

SAYAJI

Sayaji Industries Limited

76th Annual Report 2016-2017



In so many ways,
we are very close to you!



Research & Development



Production



Marketing



Certificate of Registration

This certificate has been awarded to

Maize Products (A Unit of Sayaji Industries Ltd.)

Chinubhai Nagar, P.O. Kathwada, Ahmedabad, Gujarat, 382430, India

in recognition of the organization's Health and Safety Management System which complies with

OHSAS 18001:2007

The scope of activities covered by this certificate is defined below

Manufacture and Supply of Maize Starch, Chemically Modified Starches, Liquid Glucose, Dextrose Monohydrate, Sorbitol, Maltitol, High Maltose Corn Syrup and Anhydrous Dextrose

Certificate Number:

79542/IA/0001/LK/En

Date of Issue: (Original)

09 January 2017

Date of Issue:

09 January 2017

Issue No:

1

Expiry Date:

08 January 2020

Issued by:

On behalf of the Scheme Manager



**SAYAJI
INDUSTRIES
LIMITED**

CIN
L99999GJ1941PLC000471

**COMPANY INFORMATION
CHAIRMAN AND MANAGING DIRECTOR**

Mr. Priyam B. Mehta

EXECUTIVE DIRECTORS

Mr. Varun P. Mehta
Mr. Vishal P. Mehta

NON EXECUTIVE DIRECTOR

Mrs. Sujata P. Mehta

NON EXECUTIVE INDEPENDENT DIRECTORS

CA Mahendra N. Shah
Dr. Gaurang K. Dalal
Dr. Janak D. Desai
CA Chirag M. Shah

BOARD COMMITTEES

AUDIT COMMITTEE

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

NOMINATION AND REMUNERATION COMMITTEE

CA Mahendra N. Shah - Chairman
CA Chirag M. Shah
Dr. Janak D. Desai

STAKEHOLDERS RELATIONSHIP COMMITTEE

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

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Varun P. Mehta - Chairman
Dr. Gaurang K. Dalal
Dr. Janak D. Desai
Mrs. Sujata P. Mehta

COMPANY SECRETARY

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

AUDITORS

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

LEGAL ADVISORS

M/s. Nanavati & Nanavati,
Advocates,
Ahmedabad.

BANKERS

Punjab National Bank

REGISTERED OFFICE

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

REGISTRAR AND TRANSFER AGENTS

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

FACTORY

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

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76th Annual General Meeting on Friday, 28th July, 2017 at 9.30 a.m. at Banquet Hall, The Grand Vinayak Hotel, S.P. Ring Road Odhav Circle, Odhav, Ahmedabad - 382410.

NOTICE

Notice is hereby given that the seventy sixth annual general meeting of Sayaji Industries Limited will be held at Banquet Hall, The Grand Vinayak Hotel, S.P. Ring Road Odhav Circle, Odhav, Ahmedabad - 382410 on Friday, 28th July, 2017 at 9.30 a.m.. to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited balance sheet as at 31st March, 2017, the statement of profit and loss and cash flow statement (including the consolidated financial statements) for the year ended on that date together with the notes attached thereto, along with the report of directors and auditors thereon.
2. To declare a dividend on equity shares of the company for the year ended 31st March, 2017.
3. To appoint a director in Place of Mr. Varun P. Mehta (holding DIN 00900734), who retires by rotation and being eligible offers himself for reappointment.
4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ordinary resolution** :

"RESOLVED THAT pursuant to provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of the audit committee and the board of directors, Shah & Shah Associates, Chartered Accountants having firm registration number 113742W be and are hereby appointed as the auditors of the company in place of the retiring auditors, M/s Deloitte Haskins & Sells, Chartered Accountants, Ahmedabad to hold the office from the conclusion of 76th annual general meeting till the conclusion of 81st annual general meeting of the company to be held in the year 2022 at a remuneration to be decided by the board of directors from time to time and as agreed to by the auditors."

SPECIAL BUSINESS:

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

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

Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s Dalwadi and Associates, Cost Accountants (FRN - 000338) appointed as Cost Auditors by the board of directors of the company to audit the cost records of the company for the financial year 2017-18, be paid a remuneration of ₹.1,00,000/- (Rupees one Lakh only) plus service tax and out of pocket expenses."

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

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

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

"FURTHER RESOLVED THAT board of directors of the company be and is hereby authorised to prepare a circular or a circular in the form of advertisement in the form prescribed under the Companies (Acceptance of Deposits) Rules, 2014 for inviting and accepting the deposits from general public and shareholders of the company and file the same with the office of the Registrar of Companies for registration thereof duly signed by the majority of the directors of the company and one month thereafter issue the circular or circular in the form of an advertisement in English language in English newspaper and in vernacular language in one vernacular newspaper having wide circulation in Gujarat State and a copy of the same be uploaded on the website of the company."

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

"FURTHER RESOLVED THAT the board of directors of the company be and is hereby further authorised to take all the steps to comply with the requirements of the provisions of Section 73, 76

and other applicable provisions of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014 before inviting and accepting deposits from general public and shareholders of the company and do all the necessary acts and things to ensure that all the compliances are done as required by the said Act and Rules."

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

"RESOLVED THAT pursuant to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for time being in force) read with Schedule V to the said Act as amended from time to time, consent of the members of the company be and is hereby accorded to payment of salary upto ₹.8,00,000/- per month and other perquisites/ allowances/ other payments as mentioned in the draft supplemental agreement to be executed with Mr. Priyam B. Mehta in connection with revision of remuneration to be paid to him as the managing director from 14th November, 2016 to 11th August, 2018."

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

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

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

"RESOLVED THAT pursuant to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for time being in force) read with Schedule V to the said Act as amended from time to time, consent of the members of the company be and is hereby accorded to payment of salary upto ₹.8,00,000/- per month and other perquisites/ allowances/ other payments as mentioned in the draft supplemental agreement to be executed with Mr. Varun P. Mehta in connection with revision of remuneration to be paid to him as the executive director from 14th November, 2016 to 15th January, 2018."

"FURTHER RESOLVED THAT all other terms and conditions of his appointment shall remain valid and unchanged except that his office shall be liable to

determination by retirement of directors by rotation and if he is reappointed as a director, immediately on his retirement by rotation, he shall continue to hold the office of the executive director and such reappointment as a director shall not be deemed to constitute a break in his appointment as the executive director and the board of directors be and is hereby authorised to alter and vary such terms of appointment and remuneration so as not to exceed the limits specified in Schedule V to the Companies Act, 2013."

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

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

"RESOLVED THAT pursuant to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for time being in force) read with Schedule V to the said Act as amended from time to time, consent of the members of the company be and is hereby accorded to payment of salary upto ₹.8,00,000/- per month and other perquisites/ allowances/ other payments as mentioned in the draft supplemental agreement to be executed with Mr. Vishal P. Mehta in connection with revision of remuneration to be paid to him as the executive director from 14th November, 2016 to 25th July, 2019."

"FURTHER RESOLVED THAT all other terms and conditions of his appointment shall remain valid and unchanged except that his office shall be liable to determination by retirement of directors by rotation and if he is reappointed as a director, immediately on his retirement by rotation, he shall continue to hold the office of the executive director and such reappointment as a director shall not be deemed to constitute a break in his appointment as the executive director and the board of directors be and is hereby authorised to alter and vary such terms of appointment and remuneration so as not to exceed the limits specified in Schedule V to the Companies Act, 2013."

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

By order of the Board of Directors

Rajesh H. Shah
Company Secretary

Place : Ahmedabad
Date : May 26, 2017

DETAILS OF DIRECTORS SEEKING REAPPOINTMENT AT THE 76TH ANNUAL GENERAL MEETING OF THE COMPANY.

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

Mr. Varun P. Mehta was appointed as the executive director on the board of directors of the company for the period of five years with effect from 16th January, 2010. The said appointment was approved by the members of the company at their 69th annual general meeting held on 13th August, 2010 by way of special resolution. Mr. Varun P. Mehta holds a bachelor's degree in science (business administration) from Fordham University, USA. Mr. Varun P. Mehta has been actively involved in the day-to-day management of the company since his appointment as the executive director of the company and looks after important functions of the company like H. R., finance and plant operations. He has been instrumental in his efforts for debottlenecking and automation of manufacturing processes.

Mr. Varun P. Mehta is the chairman of corporate responsibility committee and a member of stakeholders relationship committee. Mr. Varun P. Mehta is also the executive director in N B Commercial Enterprises Ltd. and a director in Sayaji Sethness Ltd, Sayaji Corn Products Ltd. and Viva Texchem Pvt. Ltd.

Upon his reappointment as a director, Mr. Varun P. Mehta shall continue to hold the office as the executive director of the company and such reappointment as director shall not be deemed to constitute break in his appointment as the executive director of the company.

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

By order of the Board of Directors

Rajesh H. Shah
Company Secretary

Place : Ahmedabad

Date : May 26, 2017

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF COMPANY MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION AND AUTHORITY.**
2. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 which sets out details relating to special business at the meeting is annexed hereto.
3. The register of members and share transfer books of the company will remain closed from Saturday, the 22nd July, 2017 to Friday, the 28th July, 2017 (both days inclusive).
4. The dividend on shares, if sanctioned by the annual general meeting, will be payable at specified branches of Axis Bank Limited, in India from 7th August, 2017, by dividend warrants valid for a period of three months to those shareholders whose names appear on the register of members of the company on 21st July, 2017. Thereafter, the dividend shall be paid by account payee cheques only from the registered office of the company at P.O. Kathwada, Maize Products, Ahmedabad - 382 430.
5. Under Section 124 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules, 2016), the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its declaration is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The company had, accordingly, transferred ₹.1,97,400/- being the unpaid and unclaimed dividend amount pertaining to dividend 2008-09 to the IEPF. The details of the unpaid or unclaimed dividend are also uploaded as per the requirements, on the company's website www.sayajigroup.in. Members, who have not encashed their dividend pertaining to the year 2009-10, are advised to write to the company immediately claiming dividend declared by the company.
6. The Ministry of Corporate Affairs (MCA) had notified the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 effective from 7th September, 2016 (IEPF Rules, 2016). Amongst other things, the rules provide for the manner of transfer of the unpaid and unclaimed dividend to the IEPF and the manner of transfer of shares in case any dividend has not been encashed by the shareholders on

such shares during the last seven years to the designated suspense account as prescribed by the IEPF Authority. As per the requirements of rule 6 of the IEPF Rules 2016, the company had sent information to all the shareholders who had not claimed or encashed dividend in the last seven years intimating, amongst other things, the requirements of the IEPF Rules, 2016 with regard to transfer of shares and that in the event those shareholders do not claim any unclaimed or unpaid dividends for the past seven years, the company will be required to transfer the respective shares to the IEPF Suspense Account by the due date prescribed as per the IEPF Rules, 2016 or such other extended date as may be notified. The company also simultaneously published notice in the leading news papers in English and regional language having wide circulation on 27th April, 2017 to such shareholders and uploaded on the Investor Section of the website of the company viz. www.sayajigroup.in giving details of such shareholders and shares due to be transferred. Further, the MCA had notified the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules 2017 on 28th February, 2017 (IEPF Rules, 2017), substituting, amongst other things, rule 6 of IEPF Rules, 2016 and providing that where the period of 7 years provided under the sub-Section (5) of Section 124 of the Companies Act, 2013 has been completed during the period from 7th September, 2016 to 31st May, 2017 (instead of 6th December, 2016), the due date of transfer of such shares shall be 31st May, 2017. Accordingly, the company had provided time till 31st May, 2017 to all the shareholders who have not claimed any unclaimed or unpaid dividends for the last seven years and to whom the company had given intimation in the manner prescribed under rule 6 of the IEPF Rules, 2016 and to all other shareholders who have not encashed any unpaid or unclaimed dividends and where the period of seven years has been completed or being completed during the period from 7th September, 2016 to 31st May, 2017.

The Ministry of Corporate Affairs, Government of India has vide its general circular no. 05/2017 dated May 16, 2017 however, withdrawn its circular dated April 27, 2017 wherein it was clarified that May 31, 2017 would be the due date for transfer of shares where the period of 7 years provided under sub-section (5) of section 124 is completed during September 7, 2016 to May 31, 2017. The company will accordingly take appropriate action for transfer of equity shares under IEPF Rules, 2016 only on receipt of instructions on the matter from the Ministry of Corporate Affairs, Government of India.

7. Members are requested to note that equity shares

of the company are dematerialized and ISIN of the company is INE327G01016. The shareholders having their accounts with DPs having connectivity with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd (CDSL) may submit their shares for dematerialization to their respective DPs.

8. The company has appointed M/s Karvy Computershare Private Limited as the registrar and transfer agents for carrying out all the work relating to transfer, transmission, issue of duplicate share certificates in lieu of misplaced/ lost certificates, change of address etc., to establish connectivity with NSDL and CDSL and to process the Demat/ Remat requests received from the DPs with whom members have opened their respective beneficiary accounts. The members are requested to send all their requests for share transfer, transmission, issue of duplicate share certificates, change of address etc. to **M/s Karvy Computershare Private Limited at Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500032.**
9. Members are requested to quote their folio numbers/ beneficiary account numbers in all their correspondence.
10. Members desirous of obtaining any information concerning the accounts of the company are requested to send their queries to the company secretary at least 7 days before the date of the meeting so that the information referred by the members may be made available at the meeting.
11. Electronic copy of the annual report for the year 2016-17 is being sent to all the members whose e-mail IDs are registered with the company/ depository participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the annual report for the year 2016-17 is being sent by post/ courier.
12. In accordance with Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s Deloitte Haskins and Sells Chartered Accountants, statutory auditors of the company shall retire at the conclusion of the 76th annual general meeting of the company. Pursuant to the provisions of Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the board of directors has, on recommendation of the audit committee, recommended for the appointment of M/s Shah and Shah Associates, Chartered Accountants (ICAI Registration No. 113742W) as the statutory auditors at the annual general meeting for the period of five years, i.e. to hold the office from the conclusion of this annual general meeting till the conclusion of 81st annual general meeting of the company to be held in the year 2022, subject to ratification of their appointment by the members at every annual general meeting, at such remuneration as may be mutually agreed between the board of directors of the company and the statutory auditors. Consent and certificate under Section 139 of the Companies Act, 2013 have been obtained from M/s Shah and Shah Associates, Chartered Accountants to the effect that their appointment, if made, shall be in accordance with the applicable provisions of the Act and the Rules issued thereunder. As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s Shah and Shah Associates, Chartered Accountants, has confirmed that they hold a valid certificate issued by the peer review board of ICAI.
13. Members are requested to notify their bank account number to the company/ M/s Karvy Computershare Private Limited so as to ensure the smooth process of payment of dividend. Change, if any, in the bank account number should also be informed to the company/ M/s Karvy Computershare Private Limited at the earliest.
14. In compliance with provisions of Section 108 of the Companies Act, 2013, and Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 (Amended Rules 2015), regulation 44 of the Listing Regulations and secretarial standards on general meeting (SS2) issued by the Institute of Company Secretaries of India, the company is pleased to provide members facility to exercise their right to vote at the 76th annual general meeting by electronic means. The company has appointed M/s Karvy Computershare Private Limited for facilitation e- voting to enable the members to cast their votes electronically. The instruction and other information relating to e-voting are enclosed in a separate letter sent with this notice.
15. All documents referred to in the accompanying notice and the explanatory statement shall be open for inspection at the registered office of the company during normal business hours (9.00 a.m. to 5.30 p.m.) on all working days, up to and including the date of the annual general meeting of the company.

