Senior Management Personnel.

17.3. Evaluation on the aforesaid parameters will be conducted by the Independent Directors for each of the Executive/ Non-Independent Directors in a separate meeting of the Independent Directors.

17.4. The Executive Director/Non-Independent Directors along with the Independent Directors will evaluate/ assess each of the Independent Directors on the aforesaid parameters. Only the Independent Director being evaluated will not participate in the said evaluation discussion.

17.5. Positive Attributes:

In addition to the duties as prescribed under the Act, the Directors on the Board of the Company are also expected to demonstrate high standards of ethical behavior, strong interpersonal and communication skills and soundness of judgment. Independent Directors are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Act.

18. Amendment to the Policy:

18.1. The Board of Directors on its own and / or as per the recommendation of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit.

18.2. In case of any amendment(s), clarification(s), circular(s) etc issued by the relevant authorities, not being consistent with the provisions laid down under this policy, then the such amendment(s), clarification(s) or circular(s) etc. shall prevail upon the provisions hereunder and this policy shall stand amended accordingly from the effective date as laid down under the amendment(s), clarification(s) or circular(s) etc.

ANNEXURE – II

REPORT ON CORPORATE SOCIAL RESPONSIBILITY

[Pursuant to Section 135 (3) of the Companies Act, 2013 and Rule No. 9 of the Companies (Corporate Social Responsibility) Rule, 2014]

1. A brief outline of the Company's CSR Policy, including overview of Projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programmes: CSR Policy is appended.

Weblink: <http://www.seya.in/wp-content/uploads/2011/06/CSR-Policy-SEYA.pdf>

2. Composition of the CSR Committee:

Ms. Kalpana Tirpude – Chairman
Mr. Ashok G Rajani – Member
Mr. Anand Taggarsi - Member

3. Average Profit before Tax of the Company for Last three Financial Years: ₹727.82 Lakhs

4. Prescribed CSR expenditure (two per cent of the amount as in item no. 3 above)

The Company is required to spend ₹14.55 Lakhs towards CSR

5. Details of CSR Spend during the financial year:

(a) Total Amount spent for the Financial Year: ₹15.66 Lakhs.

(b) Amount unspent, if any: NIL

(c) Manner in which the amount spent during the year is detailed below:

During the year ended March 31, 2016, the Company had spent amount in CSR activities mostly through Agency.

The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR Objectives & policy of the Company.

CSR Policy

1. Objective:

The Corporate Social Responsibility Policy (the Policy) is in compliance with Section 135 of the Companies Act, 2013 read with relevant rules and Schedule VII of the Companies Act, 2013.

₹ In Lakhs

Sr. No.	CSR Project / activity	Sector	Location	Budget	Amount Spent	Direct / Agency
1.	Contribution to 'Chinmaya Seva Trust'	Promotion of Education	Pan India	4.55	5.66	Implementing Agency
2.	Contribution to 'Sri Venkateshwara Anna Prasadam Trust'	Eradication of Hunger & Malnutrition	Andhra Pradesh	10.00	10.00	Implementing Agency
Total				14.55	15.66	

We, at **SEYA INDUSTRIES LTD**, believe that profitability must be complemented by a sense of responsibility towards all stakeholders. We aim to make a material, visible and lasting difference to the lives of disadvantaged sections of the people. Special emphasis is accorded to balanced spatial distribution of our CSR activities to ensure sustained improvement of marginalized sections of the society. Through our CSR initiatives that focus on holistic and inclusive development of target communities, we endeavour to create long-term social and economic value for both our business and society. We view our CSR interventions as an investment in building corporate reputation, employee engagement and innovation.

2. Definitions:

- **“Act”** means the Companies Act, 2013.
- **“Board”** means Board of Directors of the Company.
- **“Company”** refers to SEYA INDUSTRIES LIMITED.
- **“CSR Committee”** means Corporate Social Responsibility (CSR) Committee of the Company as constituted or reconstituted by the Board from time to time.
- **“CSR Policy”** means the contents herein including any amendments made by the CSR Committee and the Board of Directors of the Company.
- **“Net profits”** means the net profit before tax of the Company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely :-
 - Any profit arising from any overseas branch or branches of the Company, whether operated as a separate Company or otherwise; and
 - Any dividend received from other Companies in India, which are covered under and complying with the provisions of Section 135 of the Companies Act, 2013.
- Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, applicable rules and notification to the extent applicable to the Company.

3. Guiding Principles:

- CSR Projects will be directed towards underprivileged and marginalized sections of society, in consonance with properly identified needs and aspirations of such communities.
- Projects should be long-term and viable, creating a sustainable impact measurable in terms of outputs and outcomes.
- The Company will adopt a suitably structured, evidence based CSR Implementation strategy and all projects will be monitored through in-house / third party evaluations.
- To the extent possible, projects and various CSR initiatives will focus on the issues of Gender and Affirmative Action.
- The Company will be ethical and transparent in its orientation, while approaching and engaging with communities.

4. Responsibility of the Board of Directors:

The Board shall be responsible for:

- Approving the CSR policy as may be recommended by the CSR Committee, subject to necessary changes / modifications as the Board may deem fit.
- Ensuring that in each financial year, the Company spends such amounts for CSR.

- Activities as may be stipulated in the Act, as amended from time to time.
- Ensuring that the activities included in the CSR Policy are undertaken by the Company.

5. CSR Committee:

- The CSR Committee shall comprise three or more directors of which, at least one will be an independent director.
- The CSR Committee of the Company shall be responsible for:
 - a) Formulating and recommending to the Board, the CSR Policy which shall indicate activities to be undertaken in line with Section 135 read with Schedule VII of the Act.
 - b) Recommending to the Board, the CSR expenditure to be incurred.
 - c) Monitoring the implementation of the CSR Policy from time to time.

6. CSR Budget:

The amounts to be spent by the Company shall be as stipulated under the Act, as amended from time to time (presently 2% of the average net profits of the Company for the preceding three financial years), and as approved by the Board.

7. Focus areas:

i. Vocational Skill Development Programs:

- Unemployment and the lack of a stable source of income is often the result of skill vs. job requirement mismatch. Apart from inadequate training facilities, the ease of accessibility to available training is also an issue for large sections of the marginalized population. Therefore, SEYA intends to strengthen its focus on Skill Development to address critical national and state level skill training gaps. These interventions are expected to assist and result in income generation and social inclusion for youth coming from underprivileged sections of the community.
- SEYA will also address the critical needs of the community around its areas of operation and in locations where skill development interventions are necessary. The objective of these initiatives is to holistically address various socio-economic needs and aspirations of the community.

ii. Education:

- SEYA will undertake initiatives for imparting training to develop language skills to enhance individual employability of youth in marginalized and deprived sections of Society. These Programs will also incorporate awareness and advocacy modules on values and ethics, intended to benefit the community at large, by preparing young people to be better corporate citizens.
- Supporting projects and programs for Quality Education and Development of Children from weaker sections of the society, as considered necessary.

iii. Health:

- Providing financial assistance to institutions, hospitals, charitable trusts and NGOs, including projects and programs aimed at supporting differently abled children including rehabilitation of mentally challenged people.
- Providing financial assistance to institutions, hospitals, charitable trusts and NGOs pursuing projects and programs benefiting pediatric and

cancer patients, people suffering from AIDS, the Blind, Deaf and Mute.

- SEYA will promote health care including preventive measures and sanitation. It will undertake programmes to promote comprehensive sanitation and address availability of safe drinking water.

iv. Disaster Relief:

Contributions towards disaster relief and rehabilitation through appropriate agencies at the right time, as and when required. In addition to the identified areas of focus mentioned above, the Company may also undertake other activities defined in Schedule VII of the Act.

8. Implementation:

CSR projects will be implemented in suitable arrangement with credible and competent partners, who have an understanding of local socio-political-economic issues and challenges and vetted through the due diligence process.

The Company shall endeavor to increase employee participation at all levels of the organization by encouraging employees to participate in the Company's CSR activities. In addition, SEYA will also encourage employee engagement through volunteering activities, with appropriate recognition mechanisms for their demonstrated spirit of serving and caring for the community.

9. Monitoring:

CSR Projects will be monitored through a result based management approach with an appropriate oversight mechanism. Starting with the collection of critical baseline data, the focus will thereafter be on review of progress across specific Indicators and desired milestones. Project selection and progress of projects will additionally be reviewed by the CSR committee on a regular interval.

10. Modifications in Policy:

The Policy shall be reviewed by the CSR Committee from time to time for any modifications or amendments, including due to changes in the Companies Act, 2013/ Companies (Corporate Social Responsibility Policy) Rules, 2014. The modifications/ amendments in the Company's CSR Policy, as recommended by the CSR Committee shall be subject to approval of the Board.

11. Reporting:

CSR activities will form a part of the Company's Director's Report. The reporting would be in the format prescribed under the Act and the Rules in respect thereof.

12. Display of CSR activities on Company's website:

The annual report of CSR activities along with the contents of the CSR policy of the Company shall be displayed on the Company's website.

ANNEXURE – III

FORM NO. MR-3

Secretarial Audit Report

For the Financial Year ended March 31, 2016

[Pursuant to Section 135 (3) of the Companies Act, 2013 and Rule No. 9 of the Companies (Corporate Social Responsibility) Rule, 2014]

To,
The Members,
Seya Industries Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Seya 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 Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- The Companies Act, 2013 (the Act) and the rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015;
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - **(Not Applicable during the Audit Period)**;
 - The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - **(Not Applicable during the Audit Period)**;
 - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **(Not Applicable during the Audit Period)**;
 - 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 during the Audit Period);**

- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **(Not Applicable during the Audit Period);** and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **(Not Applicable during the Audit Period).**

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 made effective from 1st December, 2015.

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

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
- Payment of Gratuity Act, 1972
- Factories Act, 1948
- Minimum wages Act, 1948
- The Air (Prevention and Control Pollution) Act, 1981
- The Water (Prevention and Control of Pollution) Act, 1974

I further report that:

- a) 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.
- b) 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.
- c) Decisions at the meeting were taken unanimously.

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

I further report that The Company is yet to appoint a Chief Financial Officer (CFO) as required under the provision of Section 203 of the Act.

I further report that during the audit period, the following event has taken place in the company:

1. The Company has allotted Non-Convertible Redeemable Preference shares on Private placement basis.
2. Trading in the Equity shares of the Company has been re-instated w.e.f November 16, 2015.

Dipali Kapadia & Associates
Practicing Company Secretary

Dipali Kapadia

Proprietor

Mumbai, August 12, 2016

ACS No.: 31157 CP No.: 11448

Note: This report is to be read with our letter of even date which is annexed as "ANNEXURE A" and forms an integral part if this report.

Annexure "A"

To,

The Members,

Seya Industries Limited

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the 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.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

Dipali Kapadia & Associates
Practicing Company Secretary

Dipali Kapadia

Proprietor

Mumbai, August 12, 2016

ACS No.: 31157 CP No.: 11448

ANNEXURE – IV

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

[Pursuant to Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY:

a) Energy Conservation Measures taken

- Up-graded Batch Nitration system to Continuous Nitration system
- Replaced incandescent lamps in Plant Lighting to LED lamps
- Installation of Automatic Power Factor Controllers (APFC)
- Installation of Automatic Harmonics Controller (AHC)
- Installation of Variable Frequency Drives (VFD)
- Energy Audit and implementation of recommendations therein
- Complete utilization of Flash steam
- Installation of state-of-art Energy Management Systems (EMS) to optimize and efficiently manage the generation and utilization of energy
- Installed Energy Efficient Plate Heat Exchangers as replacement of conventional Heat Exchangers, wherever possible
- Replacement of existing utility systems with Highly Energy Efficient systems

b) Additional Investments & Proposals, if any, being implemented for Reduction of Consumption of Energy

- Up-gradation of Solvent process of Crystallisation to Dry Crystallisation Process
- Reduction of un-burnt carbon in fly ash and bed ash High Pressure Boiler
- Vacuum Pump Water Recovery
- Further Replacement of incandescent lamps in Plant Lighting to LED lamps
- Solar Lighting
- Power trading Open Access Mechanism
- Further Change of Utility pumps and drives to High Energy Efficient systems
- Installation of Continuous systems replacing Batch systems, wherever possible
- Further Replacement of existing utility systems with Highly Energy Efficient systems
- Further Installation of Energy Efficient Plate Heat Exchangers as replacement of conventional Heat Exchangers, wherever possible
- System Audit at specific intervals to identify system leakages in Utilities.

c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods

- The measures described under (a) have been successfully implemented and there has been reduction in the Utility consumption and reduction in usage of conventional fossil fuels.
- With the implementation of measures under

(b), there would be further reduction in energy footprint

- The adoption of Energy conservation measures indicated above result in savings in the cost of production

d) Steps taken by the Company for using alternate source of energy

- Installation of Vapour Absorption Machine to use low grade waste steam from Turbine

B. TECHNOLOGY ABSORPTION:

a) Effort made towards Technology absorption

- New Product Development
- Reduction in Batch Cycle Time
- Improvement in yields, purity and overall efficiency of the Production Operations thereby increase in the Capacity of existing Products and reduction in cost of production
- Reduction in waste effluent generation and energy input
- Supervisory Control and Data Acquisition (SCADA) installed for centralised monitoring & Control of process parameters and generating reports
- Replacement of molecular sieves and resins in Nitrogen Plant to improve the Purity of Nitrogen

b) Benefits derived like product improvement, cost reduction, product development or import substitution:

- Cost reduction, Energy conservation, Waste minimisation / recycling and reuse,
- Increase Product Quality
- Developing processes for value added products and reduction in carbon footprints for environmental improvement.
- Reduction in Capital Outflow for Process Know-How & Technology
- Reduction in Project Cost for Forward Integrated Products
- Increased stock of knowledge to cater to future challenges
- Centralised monitoring of the processes in SCADA, generation of reports from the system and root cause analysis of the process problems.

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

- Detail of Technology imported: Hydrogen generation
- Year of Import: 2012
- Whether the Technology has been fully absorbed: Yes
- If not absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable

d) Expenditure incurred on Research and Development:

Particulars	2015-16	2014-15
-Capital Expenditure	4.50	620.71
-Revenue Expenditure	787.92	-
-Total R&D Expenditure (% of Net Sales)	2.88%	2.51%

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year under review there were no foreign exchange earnings or outgo.

ANNEXURE – V**DISCLOSURE OF MANAGERIAL REMUNERATION**

[Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel), Rule 2014

(a) The ratio of the Remuneration of each Executive director to the median remuneration of the Employees of the Company for the Financial year 2015-16, the percentage increase in remuneration of Key Managerial personnel:

Name of the Directors / KMP	Remuneration (₹ in Lakhs)	Ratio to Median Remuneration of employee	% increase in Remuneration	Comparison of the remuneration of the KMP against the performance of the Company
Mr. Ashok G Rajani	17.60	9.67:1	--	Profit Before Tax increased by 93% and Profit After Tax increased by 106%
Mr. Asit Kumar Bhowmik	9.48	5.21:1	--	
Ms. Manisha Solanki (Company Secretary)	5.40	Not Applicable	12.50%	

(b) The percentage increase in the median remuneration of the Employee in the financial year: 7%**(c) Number of permanent employees on the rolls of the Company: 103 Employees****(d) Explanation on the relationship between average increase in remuneration and company performance:**

Profit Before Tax for FY 2015-16 has grown from ₹1,370.97 Lakhs to ₹2,644.11 Lakhs, an increase of 93% against which, increase in median remuneration is 7%. The average increase in median remuneration is in line with the remuneration policy of the Company.

(e) Variation in the net-worth of the Company:

Net worth of the Company increased to ₹24,035.27 Lakhs in FY 2015-16 from ₹6,514.40 Lakhs in FY 2014-15, depicting 268.96% growth in the same. The disclosure pertaining to the variation in the market capitalisation of the Company, price earnings ratio as at closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotation of the shares of the Company, in comparison to the rate at which the Company came out with last public offer cannot be made since the trading of the shares has commenced in the month of November 2015.

(f) Average Percentile increase in Remuneration of employees other than Managerial Personnel was 13% and average increase in remuneration of Managerial Personnel was 1.60%.

Average increase in remuneration of both, managerial and non-managerial personnel were determined based on the overall performance of the Company.

Key result areas of the managerial personnel are broadly to achieve Company's growth and performance target, achieving the same against various adverse externalities globally, devising sustenance strategy to combat global forces like competition, exchange rate etc., which, in turn, enhance shareholders' value. Remuneration of the managerial personnel is based on the Remuneration Policy as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors.

As against above, remuneration for non-managerial personnel is based on an internal evaluation of assigned target areas which are broken into subsets of key result areas of the managerial personnel.

(g) Explanation on the relationship between average increase in remuneration and Company Performance:

The average remuneration increase is linked to various parameters like – Company's overall performance, rate of inflation and industry benchmark.

(h) The Key parameters for variable component of remuneration availed by the Directors:

During the period under review there were not any variable remuneration availed by the Directors of the Company. However, Key parameters include – performance of the Company vis-à-vis individual Director's performance against set Key Result Areas.

(i) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid Directors during the year:

No Employee of the Company receives remuneration in excess of the highest paid director of the Company.

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

It is affirmed that the remuneration paid is as per the Remuneration Policy of the Company and the particulars of employees as required under Section 197 (12) of the Act, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules 2014 have been provided hereinabove.

ANNEXURE – VI

Form No. MGT - 9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED MARCH 31, 2016

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

I. REGISTRATION AND OTHER DETAILS

i.	CIN	L99999MH1990PLC058499
ii.	Registration Date	October 11, 1990
iii.	Name of the Company	Seya Industries Ltd
iv.	Category / Sub-category of the Company	Public Company
v.	Registered office Address and Contact Details	T-14, MIDC, Tarapur, Boisar, Dist. Palghar- 401506 ☎: 022-26732894 📠: 022-26732666 ✉ : info@seya.in, 🌐: www.seya.in
vi.	Whether listed Company	Yes
vii.	Name, Address and Contact Details of the Registrar and Transfer Agent, if any	Universal Capital Securities Private Limited 21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai – 400093 ☎: 022-28207203 – 05 📠: 022-28207207 ✉info@unisec.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Business activities contributing 10% or more of the total turnover of the Company:

Sr. No.	Name and Description of main Product / Services	NIC Code of the Product / Services	% to total Turnover of the Company
i.	Di-ChloroBenzidines	24114	54.32%
ii.	Nitro Anilines	24114	10.88%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

The Company do not have any Holding, Subsidiary or Associate company

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS % OF TOTAL EQUITY)

i. Category-wise shareholding

Category of Shareholders		No. of Shares held at the beginning of the Year (1-Apr-2015)				No. of Shares held at the end of the Year (31-Mar-16)				% Change During the Year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Promoters									
(1)	Indian									
(a)	Individual / HUF	9000	7808300	7817300	71.07	7503900	294300	7798200	70.89	0
(b)	Central / State Govt.	0	0	0	0	0	0	0	0	0
(c)	Bodies Corporates	0	50000	50000	0.45	0	50000	50000	0.45	0
(d)	Banks / FIs	0	0	0	0	0	0	0	0	0
(e)	Any other	0	0	0	0	0	0	0	0	0
	Sub-Total (A) (1)	9000	7858300	7867300	71.52	7503900	688600	7848200	71.35	(0.24)
(2)	Foreign									
(a)	NRIs – Individuals	0	0	0	0	0	0	0	0	0
(b)	Other Individuals	0	0	0	0	0	0	0	0	0
(c)	Bodies Corporate	0	0	0	0	0	0	0	0	0
(d)	Banks / FIs	0	0	0	0	0	0	0	0	0
(e)	Any other	0	0	0	0	0	0	0	0	0
	Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	9000	7858300	7867300	71.52	7503900	344300	7848200	71.35	(0.24)
B.	Public Shareholding									
(1)	Institutions									
i.	Mutual Funds	0	0	0	0	0	0	0	0	0
ii.	Banks / FI	0	2000	2000	0.02	0	1400	1400	0.01	(0.01)
iii.	Central Govt.	0	0	0	0	0	0	0	0	0
iv.	State Govt.	0	0	0	0	0	0	0	0	0
v.	Venture Capital Funds	0	0	0	0	0	0	0	0	0
vi.	Insurance Companies	0	0	0	0	0	0	0	0	0
vii.	FII's	0	0	0	0	0	0	0	0	0
viii.	FPI's	0	0	0	0	0	0	0	0	0
ix.	Others (Specify)	0	0	0	0	0	0	0	0	0
	Sub-Total (B) (1)	0	2000	2000	0.02	0	1400	1400	0.01	(0.01)
(2)	Non-Institutions									
(a)	Bodies Corporate									
i.	Indian	0	302900	302900	2.75	0	0	0	0	(2.75)
ii.	Overseas	0	0	0	0	0	0	0	0	0
(b)	Individuals									
i.	Individual Shareholders holding nominal share capital upto ₹1 lakh	0	2030500	2030500	18.46	209500	1891000	2100500	19.10	0.64
ii.	Individual Shareholders holding nominal share capital in excess of ₹1lakh	0	380600	380600	3.46	25000	222900	247900	2.25	(1.21)
(c)	Others (Specify)									
i.	Trust	0	0	0	0	0	0	0	0	0
ii.	NRIs / OCB	0	416700	416700	3.79	362000	440000	802000	7.29	3.5
iii.	Qualified Foreign Investors	0	0	0	0	0	0	0	0	0
iv.	Foreign Nationals	0	0	0	0	0	0	0	0	0
	Sub Total (B) (2)	0	3130700	3130700	28.46	596500	2553900	3150400	28.64	0.18
	Total Public Shareholding (B) = (B) (1) + (B) (2)	0	3132700	3132700	28.48	596500	2555300	3151800	28.65	0.17
C.	Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
	Total (A+B+C)	0	11000000	11000000	100	8100400	2899600	11000000	100	0

ii. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the Year (as on 1-Apr-15)			Shareholding at the end of the Year (as on 31-Mar-16)			% change in shareholding during the Year
		No. of Shares	% of total shares of the Company	% of shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares Pledged / encumbered to total shares	
1.	Ashok G Rajani	2304214	20.95	0	4673070	42.48	0	21.53
2.	Shalini A Rajani	2761930	25.11	0	2761930	25.11	0	0
3.	Ghanshyamdas Rajani	1390370	12.64	0	0	0	0	(12.64)
4.	Gopi Rajani	978486	8.89	0	0	0	0	(8.89)
5.	Prakash M Jaisingh	140100	1.27	0	140100	1.27	0	0
6.	Deepa P Jaisingh	125500	1.14	0	125500	1.14	0	0
7.	C M Jaisingh	3000	0.03	0	3000	0.03	0	0
8.	Heena C Jaisingh	6700	0.06	0	6700	0.06	0	0
9.	Parmanand M Jaisingh	12600	0.11	0	12600	0.11	0	0
10.	Mangala P Jaisingh	3300	0.03	0	3300	0.03	0	0
11.	Lalchand M Jaisingh	300	0.00	0	300	0.00	0	0
12.	Shyam M Jaisingh	11700	0.11	0	11700	0.11	0	0
13.	Vrinda S Jaisingh	11700	0.11	0	11700	0.11	0	0
14.	Savitri M Jaisingh	10100	0.09	0	10100	0.09	0	0
15.	Deepak M Jaisingh	100	0.00	0	100	0.00	0	0
16.	Heera I Ahuja	9000	0.08	0	9000	0.08	0	0
17.	Inder K Ahuja	1600	0.01	0	1600	0.01	0	0
18.	Aarti G Ahuja	3700	0.03	0	3700	0.03	0	0
19.	Gopal Ahuja	2300	0.02	0	2300	0.02	0	0
20.	Avinash Jumani	4300	0.04	0	4300	0.04	0	0
21.	Rita Jumani	5000	0.04	0	5000	0.04	0	0
22.	Ramesh Jumani	600	0.00	0	600	0.00	0	0
23.	Kishore Khatri	1100	0.01	0	1100	0.01	0	0
24.	Mohini Khatri	19900	0.18	0	800	0.01	0	(0.17)
25.	Manish Khatri	600	0.00	0	600	0.00	0	0
26.	Mithoomal Khatri	1100	0.01	0	1100	0.01	0	0
27.	Nitin Khatri	500	0.00	0	500	0.00	0	0
28.	Premkumar Khatri	5000	0.04	0	5000	0.04	0	0
29.	Sushila Khatri	2500	0.02	0	2500	0.02	0	0
30.	Big Apple Exports	50000	0.5	0	50000	0.5	0	0
	Total	7867300	71.52	0	7848200	71.35	0	(0.17)

iii. Change in Promoter's Shareholding (Please specify if there is no change)

Sr. No.	Shareholder's Name	Shareholding at the beginning of the Year (as on 1-Apr-15)		Date	Reason	Increase / Decrease in shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company			No. of Shares	% of shares of the Company	No. of Shares	% of total shares of the Company
1	Ashok G Rajani	2304214	20.95	12.05.15	Transmission	971586	8.83	3275800	29.78
				15.05.15	Transmission	1390170	12.64	4665970	42.42
				28.01.16	Transmission	7100	0.06	4673070	42.48
				31.03.16	End of the year	-	-	4673070	42.48
2	Shalini A Rajani	2761930	25.11	01.04.15	No Change	-	-	2761930	25.11
				31.03.16	End of the year	-	-	2761930	25.11
3	Ghanshyamdas Rajani	1390370	12.64	15.05.15	Transmission	(1390170)	12.64	200	0.00
				28.01.16	Transmission	(200)	0.00	0.00	0.00
				31.03.16	End of the year	-	-	0.00	0.00
4	Gopi Rajani	978486	8.89	12.05.15	Transmission	(971586)	8.83	6900	0.06
				28.01.16	Transmission	(6900)	0.06	0.00	0.00
				31.03.16	End of the year	-	-	0.00	0.00
5	Prakash M Jaisingh	140100	1.27	01.04.15	No Change	-	-	140100	1.27
				31.03.16	End of the year	-	-	140100	1.27

Sr. No.	Shareholder's Name	Shareholding at the beginning of the Year (as on 1-Apr-15)		Date	Reason	Increase / Decrease in shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company			No. of Shares	% of shares of the Company	No. of Shares	% of total shares of the Company
6	Deepa P Jaisingh	125500	1.14	01.04.15	No Change	-	-	125500	1.14
				31.03.16	End of the year	-	-	125500	1.14
7	C M Jaisingh	3000	0.03	01.04.15	No Change	-	-	3000	0.03
				31.03.16	End of the year	-	-	3000	0.03
8	Heena C Jaisingh	6700	0.06	01.04.15	No Change	-	-	6700	0.06
				31.03.16	End of the year	-	-	6700	0.06
9	Parmanand M Jaisingh	12600	0.11	01.04.15	No Change	-	-	12600	0.11
				31.03.16	End of the year	-	-	12600	0.11
10	Mangala P Jaisingh	3300	0.03	01.04.15	No Change	-	-	3300	0.03
				31.03.16	End of the year	-	-	3300	0.03
11	Lalchand M Jaisingh	300	0.00	01.04.15	No Change	-	-	300	0.00
				31.03.16	End of the year	-	-	300	0.00
12	Shyam M Jaisingh	11700	0.11	01.04.15	No Change	-	-	11700	0.11
				31.03.16	End of the year	-	-	11700	0.11
13	Vrinda S Jaisingh	11700	0.11	01.04.15	No Change	-	-	11700	0.11
				31.03.16	End of the year	-	-	11700	0.11
14	Savitri M Jaisingh	10100	0.09	01.04.15	No Change	-	-	10100	0.09
				31.03.16	End of the year	-	-	10100	0.09
15	Deepak M Jaisingh	100	0.00	01.04.15	No Change	-	-	100	0.00
				31.03.16	End of the year	-	-	100	0.00
16	Heera I Ahuja	9000	0.08	01.04.15	No Change	-	-	9000	0.08
				31.03.16	End of the year	-	-	9000	0.08
17	Inder K Ahuja	1600	0.01	01.04.15	No Change	-	-	1600	0.01
				31.03.16	End of the year	-	-	1600	0.01
18	Aarti G Ahuja	3700	0.03	01.04.15	No Change	-	-	3700	0.03
				31.03.16	End of the year	-	-	3700	0.03
19	Gopal Ahuja	2300	0.02	01.04.15	No Change	-	-	2300	0.02
				31.03.16	End of the year	-	-	2300	0.02
20	Avinash Jumani	4300	0.04	01.04.15	No Change	-	-	4300	0.04
				31.03.16	End of the year	-	-	4300	0.04
21	Rita Jumani	5000	0.04	01.04.15	No Change	-	-	5000	0.04
				31.03.16	End of the year	-	-	5000	0.04
22	Ramesh Jumani	600	0.00	01.04.15	No Change	-	-	600	0.00
				31.03.16	End of the year	-	-	600	0.00
23	Kishore Khatri	1100	0.01	01.04.15	No Change	-	-	1100	0.01
				31.03.16	End of the year	-	-	1100	0.01
24	Mohini Khatri	19900	0.18	29.02.16	Transmission	(19100)	0.17	800	0.01
				31.03.16	End of the year	-	-	800	0.01
25	Manish Khatri	600	0.00	01.04.15	No Change	-	-	600	0.00
				31.03.16	End of the year	-	-	600	0.00
26	Mithoomal Khatri	1100	0.01	01.04.15	No Change	-	-	1100	0.01
				31.03.16	End of the year	-	-	1100	0.01
27	Nitin Khatri	500	0.00	01.04.15	No Change	-	-	500	0.00
				31.03.16	End of the year	-	-	500	0.00
28	Premkumar Khatri	5000	0.04	01.04.15	No Change	-	-	5000	0.04
				31.03.16	End of the year	-	-	5000	0.04
29	Sushila Khatri	2500	0.02	01.04.15	No Change	-	-	2500	0.02
				31.03.16	End of the year	-	-	2500	0.02
30	Big Apple Exports	50000	0.5	01.04.15	No Change	-	-	50000	0.5
				31.03.16	End of the year	-	-	50000	0.5

iv. Shareholding pattern of Top Ten Shareholders (Other than directors, promoters and holders of GDRs and ADRs):

Sr. No.	Name	Shareholding		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of Shares	% of Total Shares of the Company
1.	Govindshree Securities Fiscal Ltd				
	At the beginning of the year	200000	1.82	200000	1.82
	Bought during the year	69700	0.63	269700	2.45
	Sold during the year	(19700)	0.18	250000	2.27
	At the end of the year	250000	2.27	250000	2.27
2.	Veena M Khatri				
	At the beginning of the year	198300	1.80	198300	1.80
	Bought during the year	-	-	198300	1.80
	Sold during the year	-	-	198300	1.80
	At the end of the year	198300	1.80	198300	1.80
3.	Krishnkanhaiya Commercial Pvt. Ltd				
	At the beginning of the year	-	-	-	-
	Bought during the year	93600	0.85	93600	0.85
	Sold during the year	-	-	93600	0.85
	At the end of the year	93600	0.85	93600	0.85
4.	Jyoti Reshmwala				
	At the beginning of the year	-	-	-	-
	Bought during the year	25000	0.23	25000	0.23
	Sold during the year	-	-	25000	0.23
	At the end of the year	25000	0.23	25000	0.23
5.	G Ramchand				
	At the beginning of the year	21800	0.20	21800	0.20
	Bought during the year	-	-	21800	0.20
	Sold during the year	-	-	21800	0.20
	At the end of the year	21800	0.20	21800	0.20
6.	Radha Khatri				
	At the beginning of the year	-	-	-	-
	Bought during the year	19100	0.17	19100	0.17
	Sold during the year	-	-	19100	0.17
	At the end of the year	19100	0.17	19100	0.17
7.	Mohan Financial Services Ltd				
	At the beginning of the year	18600	0.17	18600	0.17
	Bought during the year	-	-	18600	0.17
	Sold during the year	-	-	18600	0.17
	At the end of the year	18600	0.17	18600	0.17
8.	Devendra Solanki				
	At the beginning of the year	-	-	-	-
	Bought during the year	16600	0.15	16600	0.15
	Sold during the year	-	-	16600	0.15
	At the end of the year	16600	0.15	16600	0.15
9.	D G Chowdary				
	At the beginning of the year	15000	0.14	15000	0.14
	Bought during the year	-	-	15000	0.14
	Sold during the year	-	-	15000	0.14
	At the end of the year	15000	0.14	15000	0.14
10.	Gopal D Khatri				
	At the beginning of the year	-	-	-	-
	Bought during the year	14200	0.13	14200	0.13
	Sold during the year	-	-	14200	0.13
	At the end of the year	14200	0.13	14200	0.13

Note:

- The above information is based on the weekly benpos received from depositories.
- The date wise increase / decrease in shareholding of the top 10 shareholders are available on the website of the Company www.seya.in

v. Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the Year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Mr. Ashok G Rajani				
	At the beginning of the Year	2304214	20.95	2304214	20.95
	Bought during the year	2368856	21.54	4673070	42.48
	Sold During the year	0.00	0.00	0.00	0.00
	At the end of the year	4673070	42.48	4673070	42.48
2	Mr. Asit Kumar Bhowmik				
	At the beginning of the Year	100	0.00	100	0.00
	Bought during the year	0.00	0.00	0.00	0.00
	Sold During the year	0.00	0.00	0.00	0.00
	At the end of the year	100	0.00	100	0.00

Note:

- For changes in shareholding of Mr. Ashok G Rajani, kindly refer clause IV (iv) above
- Mr. Anand Taggarsi (Independent Director), Ms. Kalpana Tirpude, (Independent Director) and Ms. Manisha Solanki (Company Secretary) do not hold any shares in the Company.