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

Item no.5

The Board, on the recommendations of the Audit Committee has approved the re-appointment of M/s Dalwadi and Associates, Cost Accountants (FRN - 000338) as cost auditor at a remuneration of ₹ 1,00,000/- (Rupees One Lakhs only) plus service tax and out of pocket expenses as applicable to conduct the audit of the cost records of the company for the financial year ending 31st March, 2018.

In accordance with the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to

the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an ordinary resolution as set out at item no. 5 of the notice for ratification of the remuneration payable to the cost auditors for the financial year ending 31st March, 2018.

Certificate dated May 11, 2017 issued by the above firm regarding their eligibility for appointment as cost auditors will be available for inspection at the registered office of the company during 9.00 a.m. to 5.30 p.m. on all working days and shall also be available at the annual general meeting of the company.

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

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

Item no.6

The Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014 allows the company to invite and accept deposits to the extent of 25% of its paid up capital and free reserves from general public and to the extent of 10% of its paid up capital and free reserves from its shareholders after passing a resolution at the annual general meeting of the company and after complying with various requirements as mentioned in Section 73 and Section 76 of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014. The consent of the members of the company is accordingly sought for the purpose of inviting and accepting deposits by way of passing an ordinary resolution as mentioned in item no.6.

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

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

The board recommends the resolution as set forth at item no.6 of the notice for approval of the members.

Item No.7

The company had pursuant to the special resolution passed by the shareholders in the annual general meeting held on 13th September, 2016 executed the agreement on the same date with Mr. Priyam B.

Mehta, chairman and managing director for the payment of remuneration by way of salary upto ₹.6,00,000/- per month and perquisites and commission etc. as mentioned in the said agreement for the remaining tenure of his appointment from 12th August, 2016 to 11th August, 2018.

Schedule V to the Companies Act, 2013 has been amended by the Ministry of Corporate Affairs with effect from 12th September, 2016 which has substituted Section II of Part II of the said Schedule allowing the companies with no/inadequate profits to pay the increased remuneration within the limits as mentioned in the said revised Schedule V subject to the conditions as mentioned therein.

There has been a steady increase in the turnover of the company since last few years and barring last year, there has also been a steady increase in the profitability of the company. This has been largely due to dedicated and sincere efforts on the part of top management team comprising of Mr. Priyam B. Mehta, chairman and managing director who is assisted by Mr. Varun P. Mehta and Mr. Vishal P. Mehta, executive directors of the company. The prevailing industry standards also warrant increase in the remuneration to Mr. Priyam B. Mehta. The nomination and remuneration committee and the board of directors of the company at their respective meetings held on 12th November, 2016 approved the following remuneration to Mr. Priyam B. Mehta as the managing director of the company for the period from 14th November 2016 to 11th August, 2018 and approval of the members of the company is sought to the same in terms of the provisions of Section 197, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said act as may be amended from time to time:

- a) Salary : Up to ₹.8,00,000/- per month as approved by the board from time to time and as permissible under Schedule V to the Companies Act, 2013.
- b) Perquisites : Including residential accommodation, furniture, furnishings and fixtures, gas, electricity, water, medical benefits in India or overseas, leave and leave travel facilities, employees stock option schemes etc. as may be approved by the board of directors from time to time. Such perquisites may also be provided by way of cash allowances in lieu thereof wherever appropriate. The said perquisites and allowances shall be evaluated wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules made there under or any statutory modification(s) or re-enactment thereof and in absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

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

Salary and monetary value of perquisites shall be

within the overall ceiling on remuneration under the provisions of Section 197, 203 and other applicable provisions of the Companies Act, 2013 and Section II of Part II of Schedule V to the said act as may be amended from time to time.

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

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

The board of directors considers that the payment of aforesaid remuneration to Mr. Priyam B. Mehta for the period as aforesaid is in the best interest of the company.

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

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

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

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

Item No.8

The company had pursuant to the special resolution passed by the shareholders in the annual general meeting held on 13th August, 2015 approved the appointment of Mr. Varun P. Mehta as the executive director of the company for the period from 16th January, 2015 to 31st March, 2019. The members also granted their approval to the remuneration to Mr. Varun P. Mehta as the executive director of the Company for the period of three years from 16th January, 2015 to 15th January, 2018. The agreement was also entered into with him to this effect on 13th August, 2015.

Schedule V to the Companies Act, 2013 has been amended by the Ministry of Corporate Affairs with effect from 12th September, 2016 which has substituted Section II of Part II of the said Schedule allowing the companies with no/inadequate profits to pay the increased remuneration within the limits as mentioned in the said revised Schedule V subject to the conditions as mentioned therein.

There has been a steady increase in the turnover of the company since last few years and barring last year, there has also been a steady increase in the profitability of the company. This has been largely due to dedicated and sincere efforts on the part of top management team comprising of Mr. Priyam B. Mehta, chairman and managing director who is assisted by Mr. Varun P. Mehta and Mr. Vishal P. Mehta, executive directors of the company. The prevailing industry standards also warrant increase in the remuneration to Mr. Varun P. Mehta. The nomination and remuneration committee and the board of directors of the company at their respective meetings held on 12th November, 2016 approved the following remuneration to Mr. Varun P. Mehta as the executive director of the company for the period from 14th November 2016 to 15th January, 2018 and approval of the members of the company is sought to the same in terms of the provisions of Section 197, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said act as may be amended from time to time:

- a) Salary : Up to ₹.8,00,000/- per month as approved by the board from time to time and as permissible under Schedule V to the Companies Act, 2013.
- b) Perquisites : Including residential accommodation, furniture, furnishings and fixtures, gas, electricity,

water, medical benefits in India or overseas, leave and leave travel facilities, employees stock option schemes etc. as may be approved by the board of directors from time to time. Such perquisites may also be provided by way of cash allowances in lieu thereof wherever appropriate. The said perquisites and allowances shall be evaluated wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules made there under or any statutory modification(s) or re-enactment thereof and in absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

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

Total salary and monetary value of perquisites to be paid to Mr. Varun P. Mehta shall be within the overall ceiling on remuneration under the provisions of Section 197, 203 and other applicable provisions of the Companies Act, 2013 and Section II of Part II of Schedule V to the said act as may be amended from time to time.

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

All other terms and conditions of the agreement entered into with Mr. Varun P. Mehta remains the same and valid for the remaining tenure of his appointment till 31st March, 2019."

The Board of Directors considers that the payment of aforesaid remuneration to Mr. Varun P. Mehta for the period as aforesaid is in the best interest of the company.

Mr. Varun P. Mehta holds 1367 equity shares of the company in his own name and no other share or convertible instrument in the company is held by him either in his own name or in the name of any other person on a beneficial basis.

In accordance with the provisions of Sections 197, 203 and other applicable provisions of the Companies Act, 2013, the board recommends the special resolution set out at item no.8 of the accompanying notice for the approval of the members.

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

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

Item No.9

The company had pursuant to the special resolution passed by the shareholders in the annual general meeting held on 13th September, 2016 executed the agreement on the same date with Mr. Vishal P. Mehta, executive director which inter alia includes the payment of remuneration by way of salary upto ₹.6,00,000/- per month and perquisites and commission etc. as mentioned in the said agreement for the period from 26th July, 2016 to 25th July, 2019.

Schedule V to the Companies Act, 2013 has been amended by the Ministry of Corporate Affairs with effect from 12th September, 2016 which has substituted Section II of Part II of the said Schedule allowing the companies with no/inadequate profits to pay the increased remuneration within the limits as mentioned in the said revised Schedule V subject to the conditions as mentioned therein.

There has been a steady increase in the turnover of the company since last few years and barring last year, there has also been a steady increase in the profitability of the company. This has been largely due to dedicated and sincere efforts on the part of top management team comprising of Mr. Priyam B. Mehta, chairman and managing director who is assisted by Mr. Varun P. Mehta and Mr. Vishal P. Mehta, executive

directors of the company. The prevailing industry standards also warrant increase in the remuneration to Mr. Vishal P. Mehta. The nomination and remuneration committee and the board of directors of the company at their respective meetings held on 12th November, 2016 approved the following remuneration to Mr. Vishal P. Mehta as the executive director of the company for the period from 14th November 2016 to 25th July, 2019 and approval of the members of the company is sought to the same in terms of the provisions of Section 197, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said act as may be amended from time to time :

- a) Salary : Up to ₹.8,00,000/- per month as approved by the Board from time to time and as permissible under Schedule V to the Companies Act, 2013.
- b) Perquisites : Including residential accommodation, furniture, furnishings and fixtures, gas, electricity, water, medical benefits in India or overseas, leave and leave travel facilities, employees stock option schemes etc. as may be approved by the board of directors from time to time. Such perquisites may also be provided by way of cash allowances in lieu thereof wherever appropriate. The said perquisites and allowances shall be evaluated wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules made there under or any statutory modification(s) or re-enactment thereof and in absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

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

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

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

attending the meetings of the board of directors or committee thereof.

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

All other terms and conditions of the agreement entered into with Mr. Vishal P. Mehta remains the same and valid for the remaining tenure of his appointment till 31st March, 2021."

The Board of Directors considers that the payment of remuneration for the period as aforesaid to Mr. Vishal P. Mehta is in the best interest of the company.

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

In accordance with the provisions of Sections 197, 203 and other applicable provisions of the Companies Act, 2013, the board recommends the special resolution set out at item no.9 of the accompanying notice for the approval of the members.

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

Mr. Vishal P. Mehta is concerned and interested in the resolution. Mr. Priyam B. Mehta, Mrs. Sujata P. Mehta and Mr. Varun P. Mehta to whom Mr. Vishal P. Mehta is related may also be regarded as concerned and interested in the resolution. None of the other directors, key managerial personnel of the company and their relatives are concerned or interested, financially or otherwise, in the special resolution as set out at item no.9. This explanatory statement may also be regarded as a disclosure under regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

By order of the Board of Directors

Rajesh H. Shah
Company Secretary

Place : Ahmedabad
Date : May 26, 2017

DIRECTORS' REPORT

To
THE SHAREHOLDERS,

Your directors have pleasure in presenting the 76th annual report together with audited statements of accounts of the company for the financial year ended 31st March, 2017.

FINANCIAL RESULTS:

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	2016-17	2015-16	2016-17	2015-16
Revenue from operations (gross)	58238.55	53270.08	59581.49	54603.16
Operating profit before interest, depreciation and taxation	2558.67	2276.57	2764.35	2501.80
Gross profit	1422.29	1160.50	1653.17	1409.13
Profit before tax	548.54	372.84	751.89	596.29
Profit after tax	393.67	273.01	528.77	421.13
Share of loss of minority interest	---	---	(0.13)	----
Earnings per share	498.32	345.58	669.33	533.08

YEAR IN RETROSPECT :

A. STANDALONE BASIS :

Your directors are pleased to report that during the year under review, the revenue from operations (gross) of your company increased by 9.32% to ₹.58238.55 lakhs as against ₹.53270.08 lakhs in the previous year. During the year under review, there has been an increase in the price of maize and other inputs. Despite this, your company has been able to increase its profitability due to increase in activity, improved performance of utilities, better product mix, improved technical parameters and application of stringent cost cutting measures. The operating profit of the company is ₹.2558.67 lakhs as against ₹.2276.57 lakhs in the previous year. The gross profit of the company stands at ₹.1422.29 lakhs as against ₹.1160.50 lakhs in the previous year. During the year under review, the profit before tax of the company is ₹.548.54 lakhs as against ₹.372.84 lakhs in the previous year and the net profit after tax is ₹.393.67 lakhs as against ₹.273.01 lakhs in the previous year. The maize grinding activity of the company increased by approx. 5% as compared to previous year.

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

Your company has entered into a termination agreement with Yashwant Sahakari Glucose Karkhana Limited in the current financial year and the post dated cheques have been received from them as full and final settlement and in view of the same no provision has been made in the books of account of the company for the amount of post dated cheques received.

B) CONSOLIDATED BASIS :

The company has recorded a turnover of ₹.59581.49 lakhs as against ₹.54603.16 in the previous year. The gross profit of the Company stands at ₹.1653.17 lakhs as against ₹.1409.13 lakhs in the previous year. During the year under review, the profit before tax of the company stood at ₹.751.89 lakhs as against ₹.596.29 lakhs in the previous year and the net profit after tax was ₹.528.77 lakhs as against ₹.421.13 lakhs in the previous year.

SUB-DIVISION OF EQUITY SHARES AND ISSUANCE OF BONUS SHARES :

The board of directors of the company at its meeting held on April 21, 2017 has recommended for approval of shareholders, sub-division of existing one equity share of ₹.100/- each into ten equity shares of ₹.10/- each and issuance of bonus shares in ratio of three equity shares of ₹.10/- each for every one equity share held. The approval of the shareholders is being obtained through postal ballot. Post sub-division and post issuance of bonus shares, paid-up capital of the company will be ₹. 3,16,00,000/- comprising of 31,60,000 equity shares of ₹.10/- each.

DIVIDEND :

Your directors are pleased to recommend a dividend of ₹.150/- per equity share (previous year ₹.125/- per equity share) for the financial year ended 31st March, 2017 on pre-sub-division and pre-bonus shares of the face value of ₹.100/- each which will work out to ₹.3.75/- per share of ₹.10/- each post sub-division from existing one equity share of ₹.100/- each into ten equity shares of ₹.10/- each and post bonus share in proportion of three equity shares of ₹.10/- each for every one equity share of ₹.10/- each which if approved by the members by way of postal ballot, will be paid to those members whose names appear on the register of members of the company on 21st July, 2017.

The total outflow on account of dividend will be ₹.142.62 lakhs including dividend tax of ₹.24.12 lakhs.

FUTURE OUTLOOK :

With normal rains projected in the current year, your directors expect that the price of maize may go down or remain stable. After implementation of GST, the price of other inputs i.e. coal, lignite etc. may also go down.

The company has gradually increased its grinding activity and is in the process of further increasing its grinding capacity with installation of new equipments, de-bottlenecking, automation of the existing production processes and improvement in effluent treatment facilities as compared to previous years.

Your directors hope that with increased grinding activity and reduction in the cost of inputs under GST era, the top line and bottom line of your company will improve.

AWARDS AND RECOGNITION :

The company has received a certificate of best boiler user industry (power plant) : 2015-16 during Steam Tech 2017, the 10th National Conference on Boiler & Steam Systems organized by Saket Projects Limited.

TECHNICAL ASSISTANCE AGREEMENTS:

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

EXPORTS:

Your directors report that the export turnover of the company during the year under review is ₹. 9340.57 lakhs as against ₹. 10227.83 lakhs in the previous year due to overall sluggish international demand. The company, however, intends to continue with its long term export oriented marketing policy by penetrating more in its existing international market and exploring new avenues for its high value products.

MARKETING:

Due to extensive and effective efforts of the company's sole selling agents, M/s L G & Doctor Associates Private Limited, there has been an increase in the turnover of your company and the company has been able to achieve better price realization for its products as compared to its competitors. It is heartening to note that due to efforts on the part of the sole selling agents, despite of increase in the turnover of the company by 9.32% total receivables at the end of the year remained in control and average credit period has reduced during the year under review.

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

PUBLIC DEPOSITS:

Deposits aggregating ₹.23.36 lakhs due for repayment on or before 31st March, 2017 were not claimed by the depositors on that date. As on the date of this report,

from the aforesaid amount, deposits aggregating ₹.13.93 lakhs have been claimed/paid.

Your company has accepted the deposits aggregating to ₹.1650.35 lakhs during the year under review after complying with the provisions of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014. There has been no default in repayment of deposits or payment of interest thereon during the year under review and there are no deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013.