V. INDEBTEDNESS:

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

₹ in Lakhs

	Secured Loan excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial year (as on 1-Apr-15)				
i Principal amount	9,108.54	10,224.65	--	19,333.19
ii Interest due but not paid	--	--	--	--
iii Interest accrued but not due	95.30	--	--	95.30
Total (i. + ii. + iii.)	9,203.84	10,224.65	--	19,428.49
Change in indebtedness during the financial year				
i Addition	6,080.00	2,295.89	--	8,375.89
ii Reduction	(1,641.91)	--	--	(1,641.91)
Net Change	4,438.09	2,295.89	--	6,733.98
Indebtedness at the end of the financial year (as on 31-Mar-16)				
i Principal Amount	13,546.63	12,520.54	--	26,067.17
ii Interest due but not paid	--	--	--	--
iii Interest accrued but not due	102.61	--	--	102.61
Total (i + ii + iii)	13,649.24	12,520.54	--	26,169.78

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration paid to Managing Director, whole time Directors and / or Manager:

₹ in Lakhs

Sr. No.	Particulars of Remuneration	Mr. Ashok G Rajani Managing Director	Mr. Asit Kumar Bhowmik Executive Director	Total Amount
1.	Gross Salary			
a.	Salary As per provisions contained in Section 17(1) of the Income-Tax Act, 1961	17.60	9.48	27.08
b.	Value of perquisites u/s. 17(2) of the Income-Tax Act, 1961	-	-	-
c.	Profits in lieu of salary under section 17(3) of the Income-Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- As % of Profit	-	-	-
	- Others (Specify)	-	-	-
5.	Others (PF, Insurance, Bonus etc.)	-	-	-
	Total (A)	17.60	9.48	27.08
	Ceiling as per the Act (@ 10% of net profits calculated under Section 198 of the Companies Act, 2013)			264.41

B. Remuneration to Other Directors:

₹ in Lakhs

Sr. No.	Particulars of Remuneration	Mr. Anand Taggarji	Ms. Kalpana Tirpude	Total Amount
1.	Independent Directors			
a.	Fees for attending Board / Committee Meetings	0.35	0.35	0.70
b.	Commission	-	-	-
c.	Others, please specify	-	-	-
	Total (B1)	0.35	0.35	0.70
2.	Other Non-Executive Directors			
a.	Fees for attending Board / Committee Meetings	-	-	-
b.	Commission	-	-	-
c.	Others, please specify	-	-	-
	Total (B2)	-	-	-
	Total (B) = (B1) + (B2)	0.35	0.35	0.70
Over all ceiling as per the Act (11% of the net profits of the Company calculated as per Section 198 of the Act. Sitting fees paid is within the limit of INR 100,000 per meeting as prescribed under the Act)				290.85

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

₹ in Lakhs

Sr. No.	Particulars of Remuneration	Ms. Manisha Solanki Company Secretary
1.	Gross Salary	
a.	Salary As per provisions contained in Section 17(1) of the Income-Tax Act, 1961	4.92
b.	Value of perquisites u/s. 17(2) of the Income-Tax Act, 1961	-
c.	Profits in lieu of salary under section 17(3) of the Income-Tax Act, 1961	-
2.	Stock Option	--
3.	Sweat Equity	--
4.	Commission	
	- As % of Profit	
	- Others (Specify)	
5.	Others (PF, Insurance, Bonus etc.)	0.48
	Total	5.40

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of penalty / punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made if any (give details)
A. COMPANY					
Penalty			None		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			None		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment					
Compounding					

For & on behalf of the Board of Directors

ASHOK G RAJANI

Chairman & Managing Director

Mumbai, August 13, 2016

REPORT ON CORPORATE GOVERNANCE

Corporate governance is creation and enhancing long-term sustainable value for the stakeholders through ethically driven business process. At SEYA, it is imperative that our Company affairs are managed in a fair and transparent manner.

We at **SEYA** are committed to adhere to the maximum transparency and accountability at all level in the organisation and in all transaction of the Company. Our strong belief is that we are what, we are, because of our stakeholders and there is no other way to build a strong relation & gain trust of stakeholders than to be transparent and accountable for all actions. We make sure that word "Corporate Governance", is practised, not just in letter but in spirit as well.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

At **SEYA**, the corporate governance is all about maintaining a valuable relationship and trust with all stakeholders. Stakeholders being partner in our success, we believe in maximising stakeholder value be it shareholders, employee, suppliers, investors, customers and society at large.

SEYA is always committed to the pursuit of excellence to achieve growth and long-term shareholders wealth creation, while at the same time preserving the interest of other stakeholders, its employees, partners, customers, suppliers and the society at large. Though Corporate Governance contains a set of principles, processes and systems to be followed by Directors, Management and all employees of the Company as binding principles, your Company believes in using it as a framework that is inherent to the value systems that drive business practices. Timely disclosures, transparent business practice which is driven by the ideas of pursuing excellence and modern ongoing research, have become a culture of the Company. While adhering to the above, the Company is committed to integrity, accountability, transparency and compliance with laws in all dealings with the Government, Customers, suppliers, the employees and other stakeholders.

The Company has an active, experienced and a well-informed Board. The Board along with its committees undertakes its fiduciary duties keeping in mind the interests of all its stakeholders and the Company's corporate governance philosophy.

The Company is in Compliance with the requirements stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and also erstwhile Clause 49 of the Listing Agreement with regard to corporate governance.

BOARD OF DIRECTORS ("THE BOARD")

Composition of the Board

The Composition of the Board of Directors of the Company is in conformity with the Listing Regulations and the Companies Act, 2013 ("the Act"). As on March 31, 2016, The Board comprise four members, two Non-Executive Independent Director (NEID) including a Woman Director and two Executive Directors. The Company has Executive Chairman and the number of Independent Directors is 50% of the total number of Directors. Managing Director and Independent Directors are not liable to retire by Rotation

Your Directors have rich and varied experience in the fields of Business management, chemicals, Banking & Finance, project management, risk management, international operations, marketing, HR, Corporate Governance and bring in extensive knowledge and expertise to the

Board. The Board provides strategic guidance to the Company and ensures effective monitoring of the management. It also monitors effectiveness of Company's corporate Governance Process.

None of the Directors on the Board is a Member of more than ten Committees and Chairman of more than five Committees as per Regulation 26 of the Listing Regulations across all the companies in which he/she is a Director. All the Directors have made the requisite disclosures regarding committee positions held by them in other companies. None of the Directors of the Company is related to each other.

Board Procedure

The annual calendar of Board Meetings is agreed upon at the beginning of the year.

The Agenda is circulated well in advance to the Board members. The items in the Agenda are backed by comprehensive background information to enable the Board to take appropriate decisions and to discharge its responsibilities effectively. The Managing Director apprises the Board on the overall performance of the Company. The Managing Director's report is also circulated to the Board. The Board also, inter alia, reviews the strategy, annual business plan and capital expenditure budgets, compliance reports of the laws applicable to the Company, review of major legal issues, adoption of quarterly / half-yearly / annual results, transactions pertaining to purchase / disposal of property, major accounting provisions, corporate restructuring, minutes of the meetings of the Audit and other Committees of the Board.

In addition to the information required under Regulation 17 (7) read with Part A of Schedule II of the Listing Regulations, the Board is also kept informed of major events and approvals are taken wherever necessary.

Minimum four pre-scheduled meetings are held annually. Additionally board meetings are convened by giving appropriate notice to address the Company's specific needs. In case of business exigencies or urgency of matters, resolutions are passed by circulations, which are confirmed in next board meeting. The meetings are usually held at corporate office of the Company at 502, B-12, Ghanshyam Chamber, Off Link Road, Andheri (West), Mumbai – 400053.

Meetings held

The Board met seven times on the following dates during the Financial Year (FY) 2015-16.
22-May-2015; 28-May-2015; 14-Aug-2015; 28-Aug-2015; 14-Nov-2015; 10-Dec-2015, 13-Feb-2016.

The gap between two meetings did not exceed One Hundred Twenty days:

Detailed presentation is also made to apprise the Board of important developments in Industry, segments, business operations, marketing, products etc.

Minutes of the Board meeting are circulated to all Directors and it is confirmed in the subsequent Board meeting.

The Board Periodically reviews Compliances of all laws applicable to the Company, including the steps taken, to rectify instances of non-Compliances, if any.

Details of Boards meeting and AGM attended by Directors are given in the appended table:

Name of the Director	No. of Meetings during the Year		Attended Last AGM	No. of Directorship in other Public Companies	Member / Chairman of Committees other Public Companies
	Held	Attended			
Mr. Ashok G Rajani – Managing Director	7	7	Yes	-	-
Mr. Asit Kumar Bhowmik – Executive Director	7	6	Yes	-	-
Mr. Anand Taggarsi – Independent Director	7	7	Yes	-	-
Ms. Kalpana Tirpude – Independent Director	7	7	No	-	-

Independent Director

Terms and conditions of Independent Directors

All the Independent Directors of the Company have been appointed as per the provisions of the Act, Listing Regulations and the Governance Guidelines for Board Effectiveness adopted by the Company. Formal letters of appointment have been issued to the Independent Directors. The terms and conditions of their appointment have been disclosed on the website of the Company.

All the Independent Directors of the Company have confirmed that they satisfy the criteria of Independence as indicated in the Act and Listing Regulations.

None of the Independent Director of the Company is whole time director of any listed Company and does not serve as an Independent Director in more than seven listed Companies. The Independent Directors are appointed for a term of five years or upto the age of retirement, whichever is earlier.

Separate Meeting of Independent Directors

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on December 10, 2015 as required under Schedule IV of the Act (Code for Independent Directors) and Regulation 25 (3) of the Listing Regulations.

At the meeting, the Independent Directors:

- Reviewed the performance of Non-Independent Directors and the Board as a whole;
- Reviewed the performance of the Chairman of the Company, taking into account the views of executive and Non-Executive Directors; and
- Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Familiarisation Programme for Independent Director

The Company has a familiarisation programme for its independent directors. The objective of the programme is to familiarise the Independent Directors to enable them to understand the Company, its operations, business, industry and environment applicable to it. These include orientation programme upon induction of new directors as well as other initiative to update the Directors on a continuing basis.

The familiarisation programme for Directors is disclosed on the website of the Company www.seya.in and the web link is http://www.seya.in/wp-content/uploads/2011/06/Familiarization-Program_for-Independent-Directors-Seya.pdf

Appointment and Re-appointment

Details of the Directors seeking appointment / re-appointment at the AGM, pursuant to 36(3) of Listing Regulation and Secretarial Standard on General Meetings have been in the explanatory statement annexed to the Notice of AGM.

Code of Conduct

The Board has prescribed the Code of Conduct for Board Members and Senior Management. The code has been circulated to Directors and Management. The Board has adopted a Code of Conduct for Non-Executive Directors, which incorporates the duties of Independent Directors as laid down in Schedule IV of the Act (code for Independent Directors) and Regulation 17 (5) of the Listing Regulations, both of which are available on the Company's website www.seya.in.

All the Board members and Senior Management of the Company as on March 31, 2016 have affirmed compliance with their respective

Codes of Conduct. A Declaration to this effect, duly signed by the Managing Director, forms part of this report.

Apart from reimbursement of expenses incurred in the discharge of their duties and the remuneration that these Directors would be entitled under the Act as Non-Executive Directors, none of the Directors has any other material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management or its Subsidiaries and Associates.

The Senior Management of the Company have made disclosures to the Board confirming that there are no material, financial and / or commercial transactions between them and the Company, which could have potential conflict of interest with the Company at large.

AUDIT & RISK MANAGEMENT COMMITTEE

The Audit & Risk Management Committee ("the Committee") functions according to its charter that defined its compositions, authority, responsibilities and reporting functions.

Composition and Attendance

Name of the Member	No. of Meetings during the year	
	Held	Attended
Ms. Kalpana Tirpude - NEID	4	4
Mr. Anand Taggarsi - NEID (Chairman)	4	4
Mr. Ashok G Rajani - ED	4	4

NEID - Non-Executive Independent Director

ED - Executive Director

Terms of Reference

Terms of reference of Audit Committee Covers all the matters prescribed under the Regulation 18 of the Listing Regulations, and Section 177 of the Act, which inter alia include:

- Oversight of the Company's financial reporting process and disclosure of its financial information;
- Discuss and review, with the management and auditors, the annual / quarterly financial statements before submission to the Board;
- Review of the Company's accounting policies internal accounting controls, financial and such other matters;
- Hold timely discussions with external auditors regarding critical accounting policies and practices, significant reporting issues and judgements made, nature and scope of audit, etc;
- Evaluate auditors' performance, qualification, independence and effectiveness of audit process;
- Recommend to the Board, the appointment, reappointment, removal of the external auditors, fixation of audit fees and also approval for payment for audit and non-audit services;
- Review the adequacy of internal audit and risk management function;
- Review the adequacy of internal control systems and ensure adherence thereto;
- Review the Company's compliance with the legal and regulatory requirements, Code of Conduct and effectiveness of the system for monitoring the same;
- Provide guidance to the Compliance Officer for setting forth policies and implementation of the Code of Conduct for Prevention of Insider Trading.
- Scrutinise inter corporate loans and investments, if any;
- Review the functioning of Whistle Blower Mechanism of the Company which include the Vigil Mechanism for Directors and employees to report genuine concerns in the prescribed manner.
- Review the significant related party transactions.
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;

- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with internal auditors of any significant findings and follow ups there on;
- Reviewing the adequacy of internal audit function, if any including the structure of the internal audit department approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure and frequency of internal audit;
- Approve the appointment of the Chief Financial Officer after assessing the qualifications, experience and back ground of the candidate;
- Reviewing company's risk governance structure, risk assessment and risk management practices and guidelines, policies and procedures for risk assessment and risk arrangement;
- Review and approve Enterprise Risk Management (ERM) framework;
- Review the Company's risk appetite and strategy relating to key risks, including market risk, product risk and reputational risk, as well as the guideline, policies and processes for monitoring and mitigating such risks;
- Oversee Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels;
- Review and analyse risk exposure related to specific issue, concentrations and limit excesses, and provide oversight of risk across organisation;
- Review compliance with risk policies, monitor breach / trigger trips of risk tolerance limits and directs action;
- Nurture a healthy and independent risk management function in the Company;
- Carrying out any other function as mentioned in the terms of reference of the Audit & risk Management Committee.

Meetings held

During FY 2015-16 Four Meetings of Audit and Risk Management Committee were held on the following dates:

28th May 2015 14th November 2015
 14th August 2015 13th February 2016

The gap between two meetings did not exceed one hundred and twenty days.

The Company Secretary acts as the Secretary to the Committee. The Composition of the Committee is in conformity with Section 177 of the Act and Regulation 18 (1) of the Listing Regulations.

During the period under review the Committee has recommended to the Board the re-appointment of statutory auditors and Cost Auditors. The Committee also reviewed key audit findings covering operational, financial and compliance areas, internal financial controls and financial reporting systems to the Committee. The minutes of each of the Audit Committee are placed in the next meeting of the Board.

Code of Conduct for Prevention of Insider Trading

As per SEBI (Prohibition of Insider Trading) Regulations, 2015 which became effective from May 15, 2015, the Company has inter-alia, devised and adopted Code of Conduct to regulate, monitor and report trading in Company's securities by persons having access to unpublished price sensitive information of the Company. Company Secretary is the Compliance officer for the purpose of this code. During the year, there has been due compliance with the Code by the Company and all insiders.

NOMINATION AND REMUNERATION COMMITTEE (NRC)

Composition

As on March 31, 2016, the Nomination and Remuneration Committee comprised of three members viz,

Name of the Director	Designation in the Committee
Mr. Anand Taggarsari	Chairman
Mr. Ashok G Rajani	Member
Ms. Kalpana Tirpude	Member

Terms of Reference

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
- To evaluate the performance of Directors including independent directors;
- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel (KMP) and other employees;
- Devise a policy on Board diversity;
- To recommend remuneration of Managing Director and whole time directors of the Company;
- To recommend to the Board, the appointment of KMP and executive team members;
- To carry out any other function as is mandated by the Board from time to time;
- On an annual basis, recommend to the Board the remuneration payable to Directors, KMP and executive team members of the Company;
- Oversee familiarisation programmes for Directors;
- Review HR and people strategy and its alignment with the business strategy periodically or when a change is made to either;
- Assist the Board in fulfilling its corporate governance responsibilities relating to remuneration of Board, KMP and executive team members;
- Perform other activities related to the charter as requested by the Board from time to time;

Performance Evaluation of Board, Committees and Directors

During the year, the Board has carried out an annual evaluation of its performance, performance of the Directors as well as the evaluation of working of its Committees.