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

INSURANCE:

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

GREEN INITIATIVE:

The company continues to generate electrical units from biogas engine of 1800 KVA capacity which utilizes biogas captured while treating the effluents which are generated from the manufacturing processes of the company. This has resulted in saving of power cost. Utilization of biogas for generation of electricity reduces emission of the green house gases into environment and thus supports green environment.

MATERIAL CHANGES :

There are no material changes and commitments, affecting the financial position of the company which has occurred between the end of the financial year under review of the company to which the financial statements relate and the date of this board report except sub-division of equity shares and issuance of bonus shares as per details mentioned above.

DIRECTORS:

A special resolution has been proposed for the approval of the members for increase in the remuneration to Mr. Priyam B. Mehta as the managing director, Mr. Varun P. Mehta as the executive director and Mr. Vishal P. Mehta as the executive director of the company details of which are mentioned in the explanatory statement of the notice of the 76th annual general meeting.

Mr. Varun P. Mehta retires by rotation at the forthcoming annual general meeting and being eligible, offers himself for re-appointment.

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

Mr. Priyam B. Mehta is the chairman and managing director of the company since November, 1982. He is assisted by Mr. Varun P. Mehta who is the executive director of the company since January, 2010 and Mr. Vishal Mehta who is also the executive director of the company since July, 2011. The appointment of the said directors and their remuneration are recommended by

the nomination and remuneration committee keeping in mind their contribution to the growth of the company, the financial position of the company, prevailing industry norms, provisions of the Companies Act, 2013 and as approved by the board of directors and members of the company from time to time.

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

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

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

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

Particulars of Loans/ Guarantees/ Investments	As at 1/4/2016	Given/Made during the financial year	As at 31/3/2017
Investment in 12,00,000 equity shares of Sayaji Sethness Ltd.	₹ 1,20,00,000/-	Nil	₹ 1,20,00,000/-
Investment in 2500 equity shares of Rapicut Carbide Ltd.	₹ 5,000/-	Nil	₹ 5,000/-
Investment in 472 equity shares of Punjab National Bank	₹ 1,84,000/-	Nil	₹ 1,84,000/-
Investment in 4500 equity shares of Cama Hotels Ltd.	₹ 58,000/- *	Nil	Nil
Investment in 2500 equity shares of Sterling (Gujarat) Hospital Ltd.	₹ 25,000/- *	Nil	Nil
Investment in 251100 equity shares of ACE Derivatives and Commodity Exchange Ltd.	₹ 25,64,000/- **	Nil	Nil
National Saving Certificate	₹ 10,000/- **	Nil	Nil
Corporate Guarantee given to Punjab National Bank for financial assistance to N B Commercial Enterprises Ltd.\	₹ 17,50,00,000/-	₹ 8,25,00,000/-	₹ 25,75,00,000/-
Investment in Sayaji Seeds LLP	Nil	80,00,000/-	80,00,000/-
Investment in Sayaji Corn Products Ltd.	Nil	5,00,000/-	5,00,000/-

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

**Note: During the current year, two investments namely investment in shares of Sterling (Guj) Hospitals Ltd. and investment in National Saving Certificate have been written off. The investment in shares of Cama Hotels Ltd. and Ahmedabad Commodity Exchange were already provided for in the last year and they have been written off in the current year by adjusting the same against provision for diminution.

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

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

DIRECTORS' RESPONSIBILITY STATEMENT:

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

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- (ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year as on 31st March, 2017 and of the profit of the company for that period;
- (iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the directors have prepared the annual accounts on a "going concern" basis;

- (v) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

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

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

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES :

All related party transactions that were entered into during the financial year were at arm's length basis and were in the ordinary course of business. The company had not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Companies Act, 2013. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable..

SUBSIDIARY COMPANIES AND JOINT VENTURE :

The company has two subsidiaries i.e. Sayaji Corn Products Ltd and Sayaji Seeds LLP. Sayaji Sethness Limited is a joint venture of the company. Pursuant to Section 129(3) of the Companies Act, 2013 a statement in Form AOC 1 containing the salient features of the financial statements of each of the subsidiaries and the joint venture company is attached to the annual report.

CODE OF CONDUCT :

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

The code lays down the standard procedure of business conduct which is expected to be followed by the

directors and executives one level below the board in their business dealings and in particular on matters relating to integrity in the work place, in business practice and in dealing with stakeholders.

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

STATEMENT ON DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY :

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

INTERNAL FINANCE CONTROL :

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

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY AND CSR INITIATIVES :

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

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

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

The company has spent a sum of ₹19.13 Lakhs on CSR activities during the year under review which is more than the prescribed limits of the amount of ₹19.06 Lakhs which it is required to spend on the said activities pursuant to the provisions of Section 135 of the Companies Act, 2013. The CSR activities were overseen by the CSR Committee and also by the Board of Directors on a regular basis. The report on CSR activities is annexed hereto as Annexure - 3 and forms the part of this report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

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

CORPORATE GOVERNANCE:

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

AUDITORS:

M/s Deloitte Haskins & Sells, Chartered Accountants, Ahmedabad shall retire at the conclusion of the annual general meeting of the company. Pursuant to the provisions of Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014. The board put on record its appreciation for the valuable services provided by the retiring auditors to the shareholders during their long association with the company.

The board of directors has, on recommendation of the audit committee, recommended for the appointment of M/s Shah and Shah Associates, Chartered Accountants (ICAI Registration No. 113742W) as the statutory auditors for the period of five years, i.e. to hold the office from the conclusion of this annual general meeting till the conclusion of 81st annual general meeting of the company to be held in the year 2022.

SECRETARIAL AUDIT:

Pursuant to provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Manuprasad M. Patel practicing company secretary was appointed to undertake secretarial audit of the company. The secretarial audit report is annexed herewith as Annexure - 4 and forms the part of this report.

COST AUDITORS:

The Company has received a letter from the cost auditors M/s Dalwadi & Associates, Cost Accountants to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3) (g) of the Companies Act, 2013 and that they are not disqualified for re-appointment. The board of directors of the company at its meeting held on May 26, 2017 appointed M/s Dalwadi & Associates Cost Accountants as the cost auditors of the company to conduct the audit of cost records maintained by the company as required by the Companies (Cost Records and Audit) Rules 2014 as amended from time to time.

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

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

The information on conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Rule 8(3) of the Companies (Accounts) Rules, 2014 is appended hereto as Annexure - 5 and forms part of this report.

PARTICULARS OF EMPLOYEES :

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014 in respect of employees of the company will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto excluding the information on employees particulars which is available for inspection by members at the registered office of the company during the business hours on working days of the company upto the date of ensuing 76th annual general meeting of the company. If any member is interested in inspecting the same, the member may write to the company secretary in advance.

APPRECIATION:

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

For and on behalf of the Board of Directors

Priyam B. Mehta
Chairman and Managing Director

Place : Ahmedabad

Date : May 26, 2017

ANNEXURE TO DIRECTORS' REPORT

ANNEXURE-1
Form No. MGT 9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2017

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

I. REGISTRATION AND OTHER DETAILS:

1	CIN	L99999GJ1941PLC000471
2	Registration Date	30 th January, 1941
3	Name of the Company	Sayaji Industries Limited
4	Category / Sub-Category of the Company	Public Limited Company
5	Address of the Registered Office and contact details	P.O. Kathwada, Maize Products, Ahmedabad 382430 Telephone no. 079-22901581-85 e-mail : maize@sayajigroup.in
6	Whether listed company	Yes
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500032 Phone : 040-44655000/040-44655188 e-mail : einward.ris@karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sr. No.	Name and Description of main products/services	NIC code of the product/service	% to total turnover of the company
1	Maize Starch Powder	1108.12.00	21.37
2	Liquid Glucose	2905.44.00	21.21
3	Sorbitol	1702.30.01	13.89

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and address of the company/LLP	CIN/GLN	Holding/ subsidiary/ associate	% of shares held	Applicable section
1	M/s Sayaji Sethness Limited. Maize Products, P.O. Kathwada, Dist. Ahmedabad 382 430, Gujarat.	U24110GJ1993PLC020479	Joint Venture Company	40.00	Section 2 (6) of the Companies Act, 2013
2	Sayaji Seeds LLP C-155, B/h C L High School, Village Kathwada, Taluka Daskroi Dist Ahmedabad-382430	AAF-1886	Subsidiary LLP	90.00	Section 2 (87) of the Companies Act, 2013
3	Sayaji Corn Products Limited P.O Kathwada, Maize Products, Kathwada, Ahmedabad-382430	U15129GJ2016PLC091578	Subsidiary Company	99.998	Section 2 (87) of the Companies Act, 2013

IV. SHARE HOLDING PATTERN (equity share capital breakup as percentage of total equity)

i) Category-wise share holding

Category of Shareholders	No of shares held at the beginning of the year				No of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A)									
Promoters									
1) Indian									
a) Individual/HUF	12342	18406	30748	38.92	12448	18300	30748	38.92	00
b) Central govt	00	00	00	00	00	00	00	00	00
c) state govt(s)	00	00	00	00	00	00	00	00	00
d) Bodies Corp.	5352	23088	28440	36.00	5352	23088	28440	36.00	00
e) Banks/ FI	00	00	00	00	00	00	00	00	00
f) Any Other	10	33	43	0.06	10	33	43	0.06	00
Sub-total									
(A) (1):-	17704	41527	59231	74.98	17810	41421	59231	74.98	00
(2) Foreign									
a) NRI /Individuals	00	00	00	00	00	00	00	00	00
b) Other individuals	00	00	00	00	00	00	00	00	00
c) Bodies Corp.	00	00	00	00	00	00	00	00	00
d) Banks/ FI	00	00	00	00	00	00	00	00	00
e) Any Other	00	00	00	00	00	00	00	00	00
Sub-total									
(A) (2):-	00	00	00	00	00	00	00	00	00
Total Share holding of promoter									
(A) =									
(A)(1) + (A)(2)	17704	41527	59231	74.98	17810	41421	59231	74.98	00
B. Public Shareholding									
1) Institutions									
a) Mutual Funds	00	00	00	00	00	00	00	00	00
b) Banks/ FIs	10	4	14	0.02	10	4	14	0.02	00
c) Central Govt	00	00	00	00	00	00	00	00	00
d) State Govt(s)	00	00	00	00	00	00	00	00	00
e) Venture Capital Funds	00	00	00	00	00	00	00	00	00
f) Insurance Companies	00	00	00	00	00	00	00	00	00
g) FIs	00	00	00	00	00	00	00	00	00
h) Foreign Venture Capital Funds	00	00	00	00	00	00	00	00	00
i) Others (specify)	00	00	00	00	00	00	00	00	00
Sub-total (B) (1):-	10	4	14	0.02	10	4	14	0.02	00
2. Non-Institutional									
a) Bodies Corporate									
i) Indian	11	18	29	0.04	25	19	44	0.05	0.01
ii) Overseas	00	00	00	00	00	00	00	00	00
b) Individual									
i) Individual Shareholders holding nominal share Capital upto ₹ 1 Lakhs	6246	11828	18074	22.87	6514	11540	18054	22.85	-0.02
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakhs	00	1652	1652	2.09	00	1652	1652	2.09	00
c) Others (specify)	00	00	00	00	5	00	5	0.01	0.01
Sub-total (B)(2) :-	6257	13498	19755	25.00	6544	13211	19755	25.00	0.01
Total public Shareholding									
(B) = (B)(1) + (B)(2)	6257	13502	19769	25.02	6554	13215	19755	25.02	00
Shares held by custodians for GDRs & ADRs	00	00	00	00	00	00	00	00	00
Grand Total (A+B+C)	23971	55029	79000	100	24364	54636	79000	100	00

(ii) Shareholding of Promoters

Sr. No.	Name	Shareholding		Date	Increase / Decrease in share holding	Reason	Cumulative shareholding during the year (1/4/16 to 31/3/17)	
		No of shares at the beginning (1/4/16) / end of the year (31/3/17)	% of total shares of the Company				No of shares	% of total shares of the company
1	C V Mehta Pvt Ltd	11994	15.18	1/4/2016	0	Nil movement		
		11994	15.18	31/3/2017		during the year	11994	15.18
2	Priyam Commercial Enterprises Pvt Ltd	10705	13.55	1/4/2016	0	Nil movement		
		10705	13.55	31/3/2017		during the year	10705	13.55
3	Smt Sujata Priyam Mehta	14221	18.00	1/4/2016	0	Nil movement		
		14221	18.00	31/3/2017		during the year	14221	18.00
4	Shri Priyam Bipinbhai Mehta	9115	11.54	1/4/2016	0	Nil movement		
		9115	11.54	31/3/2017		during the year	9115	11.54
5	Bini Commercial Enterprises Pvt Ltd	5740	7.27	1/4/2016	0	Nil movement		
		5740	7.27	31/3/2017		during the year	5740	7.27
6	Smt Niramayiben Bipinbhai Mehta	3812	4.83	1/4/2016	0	Nil movement		
		3812	4.83	31/3/2017		during the year	3812	4.83
7	Shri Vishal Priyam Mehta	1800	2.28	1/4/2016	0	Nil movement		
		1800	2.28	31/3/2017		during the year	1800	2.28
8	Smt Priyaben Amalbhai Kothari	368	0.47	1/4/2016	0	Nil movement		
		368	0.47	31/3/2017		during the year	368	0.47
9	Shri Varun Priyam Mehta	1367	1.73	1/4/2016	0	Nil movement		
		1367	1.73	31/3/2017		during the year	1367	1.73
10	Shri Amal Kirtibhai Kothari	50	0.06	1/4/2016	0	Nil movement		
		50	0.06	31/3/2017		during the year	50	0.06
11	Shri Bipinbhai Vadilal Mehta	15	0.02	1/4/2016	0	Nil movement		
		15	0.02	31/3/2017		during the year	15	0.02
12	Shri Janak D Desai	12	0.02	1/4/2016	0	Nil movement		
		12	0.02	31/3/2017		during the year	12	0.02
13	Shri Chirag M Shah	11	0.01	1/4/2016	0	Nil movement		
		11	0.01	31/3/2017		during the year	11	0.01
14	Shri Gaurang Kantilal Dalal	10	0.01	1/4/2016	0	Nil movement		
		10	0.01	31/3/2017		during the year	10	0.01
15	Shri Mahendrabhai Natvarlal Shah	10	0.01	1/4/2016	0	Nil movement		
		10	0.01	31/3/2017		during the year	10	0.01
16	Shri Murli packing & Trading Co. Pvt Ltd	1	0.001	1/4/2016	0	Nil movement		
		1	0.001	31/3/2017		during the year	1	0.001

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

Sr. No.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	At the beginning of the year	59231	74.98	59231	74.98
2	Date wise Increase/Decrease in promoters shareholding during the year specifying the reasons for increase/decrease(e.g. allotment/transfer/bonus/sweat equity etc);		There is no change in promoters' holding		
	At the end of the year	59231	74.98	59231	74.98

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

Sr. No.	Name	Shareholding		Date	Increase / Decrease in share holding	Reason	Cumulative shareholding during the year (1/4/16 to 31/3/17)	
		No of shares at the beginning (1/4/16) / end of the year (31/3/17)	% of total shares of the Company				No of shares	% of total shares of the company
1	Shri Suhasbhai V Mehta	1652	2.09	1/4/2016	0	Nil movement		
		1652	2.09	31/3/2017		during the year	1652	2.09
2	Shri Mahendra Girdharlal	572	0.72	1/4/2016	0	Nil movement		
		572	0.72	31/3/2017		during the year	572	0.72
3	Shri Kanhai Siddhitbhai Jhaveri	382	0.48	1/4/2016	0	Nil movement		
		382	0.48	31/3/2017		during the year	382	0.48
4	Unit Trust of India	343	0.43	1/4/2016	0	Nil movement		
		343	0.43	31/3/2017		during the year	343	0.43
5	Shri Dhavalkumar Todarmal Sheth	295	0.37	1/4/2016	0	Nil movement		
		295	0.37	31/3/2017		during the year	295	0.37
6	Shri Suhasbhai V Mehta	179	0.23	1/4/2016	0	Nil movement		
		179	0.23	31/3/2017		during the year	179	0.23
7	Shri Jawahirlal N Jariwala	151	0.19	1/4/2016	0	Nil movement		
		151	0.19	31/3/2017		during the year	151	0.19
8	Shri Atit Tarangbhai Shah	147	0.19	1/4/2016	0	Nil movement		
		147	0.19	31/3/2017		during the year	147	0.19
9	Vikas Kejriwal	120	0.15	1/4/2016	0	Nil movement		
		120	0.15	31/3/2017		during the year	120	0.15
10	Devilaben Arvindkumar Haribhakti*	0	0	1/4/2016	0	Transfer		
		120	0.15	31/3/2017	120			120
11	Shri Govindbhai Baldevbhai Desai+	116	0.15	1/4/2016	0	Nil movement		
		116	0.15	31/3/2017		during the year	116	0.15
12	Shri Shahikant Babulal +	111	0.14	1/4/2016	0	Nil movement		
		111	0.14	31/3/2017		during the year	111	0.14

* Not in the list of Top 10 shareholders as on 1/4/2016. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/3/2017.