The NRC has defined the evaluation criteria, procedure and time schedule for the performance evaluation process for the Board, its Committees and Directors. The criteria for Board Evaluation include, inter alia, degree of fulfilment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various committees, effectiveness of Board processes, information and functioning.

Criteria for evaluation

Criteria for evaluation of individual Directors include aspects such as attendance and contribution at Board / Committee meetings and guidance / support to management outside Board / Committee meetings.

In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board members, motivating, and providing guidance to the Board Members.

Criteria for evaluation of the Committees of the Board include degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

The procedure followed for the performance evaluation of the Board, Committees and Individual Directors is detailed in the Board's Report.

Non-Executive Director's compensation and disclosures

Apart from receiving sitting fees, none of the Independent Directors has any other material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management or its Subsidiaries and Associates. None of the Directors of the Company are inter-se related to each other.

Meetings

During the year one committee meeting of NRC was held on May 28, 2016 and all the members were present in the meeting.

Remuneration Policy

The Company's philosophy for remuneration of Directors, KMP and all other employees is based on the commitment of fostering a culture of leadership with trust. The Company has adopted a Policy for remuneration of Directors, KMP and other employees, which is aligned to this philosophy. The principles governing the Company's Remuneration Policy is provided in the Board's Report.

a. Managing Director and Executive Director

While deciding on the remuneration of the Managing / Executive Director, the performance of the Company, the current trends in the industry, their experience, past performance and other relevant factors are considered. The Board / Committee regularly keep track of the market trends in terms of compensation levels and practices in relevant industries. This information is used to review remuneration policy.

The Company pays remuneration by way of salary, perquisites and allowances (fixed component), to its Managing / Executive Director. Annual increments are recommended by the NRC within the salary scale approved by the members of the Company.

b. Non-Executive Directors

Non-Executive Directors are paid sitting fees of ₹ 5,000 each for every Meeting of the Board attended.

Details of Remuneration Paid (FY- 2015-16)

₹ in lakhs

Director	Salary*
Mr. Ashok G Rajani – Managing Director	17.60
Mr. Asit Kumar Bhowmik – Executive Director	9.48

* Includes perquisites and other allowances

STAKEHOLDERS RELATIONSHIP COMMITTEE (SRC)

Composition

Committee performs various functions conferred under the Listing Regulations and Section 178 of the Act, which mainly covers ensuring resolution of grievances or security holders of the Company.

Name of the Directors	Designation in the Committee
Mr. Anand Taggarsari	Chairman
Mr. Ashok G Rajani	Member
Ms. Kalpana Tirpude	Member

Terms of Reference

- To look into redressal of investors' complaints and requests, such as transfer of shares / debentures, non-receipt of dividend, annual report, etc.
- To resolve the grievances of the security holders of the Company.

Meetings

During the period under review, one meeting was held on December 10, 2015 and all the members of the Committee were present in the meeting.

Status of Investor Complaints

Complaints as on April 1, 2015	NIL
Received during the year:	4
Resolved During the year:	3
Pending as on March 31, 2016	1

The Correspondence identified as investor complaints are letters received through statutory / regulatory bodies and letters pertaining to Issue of Duplicate Share Certificates, Transfers, etc.

Name, Designation & Address of Compliance Officer

Ms. Manisha Solanki, (Company Secretary)
Seya Industries Ltd
502, Ghanshyam Chamber, B-12,
New Link Road, Andheri (West), Mumbai – 400053
✉: corporate@seya.in

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR Committee)

Corporate Social Responsibility at the Company stems from the ideology of providing sustainable value to the society in which the Company operates and contributing towards development of the underprivileged sections of the society.

Terms of Reference

The terms of reference of the CSR Committee are as under:

- Review and monitor the sustainability, environmental safety and health policies and activities across the Company
- Provide guidance to the management to ensure that all long term strategic proposals made to the Board includes safety, health environment and sustainability implications;
- Investigate or cause to be investigated, any extraordinary negative sustainability, environment and sustainability where appropriate;
- Formulate and recommend to the Board, a CSR policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII of the Act and have oversight over its implementations;
- Recommend the amount to be spent on CSR activities;
- Monitor the Company's CSR Policy periodically.

The Board has also adopted the CSR policy as formulated and recommended by the Committee. The same is displayed on the website of the Company. A CSR Report giving details of the CSR activities undertaken by the Company during the year along with the amount spent on CSR activities forms a part of the Director's Report.

Compositions

As on March 31, 2016, the CSR Committee comprised of members viz,

Name of the Directors	Designation in the Committee
Ms. Kalpana Tirpude	Chairman
Mr. Ashok G Rajani	Member
Mr. Anand Taggarsari	Member

Meetings

During the period under review, one meeting was held on May 28, 2015 and all the members of the Committee were present in the meeting

SUBSIDIARY COMPANIES

The Company does not have any subsidiary; hence, disclosure with respect to "material non-listed Indian subsidiaries" is not applicable.

RISK MANAGEMENT

The Company has a well-defined risk management framework in place. The risk management framework adopted by the Company is discussed in detail in the Management Discussion and Analysis

Chapter of this Annual Report. The Company has in place Audit and Risk Management Committee, which has established procedures to periodically place before the Audit & Risk Management Committee and the Board, the risk assessment and minimisation procedures being followed by the Company and steps taken by it to mitigate these risks.

RELATED PARTY TRANSACTION

The Company has formulated a Policy on Materiality of Related Party transactions and on dealing with Related Party Transaction (RPTs). During the year under review, besides the transactions reported in the Notes to accounts under AS-18, there were no other related party transactions with promoters, directors, management. During FY 2015-16, all the transactions with related parties were in normal course of business. The Interest of Directors, if any, in transactions are disclosed at the Board Meetings and the interested Director does not participate in the discussion or vote on such transactions. The Policy on RPTs is uploaded on the Company's Website and the web link is <http://www.seya.in/wp-content/uploads/2011/06/Related-Party-Transactions-Policy-Seya.pdf>

MEANS OF COMMUNICATION

i. Quarterly results

The quarterly, half-yearly and annual results are published within 48 hours of the meeting for that quarter. Quarterly results are published in Aapla Mahanagar (Marathi), Business Standards (English) and Financial Express (English) and are displayed on 'www.seya.in' after its submission to the Stock Exchanges.

ii. Shareholding Pattern, Corporate Governance Report and financial results are uploaded on listing centre maintained by BSE Ltd, followed by hard copy submission to BSE.

iii. Website

The Company's website (www.seya.in) is a comprehensive reference on SEYA's management, vision, mission, policies, corporate governance, corporate sustainability, investor relations, updates and news. The section on 'Investors' serves to inform the shareholders, by giving complete financial details, shareholding patterns, corporate benefits, etc.

Material events or information as detailed in Regulation 30 of the Listing Regulations are disclosed to the Stock Exchange i.e. BSE Limited through BSE online Portal. They are also displayed on the Company's website.

GENERAL MEETING DETAILS

The Company convenes the AGM generally within six months of the close of the financial year. The details of the AGM held in last three years are given below:

Year	Date	Time	Special resolution passed
2012-13	18-Sep-13	11:00 a.m.	One
2013-14	27-Sep-14	11:00 a.m.	Two
2014-15	28-Sep-15	11:00 a.m.	NIL

- There was one Extra-ordinary General Meeting held during the last three financial year
- No resolution was through postal ballot during the year.

SHAREHOLDER INFORMATION

Company Registration Details

The Company is registered with the Registrar of Companies in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by Ministry of Corporate Affairs (MCA) is L99999MH1990PLC058499

Book Closure Period

The register of members and share transfer books of the Company shall remain closed from Thursday, September 22, 2016 to Wednesday, September 28, 2016 (both days inclusive for the purpose of AGM and Dividend)

Dividend Payment Date

On and from Wednesday, October 5, 2016

Listing

At present, the Equity Shares of the Company are listed on the BSE Ltd (Stock Code: 524324). The Annual Listing fees for the year 2015-16 has been paid to the BSE Limited.

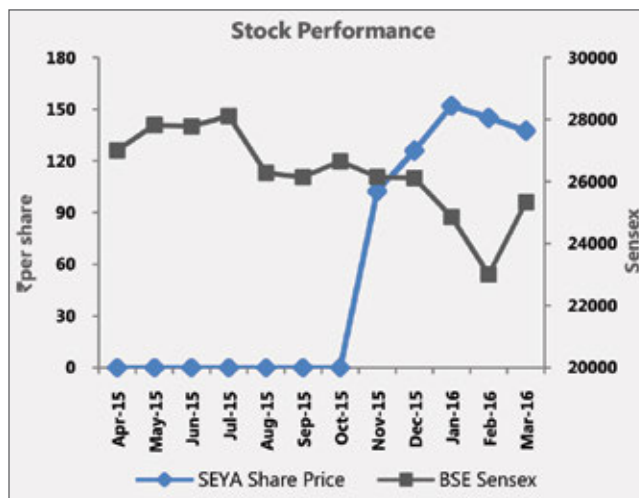
Market Price Data

Monthly High / Low of BSE depicting liquidity of the Company's Ordinary Shares on the said stock Exchange is given hereunder:

Month	High (₹)	Low (₹)
Apr-15	-	-
May-15	-	-
Jun-15	-	-
Jul-15	-	-
Aug-15	-	-
Sep-15	-	-
Oct-15	-	-
Nov-15	102.38	75.01
Dec-15	126.00	107.40
Jan-16	157.50	132.30
Feb-16	157.00	118.80
Mar-16	151.80	129.00

Note: Trading on BSE resumed w-e-f Nov 2015

Performance of SEYA's share price in comparison to BSE Sensex



Share Transfer Process

Shares in physical form are processed by the Registrar and Share transfer agent within 15 days from the date of receipt, if the documents are complete in all respects. The Managing Director, Executive Director and the Company Secretary have been severally empowered to approve transfers.

Distribution of Shareholding as on March 31, 2016

No. of Shares held	No. of shares	% of shares	No. of shareholders	% of shareholders
< 500	1453395	13.21	8980	94.35
501-1000	223100	2.03	272	2.86
1001-2000	173210	1.58	115	1.21
2001-3000	114600	1.04	45	0.47
3001-4000	55595	0.50	16	0.17
4001-5000	139600	1.27	29	0.30
5001-10000	201100	1.83	28	0.29
> 10001	8639400	78.54	33	0.35
Total	11000000	100.00	9518	100.00

Category of Shareholding as on March 31, 2016

Category	No. of Shares	Percentage %
Promoter & Promoter Group	7848200	71.35
Individual Shareholders	2348400	21.35
Qualified Foreign Investor	0	0
Bodies Corporate	0	0
Financial Institutions	1400	0.01
Others	802000	7.29
Total	11000000	100.00

Dematerialisation of shares and liquidity

The Company's Shares are compulsorily traded in dematerialised form and are available for trading on Central Depository Services (India) Ltd. (CDSL). The Company has made an application for ISIN to National Securities Depository Ltd (NSDL), which is expected soon.

As on March 31, 2016, 8100400 Equity shares representing 73.64% of the Company's paid up equity share capital were held in dematerialised mode. The International Securities Identification Number (ISIN) assigned to Company's equity shares is INE573R01012.

Plant Location

T-13/14, Tarapur Industrial Area, MIDC, Boisar,
Dist. Palghar – 401506

Address for Correspondence

Seya Industries Ltd
502, Ghanshyam Chamber, B-12, New Link Road
Andheri (West), Mumbai – 400053.

Registrar & Transfer Agent

Members are requested to correspond with the Company's Registrar & Transfer Agent quoting their folio no. / DP ID and client ID at the following address:

Universal Capital Securities Pvt. Ltd
Unit: **Seya Industries Ltd**
21, Shakil Niwas, Opp. Satya Saibaba Temple,
Mahakali Caves Road, Andheri (East), Mumbai – 400093.
☎ 022-28207203-05 📠: 022-28207207
✉ info@unisec.in

Receipt of Financial Statement / other Documents through Electronic Mode

As servicing of documents to Shareholders, including Notice of Annual General Meeting, Financial Statements, etc. is permitted through electronic mail the Company will send the Annual report and other documents in electronic form to those Shareholders whose e-mail address is registered with the Company's Registrar and Transfer Agent – Universal Capital Securities Private Limited.

SECRETARIAL AUDIT

- Pursuant to Regulation 40(9) of the Listing Regulations, certificates have been issued, on a half-yearly basis, by a Company Secretary in Practice, certifying due compliance of share transfer formalities by the Company.
- A Company Secretary in practice carries out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The audit confirms that the total issued / paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with CDSL)
- M/s Dipali Kapadia & Associate, Practicing Company Secretary Firm has conducted a Secretarial Audit of the Company for FY 2015-16. Their Audit report confirms that the Company has

complied with applicable provisions of the Act, and the Rules made thereunder, its Memorandum and Articles of Association, Listing Regulations and the Applicable SEBI Regulations. The Secretarial Audit Report forms the Part of the Director's Report.

DISCLOSURES**Accounting Treatment in preparation of Financial Statements**

The Company has prepared the Financial Statements in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act / Companies Act, 1956 as applicable.

Statutory Compliance, Penalties and Strictures

The Company has complied with the requirements of the Stock Exchanges/SEBI/ and Statutory Authority on all matters related to capital markets during the last three years. No penalty / strictures were imposed on the company by these authorities.

Whistle-blower Policy and Vigil Mechanism

The Company has adopted a Whistle Blower policy and Vigil Mechanism to provide a formal mechanism to the Directors, employees and other external stakeholders to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Conduct or ethics policy. The policy provides for adequate safeguards against victimisation of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee no personnel of the Company has been denied access to the Audit Committee.

CEO / CFO Certification

The Managing Director (CEO) has certified to the Board in accordance with regulation 17 (8) read with Part B of Schedule II of the Listing Regulations pertaining to CEO / CFO certification for the Financial Year ended March 31, 2016.

Mandatory requirements

The Company has fully complied with all the applicable mandatory requirements of Listing Regulations relating to Corporate Governance.

Non-Mandatory requirements

The Company has complied with the following non-mandatory requirements of the Listing Regulations relating to Corporate Governance. The status of compliance with the non-mandatory requirements listed in Regulation 27(1) read with Part E of Schedule II of the Listing Regulations are as under:

- During the year under review, there is no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure regime of unqualified audit opinion.
- The Internal Auditor reports to the Audit Committee.

DECLARATION BY MANAGING DIRECTOR

I, Ashok G Rajani, Managing Director of Seya Industries Ltd, hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed the Compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in accordance with Regulation 26(3) of the Listing Regulations for the year ended March 31, 2016.

For **Seya Industries Ltd**

Ashok G Rajani
Managing Director
Mumbai, August 13, 2016

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To The Members

Seya Industries Ltd

1. We have examined the compliance of Corporate Governance by **Seya Industries Ltd** (the Company), for the year ended March 31, 2016, as stipulated in:
 - Clause 49 (excluding clause 49 (VII)(E)) of the Listing agreement of the Company with stock exchange for the period from April 01, 2015 to November 30, 2015
 - Clause 49(VII)(E) of the Listing Agreement of the Company with the stock exchange for the period from April 01, 2015 to September 01, 2015.
 - Regulation 23(4) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) for the period September 02, 2015 to March 31, 2016; and
 - Regulations 17 to 27 (excluding regulation 23(4)) and clauses (b) to (i) of the regulation 46(2) and Para C, D and E of Schedule V of the Listing Regulations for the period from December 01, 2015 to March 31, 2016
2. The Compliance of conditions of Corporate Governance is responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the

Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

3. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended on March 31, 2016.
4. We state that such compliance is neither an assurance to the future viability of the Company nor efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **JAGIWALA AND CO**
CHARTERED ACCOUNTANTS
 Firm Registration No. 131184W
YOGESH R. JAGIWALA
Partner
 Membership no.: 016864

Date: August 13, 2016
Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

To the Members of
SEYA INDUSTRIES LTD

Report on the Financial Statements

We have audited the accompanying Financial Statements of **SEYA INDUSTRIES LTD** ('The Company'), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles

generally accepted in India, of the state of affairs of the Company as at March 31, 2016 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India, in terms of sub-section (11) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" a statement on the matters specified in paragraph 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of accounts 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, Statement of Profit & Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
 - e. On the basis of written representations received from the Directors as on March 31, 2016 taken on record by the Board of Directors, none of the Directors are disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. The Company does not have any pending litigation which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivatives contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
 - iii. There has not been any occasion in case of the Company during the year under report to transfer any sum to the investor Education and protection Fund, hence the question of delay in transferring such sums does not arise.