+ Ceased to be in the list of Top 10 shareholders as on 31/3/2017. The same is reflected above since the shareholder was one of the Top 10 shareholder as on 1/4/2016.

(v) Shareholding of directors and key managerial personnel:

Sr. No.	Name of Directors and KMP	Shareholding		Date	Increase / Decrease in share holding	Reason	Cumulative shareholding during the year (1/4/16 to 31/3/17)	
		No of shares at the beginning (1/4/16) / end of the year (31/3/17)	% of total shares of the Company				No of shares	% of total shares of the company
1	Shri Priyam Bipinbhai Mehta	9115	11.54	1/4/2016	0	Nil movement		
		9115	11.54	31/3/2017		during the year	9115	11.54
2	Shri Varun Priyam Mehta	1367	1.73	1/4/2016	0	Nil movement		
		1367	1.73	31/3/2017		during the year	1367	1.73
3	Shri Vishal Priyam Mehta	1800	2.28	1/4/2016	0	Nil movement		
		1800	2.28	31/3/2017		during the year	1800	2.28
4	Smt Sujata Priyam Mehta	14221	18.00	1/4/2016	0	Nil movement		
		14221	18.00	31/3/2017		during the year	14221	18.00
5	Shri Mahendrabhai Natvarlal Shah	10	0.01	1/4/2016	0	Nil movement		
		10	0.01	31/3/2017		during the year	10	0.01
6	Shri Janak D Desai	12	0.02	1/4/2016	0	Nil movement		
		12	0.02	31/3/2017		during the year	12	0.02
7	Shri Gaurang Kantilal Dalal	10	0.01	1/4/2016	0	Nil movement		
		10	0.01	31/3/2017		during the year	10	0.01
8	Shri Chirag M Shah	11	0.01	1/4/2016	0	Nil movement		
		11	0.01	31/3/2017		during the year	11	0.01
9	Shri Rajesh Has Mukhlal Shah	0	0	1/4/2016	0	Nil movement		
		0	0	31/3/2017		during the year	0	0
10	Shri N J Deora	10	0.01	1/4/2016	0	Nil movement		
		10	0.01	31/3/2017		during the year	10	0.01

V. INDEBTEDNESS
Indebtedness of the company including interest outstanding/accrued but not due for payment
(₹ in lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal amount	7636.18	0.00	2568.53	10204.71
(ii) Interest due but not paid	0.00	0.00	0.00	0.00
(iii) Interest accrued but not due	19.91	0.00	0.00	19.91
Total (i+ii+iii)	7656.09	0.00	2568.53	10224.62
Change in Indebtedness during the financial year				
• Addition	1015.81	0.00	679.83	1695.64
• Reduction	764.14	0.00	537.01	1301.15
Net change	251.67	0.00	142.82	394.49
Indebtedness at the end of the financial year				
(i) Principal amount	7887.85	0.00	2711.35	10599.20
(ii) Interest due but not paid	0.00	0.00	0.00	0.00
(iii) Interest accrued but not due	17.31	0.00	0.00	17.31
Total (i+ii+iii)	7905.16	0.00	2711.35	10616.51

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

Sr. No.	Particulars of remuneration	Name of MD/WTD/Manager			Total Amount
		Chairman and Managing Director Mr. Priyam B. Mehta	Executive Director Mr. Varun P. Mehta	Executive Director Mr. Vishal P. Mehta	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income – Tax Act, 1961	82.99	78.16	79.65	240.80
	(b) Value of perquisites u/s17(2) of the Income-Tax Act,1961	10.59	12.40	11.64	34.63
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act 1961	—	—	—	—
2.	Stock option	—	—	—	—
3.	Sweat equity	—	—	—	—
4.	Commission-as % of profit-others, specify	—	—	—	—
5.	Others, please specify	—	—	—	—
	Total (A)	93.58	90.56	91.29	275.43
	Ceiling as per Act	168.00	168.00	168.00	504.00

B. REMUNERATION TO OTHER DIRECTORS:
(₹ in lakhs)

Sr. No.	Particulars of remuneration	Name of Director					Total Amount
		CA Mahendra N Shah	CA Chirag M Shah	Dr. Gaurang K Dalal	Dr. Janak D Desai	Smt. Sujata P Mehta	
1.	Independent Directors						
	• Fee for attending board/committee meetings	2.07	1.85	1.85	1.58	—	7.35
	• Commission	—	—	—	—	—	—
	• Others, please specify	—	—	—	—	—	—
	Total (1)	2.07	1.85	1.85	1.58	—	7.35
2.	Other Non- Executive Directors						
	• Fee for attending board/committee meetings	—	—	—	—	1.53	1.53
	• Commission	—	—	—	—	—	—
	• Others, please specify	—	—	—	—	—	—
	Total (2)	—	—	—	—	1.53	1.53
	Total (B) = (1+2)	2.07	1.85	1.85	1.58	1.53	8.88
	Total Managerial Remuneration	2.07	1.85	1.85	1.58	1.53	8.88
	Overall Ceiling as per the Act	6.00	6.00	6.00	6.00	5.00	29.00

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (₹ in lakhs)

Sr. No.	Particulars of remuneration	CFO Shri N J Deora	Company Secretary Shri Rajesh H Shah	Total
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income – Tax Act, 1961	18.35	17.94	36.29
	(b) value of perquisites u/s17(2) of the Income-Tax Act,1961	6.91	8.12	15.03
	(c) profits in lieu of salary under section 17(3) of the Income Tax Act 1961	—	—	—
2.	Stock option	—	—	—
3.	Sweat equity	—	—	—
4.	Commission-as % of Profit- others, specify	—	—	—
5.	Others, please specify	—	—	—
	Total (A)	25.26	26.06	51.32

VII. PENALTIES/PUNISHMENT/COMPUNDING OF OFFENCES:

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

ANNEXURE - 2
DISCLOSURE IN THE BOARD'S REPORT UNDER RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

i	The ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year 2016-17	Director's name	Ratio to mean remuneration
		Mr. Priyam B. Mehta, Chairman & Managing Director	38.20 :1
		Mr. Varun P. Mehta, Executive Director	36.96 : 1
		Mr. Vishal P. Mehta, Executive Director	37.26 : 1
		CA Mahendra N. Shah, Director	0.84 : 1
		CA Chirag M. Shah, Director	0.76 :1
		Dr. Gaurang K Dalal, Director	0.76 :1
		Dr. Janak D. Desai, Director	0.64 : 1
		Mrs. Sujata P. Mehta, Director	0.62 : 1
ii	The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2016-17 as compared to 2015-16	Director's / CFO/CS Name	% increase in remuneration
		Mr. Priyam B. Mehta, Chairman & Managing Director	3.98
		Mr. Varun P. Mehta, Executive Director	40.51
		Mr. Vishal P. Mehta, Executive Director	41.20
		CA Mahendra N. Shah, Director	-1.42
		CA Chirag M. Shah, Director	-11.90
		Dr. Gaurang K Dalal, Director	-9.76
		Dr. Janak D. Desai, Director	-7.05
		Mrs. Sujata P. Mehta, Director	-10.00
		Mr. N J Deora, CFO	3.23
		Mr. Rajesh H. Shah, CS	9.13
iii	Percentage increase in the median remuneration of employees in the financial year 2016-17 as compared to 2015-16	10.36%	
iv	No. of permanent employees on the roll of the company	As on 31.3.2017	As on 31.3.2016
		872	844
v	Explanation on the remuneration between the average increase in the remuneration and the company performance	Increase in remuneration is to compensate the inflationary effect and is in line with industry standards.	

vi Comparison of the remuneration of the KMP against the performance of the company	Increase in remuneration of the KMP is to compensate the inflationary effect and is in line with industry standards.				
vii Variations	Details	31.3.2017	31.3.2016		
	Market Capitalization	NA	NA		
	P E Ratio	NA	NA		
	% increase / decrease of market quotation	NA	NA		
	Net worth (₹)	5274.36 Lakhs	4821.47 Lakhs		
viii Average percentile increase in salaries of employees other than managerial personnel	During 2016-17 8.96%		During 2015-16 5.00%		
	Justification for increase with reason for any exceptional circumstances		Normal industry standards applied.		
ix Comparison of remuneration of each KMP against the performance of the company	Name of the KMP	Remuneration for the year ended			Reason against performance of the company
		31.3.17	31.3.16	% change	
	Mr. Priyam B. Mehta CMD	93.58 lakhs	90.00 lakhs	3.98	The increase is justified keeping in view the inflation & prevailing industry standards.
	Mr. N J Deora, CFO	25.26 lakhs	24.47 lakhs	3.23	
	Mr. Rajesh H. Shah, CS	26.06 lakhs	23.88 lakhs	9.13	
x Key parameters for any variable components of remuneration availed by the Directors	Nil				
xi Ratio of the remuneration of the highest paid director to that of the employees who are not director but receive remuneration in excess of the highest paid director during the year	Nil				

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

ANNEXURE- 3 TO DIRECTORS REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

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

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

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

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

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

2. **Composition of CSR committee**

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

3. **Average net profit of the company for last three financial years : ₹ 953.17 lakhs**

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

The company is required to spend ₹ 19.06 lakhs.

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

- a) Total sum spent for the financial year : ₹ 19.13 lakhs
 b) Amount unspent, if any : NIL
 c) Manner in which the amount is spent during the financial year is detailed below :

(₹ in lakhs)

Sr. No.	Project activities	Sector	Locations	Amount outlay (budget) project or program-wise	Amount spent on The project or program	Cumulative expenditure upto Reporting Period	Amount spent, direct or through implementing agency
1	Cleaning of primary school and safety of students	Promotion of education	Kathwada Ahmedabad	4.75	4.74	4.74	4.74
2	Laying of water distribution pipeline in Singarva village from the tubewell to Gopalnagar area of the village for drinking water distribution to villagers	Making available clean drinking water	Singarva Ahmedabad	4.30	4.29	4.29	4.29
3	Contribution to VIVA Charitable Trust for carrying out animal welfare activity being protection, safety and rehabilitation of rescue dogs	Animal Welfare Ahmedabad,	Kathwada Ahmedabad City	11.00	10.10	10.10	10.10
				20.05	19.13	19.13	19.13

Note : The amounts as mentioned at point no.1 and 2 was spent directly by the Company. The amount as mentioned at point no.3 of ₹.10.10 lakhs was given by the company to Viva Charitable Trust which has created facilities by way of construction of required premises for keeping of rescue animal, their cages etc. and for providing medical facilities, food etc. to the animals so saved. The company has received the complete account of the amount spent by the Viva Charitable Trust on the aforesaid CSR activity.

Reasons for lower than stipulated amount spent on CSR Activities : Not Applicable as the company has spent more than the amount required to be spent on the CSR activities.

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2017

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

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

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

Based on my verification of the **Sayaji Industries Limited's** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit. I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31.03.2017** complied with the statutory provisions listed hereunder and also that the company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31.03.2017 according to the provisions of:

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

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

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

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

I further report that

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

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

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

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

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

MANUPRASAD PATEL
FCS : 2588 C P No. : 6357

Place : AHMEDABAD
Date : 23rd May, 2017

ANNEXURE I

Laws applicable to the Company

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

And also the following laws with its regulations:

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

ANNEXURE - 5

Information under Rule 8 (3) of Companies (Accounts) Rules 2015 and forming part of the directors' report for the year ended 31st March, 2017.

A. Conservation of energy:

- [i] Steps taken or impact on conservation of energy:
 1. In the new starch dryer the company is utilizing of low pressure steam along with medium pressure steam. This has resulted in reduction of venting of low pressure steam from turbine and there has been increase in power generation.
 2. During the year, VFD (variable frequency drive) were installed on high pressure pumps of all three reverse osmosis plants which has resulted in saving of approx. 800-1000 kWh/day.
 3. After installation of new dryer for chemical starches, there has been reduction of utilisation of steam and power which has in turn reduced the manufacturing cost of chemical starches.
 4. During the year, VFD (variable frequency drive) was installed on 100 H.P. blower of densification tank in effluent treatment plant, due to which the company has saved approx. 300-400 kWh/day.
- [ii] Steps taken by the company for utilizing alternate sources of energy:
The company continues to use 1800 KVA Biogas engine which utilizes biogas captured while treating the effluents which are generated from the manufacturing processes of the company. This has resulted in substantial savings in power costs. Utilization of methane rich biogas for generation of electricity reduces emissions of the greenhouse gases into environment and thus supports green environment.
- [iii] Capital investment on energy conservation equipments and proposals, if any, being implemented for reduction of consumption of energy :
 1. The company has installed CRS (condensate recovery system) in various sections of sweetener plant for reduction of consumption of steam per ton of grind.
 2. The company has installed temperature control system on the fan of cooling tower of sweetener plant which has eliminated continuous running of the fan. This has resulted in saving of electricity in sweetener plant and has also reduced the labour cost.
 3. The company has installed pneumatic conveying which has improved the quality of starch and in turn that of other derivatives to a great extent.

B. Technology absorption, adaptation & innovation:

- [i] Efforts, in brief, made towards technology absorption:
 1. The company has installed pneumatic conveying and transportation system along with automatic bagging & weighing on 5TPH dryer for chemical starches. This has resulted in reduction in manpower due to which operating cost per ton of modified starches has reduced.
 2. The company has started filling 1 ton jumbo bag for starch on automatic bagging and weighing machine which was earlier done manually which has reduced the manpower cost.
- [ii] Benefits derived as a result of the above efforts:
 1. After installation of new equipments and carrying out the modifications and improvements as aforesaid, there has been increase in grinding capacity of the company. The steam utilisation has reduced. There has also been savings in labour and manpower cost.
 2. After installation of automatic bagging and weight machine for starch powder, there has been reduction in manpower cost, improvement in packing of the finished products and reduction in loss of finished products as compared to manual system which was used earlier.
- [iii] In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished :

(a) Technology Imported:	During the year under review, the company continued its technical assistance agreements with SIGMA & Tate & Lyle. Both will share their technical know-how and expertise in good faith for improvement of production efficiency of the plants of the company.
(b) Year of Import:	—
(c) Has technology been fully absorbed:	—
(d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plan of action:	—
- [iv] Research and development (R & D):
The company has developed modified starch for food application, single shot textile sizing starch and new grade of sorbitol which has substituted imported starch and polyol and has opened a new market segment for the company. The company is continuing its research to increase range of polyol, develop cold water soluble starch for different applications and also develop high degree substituted cationic starch for paper application. The company has incurred expenditure of ₹. 23.58 lakhs on R & D activities.