For **JAGIWALA AND CO**
Chartered Accountants
Firm Registration No.: 131184W

Yogesh R Jagiwala
Partner
Membership No. 016864
Mumbai, May 28, 2016

“ANNEXURE A” TO INDEPENDENT AUDITOR’S REPORT

[Statement on matters specified in paragraphs 3 and 4 of the Companies (Auditor’s report) Order, 2016 – Referred to in paragraph 1 under ‘Report on other Legal and Regulatory Requirements’ section of our report of even date]

i. Fixed Assets

- The Company has maintained proper records showing full particulars including quantitative details and situation of the fixed assets;
- The Company has a program of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of Three years, which in our opinion, is reasonable having regard to the size of the Company and nature of its assets. Pursuant to the program certain assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- According to the information and explanations given to us and the records examined by us, the title deeds of immovable properties are held in the name of the Company.

ii. Inventories

- The inventories, except goods-in-transit, were physically verified at reasonable intervals by the management during the year and no material discrepancies were noticed on physical verification.
- The procedures for the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventories. No discrepancies were noticed on verification between the physical stock and the books records.

iii. Loans and Advances

The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii)(a) and (iii)(b) of the said orders are not applicable to the Company.

iv. Loans, Investments and Guarantee

The Company has not granted any loans, made any investments, given any guarantees and provided any security pursuant to the provisions of Section 185 & Section 186 of the Act.

v. Deposits

According to the information and explanations given to us, the Company has not accepted any deposits from the public in accordance with the provisions of Sections 73 to 76 of the Act and the Rules framed thereunder.

vi. Cost Records

We have broadly reviewed the records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. However, we have not made a detailed examination of cost records with a view to determine whether they are accurate or complete.

vii. Statutory Dues

- According to information and explanation given to us, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income tax, Central Sales tax, Service tax, Customs duty, Excise duty, Value Added Tax, Cess and other material statutory dues applicable to it to the appropriate authorities.
- According to the information and explanations given to us, there were no undisputed amounts payable in respect of Provident fund, Investor Education and Protection Fund, Employees’ State Insurance, Income-tax, Service tax, Central Sales-tax, Customs duty, Excise duty, Value Added Tax, Cess and other undisputed statutory dues which were outstanding, at the year end, for

a period of more than six months from the date they became payable.

- In our opinion and according to the information and explanation given to us, during the year, no amount was pending to be transferred to Investor Education and Protection Fund.

viii. Dues to Financial Institutions and Banks

In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of Loans/Borrowings from Financial Institutions/Banks.

ix. Money Raised

The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. However, the money was raised by way of term loans from Banks/ Financial Institutions and the same were applied for the purposes for which those were raised.

x. Frauds Noticed

Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or on the Company by the officers and employees of the Company has been noticed or reported during the year.

xi. Managerial Remuneration

In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

xii. Nidhi Company

In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company.

xiii. Compliance with Section 177 & 188 of the Act

In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

xiv. Preferential Allotment

According to the information and explanations given to us and on an overall examination of the balance sheet, during the year, the Company has allotted Non-Convertible Redeemable Preference shares on Private placement basis and the requirement of Section 42 of the Act have been complied with and the amount raised have been used for the purpose for which the funds were raised.

xv. Non-Cash Transaction

According to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

xvi. Section 45-IA of the Reserve Bank of India Act, 1934

The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **JAGIWALA AND CO**
Chartered Accountants
Firm Registration No.: 131184W

Yogesh R Jagiwala
Partner
Membership No. 016864
Mumbai, May 28, 2016

“ANNEXURE B” TO INDEPENDENT AUDITOR’S REPORT

[Referred to in paragraph 2(f) under ‘Report on other Legal and Regulatory Requirements’ section of our report of even date]

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

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

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note 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 was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk if 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal 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 **JAGIWALA AND CO**
Chartered Accountants
Firm Registration No.: 131184W

Yogesh R Jagiwala

Partner

Membership No. 016864
Mumbai, May 28, 2016

BALANCE SHEET

As at March 31, 2016

₹ in Lakhs

	Note	As at March 31, 2016	As at March 31, 2015
EQUITY AND LIABILITIES			
Shareholder's Fund			
Share Capital	3	16,226.17	1,100.00
Reserves and Surplus	4	7,809.10	5,414.40
		24,035.27	6,514.40
Share Application Money Pending Allotment	3	-	15,126.17
Non-Current Liabilities			
Long Term Borrowings	5	21,501.12	13,936.18
Deferred Tax Liability	6	1,523.44	1,357.11
Other Long Term Liabilities	7	18,540.08	18,571.27
Long Term Provisions	8	13.09	8.13
		41,577.73	33,872.69
Current Liabilities			
Short Term Borrowings	9	3,909.21	4,706.69
Trade Payables	10	578.05	633.00
Other Current Liabilities	11	937.56	816.96
Short Term Provisions	12	765.79	309.64
		6,190.61	6,466.29
TOTAL		71,803.61	61,979.55
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	13	39,709.26	35,513.31
Capital Work in Progress		16,094.39	14,565.00
		55,803.65	50,078.31
Deferred Tax (Assets)	6	1,113.20	913.02
Long Term Loans and Advances	14	59.83	54.96
Other Non-Current Assets	15	60.79	8.34
		57,037.47	51,054.63
Current Assets			
Inventories	16	2,842.43	4,172.61
Trade Receivables	17	6,641.98	5,241.95
Cash and Cash Equivalents	18	200.42	184.64
Short Term Loans and Advances	19	3,125.06	46.96
Other Current Assets	20	1,956.25	1,278.75
		14,766.14	10,924.92
TOTAL		71,803.61	61,979.55
Significant Accounting Policies & Notes on Financial Statements	1 & 2		

As per our report attached
For **JAGIWALA AND CO**
Chartered Accountants
Firm Registration No.: 131184W

For and on behalf of Board of Directors

Yogesh R Jagiwala
Partner
Membership No. 016864

Manisha Solanki
Company Secretary

Ashok G Rajani
Chairman & Managing Director
DIN: 01839535

Anand Taggaris
Director
DIN: 06959365

Place: Mumbai
Date: May 28, 2016

STATEMENT OF PROFIT & LOSS

For the period ended March 31, 2016

		₹ in Lakhs	
	Note	2015-2016	2014-2015
INCOME			
Revenue from Operations	21	29,485.06	25,317.45
Less: Duties & Taxes		1,957.02	556.34
Revenue From Operations (Net)		27,528.04	24,761.11
Other Income	22	183.75	70.30
Total Revenue		27,711.79	24,831.41
EXPENDITURE			
Cost of Material Consumed (including stock-in-trade)	23	20,330.55	21,810.81
Change in Inventories of Finished Goods, Stock in Process & Stock in Trade	24	1,353.48	(1,449.59)
Employee Benefit Expenses	25	214.18	168.44
Finance Cost	26	1,271.94	991.04
Depreciation and Amortisation Expenses	13& 27	1,093.21	1,054.87
Other Expenses	28	804.31	884.87
Total Expenses		25,067.67	23,460.44
Profit Before Tax		2,644.12	1,370.97
Tax Expenses			
Current Tax		563.92	287.36
MAT Credit Entitlement		(564.30)	(411.21)
Deferred Tax (Net)		(33.86)	191.75
		(34.23)	67.90
Net Profit for the period		2,678.35	1,303.07
Earnings per Equity Share of face value of ₹ 10 each			
Basic (₹)		24.35	11.85
Diluted (₹)		24.35	11.85
Significant Accounting Policies & Notes on Financial Statements	1 & 2		

As per our report attached
For **JAGIWALA AND CO**
Chartered Accountants
Firm Registration No.: 131184W

For and on behalf of Board of Directors

Yogesh R Jagiwala
Partner
Membership No. 016864

Manisha Solanki
Company Secretary

Ashok G Rajani
Chairman & Managing Director
DIN: 01839535

Anand Taggarsi
Director
DIN: 06959365

Place: Mumbai
Date: May 28, 2016

CASH FLOW STATEMENT

For the period ended March 31, 2016

₹ in Lakhs

	2015-16		2014-15	
A: CASH FLOW FROM OPERATING ACTIVITIES:				
Net Profit After Tax as per Statement of Profit and Loss		2,678.35		1,303.07
Adjustment for				
Depreciation and Amortisation	1,093.21		1,054.87	
Finance Cost	1,271.94		991.05	
Interest Income	(25.49)		(68.42)	
Other Non-Operating Income	(158.26)		(1.88)	
		2,181.40		1,975.61
Operating Profit before Working Capital changes		4,859.75		3,278.68
Changes in Working Capital				
Adjustment for (increase)/decrease in operating assets:				
Trade Receivables	(1,400.03)		(4,489.22)	
Inventories	1,330.18		(1,527.37)	
Short Term Loans and Advances	(3,078.10)		(443.23)	
Other Current Assets	(677.49)		(1,278.65)	
Adjustment for increase/(decrease) in operating liabilities:				
Trade Payables	(54.95)		375.19	
Other Current Liabilities	120.61		(913.40)	
Other Long Term Liabilities	-		5,322.95	
Short Term Provisions	456.15		153.67	
		(3,303.63)		1,913.62
Net Cash from / (used in) Operating Activities (A)		1,556.12		1,365.06
B: CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES:				
Capital expenditure on fixed assets, including capital advances	(6,818.56)		(14,482.49)	
Other Non-Current Assets	(252.62)		(215.74)	
Dividend on Preference Shares	(151.26)		-	
Provision for Dividend on Equity Shares	(132.39)		-	
Long Term Loans and Advances	(4.86)		8,355.01	
Other Long Term Provisions	4.96		8.13	
Other Long Term Liabilities	135.13		399.14	
Other Non-Operating Income	158.26		1.88	
Net Cash Flow from / (used in) Investing Activities (B)		(7,061.35)		(5,934.07)
C: CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES:				
Finance Cost	(1,271.94)		(991.04)	
Interest Income	25.49		68.42	
Proceeds from Long Term Borrowings	7,564.94		1,036.94	
Proceeds from Short Term Borrowings	(797.48)		2,989.58	
Net Cash Flow From / (used in) Financing Activities (C)		5,521.01		3,103.90
Net Increase / (Decrease) In Cash and Cash Equivalent (A + B + C)		15.78		(1,465.11)
Cash and Cash Equivalents at the Beginning of the Year		184.64		1,649.75
Cash and Cash Equivalents at the End of the Year(Refer Note No. 18)		200.42		184.64

As per our report attached
For **JAGIWALA AND CO**
Chartered Accountants
Firm Registration No.: 131184W

For and on behalf of Board of Directors

Yogesh R Jagiwala
Partner
Membership No. 016864

Manisha Solanki
Company Secretary

Ashok G Rajani
Chairman & Managing Director
DIN: 01839535

Anand Taggaris
Director
DIN: 06959365

Place: Mumbai
Date: May 28, 2016

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2016

1. CORPORATE INFORMATION

Seya Industries Ltd (the Company) is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are traded on BSE Limited. The Company is engaged in manufacturing of Speciality chemicals, Pharmaceutical Intermediates, Agrochemical Intermediates, Organic Chemical Intermediates and Inorganic Chemical Intermediates.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis for Preparation of Financial Statements

2.1.1. The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP"), the Accounting Standards ("AS") as specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies' (Accounts) Rules 2014. The financial statements are prepared on the basis of going concern under the historical cost convention using the accrual method of accounting. The accounting policies adopted in the preparation of financial statements are consistent with those of the previous year. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the 2013 Act.

2.1.2. The financial statements have been prepared on accrual basis under the historical cost convention except for those with significant uncertainties. The accounting policies adopted in the preparation of financial statements are consistent with those of the previous year.

2.1.3. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the revised Schedule III to the Act. Based on the nature of business and its activities, the Company has ascertained its operating cycle as twelve months for the purpose of Current & Non-Current classification of Assets & Liabilities.

2.2. Use of Estimates:

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

2.3. Inventories:

- i. Raw materials, Stores & Spares are valued at lower of Cost or Market Value whichever is less.
- ii. Work in progress and Manufactured Goods, are valued at lower of Cost or Market Value whichever is less.
- iii. By-products, self-generated Scrap and non-reusable waste are valued at net realisable value.
- iv. Cost includes all charges in bringing the goods to the point of sale, including Octroi and other levies, transit insurance and receiving charges. Work-in-progress and Manufactured goods include appropriate proportion of overheads and 254 where applicable, excise duty.

2.4. Fixed Assets (Tangible) and Depreciation

Fixed assets are stated at their original cost, less accumulated depreciation / amortization and impairment losses, if any. The Original Cost of fixed assets includes its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the assets ready for its intended use, interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses related to acquisition, installation and other pre-operative expenses incurred up to that date which generally coincides with the commissioning date of such assets.

Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets.

Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets subsequent expenditure, if any, on fixed assets after its purchase / completion is capitalized only if such expenditure results in an increase in future benefits from such assets beyond its previously assessed standard of performance.

Fixed assets acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till commissioning of the project.

Capital Work in Progress

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

Depreciation and Amortization

Depreciation has been provided as per Section 123 of the Companies Act, 2013 on a straight line method basis ("SLM") over the estimated useful lives. Management believes based on a technical evaluation that the revised useful lives of the assets reflects the periods over which these assets are expected to be used, which are as follows:

Asset	Useful life based on SLM adopted
Leasehold Land	99 years
Building	1 – 25 years
Plant and Machinery	3 – 20 years
Furniture & Fixtures	3 – 12 years
Vehicles	3 – 10 years

2.5. Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

2.6. Revenue Recognition

Sales of Goods: Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude central sales tax and value added tax.

Other Income

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

2.7. Insurance Claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect the ultimate collection.

2.8. Foreign Currency Transactions**Initial Recognition**

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement at the Balance Sheet date

Foreign currency monetary items of the Company outstanding at the Balance Sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

Treatment of exchange differences

Exchange differences arising on settlement / restatement of short term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

Exchange differences arising on settlement / restatement of Long term foreign currency monetary are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets or amortised on settlement / over the maturity period of such items

2.9. Employee benefits

Employee benefits include Gratuity fund, Compensated absences, Long service awards.

Defined benefit plans

For defined benefit plans in the form of gratuity fund the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. 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 service. The cost of such compensated absences is accounted as under:

- I. in case of accumulated compensated absences, when employees render the services that increases their entitlement of future compensated absences; and
- II. in case of non-accumulating compensated absences, when the absences occur.

Long-term Employee Benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

2.10. Finance Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of Profit and Loss. Borrowing costs include interest; amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.

2.11. Segment Reporting

The Company has disclosed business segment as primary segment. The Company operates in five segments: Speciality Chemicals Intermediates, Organic Chemical Intermediates, Inorganic Chemical Intermediates and Agrochemical Intermediates and Pharmaceutical Intermediates.

The Company has classified its business segments based on the respective end use of its products which does not have any financial impact and for which necessary Segment wise statement has been shown as per Accounting Standard – 17 (AS – 17)

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

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue / expenses / assets / liabilities”.

Secondary segment have been identified with reference to geographical location of external customers. Composition of secondary segment is as follows

- i. India
- ii. Outside India

2.12. Earnings per share

Basic earnings per share are computed by dividing the net profit for the year by the weighted average number of Ordinary equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit for the year by the weighted average number of Ordinary equity shares outstanding during the year plus the weighted average number of Ordinary equity shares that would be issued on conversion of all the dilutive potential ordinary equity shares in Ordinary equity shares.

2.13. Taxes on Income

Tax on income for the current period is determined on the basis of taxable income after considering the various deductions available under the Income Tax Act, 1961. Income Tax comprises both current and deferred tax.

Provision for Current tax is measured at the amount computed under the Income Tax Act, 1961, or Book Profit computed under section 115JB, whichever is higher, and correspondingly set-off available under section 115JAA is credited to the Statement of Profit & Loss of the financial year.

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

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable

income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisation. Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss

2.14. Research and Development Expenses

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Expenditure pertaining to Development of products is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets.