C. Foreign Exchange earnings and outgo:

The above information in respect of Foreign exchange earnings and outgo is set out in Note No.24 (xi) and 24 (xii) to the Accounts.

CORPORATE GOVERNANCE REPORT

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

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

At Sayaji, corporate governance has grown since more than 76 years with its journey of efficient industrial entrepreneurship. Company is in continued compliance with guideline of corporate governance since many years as stipulated in Regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

Above all, we believe that corporate governance must balance individual interest with corporate goals and operate within accepted norms of propriety, equity, fair play, sense of responsibility & justice. Achieving this balance depends upon how accountable and transparent the company is. Accountability improves decision making. Transparency helps to explain the rationale behind decisions and thereby builds stakeholders' confidence.

BOARD OF DIRECTORS

BOARD MEETINGS

The board of directors presently comprises of eight directors out of which three are executive directors and five are non-executive directors. Except Mrs. Sujata P. Mehta all other non-executive directors are independent directors and are leading professionals from varied fields whose input bring in independent judgment to the discussions and deliberations in the board meetings. During the year 2016-17 five Board meetings were held on 30.05.2016, 14.08.2016, 13.09.2016, 12.11.2016, and 14.02.2017. A meeting of Independent directors of the company was also held on 16.03.2017.

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

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

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

- None of the directors except Dr. Gaurang K Dalal of the company holds any membership/ chairmanship in board committees of other companies.
- The meeting of the independent directors of the company was held on March 16, 2017 at the registered office and works of the company. The directors of the company were familiarized with the production processes of the company, the products manufactured by the company, the new equipments installed by the company, the new activities initiated, company's clients in India and overseas and were also shown the manufacturing activities and utilities of the company. The web link where details of familiarization programs imparted to independent directors is <https://www.sayajigroup.in/wp-content/uploads/2017/05/Independent-directors-familiarization-program-2016-17.pdf>.
- All the information required to be furnished to the board of directors as per regulation 17 (7) of part (A) of Schedule II of SEBI (LODR) Regulations was made available to them along with the detailed notes. This information includes minutes of meeting of audit committee, nomination and remuneration committee, stakeholders relationship committee, corporate social responsibility committee, annual operating plans and budgets and updates thereof, quarterly results, information about recruitment of senior officers just below the board level, materially important litigations, show cause/ demand notices, prosecution and penalty, fatal or serious accidents or dangerous occurrences, material effluent or pollution problems if any, material default in financial obligations if any, sale of material nature of investments, sale of assets which are not in the normal course of business, details of joint venture, acquisition of companies or collaboration

agreement, details of foreign exchange exposure and the steps taken by the management to limit the risks of adverse exchange rate movement, non compliance of any regulatory, statutory or listing requirements as well as shareholder services such as non-payment of dividends etc.

AUDIT COMMITTEE

The company has formed the audit committee comprising of four directors. CA Mahendra N. Shah, a very senior chartered accountant with extensive experience in the field of accounting, finance, taxation, Securities Contract and Regulation Act etc., was appointed as a member of audit committee with effect from 30.05.2016. After his appointment three of the members are independent directors. The chairman and managing director of the company is also a member of the audit committee. CA Chirag M. Shah is the chairman of the audit committee. During the year four audit committee meetings were held on 30.05.2016, 14.08.2016, 12.11.2016 and 14.02.2017. The audit committee at the board level acts as a link between the independent auditors, internal auditors, the management and the board of directors and oversees the financial reporting process. The audit committee interacts with the internal auditors, independent auditors, secretarial auditors and cost auditors and reviews and recommends their appointment and remuneration. The audit committee is provided with all necessary assistance and information to enable it to carry out its functions effectively.

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

1. Management discussion and analysis of financial conditions and results of operations.
2. Statement of significant related party transactions submitted by the management.
3. Management letters/ letters of internal control weaknesses if any, issued by the statutory auditors.
4. Internal audit report relating to internal control weaknesses if any, and implementation of action points arising therefrom.
5. The recommendation of appointment, remuneration and terms of appointment of auditors of the company.
6. Review and monitor the auditors' independence and performance and effectiveness of audit process.
7. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
8. Appointment, removal and terms of remuneration of the internal auditors.

9. Quarterly and annual financial statements.
10. Risk assessment and minimization procedures.
11. Matters required to be included in the director's responsibility statement to be included in the board report in terms of section 134 of the Act.
12. Changes, if any, in accounting policies and practices and reason for the same.
13. Major accounting entries involving estimates based on the exercise of judgment by the management.
14. Significant adjustments made in the financial statements arising out of audit findings.
15. Compliance with listing and other legal requirements relating to financial statements.
16. Qualifications, if any, in the draft audit report.
17. Scrutiny of inter-corporate loans and investments.
18. Evaluation of internal financial controls.
19. Reviewing the findings of any internal investigations, if any, by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
20. Reviewing functioning of whistle blower mechanism.
21. Carrying out any other function as mentioned in the terms of reference of audit committee.

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

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

The Sr. executive vice president (finance) and the Sr. executive vice president (accounts) are permanent invitees to the audit committee meetings. The company secretary acts as secretary to the audit committee. The Chairman of the audit committee was also present at the 75th annual general meeting of the company held on 13th September, 2016.

NOMINATION AND REMUNERATION COMMITTEE:

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

The terms of reference of the committee, inter alia, include: (a) formulation of policy for determining

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

During the year 2016-17, meetings of nomination and remuneration committee were held on 30.05.2016 and 12.11.2016. CA Mahendra N. Shah and Dr. Janak D. Desai attended both the aforesaid meetings. CA Chirag M. Shah attended only the meeting held on 12.11.2016

Details of remuneration paid to directors:

(₹ in Lakhs)

Name of director	Salary	Perquisites	Sitting fees for attending meeting of board of directors and committee meetings
Mr. Priyam B. Mehta	82.99	10.59	Nil
Mr. Varun P. Mehta	78.16	12.40	Nil
Mr. Vishal P. Mehta	79.65	11.64	Nil
CA Mahendra N. Shah	-	-	2.07
Dr. Janak D. Desai	-	-	1.58
Dr. Gaurang K. Dalal	-	-	1.85
CA Chirag M. Shah	-	-	1.85
Mrs. Sujata P. Mehta	-	-	1.53

SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION:

As per provisions of the Companies Act, 2013 and as provided in Regulation 17 of SEBI (LODR) Regulations, 2015 as amended from time to time, the company has appointed independent directors for the period of five years at its 73rd Annual General Meeting. All the independent directors of the company are highly qualified and are experts in their respective filed. They actively take part in the discussions at the board meetings and provide valuable independent inputs which enable board of directors of the company to take informed decisions on issues discussed at the meetings.

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

evaluation of the director and his engagement level.

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

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

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

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

PERFORMANCE EVALUATION POLICY:

The company has adopted performance evaluation policy for evaluation of performance of its directors and the board of directors itself. The board of directors has carried out the annual performance evaluation of its own performance, the directors individually as well as the evaluation of performance of its audit committee, nomination and remuneration committee, CSR committee and stakeholders relationship committee. A structured questionnaire was prepared after taking into consideration various aspects of the board's functioning such as effectiveness in decision making, effectiveness in developing corporate governance structure, effectiveness in providing suggestions and advices to the management, creation of environment for open discussion and meaningful participation at the meetings, effectiveness in considering the reports and financial statements of the company and efforts for improvement in the same etc.

A separate exercise was carried out to evaluate the performance of the individual directors including the chairman and managing director who were evaluated

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

INDEPENDENT DIRECTORS MEETING:

The meeting of independent directors of the company was held on 16th March, 2017 wherein the independent directors of the company were informed in detail about the business of the company, the new equipments installed by the company, the production processes and products and clients of the company. The independent directors of the company were also enlightened of their roles, functions and duties keeping in mind the provisions of the Companies Act, 2013. The independent directors at the meeting reviewed the performance of the non independent directors and the board of directors based on the parameters as discussed above in performance evaluation policy of the company.

RISK MANAGEMENT:

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

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The terms of reference of the committee include the issues concerning resolving grievances of shareholders, investors, public deposit holders and other stakeholders of the company.

The members of company's stakeholders relationship committee are CA Mahendra N. Shah- chairman, Dr. Gaurang K. Dalal- member, Mr. Varun P. Mehta- member and Mr. Vishal P. Mehta- member. During the year 2016-17, meetings of stakeholders relationship committee were held on 30.05.2016, 14.08.2016, 12.11.2016 and 14.02.2017. CA Mahendra N. Shah, Dr. Gaurang K. Dalal and Mr. Vishal P. Mehta attended all the meetings of the committee. Mr. Varun P. Mehta attended all the meetings of the committee except the meeting held on 30.05.2016.

Number of investor complaints received, solved and pending during the period from 1.4.2016 to 31.3.2017

Nature of complaints	Received	Solved	Pending
Non receipt of securities/complaint relating to transfer of shares	6	6	0
Non receipt of dividend warrants	5	5	0
Correction of names on securities	0	0	0
Clarification regarding shares	7	7	0

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Pursuant to Section 135 of the Companies Act, 2013, the company has constituted corporate social responsibility committee, inter alia, to formulate and recommend to the board of directors, a corporate social responsibility (CSR) policy indicating activities to be undertaken by the company in compliance with provisions of the Companies Act, 2013 and rules made thereunder, to recommend the amount of expenditure to be incurred on the CSR activities and to monitor the implementation of the CSR Policy of the company from time to time.

The members of company's corporate social responsibility committee are Mr. Varun P. Mehta - chairman, Dr. Gaurang K. Dalal- member, Dr. Janak D Desai - member and Mrs. Sujata P. Mehta- member. During the year 2016-17, meetings of corporate social responsibility Committee were held on 30.05.2016, 14.08.2016, 12.11.2016 and 14.02.2017. Dr. Gaurang K. Dalal and Mrs. Sujata P. Mehta attended all the meetings of the committee. Mr. Varun P. Mehta attended all the meetings of the committee except the meeting held on 30.05.2016 and Mr. Janak D Desai attended all the meetings of the committee except the meeting held on 12.11.2016.

Secretary of the company acts as the secretary of the corporate social responsibility committee.

WHISTLE BLOWER POLICY:

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

GENERAL BODY MEETING:

Location and time for the last three Annual General Meetings

Year ended	Date	Time	Venue	No. of special resolutions passed
31 st March, 2016	13 th September 2016	9.00 a.m.	Bhuriba Lallubhai Mehta Primary School, P.O. Kathwada, Maize Products, Ahmedabad - 382430.	2
31 st March, 2015	13 th August, 2015	9.00 a.m.	Bhuriba Lallubhai Mehta Primary School, P.O. Kathwada, Maize Products, Ahmedabad - 382430.	1
31 st March, 2014	26 th July, 2014	9.00 a.m.	Bhuriba Lallubhai Mehta Primary School, P.O. Kathwada, Maize Products, Ahmedabad - 382430.	3

SPECIAL RESOLUTIONS PASSED THROUGH POSTAL BALLOT

During the year under review, there was no special resolution proposed and/or transacted through Postal

Ballot. However, the board of directors of the company at its meeting held on April 21, 2017 proposed four resolutions to be transacted through postal ballot. The said resolutions include special business for obtaining approval of the shareholders for sub-division of existing one equity share of ₹.100/- each into ten equity shares of ₹.10/- per share, increase in the authorised capital of the company from present ₹. 2 Crore comprising of 2,00,000 shares of ₹.100/- each to ₹.5 Crore comprising of 50,00,000 shares of ₹.10/- each, consequential amendment to capital clause of memorandum of association of the company and for issuance of three bonus equity shares of ₹.10/- each for every one equity share of ₹.10/- held by the shareholders of the company. The e-voting and voting by physical ballot paper commenced on Friday, April 28, 2017 and will close at 5.00 p.m. on Saturday May 27, 2017 and any postal ballot form received thereafter would be strictly treated as if reply has not been received.

The Board has appointed Mr. Niraj Trivedi, practicing company secretary as a scrutinizer to ensure that the postal ballot process is conducted in a fair and transparent manner.

The scrutinizer will submit the results to the chairman after the completion of the scrutiny of the postal ballot forms and e-voting, and the results of the voting, and the results of the voting by postal ballot will be announced on or before Monday, May 29, 2017 at the registered office of the company.

The results declared along with the scrutinizer's report(s) will be available on the website of the company (www.sayajigroup.in) and on KCPL's website (<https://evoting.karvy.com>) and shall be communicated of the same to The Ahmedabad stock exchange limited and The Calcutta Stock Exchange Limited. The resolution if passed by requisite majority shall be deemed to have been passed on May 27, 2017, i.e. the last date specified for receipt of duly completed postal ballot form or e-voting.

No Special Resolution requiring postal ballot is being proposed for the ensuing Annual General Meeting.

DISCLOSURES:

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

All transactions with related parties are in the ordinary course of business and at arm's length. The company has not entered into any transactions of a material nature with any related parties which are in conflict with the interest of the company. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable. The details of related party transactions are also disclosed in the note 24(xiii) to accounts in this annual report. web link where policy on dealing with related party transactions is <https://www.sayajigroup.in/wp-content/uploads/2016/06/Related-party-transaction-policy.pdf>

The detail of subsidiaries and associate company are given in the report of board of directors. The company has not advanced any loans or advances in the nature

of loans to its subsidiaries or to associate company or to any other firms/ companies in which directors are interested except as given in the annual report. The company is not a subsidiary of any company.

COMPLIANCE WITH ACCOUNTING STANDARDS:

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

CODE OF CONDUCT:

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

COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS:

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

CASES OF NON-COMPLIANCE/ PENALTIES:

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

MEANS OF COMMUNICATION:

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

The company has its own web-site www.sayajigroup.in on which the quarterly results are displayed.

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

GENERAL SHAREHOLDER INFORMATION:

Annual general meeting

Day and date	: Friday 28 th July, 2017
Time	: 9.30 a.m.
Venue	: Banquet Hall, The Grand Vinayak Hotel, S.P. Ring Road Odhav Circle, Odhav, Ahmedabad- 382410.

Financial calendar (tentative)

Financial year	: April-March
First quarter results	: 2 nd week of August, 2017
Half yearly results	: 2 nd week of November, 2017
Third quarter results	: 2 nd week of February, 2018
Fourth quarter/ annual results	: 2 nd /3 rd week/ end of May, 2018
Book closure date	: Saturday, the, 22 nd July, 2017 to Friday, the 28 th July, 2017 (both days inclusive).

Dividend payment Date : 7th August, 2017

Listing in stock exchange(s)

Company's shares are listed at The Ahmedabad Stock Exchange and The Calcutta Stock Exchange.

NOTES REGARDING PAYMENT OF ANNUAL LISTING FEES:

The annual listing fee for the year 2017-18 has been already paid by the company to The Calcutta Stock Exchange Limited. The Ahmedabad Stock Exchange Limited has not been operating and is in the process of closure as required by the circular of Securities and Exchange Board of India. The company has therefore not sent fees to them.

Stock code at The Ahmedabad Stock Exchange Limited: SAYAJIINDU / 52210

Stock code at The Calcutta Stock Exchange Limited : 030025

ISIN with NSDL and CDSL : INE327G01016

CIN: L99999GJ1941PLC000471

MARKET PRICE DATA AND STOCK PERFORMANCE:

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

COMPLIANCE OFFICER:

Rajesh H. Shah

company secretary &

Sr. executive vice president

Sayaji Industries Limited

P.O. Kathwada, Maize Products,
Ahmedabad-382430.

Phone : +91(79) 22901581-85

e-mail : rhs@sayajigroup.in

REGISTRAR AND TRANSFER AGENTS:

Karvy Computershare Private Limited

Karvy Selenium Tower B, Plot 31-32,

Gachibowli Financial District,

Nanakramguda, Hyderabad - 500008

Phone No : 040-44655000/040-44655188

e-mail : einward.ris@karvy.com

SHARE TRANSFER SYSTEMS:

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

PATTERN OF SHAREHOLDING AS ON 31ST MARCH, 2017:

Sr. No.	Category	No. of shares held	% of total shareholding
1	Promoters	59231	74.98
2	Mutual fund	0	0.00
3	Banks, financial institutions, insurance companies	14	0.02
4	Foreign institutional investors	0	0.00
5	Private bodies corporate	44	0.06
6	Indian Public	19706	24.93
7	NRIs/ OCBs	5	0.01
8	GDR/ ADR	0	0.00
	Grand total	79000	100.00

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2017:

No. of equity shares	No. of folios	% of total folios	No. of shares	% of total shareholding
Less than 50	4387	98.94	14677	18.58
51 to 100	15	0.34	1010	1.28
101 to 200	9	0.20	1148	1.45
201 to 300	2	0.05	522	0.66
301 to 400	4	0.09	1466	1.86
401 to 500	1	0.02	435	0.55
501 to 1000	3	0.07	2379	3.01
More than 1000	13	0.29	57363	72.61
Total	4434	100.00	79000	100.00

DEMATERIALIZATION OF SHARES AND LIQUIDITY:

The company's equity shares are available for dematerialization on both National Securities Depository Limited and Central Depository Services (India) Limited. Equity shares of the company are traded in demat form on stock exchange. 24364 equity shares being 30.84% of the capital have been dematerialized by investors and bulk of transfer takes place in the demat form.

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

Plant location

P.O. Kathwada,

Maize Products, Ahmedabad-382 430.

Address for correspondence

Shareholders may correspond with the company at its registered office at

The Secretarial department

Sayaji Industries Limited

P.O. Kathwada, Maize Products,

Ahmedabad-382 430.

CERTIFICATE

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of Sayaji Industries Limited

Ahmedabad

1. This certificate is issued in accordance with the terms of our engagement letter dated October 28, 2016.
2. We, Deloitte Haskins & Sells, Chartered Accountants, the Statutory Auditors of SAYAJI INDUSTRIES LIMITED ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2017, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the

conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining 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.
5. We have examined the the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

1. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2017.
2. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Deloitte Haskins & Sells
Chartered Accountants
(Registration No 117365W)
(Gaurav J. Shah)

Place: Ahmedabad
Date: May 26, 2017

Partner
Membership No. 35701

To,
The Shareholders
Sayaji Industries Limited

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

I, Priyam B. Mehta, chairman and managing director of Sayaji Industries Limited declare that to the best of my knowledge and belief, all the members of the board of directors and senior management personnel have affirmed compliance with code of conduct for the year ended 31st March, 2017.

Priyam B. Mehta
Chairman & Managing Director

Place : Ahmedabad.
Date : May 26, 2017

CEO/CFO CERTIFICATE

To
The Board of Directors
Sayaji Industries Limited
Ahmedabad

CERTIFICATE

We have reviewed the standalone and consolidated financial results and the cash flow statement of Sayaji Industries Limited for the financial year ended 31st March, 2017 and certify that

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

N J Deora
Sr. Executive Vice President
(Accounts)

Priyam B. Mehta
Chairman & Managing
Director

Place : Ahmedabad
Date: May 26, 2017

Form AOC-I (Part "A": Subsidiaries)

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with the rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries

Notes The consolidated financial statements for the year ended 31st March, 2017

(Amount in ₹.)

Sr. No	Particulars	Sayaji Seeds LLP	Sayaji Corn Products Ltd
1	Share Capital/ Contribution to Capital	87,48,199/-	5,00,000/-
2	Reserves & Surplus (Including Debit balance in the Statement of Profit and Loss)	---	---
3	Total Assets	1,90,80,333/-	5,00,000/-
4	Total Liabilities	1,90,80,333/-	5,00,000/-
5	Investments	-	-
6	Turnover	55,97,580/-	-
7	Profit/(Loss) Before Tax	(1,32,870/-)	-
8	Provision for Tax (Including Deferred Tax)	-	-
9	Profit/(Loss) After Tax	(1,32,870/-)	-
10	Proposed Dividend	-	-
11	% of Shareholding	90%	99.99%

*Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014

Note : Sayaji Corn Products Ltd. is yet to commence its operations.

(Part "B": Associates and Joint Ventures)

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Venture

Sr. No	Particulars	Sayaji Sethness Limited (Joint Venture)
1	Latest Audited Balance Sheet Date	31/03/2017
2	Shares of Associate/ Joint Venture held by the Company on the year end	
	No.	12,00,000 equity shares of ₹.10/- each
	Amount of Investment in Associate/ Joint Venture	₹.1,20,00,000/-
	Extent of holding in percentage	40%
3	Description of how there is significant influence	The company has invested in the capital of the joint venture to the extent of 40%.
4	Reason why the associate/ joint venture is not consolidated	Not Applicable as the consolidation has been done
5	Net worth attributable to shareholding as per latest audited balance sheet	₹.7,65,91,571/-
6	Profit/ Loss for the year	₹.3,38,06,034/-
i	Considered in consolidation	₹.1,35,22,413/-
ii	Not considered in consolidation	-

There are no associates or joint ventures which are yet to commence operations. There are no associates or joint ventures which are liquidated or sold during the year.

MANAGEMENT DISCUSSION AND ANALYSIS

Your directors have pleasure in presenting the management discussion and analysis report for the year ended on March 31, 2017.

INDIAN ECONOMY:

India's gross domestic product (GDP) grew by 7 per cent year-on-year in October-December 2016 quarter, which is the strongest among G-20 countries, as per Organisation for Economic Co-operation and Development (OECD) Economic Survey of India, 2017. According to IMF World Economic Outlook Update (January 2017), Indian economy is expected to grow at 7.2 per cent during FY 2016-17 and further accelerate to 7.7 per cent during FY 2017-18.

The tax collection figures between April 2016 and January 2017 show an increase in net indirect taxes by 16.9 per cent and an increase in net direct taxes by 10.79 per cent year-on-year, indicating a steady trend of healthy growth. The total number of e-filed income tax returns rose 21 per cent year-on-year to 42.1 million in 2016-17 (till 28.02.2017), whereas the number of e-returns processed during the same period stood at 43 million. Corporate earnings in India are expected to grow by over 20 per cent in FY 2017-18 supported by normalisation of profits, especially in sectors like automobiles and banks, while GDP is expected to grow by 7.5 per cent during the same period, according to Bloomberg consensus.

India has retained its position as the third largest startup base in the world with over 4,750 technology startups, with about 1,400 new start-ups being founded in 2016, according to a report by NASSCOM.

India's labour force is expected to touch 160-170 million by 2020, based on rate of population growth, increased labour force participation, and higher education enrolment, among other factors, according to a study by ASSOCHAM and Thought Arbitrage Research Institute.

India's foreign exchange reserves stood at US\$ 366.781 billion as on March 17, 2017 as compared to US\$ 360 billion by end of March 2016, according to data from the RBI.

The Government of India announced demonetisation of high denomination bank notes of ₹ 1000 and ₹ 500, with effect on November 8, 2016, in order to eliminate black money and the growing menace of fake Indian currency notes, thereby creating opportunities for improvement in economic growth.

India's unemployment rate has declined to 4.8 per cent in February 2017 compared to 9.5 per cent in August 2016, as a result of the Government's increased focus towards rural jobs and the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) scheme. Numerous foreign companies are setting up their facilities in India on account of various government

initiatives like Make in India and Digital India. The Government of India, under the make in india initiative, is trying to give boost to the contribution made by the manufacturing sector and aims to take it up to 25 per cent of the GDP from the current 17 per cent. Besides, the Government has also come up with Digital India initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy.

Road Ahead

According to The World Bank, the Indian economy is likely grow at 7.6 per cent in 2017-18 and 7.8 per cent in 2018-19. Demonetisation is expected to have a positive impact on the Indian economy, which will help foster a clean and digitised economy in the long run, according to Ms Kristalina Georgieva, Chief Executive Officer, The World Bank.

The India Meteorological Department has predicted normal for the year 2017. It is predicted that the rains in 2017 would be approx. 96 percent of the long term average and it will be fairly distributed across India. It is expected that farm production including maize would be better in 2017-18 on account of the normal monsoon which would be good for India, Indian economy and Indian farmers.

STARCH INDUSTRY - AN OVERVIEW

GLOBAL STARCH MARKET

The high output of maize, which has high starch content, is one of the prominent factors driving growth of the global corn starch market. At the same time, the growing numbers of substitutes such as tapioca are restraining the growth of the global corn starch market to a certain degree.

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

On the basis of geography, North America is the largest market for corn starch, in terms of both value and volume. However, the corn starch market in Asia Pacific is anticipated to expand at the highest CAGR of 6.4% over the forecast period. Demand for corn starch is increasing in Asia Pacific, especially in ASEAN, China, and India, where prominent corn starch manufacturers have invested significantly in the recent past.

INDIAN STARCH SCENARIO

Maize being an agro based commodity, the production and prices of the same is largely dependent on the monsoon in India. With normal monsoon forecast for the year 2017 across India, the same is expected to positively impact the farm production including the maize which may again be good news for industries depending on farm products.

Indian corn starch market is forecasted to double in the next four years. The utilization of corn starch in wide array of industries and new food consumption

habits are the major drivers of the market. The end user industries such as paper, paint, food, textile, pharmaceutical, FMCG and confectionery are witnessing positive growth rate, thus increasing demand for corn starch in the country. There has been additions in the corn wet milling processing capacity of major starch manufacturers in India in the past few years and the trend is likely to continue in the times to come with the entry of global players in the market. Margins and growth in revenue of major corn starch companies remained under stress due to higher maize prices and comparatively lower finished products prices. However, with normal monsoon and increase in the demand for the products of starch industry the things are expected to improve in the year 2017-18. The growth potential for corn starch is tremendous in the country with current starch consumption per capita way below global average.

The Indian organized starch industry is at a nascent stage comprising around 40 starch and derivative products from corn as against international market which comprises more than 800 such products. Thus there is a huge scope of increase in demand in the coming years. The Indian starch industry is expected to grow at 15% p.a. in the coming years. The size of the starch industry in India is negligible as compared to international market. The profits of the industry also fluctuate from year to year due to erratic availability of the basic raw material- corn being an agri-product and depends on natural vagaries.

OPPORTUNITIES AND THREATS

OPPORTUNITIES

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

THREATS/ RISKS

Risk relating to increased competition in Starch Industry

There has been a huge capacity addition by major players in the starch industry which has led to fierce competition in the industry. This in turn may affect the margins of the industry.

Risk mitigation

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

The growth of starch industry depends on growth of sectors like textile, pharmaceuticals, paper, paints, food, confectioneries, FMCG etc. All these sectors are growing at a healthy rate and this has helped all the players in the starch industry to grow at a healthy rate. The company has been able to pass on some portion of increased input costs to its clients. The company is the largest exporter in the industry and approx. 17% of its turnover comes from exports. This concentration in the

export market has helped the company to get good prices for its products. The company also puts more efforts on the products with a better margin and tries to cut costs at all levels by applying stringent cost cutting measures. The company is now consistently grinding around 675 tons/ day and further planning to enhance its maize grinding capacity which would be utilised to manufacture higher margin products to enhance the overall profitability of the company.

Risk relating to decrease in demand

Risk mitigation

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

Risk relating to scarcity/ quality of raw materials

Risk mitigation

The major raw material of the company is maize. The company has since many years established a very efficient maize procurement policy to ensure availability of quality maize at competitive price. The company also has storing arrangement in and around its plant to ensure that sufficient stock of raw materials is maintained and there is no disruption in the production. For other important input being power, the company has its own power generating turbine wherein the power is produced at a comparatively lower rate. The company is also buying power in the open market to reduce the power cost.

Geographic presence is required for growth

Risk mitigation

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

Change in environment regulations

Risk mitigation

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

BUSINESS OUTLOOK

The company continues to remain one of the market leaders in the starch industry. The products of the company are very well accepted in local and international markets due to its quality and applications.

There has been continuous increase in the maize grinding activity of the company. The company is presently grinding approx. 675/ day on a consistent basis and is further planning to increase its activity over the time to come and utilize such increased facility for production of high margin products.

A) STANDALONE BASIS

During the year under review, the revenue from operations (gross) of your company increased by 9.32% to ₹. 58238.55 lakhs as against ₹. 53270.08 lakhs in the previous year. There has been marginal increase in the profitability of the company despite of increase in the price of maize and other inputs, due to improved performance of utility coupled with better product mix, improved technical parameters and application of stringent cost cutting measures. The operating profit of the company is ₹. 2558.67 lakhs as against ₹. 2276.57 lakhs in the previous year. The gross profit of the company stands at ₹. 1422.21 lakhs as against ₹. 1160.50 lakhs in the previous year. During the year under review, the profit before tax of the company is ₹. 548.54 lakhs as against ₹. 372.84 lakhs in the previous year and the net profit after tax is ₹. 393.67 lakhs as against ₹. 273.01 lakhs in the previous year. The maize grinding activity of the company increased by approx. 5% as compared to previous year.

Export turnover of the company during the year under review is ₹. 9340.57 Lakhs as against ₹ 10227.83 lakhs in the previous year due to recession in the global market. The company, however, is the one of the bigger exporters of starches and its derivatives in India. This is possible due to quality of the products of the company and its ability to adhere to the delivery requirements of its international clientele at competitive rates. The company has received ISO 22000:2005 which certifies the quality standards of the products and processes which the company adopts to manufacture its products. The efforts have been put to enlarge the product portfolio of the company by including the high value products to ensure that the bottom line is improved. Efforts are also on to further improve the technical efficiency of the company with the help of the consultants and experts in the field. The company has been able to establish its name in the industry and boast of reputed clients like Hindustan Unilever, Asian Paints, ITC, Colgate, Berger Paints, West Coast Papers, Zydus Cadila, Torrent etc. to name a few.

With all the efforts as aforesaid and expectation of improved demand for the products of the company due to increased agricultural output and lower-stable maize prices, it is projected that the operating efficiency of the company may further improve resulting into enhanced top line and bottom line in the years to come.

B) COSOLIDATED BASIS :

The company has recorded a turnover of ₹ 59581.49 lakhs as against ₹ 54603.16 in the previous year. The Gross Profit of the Company stands at ₹ 1653.17 lakhs as against ₹ 1409.13 lakhs in the previous year. During the year under review, the profit before tax of the company stood at ₹ 751.89 lakhs as against ₹ 596.29 lakhs in the previous year and the net profit after tax

was ₹ 528.77 lakhs as against ₹ 421.13 lakhs in the previous year. The consolidated financial statements of the company for the financial year 2016-17 have been prepared in compliance with applicable accounting standards and where applicable in compliance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

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

COMPANY PERFORMANCE AND ANALYSIS

- There has been an increase in the activity of the company by 5% during the year under review as compared to previous year.
- Export of the company has been ₹. 9340.57 lakhs during the year under review.
- Profitability of the company improved during the year under review with increased grinding, application of stringent cost cutting measures, increased productivity from debottlenecking, automation and better product mix.
- The credit period has been low due to efforts on the part of sole selling agents of the company.
- The company enjoys highest health code from its bankers for many years which has enabled it to borrow at a comparatively lower costs.
- EPS of the company works out to ₹. 498.32.