2.15. Impairment of Assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of re-valued assets.

2.16. Provisions and Contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

2.17. Cash and Cash equivalents (for purposes of Cash Flow Statement)

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

2.18. Cash Flow Statement

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

2.19. Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

3. SHARE CAPITAL

3.1. Authorised Capital

₹ in Lakhs

Class of Shares	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares of ₹ 10 each	19,700,000	1,970	19,700,000	1,970
Non-Convertible Redeemable Preference Shares of ₹10 each	151,300,000	15,130	151,300,000	15,130
Total	171,000,000	17,100	171,000,000	17,100

3.2. Issued, Subscribed and Paid up Capital (Fully Paid up)

₹ in Lakhs

Class of Shares	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares of ₹ 10 each fully paid up	11,000,000	1,100	11,000,000	1,100
Non-Convertible Redeemable Preference Shares of ₹ 10 each (NCRPS)	151,261,714	15,126.17	-	-
Total	162,261,714	16,226.17	11,000,000	1,100

3.3. The reconciliation of the number of shares outstanding is set out below

	As at March 31, 2016	As at March 31, 2015
Equity Shares at the beginning of the year	11,000,000	11,000,000
Movement during the year	-	-
Equity Shares at the end of the year	11,000,000	11,000,000
NCRPS at the beginning of the year	-	-
Movement during the year	+ 151,261,714	-
NCRPS at the end of the year	151,261,714	-

3.4. The details of shareholders holding more than 5% of equity share

Name of the shareholders	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	%	No. of Shares	%
Mr. Ashok G Rajani	4,673,070	42.48	2,304,214	20.95
Mrs. Shalini A Rajani	2,761,930	25.11	2,761,930	25.11
Mr. Ghanshyamdas Rajani	-	-	1,390,370	12.64
Mrs. Gopi G Rajani	-	-	978,486	8.89

3.5. Rights, preferences and restrictions attached to shares

The Company has only one class of Equity Shares having a par value of ₹10/- per share. Each Shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of Shareholders, except in case of interim dividend. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their shareholding.

3.6. The Company has not allotted any equity shares for consideration other than cash, bonus shares, nor have any shares been bought back during the period of five years immediately preceding the Balance Sheet date.

3.7. During the period under review the Company has allotted 151,261,714 Non-Convertible Redeemable Preference Shares of ₹10/- each.

4. RESERVES AND SURPLUS

₹ in Lakhs

	As at March 31, 2016	As at March 31, 2015
General Reserves		
Opening Balance	2,013.53	2,013.53
Add: Transferred from surplus in statement of Profit and Loss	-	-
Less: Utilised / transferred during the year	-	-
Closing Balance	2,013.53	2,013.53
Surplus / (Deficit) in Statement of Profit and Loss		
Opening Balance	3,400.88	2,097.81
Add: Profit / (Loss) during the year	2,678.35	1,303.07
Less: Transferred to General Reserves	-	-
Less: Dividend on Preference Shares	151.26	-
Less: Dividend on Equity Shares (incl. DDT)	132.39	-
Closing Balance	5,795.57	3,400.88
TOTAL	7,809.10	5,414.40

5. Long Term Borrowings

₹ in Lakhs

	As at March 31, 2016	As at March 31, 2015
Term Loans		
<i>From Banks</i>		
Secured	8,980.58	3,711.53
Loans & Advances from related parties		
Unsecured	134.42	137.02
Other Loans and Advances		
Unsecured	12,386.12	10,087.63
TOTAL	21,501.12	13,936.18

5.1. Rupee Term Loan from banks comprises of loan taken for expansion project of ₹8,971.36 Lakhs and Car loan of ₹9.22 Lakhs.

5.1.1. Term loan for expansion of project is secured by way of first charge, having pari-passu rights, on factory – land and building (Save and except stock and book debts), situated at one of the company's location.

5.1.2. Car loan from bank is secured against hypothecation of Car.

5.2. Terms of Repayments of Secured / Unsecured Loans

₹ in Lakhs

Period	Amount
2 to 4 Years	3,597.77
4 to 7 Years	5,382.81
TOTAL	8,980.58

6. DEFERRED TAX (DISCLOSURES UNDER AS-22)

₹ in Lakhs

	As at March 31, 2016	As at March 31, 2015
Deferred Tax Liability		
On difference between book balance and tax balance of Depreciation	820.93	625.01
On expenditure deferred in the books but allowable for tax purposes	699.75	699.75
Allowances Under 43B	34.66	32.35
On difference between amortisation of Preliminary in books and as per Tax	(2.46)	-
Expenses earlier allowed Under 43B, now written back	(29.44)	-
	1,523.44	1,357.11
Deferred Tax Assets		
Provision for Compensated absences, gratuity and other employee benefits	7.99	7.99
Disallowances under 40A (7) of the Income Tax Act, 1961	2.88	2.88
Assets arising due to Provisions of Income Tax Act	1,102.33	902.15
	1,113.20	913.02
Deferred Tax (Net)	410.24	444.09

7. OTHER LONG TERM LIABILITIES

₹ in Lakhs

	As at March 31, 2016	As at March 31, 2015
Others		
Payable on purchase of Fixed Assets	18,534.59	18,570.72
Others	5.49	0.55
TOTAL	18,540.08	18,571.27

8. LONG TERM PROVISIONS

₹ in Lakhs

	As at March 31, 2016	As at March 31, 2015
Provisions for Employee Benefits		
Provision for Gratuity	13.09	8.13
TOTAL	13.09	8.13

9. SHORT TERM BORROWINGS

₹ in Lakhs

	As at March 31, 2016	As at March 31, 2015
Loans Repayable on Demand		
<i>From Banks</i>		
Secured	3,909.21	4,706.69
TOTAL	3,909.21	4,706.69

*Working capital loan from bank is secured against hypothecation of Stock of Raw Materials, Stock in Process, Semi-Finished and Finished goods, Stores and Spares (not relating to plant and machinery), book debts.

10. TRADE PAYABLES

₹ in Lakhs

	As at March 31, 2016	As at March 31, 2015
Other than Acceptances	312.44	590.64
Acceptances	265.61	42.36
TOTAL	578.05	633.00

11. OTHER CURRENT LIABILITIES

₹ in Lakhs

	As at March 31, 2016	As at March 31, 2015
Current maturity of long term debt	656.84	690.32
Other Payables		
Advance from customers	15.35	12.37
Statutory Remittances	35.98	47.47
Contractually reimbursable expenses	2.34	16.78
Other trade payables for Goods and Services	227.05	50.02
TOTAL	937.56	816.96

12. SHORT TERM PROVISIONS

₹ in Lakhs

	As at March 31, 2016	As at March 31, 2015
Provisions –For Employee Benefits		
Provisions for Bonus	18.05	15.86
Provisions – Other		
Provisions for Tax	562.67	281.44
Others	185.07	12.34
TOTAL	765.79	309.64

13. FIXED ASSETS

₹ in Lakhs

Description	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK			
	As at 31-Mar-15	Additions	Deduction / Transfer	As at 31-Mar-16	Upto 31-Mar-15	For the Year	Deduction / Transfer	Upto 31-Mar-16	As at 31-Mar-16	As at 31-Mar-15
Tangible Assets										
Leasehold Land	21,931.02	114.68	-	22,045.70	-	-	-	-	22,045.70	21,931.01
Buildings	2,391.20	338.33	-	2,729.53	373.31	95.36	-	486.67	2,260.86	2,017.89
Plant & Machinery	16,823.17	4,814.86	-	21,638.02	5,303.28	974.41	-	6,277.70	15,360.33	11,519.89
Furniture & Fixtures*	26.38	-	-	26.38	12.81	2.36	-	15.16	11.22	13.58
Vehicles	41.26	5.39	-	46.64	10.31	5.17	-	15.48	31.16	30.94
TOTAL	41,213.02	5,273.25	-	46,486.28	5,699.71	1,077.31	-	6,777.01	39,709.26	35,513.31
PREVIOUS YEAR	40,621.40	591.63	-	41,213.02	4,644.84	1,054.87	-	5,699.71	35,513.32	35,976.56

*Includes Office Equipment.

14. LONG TERM LOANS AND ADVANCES

₹ in Lakhs

	As at March 31, 2016	As at March 31, 2015
Security Deposits		
Unsecured, Considered Good	59.83	54.96
TOTAL	59.83	54.96

15. OTHER NON-CURRENT ASSETS

₹ in Lakhs

	As at March 31, 2016	As at March 31, 2015
Provisions for Employee Benefits	13.09	8.13
Preliminary Expenses	47.70	0.21
TOTAL	60.79	8.34

16. INVENTORIES

₹ in Lakhs

	As at March 31, 2016	As at March 31, 2015
Raw Materials	119.95	94.73
Goods in Transit	-	-
	119.95	94.73
Work in Progress	2,573.68	3,911.47
Manufactured Goods	129.27	144.96
Stores & Spares	18.29	20.61
Others	1.25	0.84
TOTAL	2,842.43	4,172.61

17. TRADE RECEIVABLES

₹ in Lakhs

	As at March 31, 2016	As at March 31, 2015
Other Trade Receivable		
Unsecured, considered good	6,652.83	5,227.11
Outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	16.15	14.84
TOTAL	6,641.98	5,241.95

18. CASH AND CASH EQUIVALENTS

₹ in Lakhs

	As at March 31, 2016	As at March 31, 2015
Cash on hand	9.87	1.12
Balances with Banks		
In Current Accounts	13.29	44.04
In Deposit Accounts *	177.26	139.48
TOTAL	200.42	184.64

* Deposits of ₹108.75 Lakhs (Previous year ₹94.16 Lakhs) are held as margin money against Short Term Borrowings.

19. SHORT TERM LOANS AND ADVANCES

₹ in Lakhs

	As at March 31, 2016	As at March 31, 2015
Others		
Unsecured Considered good		
Advance to supplier of Goods and Services	3,117.64	34.37
Loans and Advances to Employees	7.42	12.59
TOTAL	3,125.06	46.96

20. OTHER CURRENT ASSETS

₹ in Lakhs

	As at March 31, 2016	As at March 31, 2015
Accruals		
Interest Accrued on Deposit	13.82	4.81
Interest Accrued but not due on borrowings	102.61	95.30
Others		
MAT Credit Entitlements	1,044.08	479.78
Balance with Government Authorities	746.38	666.19
Preliminary Expenses	15.91	-
Prepaid Expenses	32.42	31.77
Other Current Assets	-	0.91
TOTAL	1,956.25	1,278.75

21. REVENUE FROM OPERATIONS

₹ in Lakhs

	2015-16	2014-15
Sale of Products (Refer Note No. 21.1)	29,485.06	25,317.45
Revenue from Operations (Gross)	29,485.06	25,317.45
Less: Duties & Taxes	1,957.02	556.34
Revenue From Operations (Net)	27,528.04	24,761.11

21.1 Details of Product sold (net of excise duty)

₹ in Lakhs

	2015-16	2014-15
Sale of Finished Goods (including Stock in trade)		
Inorganic intermediates	8.52	34.23
Organic intermediates	918.28	1,499.98
Speciality Chemical intermediates	26,177.73	22,559.84
Pharmaceutical intermediates	362.95	658.57
Agrochemical intermediates	60.57	8.49
TOTAL	27,528.04	24,761.11

22. OTHER INCOME

₹ in Lakhs

	2015-16	2014-15
Interest Income Comprises		
<i>Interest received from Banks on:</i>		
Deposits	21.76	58.02
Other Interest	3.74	10.40
Other Non-Operating Income Comprises		
Liability/Provisions no longer required written back	158.26	1.88
TOTAL	183.75	70.30

23. COST OF MATERIAL CONSUMED (INCLUDING STOCK-IN-TRADE)

₹ in Lakhs

	2015-16	2014-15
Opening Stock	82.33	10.54
Add: Purchases	20,360.97	21,882.60
	20,443.30	21,893.14
Less: Closing Stock	112.75	82.33
COST OF RAW MATERIAL CONSUMED	20,330.55	21,810.81

23.1 Details of Raw Material Consumed (including stock-in-trade)

₹ in Lakhs

	2015-16	2014-15
Aromatics	5,182.82	10,489.48
Acids	3,189.37	4,927.21
Others	11,958.36	6,394.12
TOTAL	20,330.55	21,810.81

24. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROCESS & STOCK IN TRADE

₹ in Lakhs

	2015-16	2014-15
(A) Inventories at the beginning of the year		
Manufactured Goods	144.96	332.78
Work in Process	3,911.47	2,274.06
	4,056.43	2,606.84
(B) Inventories at the end of the year		
Manufactured Goods	129.27	144.96
Work in Process	2,573.68	3,911.47
	2,702.95	4,056.43
NET (INCREASE) / DECREASE IN INVENTORIES (A – B)	1,353.48	(1,449.59)

25. EMPLOYEE BENEFIT EXPENSES

₹ in Lakhs

	2015-16	2014-15
Salaries, wages, bonus, compensated absences and all other amounts payable to employees in respect of services rendered as per their employment terms under their contract of service / employment	205.57	157.54
Contributions to Provident and other Fund	4.75	7.30
Staff Welfare Expenses	3.86	3.60
TOTAL	214.18	168.44

26. FINANCE COST

₹ in Lakhs

	2015-16	2014-15
Interest Expenses on		
Borrowings	1,176.92	963.99
Trade Payables	13.27	12.54
Others		
Bank Charges	23.86	14.13
Other Borrowing Cost	57.89	0.38
TOTAL	1,271.94	991.04

27. DEPRECIATION AND AMORTISATION

₹ in Lakhs

	2015-16	2014-15
Depreciation (Refer Note No.13)	1,077.31	1,054.87
Preliminary Expenses Amortised	15.91	-
TOTAL	1,093.21	1,054.87

28. OTHER EXPENSES

₹ in Lakhs

	2015-16	2014-15
Consumption of Stores and Spares	2.97	2.12
Consumption of Packing Material	11.88	11.61
Donation	-	13.66
Increase/(decrease) of excise duty on inventory	(1.74)	(20.50)
Power & Fuel charges	432.39	515.02
Repairs and Maintenance – Machinery	33.10	11.06
Rent	22.40	22.40
Insurance	14.19	9.50
Sales Promotions, Discounts & other Selling expenses	220.55	278.44
Payment to Auditors (Refer Note No. 28.1)	6.75	6.20
Miscellaneous Expenses	61.83	35.36
TOTAL	804.31	884.87

28.1 Payment to Auditors

₹ in Lakhs

	2015-16	2014-15
As Auditor – Statutory Audit Fees	3.90	3.65
For Taxation Matters	1.50	1.25
For Company Law Matters	0.75	0.70
For other services	0.60	0.60
TOTAL	6.75	6.20

29. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS**29.1. Contingent liabilities and Capital commitments to the extent not provided**

₹ in Lakhs

	As at March 31, 2016	As at March 31, 2015
Contingent Liabilities		
<i>Financial Instruments</i>		
Letter of Credit	251.20	44.60
Bank Guarantees		
-Financial	14.41	42.36
-Performance	25.00	25.00
Capital Commitments		
<i>Estimated amount of contracts remaining to be executed on capital account and not provided for(net of capital Advances):</i>		
-Tangible Assets	11,486.73	10,516.13
TOTAL	11,777.34	10,628.09

29.2. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

There are no Micro and Small Enterprises, to whom the Company owes dues which are outstanding as at the Balance Sheet date. The information has been identified to the extent such parties have been identified on the basis of information available with the Company.

29.3. Financial Instruments

The Company has negligible exposure in Foreign Currency during the year and hence has not availed any financial instrument, viz. Derivatives and Forward Contract Instruments for hedging its risks and exposure to foreign currency fluctuations

29.4. Value of imports calculated on CIF basis: NIL (Previous Year: NIL)**29.5. Expenditure in Foreign Currency**

₹ in Lakhs

	2015-16	2014-15
Interest	-	2.32
TOTAL	-	2.32

29.6. Amounts remitted in foreign currency during the year on account of dividend: NIL (Previous year: NIL)**29.7. Earnings in Foreign Exchange: NIL (Previous Year: NIL)****29.8. Details of Consumption of Imported and Indigenous items**

	2015-16		2014-15	
	₹ in Lakhs	%	₹ in Lakhs	%
Indigenous				
Raw Material	20,330.55	100	21,810.81	100
Spare Parts	2.97	100	2.12	100
	20,333.52	100	21,812.93	100
Imported				
Raw Material	-	-	-	-
Spare Parts	-	-	-	-
TOTAL	20,333.52	100	21,812.93	100

29.9. Disclosure under AS-15: Employee Benefits**29.9.1. Defined Benefit Plan**

During the Period under review Company has made contribution towards Employees' Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India.

Both are funded defined benefit plans for qualifying employees. The Scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment as per the Company's Gratuity Scheme. Vesting occurs upon completion of Five years of services.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for Compensated Absences is recognised in the same manner as gratuity.

29.9.2. The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

29.9.3. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, Increments and other relevant factors.

29.9.4. The expected return on plan assets is determined considering several applicable factors mainly the composition of plan assets held, assessed risk of assets management and historical result of the return on plan asset.