INDUSTRIAL RELATIONS

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

SAYAJI INDUSTRIES LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of SAYAJI INDUSTRIES LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

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

Auditor's Responsibility

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

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit and its cash flows for the year ended on that date.

Emphasis of Matters

Attention is invited to Note 16 to the financial statements regarding ₹ 250 lacs due from Yashwant Sahakari Glucose Karkhana Ltd (YSGKL) under the terms of a settlement agreement. The recoverability of the amount is predicated on realization of the post-dated cheques received from YSGKL. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the

Accounting Standards prescribed under section 133 of the Act.

- e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company, and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements in Note 23(iii).
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. The Company has provided requisite disclosures in the standalone financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company.

- 2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells

Chartered Accountants

(Firm Registration No. 117365W)

Gaurav J. Shah

Partner

(Membership No.35701)

Place : Ahmedabad

Date : May 26, 2017

ANNEXURE "A"

TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of Sayaji Industries Limited ("the Company") as of March 31, 2017 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in 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, 2017, 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 Deloitte Haskins & Sells
Chartered Accountants
(Firm Registration No. 117365W)

Gaurav J. Shah
Partner
(Membership No. 35701)

Place : Ahmedabad
Date : May 26, 2017

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us, the title deeds of immovable properties of land and buildings have been pledged as security for loans, guarantees, etc. The same are held in the name of the Company based on the confirmations directly received by us from lenders / parties.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals. Material discrepancies noticed on physical verification during the year have been properly dealt with in the books of account. The physical verification of inventories lying with third parties or goods-in-transit is performed by performing alternate procedures such as obtaining confirmations.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of

Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended with regard to the deposits accepted. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.

- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, ESIC, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, ESIC, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2017 for a period of more than six months from the date they became payable.
 - (c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax which have not been deposited as on March 31, 2017 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (₹. in Lakhs)	Amount Unpaid (₹. in Lakhs)
The Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal, Ahmedabad	AY 2010-11, 2011-12, 2012-13	6.60	6.60
The Income Tax Act, 1961	Income Tax	The Commissioner of Income Tax (Appeals)	AY 2013-14, 2014-15	5.82	5.82

The Gujarat VAT Act	Gujarat VAT	Honourable Gujarat Value Added Tax Tribunal	F.Y. 2010-11	9.03	6.22
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- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks. The Company has not issued any debentures.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were raised.
- (x) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

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

Gaurav J. Shah
Partner
(Membership No. 35701)

Place : Ahmedabad
Date : May 26, 2017

BALANCE SHEET AS AT 31ST MARCH, 2017

	Note No.	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
A EQUITY AND LIABILITIES			
1 SHAREHOLDERS' FUNDS			
(a) Share Capital	2	79.00	79.00
(b) Reserves & Surplus	3	5,195.36	4,742.47
		<u>5,274.36</u>	<u>4,821.47</u>
2 NON CURRENT LIABILITIES			
(a) Long Term Borrowings	4	3,184.85	3,867.33
(b) Deferred Tax Liabilities (Net)	24.vi	1,292.42	1,120.17
(c) Long Term Provisions	5	230.39	326.54
		<u>4,707.66</u>	<u>5,314.04</u>
3 CURRENT LIABILITIES			
(a) Short Term Borrowings	6	6,140.26	5,219.06
(b) Trade Payables	7		
- Dues of Micro and Small Enterprises		-	-
- Dues of creditors other than Micro and Small Enterprises	24.v	4,789.78	5,617.64
(c) Other Current Liabilities	8	2,370.45	2,214.17
(d) Short Term Provisions	9	234.39	362.12
		<u>13,534.88</u>	<u>13,412.99</u>
TOTAL		<u><u>23,516.90</u></u>	<u><u>23,548.50</u></u>
B ASSETS			
1 NON CURRENT ASSETS			
(a) Fixed Assets			
(i) Tangible Assets	10	13,200.93	12,900.49
(ii) Intangible Assets		90.25	109.30
(iii) Capital Work-In-Progress		265.89	158.04
		<u>13,557.07</u>	<u>13,167.83</u>
(b) Non Current Investments	11	221.62	138.17
(c) Long Term Loans and Advances	12	561.20	520.22
		<u>14,339.89</u>	<u>13,826.22</u>
2 CURRENT ASSETS			
(a) Inventories	13	4,064.14	4,552.83
(b) Trade Receivables	14	3,652.99	3,430.47
(c) Cash and Cash Equivalents	15	316.74	244.00
(d) Short Term Loans and Advances	16	930.73	1,433.18
(e) Other Current Assets	17	212.41	61.80
		<u>9,177.01</u>	<u>9,722.28</u>
TOTAL		<u><u>23,516.90</u></u>	<u><u>23,548.50</u></u>

See accompanying notes forming part of the Financial Statements 1 to 24

As per our attached report of even date

For Deloitte Haskins & Sells Chartered Accountants	Priyam B. Mehta Chairman & Managing Director	Varun P. Mehta Executive Director	Vishal P. Mehta Executive Director
Gaurav J. Shah Partner	CA Mahendra N. Shah Director	Dr. Gaurang K. Dalal Director	Dr. Janak D. Desai Director
	CA Chirag M. Shah Director	Sujata P. Mehta Director	
Ahmedabad Date : May 26, 2017	CA Narayansingh J. Deora Sr. Executive V. P. (Accounts)	Rajesh H. Shah Company Secretary	Ahmedabad Date : May 26, 2017

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

	Note No.	For the year 2016-17 ₹ in Lakhs	For the year 2015-16 ₹ in Lakhs	
INCOME				
1	Revenue from Operations (Gross)	18	58,238.55	53,270.08
	Less: Excise Duty & VAT		4,783.04	4,134.21
	Revenue from Operations (Net)		53,455.51	49,135.87
2	Other Income	19	173.62	93.23
3	Total Revenue (1+2)		53,629.13	49,229.10
4 EXPENDITURE				
	(a) Cost of Materials Consumed	20.a	33,717.40	29,753.84
	(b) Purchases of Stock-In-Trade	20.b	1.45	16.85
	(c) Changes in Inventories of Finished Goods and Work in Progress	20.c	(312.07)	(301.23)
	(d) Employee Benefit Expenses	21	4,339.20	4,326.43
	(e) Finance Costs	22	1,136.38	1,116.07
	(f) Depreciation & Amortization	10	873.75	787.66
	(g) Other Expenses	23	13,332.62	13,156.64
	Total Expenses		53,088.73	48,856.26
5	Profit Before Exceptional Items and Tax (3-4)		540.40	372.84
6	Exceptional Items [Refer Note No. 24 (xvii)]		8.14	-
7	Profit Before Tax (5+6)		548.54	372.84
8 Tax Expense:				
	(a) Current Tax		138.25	76.00
	(b) MAT credit recognised		(132.33)	(74.70)
	(c) Short provision of earlier years		5.95	67.03
	Net Current tax expenses		11.87	68.33
	(d) Deferred Tax		143.00	31.50
	Net tax expenses		154.87	99.83
9	Profit After Tax (7-8)		393.67	273.01
10	Earnings Per Share (of ₹100/- each)	24.xv		
	(a) Basic		498.32	345.58
	(b) Diluted		498.32	345.58

See accompanying notes forming part of the Financial Statements 1 to 24

As per our attached report of even date

For Deloitte Haskins & Sells
Chartered Accountants

Priyam B. Mehta
Chairman & Managing Director

Varun P. Mehta
Executive Director

Vishal P. Mehta
Executive Director

Gaurav J. Shah
Partner

CA Mahendra N. Shah
Director

Dr. Gaurang K. Dalal
Director

Dr. Janak D. Desai
Director

CA Chirag M. Shah
Director

Sujata P. Mehta
Director

Ahmedabad
Date : May 26, 2017

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

Rajesh H. Shah
Company Secretary

Ahmedabad
Date : May 26, 2017

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	Year ended 31 st March, 2017		Year ended 31 st March, 2016	
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net profit before tax		548.54		372.84
Adjustments for:				
Depreciation & Amortisation	873.75		787.66	
Interest Expenses	1,136.38		1116.07	
Dividend Income	(60.03)		(48.11)	
Provision for Doubtful Advances	83.00		-	
Provision for Doubtful Trade Receivable	76.52		5.10	
Provision for Diminution in value of Investments	-		26.22	
Insurance Claim Received	(106.91)		0.00	
(Profit)/Loss on sale of Fixed Assets	11.29		(0.89)	
Investment Written off	0.35		-	
(Profit)/Loss on sale of Investment	-		(9.41)	
MTM Gain of Derivative Financial Instruments on transition	88.47		-	
MTM Gain of Derivative Financial Instruments	(154.57)		-	
Share of Loss in LLP	1.20		-	
Unrealised Exchange fluctuation (Gain)/Loss	(9.86)		20.36	
		1,939.59		1,897.00
Operating profit before working capital changes		2,488.13		2,269.84
Adjustments for:				
Trade and Other Receivables	134.23		(160.53)	
Inventories	488.69		(2,119.73)	
Trade and other Payables	(913.55)		2,039.65	
		(290.63)		(240.61)
Cash Generated From Operations		2,197.50		2,029.23
Taxes paid		(111.71)		(56.59)
Net Cash From Operating Activities		2,085.79		1,972.64
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	(1,238.84)		(2,145.15)	
Sale of Fixed Assets	107.97		1.24	
Purchase of Investments	(85.00)		(15.93)	
Sale of Investment	-		6.52	
Dividend Received	60.03		48.11	
Interest Received	-		17.51	
Cash & Cash Equivalent not considered as Cash & Cash Equivalent	(30.88)		(81.58)	
-Balance in Earmarked accounts				
Net Cash From Investing Activities		(1,186.72)		(2,169.28)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Borrowings	1,129.43		2141.27	
Repayment of Loans	(734.94)		(674.72)	
Interest Paid	(1,136.38)		(1,133.58)	
Dividend & Tax thereon paid	(115.32)		(166.40)	
Net Cash Generated in Financing Activities		(857.21)		166.57
Net Changes in Cash & Cash Equivalents (A+B+C)		41.86		(30.07)
Add: Cash and Cash Equivalents at the beginning of the year		68.69		98.76
Cash and Cash Equivalents at the end of the year		110.55		68.69
Reconciliation of Cash and cash equivalents with Cash and Bank Balance				
Cash & Bank Balance as per Note 15		316.74		244.00
Less: Amount not considered as cash & cash Equivalents.				
(a) In Deposit Account		158.96		130.84
(b) In earmarked accounts				
- Unpaid Dividend Account		27.63		24.10
- Balance held as margin money		19.60		20.37
Net Cash and cash equivalent (as defined in AS 3 Cashflow Statements) included in note 15		110.55		68.69

Notes:

1 The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard-3 on Cash Flow Statements issued by The Institute of Chartered Accountants of India.

As per our attached report of even date

For Deloitte Haskins & Sells

Chartered Accountants

Gaurav J. Shah

Partner

Ahmedabad

Date : May 26, 2017

Priyam B. Mehta

Chairman & Managing Director

CA Mahendra N. Shah

Director

CA Chirag M. Shah

Director

CA Narayansingh J. Deora

Sr. Executive V. P. (Accounts)

Varun P. Mehta

Executive Director

Dr. Gaurang K. Dalal

Director

Sujata P. Mehta

Director

Rajesh H. Shah

Company Secretary

Vishal P. Mehta

Executive Director

Dr. Janak D. Desai

Director

Ahmedabad

Date : May 26, 2017

Notes Forming Part of the Financial Statements

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

i a. Corporate Information :

Sayaji Industries Limited ("The Company") was incorporated in India on 30.01.1941. The Company's manufacturing unit is located at Kathwada, Ahmedabad, Gujarat. The Company's principal activity is the manufacture of Starches & its derivatives

b. Basis of Preparation of Financial Statements:

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules 2014 and the Companies Accounting standards (Amendment) Rules, 2016 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

ii Use of Estimates:

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

iii Fixed Assets (Tangible and Intangible Assets) :

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

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

iv Operating Lease:

Leases where the lessor effectively retains substantially all the risks and rewards incidental to ownership of the leased assets are recognised as operating leases. Operating Lease Rentals under operating leases are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

v Depreciation:

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

Intangible assets are amortised over their estimated useful life on straight line method - Computer Software - 6 years.

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

vi Impairment of Assets:

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

vii Investments:

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

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

viii Inventories:

Inventories are valued at lower of cost and net realisable value, except by-products which is valued at Net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a First in First out (FIFO) basis except for Stores, Spares (including Packing Materials & Chemicals), where monthly weighted average cost basis method is adopted. Cost includes cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Obsolete, slow moving and defective inventories are identified and provided for.

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

ix Cash and Cash Equivalents

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

x Cash Flow Statement:

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

xi Employee Benefits:
a) Defined Contribution Plan.

The Company's contributions to Provident Fund and Superannuation Fund are considered as defined contribution plans and are charged as an expense in the Statement of profit and loss account based on the amount of contribution required to be made and when service are rendered by the employees.

b) Defined Benefit Plan

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

The Company's liability towards Leave Encashment is determined using the projected unit credit method. 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.

When valuing the liability using the projected unit credit method, the resulting actuarial gains and losses are recognized immediately in the statement of profit and loss account as income or expenses. Obligation is measured at the value of estimated future cash flows using a discounted rate that is determined by reference to the market yields at the balance sheet date on government bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

xii Borrowing Cost:

Borrowing costs includes interest and amortisation of ancillary cost incurred. Costs in connection with the borrowing of the funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit & Loss over the tenure of the loan. Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use.

xiii Revenue Recognition:

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

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

Other Income :

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

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

xiv Export Incentives

Export benefits are accounted for in the year of the exports based on the eligibility and when there is no uncertainty in receiving the same.

xv 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 ultimate collection

xvi Foreign Currency Transactions:
Initial Recognition:

Transactions in foreign currency are recorded at the exchange rates prevailing at the time the transactions are effected.

Any income or expense on account of exchange rate difference either on settlement or on translation is

recognized in the Statement of profit and loss account for the period in which the difference takes place.

Measurement at Balance Sheet Date:

At the year end, monetary items denominated in foreign currency are reported using the closing rate of exchange. In cases of items which are covered by forward exchange contracts, the differences between the year end rates and rate on the date of contract is recognised as exchange difference and the premium paid on forward contract is recognised over the life of contract. The forward contracts taken to hedge risks associated with foreign currency fluctuations relating to highly probable forecast transactions are measured at fair value as per the Guidance Notes on Accounting for Derivative Contracts and the resulting gain/loss is recognised in the statement of Profit and loss.

Non monetary foreign currency items are carried at historical cost.

xvii Segment reporting:

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

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

xviii Operating Cycle

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

xix Earnings per share:

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

xx Taxes on Income:

Income tax expense for the year comprises of current tax, deferred tax. Current tax provision is determined in accordance with applicable tax rates on the basis of reliefs, deductions etc. available under the Income Tax Act, 1961. Deferred Tax is recognised on timing differences, being the difference 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 substantively enacted as at the reporting date.