29.9.5. In absence of specific details of plan assets from LIC, the details of plan assets have not been furnished. The details of experience adjustment relating to Plan assets are not readily available in valuation report and hence are not furnished.

29.9.6. The following table set out the funded status and amounts recognised in Company's financial statements as at March 31, 2016 for Defined Benefit Plan. (Disclosure as per AS-15)

₹ in Lakhs

	2015-16		2014-15	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Changes in Present value of Obligation				
At the beginning of the year	8.13	4.34	5.09	3.50
Current Service Cost	3.33	2.62	2.41	1.77
Interest Cost	0.65	0.34	0.40	0.32
Actuarial(Gain)/Loss on obligation	0.98	(1.01)	0.23	(1.25)
Benefit Paid	-	-	-	-
At the Close of the year	13.09	6.29	8.13	4.34
Changes in fair value of Plan Assets				
At the beginning of the year	8.96	-	7.47	-
Expected return on plan assets	0.96	-	0.69	-
Actuarial(Gain)/Loss	0.00	-	(0.00)	-
Employer Contribution	4.10	-	0.81	-
Benefit Paid	-	-	-	-
At the Close of the year	13.86	-	8.96	-
Reconciliation of fair value of assets and funded obligations				
Present Value of plan assets at the end of the year	13.86	-	8.96	-
Present Value of obligation at the end of the year	13.09	-	8.13	-
Net Assets / (Liability) recognised in the Balance Sheet	0.76	(6.29)	0.83	(4.34)
Expenses Recognised in the Statement of Profit & Loss				
Current Service Cost	3.33	2.61	2.41	1.77
Interest Cost	0.65	0.34	0.40	0.32
Expected Return on Plan Assets	(0.96)	-	(0.69)	-
Actuarial (Gain)/Loss	1.14	(1.01)	0.24	(1.25)
Expenses recognized in the Statement of Profit & Loss	4.16	1.95	2.36	0.85
Actuarial Assumptions				
Mortality Table	IALM (2006-08) Ult.		IALM (2006-08) Ult.	
Discount Rate (per annum)	8%	8%	7.85%	7.85%
Expected return on plan assets (per annum)	8.75%	-	8.75%	-
Rate of escalation in salary (per annum)	4%	4%	4%	4%

29.10. Disclosure under AS-17: Segment Information

₹ in Lakhs

	2015-16	2014-15
Revenue (Net of Excise)		
Inorganic Intermediates	8.52	34.23
Organic Intermediates	918.28	1,499.98
Speciality Chemical Intermediates	26,177.73	22,559.84
Pharmaceutical Intermediates	362.95	658.57
Agrochemicals Intermediates	60.57	8.49
Total Revenue	27,528.04	24,761.11
Segment Results		
Inorganic Intermediates	1.81	6.08
Organic Intermediates	194.94	266.54
Speciality Chemical Intermediates	5,557.36	4,008.74
Pharmaceutical Intermediates	77.05	117.02
Agrochemicals Intermediates	12.86	1.51
Total Results	5,844.02	4,399.89
Less:		
i Finance Cost	1,271.94	991.04
ii Other Un allocable Expenditure (net of un-allocable income)	1,927.97	2,037.88
Total Profit Before Tax	2,644.11	1,370.97
Tax Expenses	(34.23)	67.90
PROFIT AFTER TAX	2,678.35	1,303.07

29.10.1. Classification of Business Segments

Primary Segments

For better understanding of Company's business, the Company has classified its business segments based on the respective end use of its products into Inorganic, Organic, Speciality, Pharmaceuticals & Agrochemical Intermediates, which does not have any financial impact and for which necessary Segment wise statement has been shown as per Accounting Standard - 17 (AS - 17). Inter-segment transfer prices are normally negotiated at cost or market prices whichever is lower with an overall optimisation objective of the Company. Revenue and expenses have been accounted based on their relationship to the operating activities of the segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segments on the reasonable basis, have been included under "Un-allocable Expenses"

Secondary Segments

The Company sells its products mainly within India where the conditions prevailing are uniform. Hence disclosures w.r.t. Secondary segments have not been provided.

29.10.2. Segment-wise Capital Employed

The Fixed Assets used in the Company's business or liabilities contracted cannot be classified as per reportable segments, as the Fixed Assets and Services are used interchangeably between segments hence it is not practically possible to provide segment-wise disclosures relating to Capital employed

29.11. Disclosures under AS-18: Related Party Disclosures

29.11.1. Details of Related Parties:

Description of Relationship	Name of the Parties
Key Management Personnel (KMP)	1. Mr. Ashok G Rajani – Chairman & Managing Director 2. Mr. A. K. Bhowmik – Director
Company in which either of KMP or their Relatives can exercise significant influence	M/s. Universal Textile Waterproof Co. (India) in which relatives of KMP are partners

29.11.2. Related Party Transactions details during the year ended March 31, 2016 and Balances Outstanding as at March 31, 2016

Nature of Transaction	KMP		Entities in which KMP/ Relatives of KMP have significant influence	
	2015-16	2014-15	2015-16	2014-15
Remuneration to Directors	27.08	27.08	-	-
Directors Seating fees	-	-	-	-
Leasing arrangements	-	-	22.40	39.45
Unsecured Loans Taken/(Repaid)	(2.60)	21.91	-	-
Balances outstanding at the end of the year:				
Long Term Borrowings (unsecured)	134.42	137.02	-	₹ in Lakhs

29.12. Disclosure under AS-19: Leases

The Company has entered into operating lease arrangements as Lessee for certain facilities and office premises. The lease is non-cancellable and is for a period of 10 years and may be renewed for a further period of 10 years based on mutual agreement of the parties. The lease agreements does provide for any increase in the lease payments.

₹ in Lakhs

	2015-16	2014-15
Future minimum lease payments		
not later than one year	22.40	22.40
Lease Payments Recognised In the Statement of Profit And Loss	22.40	22.40

29.13. Disclosure under AS-20: Earnings Per Share

	2015-16	2014-15
Nominal Value of Equity Shares (₹)	10/-	10/-
Net Profit available for equity shareholders (₹ in Lakhs)	2,678.35	1,303.97
Weighted average Number of shares outstanding during the year	11,000,000	11,000,000
Basic and Diluted Earnings Per Share (₹)	24.35	11.85

29.14. Investor Education and Protection Fund

There is no amount due and outstanding as at Balance Sheet date to be credited to the Investor Education and Protection Fund.

29.15. In the opinion of the Board of Directors, the Current Assets, Loans and Advances have value on realisation in the ordinary course of business, at least equal to the amount at which they are stated in the foregoing Balance Sheet and adequate provision for all known liabilities on the Company has been made

29.16. Impairment of Assets (AS-28)

Based on exercise of impairment of assets undertaken by the management in due cognizance of paragraphs 5 to 13 of Accounting standard -28, the Company has concluded that no impairment loss is required to be booked.

29.17. Previous Year's figures:

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report attached
For **JAGIWALA AND CO**
Chartered Accountants
Firm Registration No.: 131184W

For and on behalf of Board of Directors

Yogesh R Jagiwala
Partner
Membership No. 016864

Manisha Solanki
Company Secretary

Ashok G Rajani
Chairman & Managing Director
DIN: 01839535

Anand Taggarsi
Director
DIN: 06959365

Place: Mumbai
Date: May 28, 2016

NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY-SIXTH ANNUAL GENERAL MEETING OF THE MEMBERS OF SEYA INDUSTRIES LTD ("THE COMPANY") WILL BE HELD AT THE REGISTERED OFFICE OF THE COMPANY AT T -14, MIDC, TARAPUR INDUSTRIAL AREA, BOISAR, DIST. PALGHAR - 401506 MAHARASHTRA, ON WEDNESDAY, SEPTEMBER 28, 2016, AT 4:00 P.M. TO TRANSACT FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2016 and the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date, together with Director's Report and the Auditor's Report thereon;
2. To declare dividend of ₹1/- per equity Share of ₹10/- each (i.e. @10%) for the Financial Year 2015-16
3. To appoint a Director in place of Mr. Asit Kumar Bhowmik (DIN: 03522132), who retires by rotation and being eligible, seeks re-appointment.
4. To appoint M/s. Jagiwal and Co. Chartered Accountants as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration and in this regard to consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014, including any amendment, modification, or variation thereof, the Company hereby appoints M/s. Jagiwal and Co., Chartered Accountants, Mumbai (ICAI Firm Registration No. 131184W), as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting (AGM), to examine and audit the accounts of the Company for the Financial Year 2016-17 at such remuneration plus service tax, out of pocket expenses, etc., as may be mutually agreed between the Board of Directors and the Auditors.

RESOLVED FURTHER THAT the Board of Directors (which term includes a duly constituted Committee of the Board of Directors) be and is hereby authorised to do all such act, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this resolution and / or otherwise considered by them to be in the best interest of the Company."

SPECIAL BUSINESS:

5. Ratification of remuneration of Cost Auditor for F.Y. 2016-17 and in this regards, to consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of the Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment thereof, for the time being in force, M/s. Hemant Shah & Associates, Cost Accountants who have been appointed Cost Auditor of the Company be paid a remuneration of ₹85,000/- plus applicable taxes to conduct the audit of cost records of the Company as prescribed under the Companies (Cost Records and Audit), Rules 2014, for the Financial Year ending March 31, 2017.

RESOLVED FURTHER THAT the Board of Directors (Which term includes a duly constituted committee of the Board of Directors) be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this resolution and / or otherwise considered by them to be in the interest of the Company."

6. To approve conversion of loan into equity and in this regards, to consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to Section 62(3) and other applicable

provisions, if any, of the Companies Act, 2013 and Rules made there under, and applicable provisions if any, of the Companies Act, 1956, and in accordance with the Memorandum of Association and Articles of Association of the Company and applicable regulations and subject to all such approval(s), consent(s), permission(s) or sanction(s), if any, of appropriate statutory, governmental and other authorities and departments in this regard and subject to such condition(s) and modification(s) as may be prescribed or imposed, while granting such approval(s), consent(s), permission(s) or sanction(s), the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called the "Board", which term shall be deemed to include any committee(s) constituted/ to be constituted by the Board to exercise its powers including powers conferred by this resolution, to the extent permitted by law), on the terms and conditions contained in the financing documents, such terms and conditions to provide, Inter alia, to convert the whole or part of the outstanding loans of the Company (whether disbursed on or prior to or after the date of this resolution and whether then due or payable or not), (as already stipulated or as may be specified by the Financial Institutions/ Banks under the financing documents executed or to be executed in respect of the financial assistances which have already been availed or which may be availed) by the Company under the lending arrangements (existing and future arrangements) with various Banks and Financial Institutions (hereinafter collectively referred to as the "Lenders") at the option of the Lenders, the loans or any other financial assistance categorized as loans (hereinafter referred to as the "Financial Assistances"), in Foreign Currency or Indian Rupees, which have already been availed from the Lenders or as may be availed from the Lenders, from time to time, not exceeding ₹2,500 Crores (Rupees Two Thousand Five Hundred Crores), consistent with the existing borrowing powers of the Company under Section 180(1)(c) of the Companies Act, 2013, each such Financial Assistances being separate and distinct from the other, into fully paid up equity shares of the Company on such terms and conditions as may be stipulated in the financing documents and subject to applicable law and in the manner specified in a notice in writing to be given by the Lenders (or their agents or trustees) to the Company (hereinafter referred to as the "Notice of Conversion") and in accordance with the following conditions:

- (i) the conversion right reserved as aforesaid may be exercised by the Lenders on occurrence of one or more event as mentioned in financing documents, during the currency of the Financial Assistances.
- (ii) on receipt of the Notice of Conversion, the Company shall, subject to the provisions of the financing documents, allot and issue the requisite number of fully paid-up equity shares to the Lenders as from the date of conversion and the Lenders may accept the same in satisfaction of the part of the loans so converted;
- (iii) the part of the loan so converted shall cease to carry interest as from the date of conversion and the loan shall stand correspondingly reduced. Upon such conversion, the repayment installments of the loan payable after the date of conversion as per the financing documents shall stand reduced proportionately by the amounts of the loan so converted..
- (iv) The loans shall be converted into equity shares at a price to be determined in accordance with the applicable Securities and Exchange Board of India Regulations at the time of such conversion.

RESOLVED FURTHER THAT the Board be and is hereby authorized to finalise the terms and conditions for raising the Financial

Assistances, from time to time, with an option to convert the Financial Assistances into equity shares of the Company anytime during the currency of the Financial Assistances, on the terms specified in the financing documents.

RESOLVED FURTHER THAT on receipt of the Notice of Conversion, the Board be and is hereby authorized to do all such acts, deeds and things as may be necessary and shall allot and issue requisite number of fully paid-up equity shares in the Company to such Lenders.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue, offer and allot from time to time to the Lenders such number of equity shares for conversion of the outstanding portion of the loans as may be desired by the Lenders.

RESOLVED FURTHER THAT the Board be and is hereby authorized to accept such modifications and to accept such terms and conditions as may be required by the Lenders arising from or incidental to the aforesaid terms providing for such option and to do all such acts and things as may be necessary to give effect to this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board, be and is hereby authorized to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable as may be required to create, offer, issue and allot the aforesaid shares, to dematerialize the shares of the Company and to resolve and settle any question, difficulty or doubt that may arise in this regard and to do all such other acts, deeds, matters and things in connection or incidental thereto as the Board in its absolute discretion may deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby also authorized to delegate all or any of the powers herein conferred by this resolution on it, to any committee of Directors or any person or persons, as it may in its absolute discretion deem fit in order to give effect to this resolution."

7. Re-classification of promoter category, to consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Regulation 31A(5) and other relevant provisions of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and applicable provisions if any of the Companies act, 2013, consent of the Members of the Company be and is hereby accorded to re-classify promoter group **AND THAT** to classify some of the promoters (who are not in control of the Company) as a public category with effect from May 28, 2016.

RESOLVED FURTHER THAT below mentioned promoters shall be considered as a public category with effect from May 28, 2016:

(1) Aarti Ahuja (2) Avinash Jumani (3) Big apple Exports Pvt. Ltd. (4) C M Jaisingh (5) Deepa Jaisingh (6) Deepak M Jaisingh (7) Gopal Ahuja (8) Heena C Jaisingh (9) Heera I Ahuja (10) Inder K Ahuja (11) Kishore Khatri (12) Lalchand M Jaisingh (13) Managala Jaisingh (14) Manish Khatri (15) Mithoomal Khatri (16) Mohini Khatri (17) Nitin Khatri (18) Parmanand Jaisingh (19) Prakash Jaisingh (20) Prem Kumar Khatri (21) Rita Jumani (22) Savitri M Jaisingh (23) Shyam Jaisingh (24) Sushila Khatri (25) Vrinda Jaisingh **AND THAT** only Mr. Ashok G Rajani and Mrs. Shalini Rajani shall form part of promoter group with effect from May 28, 2016.

RESOLVED FURTHER THAT the outgoing Promoters and Promoter Group as on May 28, 2016 seeking reclassification does not -

- Have any special rights through formal or informal agreements
- Hold more than 10% of the paid-up equity capital of the Company
- Act as Key Managerial Personnel for a period of more than 3 years from the date of shareholders' approval.

RESOLVED FURTHER THAT pursuant to the fulfillment of the above conditions as per Regulations 31A (5), the outgoing promoter and promoters group shall cease to be the promoters.

RESOLVED FURTHER THAT any of the Directors or Company Secretary be and is hereby severally authorised to do all such act(s), thing(s), matter(s) and deed(s) as may be required to give full effect of the above resolution.

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. Person can act as proxy on behalf of members not exceeding a count of fifty and holding in the aggregate not more than ten percent of total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. The instrument appointing the proxy should, however, be deposited at the Registered Office of the company not less than forty-eight (48) hours before the commencement of the meeting.
4. Corporate members intending to send their authorised representatives to attend the Meeting are required to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
5. In case of joint holders attending the meeting. Only such joint holder who is higher in the order of names will be entitled to Vote.
6. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the special Business to be transacted at the Meeting is annexed hereto.
7. Pursuant to the Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standards-2 on the General Meeting, brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional area, name of the Companies in which they hold Directorship and Membership / Chairmanships of Board Committees, shareholding and relationships between Directors inter-se, are provided in Annexure to this notice.
8. The register of members and share transfer books of the Company shall remain closed from Thursday, September 22, 2016 to Wednesday, September 28, 2016 both days inclusive.

The dividend, if declared at the meeting, will be paid on and from October 5, 2016 to those persons:

- (a) whose names appear as beneficial owners as at the end of the business hours in Wednesday, September 21, 2016 in the list of beneficial owners to be furnished by Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) in respect of the shares held in electronic form; and
- (b) whose names appear as members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company / Registrar and Share Transfer agent on or before Wednesday, September 21, 2016.

Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the depository participant of the members.

9. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Universal Capital Securities Private Limited (RTA), for consolidation into one single folio.
10. Non-resident Indian Members are requested to inform their Registrar Transfer Agent (in case of shares held in physical form) or the Depository Participants (in case of shares held in dematerialized form) as the case may be about the :
- Change in their residential status on return to India for permanent settlement
 - Particulars of their Bank accounts maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
11. The Security and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities Market. Members holding shares in electronic mode are, therefore, requested to submit their PAN to their Depository Participant(s), with whom they are maintaining their Demat account(s). Members holding shares in Physical form can submit their PAN to the Company / RTA.
12. **Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically.**
13. As per the provisions of Section 72 of the Companies Act, 2013 the facility for making nominations is available to the shareholders in respect of the equity shares held by them. Members holding shares in physical form should file their nomination with Company's Registrar and Share Transfer Agents whilst those Members holding shares in dematerialized mode should file their nomination with their Depository Participant.
14. Members are requested to intimate to the Company, Queries if any, regarding the accounts at least 10 days before the Annual General Meeting to enable the Management to keep the information ready at the meeting. The queries may be addressed to: the Company Secretary, Seya Industries Ltd, B-12, Ghanshyam Chamber, Link Road, Andheri West, Mumbai – 400053 (E-mail: corporate@seya.in).
15. Members are requested to bring their attendance slip duly completed and signed mentioning therein details of their DP ID and Client ID/Folio number along with their copy of Annual Report to the Meeting.
16. Electronic copy of the Notice of the Meeting of the Company, inter alia, indicating the process and manner of e-voting along with the Company Attendance Slip and Proxy Form is being sent to all the Members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes, unless any Members who have not registered their e-mail address, physical copies of the Notice of the Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
17. Members may also note that the Notice of the Meeting and the Annual Report for FY 2015-16 will also be available on the Company's website www.seya.in to download.
18. A Route Map showing directions to the venue of the 26th Annual General Meeting and nearby prominent landmark is given at the end of this Notice.
19. **Voting through electronic means:**
In Compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rules 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically through the e-voting services provided by Central Depository Services (India) Ltd (CDSL):
- The remote e-voting period commences on Sunday, September 25, 2016, (9.00 a.m. IST) and ends on Tuesday, September 27, 2016, (5:00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on cut-off date i.e. Wednesday, September 21, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5:00 p.m. on September 27, 2016. Once the vote on a resolution is cast and confirmed by the Member, they shall not be allowed to change it subsequently. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on cut-off date i.e. September 21, 2016.
- The members who have cast their vote by e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again at the Meeting.
- The Process and manner for remote e-voting are as under:
- The Shareholders should log on to the e-voting website www.evotingindia.com
 - Click on "Shareholders" tab
 - Enter your user ID:
 - For CDSL: 16 Digits beneficiary ID;
 - For NSDL: 8 character DP ID followed by 8 digits client ID;
 - For Members holding shares in physical form please enter Folio Number registered with the Company
 - Enter the image verification as displayed and click on login.
 - If you are holding shares in electronic form and had logged on to www.evotingindia.com and e-voted on an earlier e-voting of any company, then your existing password is to be used.
 - If you are a first time user or if you are holding shares in Physical form, please follow the steps given below:

PAN:
Enter your 10 digit alpha numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders) in the PAN Field.

Please note that 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.

Dividend Bank Details or Date of Birth:
Enter the Dividend Bank details as or Date of Birth as recorded in your demat account or in the Company's Records for the said demat account or folio in dd/mm/yyyy format.

In case neither your Date of Birth nor Bank Account details are recorded in your demat account or in the Company's records, as aforesaid, then please enter your demat account number (client id) or your folio number in the bank account field.
- After entering the above details appropriately, click on "SUBMIT" tab.
 - Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new

password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for Seya Industries Ltd.
- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If a demat account holder has forgotten the set password, then enter the User ID and the Image verification Code and click on 'Forgot password' option and enter the details as prompted by the system.
- (xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from app Store and the Windows Phone Store respectively. Please follow the instructions as promoted by the mobile app while voting on your mobile.
- (xviii) Note for Non-Individual Shareholders and Custodians

- Institutional shareholders (i.e. other than Individuals, HUFs, NRIs etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details, a compliance user should be created using the admin login and password.

The Compliance user would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.

- (xix) 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.

Please note that:

1. Mr. Marmik D Patel (Membership No. ACS 35755) of M/s. DMP & Associates, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting/ballot voting process in a fair and transparent manner.
2. Members would be able to cast their votes at the meeting through ballot paper, if they have not availed the remote e-voting facility. If the vote is cast through remote e-voting facility then the members cannot exercise their voting rights at the AGM
3. The Scrutinizer shall immediately after the conclusion of voting at the meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than two days of conclusion of the meeting a consolidated scrutinizer's report of the votes cast in favour or against, to the Chairman or to any director or officer who may be authorised by the Chairman for this purpose.
4. The Results shall be declared on or after the meeting. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.seya.in and on the website of CDSL and communicated to the Stock Exchanges.
5. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of Meeting i.e. Wednesday, September 28, 2016.

By Order of the Board of Directors

Manisha Solanki
Company Secretary and Compliance Officer

Date: August 13, 2016

Place: Mumbai

T-14, Tarapur Industrial Area, MIDC,
Boisar, Dist. Palghar – 401 506

✉ : corporate@seya.in 🌐 : www.seya.in
CIN:L99999MH1990PLC058499

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

(Following Explanatory Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice)

Item No. 5

The Company is directed under the provisions of Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules, 2014 ('the Rules') to have the audits of its cost records conducted by a Cost Accountant in Practice.

The Board, on the recommendation of the Audit Committee, has approved the appointment and the remuneration of the Cost Auditors to conduct the Audit of Cost records of the Company for the financial year ending 31st March 2017.

In accordance with the provisions of Section 148 of the Companies act, 2013 read with the Rules the remuneration payable to the Cost Auditor of the Company for doing audit of the Cost records of the Company, shall be required to be approved by the members of the Company.

Accordingly, consent of the Members of the Company is sought for ratifying the remuneration payable to the Cost Auditor of the Company for the financial year ending on March 31, 2017 by way of Ordinary Resolution.

None of the Directors or KMP or relatives of Directors and KMP is concerned or interested in the resolution at item no. 5 of the accompanying Notice.

Item No. 6

In terms of the provisions of section 180(1)(c), the shareholders of the Company have already accorded approval to the Board of Directors of the Company to borrow money/moneys upto an amount of ₹2,500 Crores by passing a Special Resolution in 24th Annual General Meeting of the Company.

In line with the regulatory changes in the recent past, the changes in the Companies Act, 1956 and in line with various directives issued by Reserve Bank of India, from time to time, the Company has been advised to pass a Special Resolution under section 62(3) of the Companies Act, 2013 and other applicable provisions of the Companies Act 2013 and Rules made there under to enable the Banks and Financial Institutions (hereinafter referred to as the "Lenders") to convert the outstanding loans or any other financial assistance categorized as loans (hereinafter referred to as the Financial Assurances"), in foreign currency or Indian Rupee, already availed from the Lenders or as may be availed from the Lenders, from time to time, at their option, into equity shares of the Company upon such terms and conditions as may be deemed appropriate by the Board and at a price to be determined in accordance with the applicable securities and Exchange Board of India regulations (SEBI Regulations) at the time of such conversion.

Accordingly, the Board recommends the resolution as set out in Item No. 6, to enable the Lenders, in terms of the lending arrangements, entered/ to be entered, and as may be specified by the Financial Institutions/Banks under the financing documents already executed or to be executed in respect of the Financial Assurances availed to be availed, at their option, to convert the whole or part of their respective outstanding Financial Assurances into equity shares of the Company, upon such terms and conditions as may be deemed appropriate by the Board and at a price to be determined in accordance with the applicable SEBI Regulations at the time of such conversion.

Since decisions for raising the Financial Assurances or agreeing to terms and conditions for raising the Financial Assurances (including option to convert loan into equity) are required to be taken on quick basis, especially keeping in view the interest of the Company, it may not be feasible for the Company to seek shareholders consent each and every time, in view of the timings and the expenses involved, hence this resolution.

Pursuant to provisions of Section 62(3) of the Companies Act, 2013, this resolution requires approval of the members by way of passing of a Special Resolution. Hence, the Board recommends the said enabling resolution for the approval of the members.

None of the Directors or KMP or relatives of Directors and KMP is concerned or interested in the resolution at item no. 6 of the accompanying Notice, except to their respective shareholdings in the Company, if any.

Item No. 7

Some of the members of promoter group have settled abroad while some of them have deceased, and the Board has received an application from those promoters and legal heirs of the deceased promoter group members mentioned in the resolution in item no. 7 for reclassifying them as public.

As none of the promoters who have applied for reclassification are in control of the Company as stated in definition of promoter under regulation 2 (1) (za) (i) of the SEBI (Issue of Capital and Disclosure) Regulations, 2009 and none of them are holding neither the position of Key Managerial Personnel in the Company since last 3 years nor they having any kind of direct or indirect influence on the working of the Company. Hence Board of Directors has proposed to reclassify them as public category.

Regulation 31A (5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, resolution as set out in item no. 7 required member's approval by way of passing a special resolution. Hence, the Board recommends the said enabling resolution for the approval of the members.

None of the Directors or KMP or relatives of Directors and KMP is concerned or interested in the resolution at item no. 7 of the accompanying Notice, except to their respective shareholdings in the Company, if any.

By Order of the Board of Directors

Manisha Solanki
Company Secretary and Compliance Officer

Date: August 13, 2016

Place: Mumbai

T-14, Tarapur Industrial Area, MIDC, Boisar,
Dist. Palghar – 401 506

✉ : corporate@seya.in 🌐 : www.seya.in
CIN:L99999MH1990PLC058499

Details of Directors Seeking appointment / reappointment at the Annual General Meeting pursuant to Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standards -2 on the General Meeting:

Name of the Director	Mr. Asit Kumar Bhowmik
Date of Birth	February 1, 1954
Age	62 years
Date of Appointment	April 2, 2011
Qualification	B. Tech (Chemical Engg.)
Expertise in specific functional areas	Overall Management of Chemical Manufacturing Plants, Projects, etc
Directorships in other public limited Companies held (excluding foreign Companies and Section 8 Companies)	None
Membership of Committees / Chairmanship in other public Limited Companies (Includes only Audit and Stakeholders Relationship Committee)	None
No of Board Meeting Attended during the year	6
No. of Shares held in the Company	100

SEYA INDUSTRIES LTD

CIN: L99999MH1990PLC058499

Registered Office: T-14, MIDC, Tarapur, Boisar, Dist. Palghar- 401506
☎022-26732894 | 📠: 022-26732666, ✉: info@seya.in, 🌐: www.seya.in

ATTENDANCE SLIP

26th Annual General Meeting on Wednesday, September 28, 2016 at 4:00 p.m.
at T-14, MIDC, Tarapur Industrial Area, Boisar (West), Palghar- 401506

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

I / We hereby record my/our presence at the TWENTY SIXTH ANNUAL GENERAL MEETING of the Company held on Wednesday, September 28, 2016 at 4:00 p.m. at T-14, MIDC, Tarapur Industrial Area, Boisar (West), Palghar- 401506.

Name of the Member: _____ Signature _____

Name of the Proxy holder: _____ Signature _____

- Notes:
1. Only Member /Proxy holder can attend the Meeting.
 2. Please complete the Folio No. / DP ID No. / Client ID No. and name of the Member/Proxyholder sign this Attendance Slip and hand it over, duly signed, at the entrance of the Meeting Hall.
 3. A Member/Proxyholder should bring copy of the Annual Report for reference at the meeting.

SEYA INDUSTRIES LTD

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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 No.: _____ DP ID No. _____

I / We, being the Member (s) of _____ shares of the Seya Industries Ltd, hereby appoint:

1. Name: _____ E-mail ID: _____

Address: _____

Signature _____ or failing him/her;

2. Name: _____ E-mail ID: _____

Address: _____

Signature _____ or failing him/her;

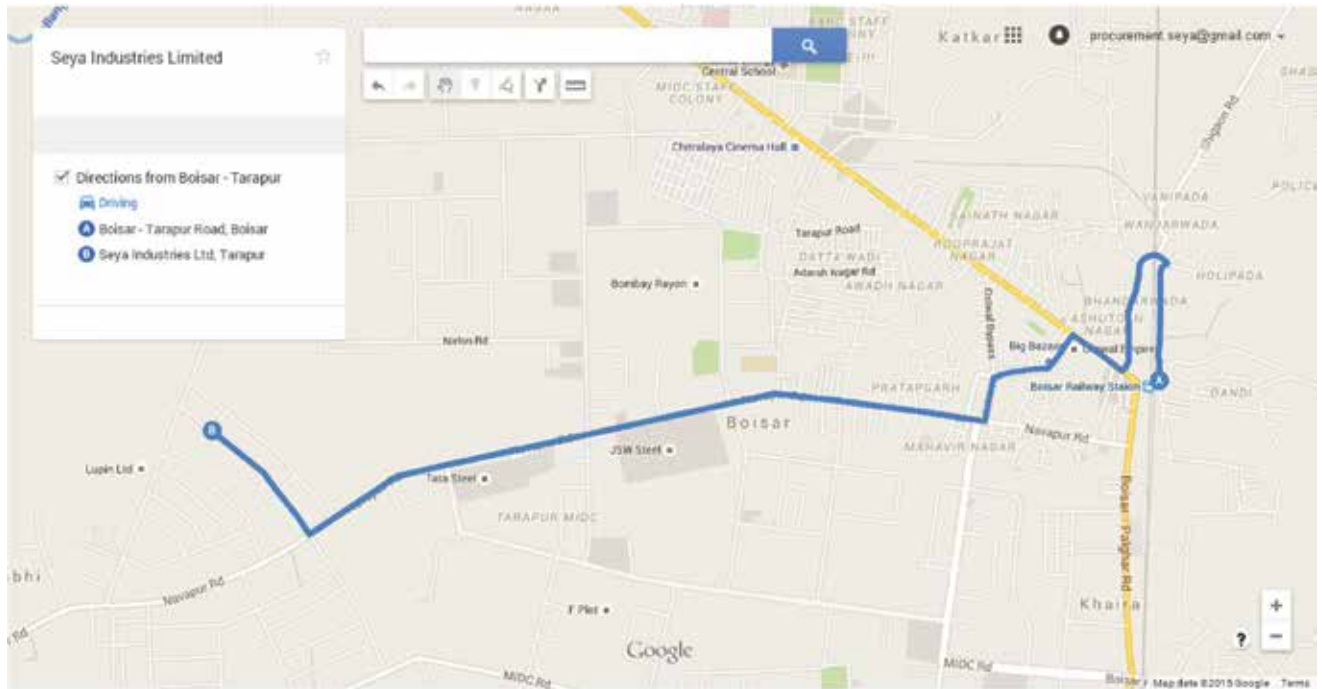
3. Name: _____ E-mail ID: _____

Address: _____

Signature _____

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26th Annual General Meeting of the Company, to be held on Wednesday, September 28, 2016 at 4:00 p.m. at T-14, MIDC, Tarapur, Boisar, Palghar - 401506 and at any adjournment thereof in respect of such resolutions as are indicated overleaf:

Route map to the venue of Annual General Meeting



I wish my above Proxy to vote in manner as indicated in the box below:

Resolutions		For *	Against *
Ordinary Business			
1.	Consider and adopt Audited Financial Statements for the financial year ended on March 31, 2016, together with Reports of Board of Directors and Auditors thereon		
2.	Declare dividend on Ordinary Shares for the financial year ended March 31, 2016		
3.	Re-Appointment of Mr. Asit Kumar Bhowmik (DIN: 03522132) who retires by rotation		
4.	Appoint Statutory Auditors and fix their remuneration		
Special Business			
5.	Ratification of remuneration of Cost Auditors		
6.	Conversion of loan into equity		
7.	Reclassification of Promoter Group		

Signed this _____ day of _____ 2016

Signature of Shareholder: _____

Signature of Proxy holder: _____

Affix
Revenue
Stamp

NOTES:

- 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.**
- A Proxy need not be a member of the company.
- *Please put an 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- In case of Joint holders, the signature of any one holder will be sufficient, but names of all the joint holders shall be stated.

RESEARCH & DEVELOPMENT





Corporate Office

Seya Industries Ltd
B-12, Ghanshyam Chamber, 502,
Link Road, Andheri West,
Mumbai-400053



Registered Office

Seya Industries Ltd
Registered Office: T-14 MIDC
Tarapur Boisar-401506 Palghar
CIN:L99999MH1990PLC058499 | BSE:524324