Deferred Tax liabilities are recognised for all timing differences. Deferred Tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to the capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income to realise assets. Deferred Tax assets and liabilities are offset if such items relate to taxes on income levied by same governing tax laws and the company has a legally enforceable right for such offset. Deferred Tax assets are reviewed at each balance sheet date for their realisability.

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

xxi Provision, Contingent Liabilities and Contingent Assets:

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 the Notes. Contingent assets are not recognised in the financial statements.

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

Notes Forming Part of the Financial Statements

Note 2 : SHARE CAPITAL

	As at 31.03.2017		As at 31.03.2016	
	Number of Shares	₹ in Lakhs	Number of Shares	₹ in Lakhs
(a) Authorised				
Equity Shares of ₹ 100/- each with voting rights	200,000	200.00	200,000	200.00
(b) Issued, Subscribed and fully paid up				
Equity Shares of ₹ 100/- each with voting rights	79,000	79.00	79,000	79.00
Total		79.00		79.00

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

	Opening Balance	Changes if any, During the Year in the Share Capital	Closing Balance
Equity Shares with voting rights			
Year ended 31st March, 2017			
- Number of Shares	79,000	–	79,000
- Amount (₹)	7,900,000	–	7,900,000
Year ended 31st March, 2016			
- Number of Shares	79,000	–	79,000
- Amount (₹)	7,900,000	–	7,900,000

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

Class of Shares/Name of Shareholder	As at 31.03.2017		As at 31.03.2016	
	Number of Shares held	% holding in that class of Shares	Number of Shares held	% holding in that class of Shares
Equity Shares with Voting Rights				
Sujata Priyam Mehta	14,221	18.00	14,221	18.00
C.V. Mehta Private Limited	11,994	15.18	11,994	15.18
Priyam Commercial Enterprises Pvt. Ltd.	10,705	13.55	10,705	13.55
Priyam B. Mehta	9,115	11.54	9,115	11.54
Bini Commercial Enterprises Pvt. Ltd.	5,740	7.27	5,740	7.27

(iii) The Company has issued only one class of shares referred to as Equity Shares having a par value of ₹ 100/-. All Equity Shares carry one vote per share without restrictions and are entitled to Dividend, as and when declared. All Equity shares rank equally with regard to the Company's residual assets.

Notes Forming Part of the Financial Statements

NOTE 3 : RESERVES AND SURPLUS

	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
(a) Capital Reserve		
As at the Balance Sheet Date	2.79	2.79
(b) Capital Redemption Reserve		
As at the Balance Sheet Date	53.59	53.59
(c) Securities Premium Account		
As at the Balance Sheet Date	275.50	275.50
(d) General Reserve		
Opening Balance	3,715.15	3,615.15
Add: Transferred from Surplus in Statement of Profit & Loss	-	100.00
Closing Balance	3715.15	3715.15
(e) Surplus in Statement of Profit & Loss		
Opening Balance	695.44	641.28
Add: Gain on Financial Derivative Contracts as on transition date (Net of Taxes of ₹. 29.25 Lakhs) – Refer Note 24 (xvi)	59.22	-
Add: Profit for the year	393.67	273.01
	1148.33	914.29
Less: Transferred to/Appropriations		
General Reserve	-	(100.00)
Proposed Dividend on Equity Shares to be distributed to the Shareholders (₹ 125/- per Share) (Refer Note 1 below)	-	(98.75)
Tax on Dividend	-	(20.10)
Closing Balance	1148.33	695.44
Total	5,195.36	4,742.47

Note 1: As per the requirements of pre-revised AS 4, the Company used to create a liability for dividend "proposed/ declared after the balance sheet date if dividend related to periods covered by the financial statements. Going forward, as per AS 4(R), the company cannot create provision for "dividend proposed/ declared after the balance sheet date unless a statute requires otherwise."

NOTE 4 : LONG TERM BORROWINGS

	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
(a) Term Loans From Bank		
Secured	1,187.50	1,737.50
(b) Public Deposits *		
Unsecured	1,258.85	1,367.84
(c) Deposits from Related Parties (Refer Note 24.xiii)		
Unsecured	738.50	738.50
(d) Loan from Financial Institution		
Secured	-	23.49
Total	3,184.85	3,867.33

* Public Deposits includes deposits accepted from Directors amounting to ₹ 322.50 Lakhs (Previous year ₹ 229.00 Lakhs)

- (i) 11.25% Overdraft from Punjab National Bank of ₹ 437.50 Lakhs (Previous year ₹ 487.50 Lakhs) is secured by mortgage of property situated at Kathwada Unit. This loan is repayable in 120 equal monthly instalments starting from 01.02.2016.
- (ii) 12.55% Term Loan - 1 from Kotak Mahindra Bank of ₹ 100 Lakhs (Previous Year ₹ 300.00 Lakhs) is secured by way of Equitable mortgage of building in Mumbai. The said loan is repayable in 20 equal quarterly instalments starting from 10.12.2012.
- (iii) 11.80% Term Loan - 2 from Kotak Mahindra Bank of ₹ 1200 Lakhs (Previous Year ₹ 1600.00 Lakhs) is secured by way of Equitable mortgage of building in Mumbai. The said loan is repayable in 20 equal quarterly instalments starting from 27.05.2015.
- (iv) 9.51% Vehicle loans from Financial Institution amounting to ₹ 25.22 Lakhs (Previous year ₹ 52.33 Lakhs) is secured by way of hypothecation of respective motor vehicles purchased. The said loans are repayable in 36 equal monthly instalments starting from 01.04.2015

Notes Forming Part of the Financial Statements

NOTE 5 : LONG TERM PROVISIONS

	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
Provision for Employee Benefit (Refer Note 24.viii)		
(a) Provision for Compensated Absences	182.83	166.79
(b) Provision for Gratuity (Net)	47.56	159.75
Total	230.39	326.54

NOTE 6 : SHORT TERM BORROWINGS

	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
(a) Public Deposits		
Unsecured	15.13	22.70
(b) Purchase Bill Discounting with Bank		
Unsecured	2,987.34	1971.53
(c) Working Capital Loans from Bank		
Secured	3,137.79	3,224.83
Total	6,140.26	5,219.06

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

NOTE 7 : TRADE PAYABLES

	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
Trade Payables (Refer Note 24.v)		
(Other than acceptances)		
For Supply of Goods		
- Dues of Micro and Small Enterprises	-	-
- Dues of Creditors other than Micro and Small Enterprises	3426.89	4341.65
For Others		
- Total outstanding dues of Micro Enterprises and Small Enterprises	-	-
- Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	1362.89	1275.99
Total	4789.78	5617.64

NOTE 8 : OTHER CURRENT LIABILITIES

	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
(a) Current Maturities of Long Term Debt (Refer Note below)	1225.51	1,074.20
(b) Current Maturity of loan from Financial Institution (Refer Note below)	25.22	28.83
(c) Unpaid Dividends	27.63	24.10
(d) Unpaid Matured Public Deposits	23.36	15.29
(e) Other Payables		
(i) Statutory Remittances	306.83	289.69
(ii) Payable on Purchase of Fixed Assets	169.56	191.92
(iii) Trade/Security Deposit Received	13.12	19.76
(iv) Advances from Customers	460.25	430.53
(v) Interest Payable	17.31	19.90
(vi) Others	101.66	119.95
Total	2,370.45	2,214.17

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

Notes Forming Part of the Financial Statements

NOTE 9 : SHORT TERM PROVISIONS

	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
(a) Provision for Employee Benefits (Refer Note 24.viii)		
(i) Provision for Compensated Absences	81.30	88.96
(ii) Provision for Gratuity (Net)	153.09	155.06
	234.39	243.27
(b) Provision - Others		
(i) Provision for Proposed Equity Dividend	-	98.75
(ii) Provision for Tax on Proposed Dividend	-	20.10
	-	118.85
Total	234.39	362.12

NOTE 10 : FIXED ASSETS

(₹ in Lakhs)

Particulars	GROSS BLOCK (AT COST)				ACCUMULATED DEPRECIATION				NET BLOCK	
	Balance as at 01.04.2016	Additions during the year	Disposals during the year	Balance as at 31.03.2017	Balance as at 01.04.2016	Depreciation for the year	Eliminated on disposal of assets	Balance as at 31.03.2017	Balance as at 31.03.2017	Balance as at 31.03.2016
Tangible Assets										
(a) Land										
Freehold	0.80	-	-	0.80	-	-	-	-	0.80	0.80
	(0.80)	-	-	(0.80)	-	-	-	-	-	-
(b) Buildings	3,044.53	205.25	-	3,249.78	757.17	118.52	-	875.69	2,374.09	2,287.36
	(2,143.62)	(900.91)	-	(3,044.53)	(651.99)	(105.18)	-	(757.17)	-	-
(c) Plant & Machinery	17,315.16	925.14	47.92	18,192.38	7,183.90	635.85	35.61	7,784.14	10,408.24	10,131.26
	(16,014.19)	(1,300.97)	-	(17,315.16)	(6,611.65)	(572.25)	-	(7,183.90)	-	-
(d) Furniture & Fixtures	177.36	7.99	-	185.35	122.20	9.59	-	131.79	53.56	55.16
	(167.10)	(10.26)	-	(177.36)	(112.83)	(9.37)	-	(122.20)	-	-
(e) Office Equipments	220.67	22.15	-	242.82	144.70	24.81	-	169.51	73.31	75.97
	(187.07)	(33.60)	-	(220.67)	(119.94)	(24.76)	-	(144.70)	-	-
(f) Vehicles	560.24	6.92	-	567.16	210.31	65.93	-	276.24	290.92	349.93
	(534.05)	(29.78)	(3.59)	(560.24)	(148.47)	(65.80)	(3.24)	(211.03)	-	-
(g) Others										
Agricultural Equipments	0.35	-	-	0.35	0.34	-	-	0.34	0.01	0.01
	(0.35)	-	-	(0.35)	(0.34)	-	-	(0.34)	-	-
Intangible Assets										
Software	120.32	-	-	120.32	11.02	19.05	-	30.07	90.25	109.30
	-	(120.32)	-	(120.32)	-	(11.02)	-	(11.02)	-	-
Total	21,439.43	1,167.45	47.92	22,558.96	8,429.64	873.75	35.61	9,267.78	13,291.18	13,009.79
Previous Year	(19,047.18)	(2,395.84)	(3.59)	(21,439.43)	(7,645.22)	(787.66)	(3.24)	(8,430.36)	(13,009.79)	-

Figures in brackets are of previous year.

Buildings include :

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

Depreciation and Amortization relating to continuing operations	For the year ended 31.03.2017 ₹ in Lakhs	For the year ended 31.03.2016 ₹ in Lakhs
Depreciation for the year on Tangible Assets as per Note 10	854.70	776.64
Amortization for the year on Intangible Assets as per Note 10	19.05	11.02
Total Depreciation	873.75	787.66

Notes Forming Part of the Financial Statements

Note : Details of Assets acquired under Hire Purchase Agreements :				
	Gross Block		Net Block	
	31.03.2017 ₹ in Lakhs	31.03.2016 ₹ in Lakhs	31.03.2017 ₹ in Lakhs	31.03.2016 ₹ in Lakhs
Vehicles	83.06	83.06	62.52	72.38

Details relating to assets given on Operating lease.	For the year ended 31.03.2017 ₹ in Lakhs	For the year ended 31.03.2016 ₹ in Lakhs
Gas Engine as a part of Plant & Machinery:		
Gross Block	-	310.32
Accumulated Depreciation	-	247.37
Net Block	-	62.95
Depreciation for the year on such assets	-	83.29
It may be noted that the said operating lease agreement with N.B. Commercial Enterprise Limited (Enterprise under common control) got expired in October 2015.		

NOTE 11 : NON CURRENT INVESTMENTS

	As at 31.03.2017			As at 31.03.2016		
	Quoted ₹ in Lakhs	Unquoted ₹ in Lakhs	Total ₹ in Lakhs	Quoted ₹ in Lakhs	Unquoted ₹ in Lakhs	Total ₹ in Lakhs
Other Investments (At Cost)						
(a) Investment in Subsidiary						
(i) Sayaji Seeds LLP	-	80.00	80.00	-	-	-
Less : Share of Loss	-	(1.20)	(1.20)	-	-	-
	-	78.80	78.80	-	-	-
(ii) Sayaji Corn Products Limited	-	5.00	5.00	-	-	-
(a) Investment in Equity Instruments						
(i) Of Joint Venture Company 12,00,000 Equity Shares of Sayaji Sethness Limited of ₹ 10/- each (Previous Year: 12,00,000 Nos.)	-	120.00	120.00	-	120.00	120.00
(ii) Of other entities						
2,500 Equity Shares of ₹ 10/- each of Rapicut Carbide Limited (Previous year - 2,500 Nos.)	0.05	-	0.05	0.05	-	0.05
2360 Equity Shares of Punjab National Bank of ₹ 2/- each (Previous year - 2,360 Nos of ₹ 2/- each)	1.84	-	1.84	1.84	-	1.84
4,500 Equity Shares of Cama Hotels Ltd. of ₹ 10/- each (Previous year - 4,500 Nos)	-	-	-	-	0.58	0.58
2,500 Equity Shares of Sterling (Guj) Hospitals Ltd. of ₹ 10/- each (Previous year - 2,500 Nos)	-	-	-	-	0.25	0.25
2,51,100 Equity Shares of Ahmedabad Commodity Exchange of ₹ 10/- each (Previous Year: 2,51,100 Nos.)	-	-	-	-	25.64	25.64
	1.89	120.00	121.89	1.89	146.47	148.36
(b) Investment in Mutual Funds						
(i) 1,59,329 Units of "Principal Assets Allocation Fund" of ₹ 10/- each (P.Y - 1,59,329)	15.93	-	15.93	15.93	-	15.93
(c) Other Non Current Investments - National Saving Certificates						
Total	17.82	203.80	221.62	17.82	146.47	164.39
Less: Provision for Diminution in value of Investments (Refer Note Below)	-	-	-	-	26.22	26.22
Total	17.82	203.80	221.62	17.82	120.25	138.17
Aggregate amount of Quoted Investments			17.82			17.82
Aggregate Market Value of Quoted Investments			18.12			18.80
Aggregate Amount of Unquoted Investments (At Cost)			203.80			120.35

Note: During the current year, two investments namely investment in shares of Sterling (Guj) Hospitals Ltd. and investment in National Saving Certificate have been written off. The investment in shares of Cama Hotels Ltd. and Ahmedabad Commodity Exchange were already provided for in the last year and they have been written off in the current year by adjusting the same against provision for diminution.

Notes Forming Part of the Financial Statements

NOTE 12 : LONG TERM LOANS AND ADVANCES

	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
(a) Capital Advances Unsecured, Considered Good	33.51	92.37
(b) Security Deposits Unsecured, Considered Good	5.82	5.82
(c) MAT Credit Entitlement Unsecured, Considered Good	458.10	325.78
(d) Advance Income Tax (Net of Provisions for Income Tax ₹ 1510.75 Lakhs) (Previous year ₹ 1,386.50 Lakhs)	63.77	96.25
Total	561.20	520.22

NOTE 13 : INVENTORIES

(At Lower of Cost or Net Realisable Value)

	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
(a) Raw Materials	1,635.74	2,474.85
(b) Work-In-Progress	488.37	441.72
(c) Finished Goods	1,034.45	865.02
(d) Stock In Transit - Finished Goods	233.54	-
(e) By Products (At Net Realisable Value)	279.26	416.81
(f) Stores, Spare Parts, Chemicals, Packing Material and Fuel	392.78	354.43
Total	4,064.14	4,552.83

NOTE 14 : TRADE RECEIVABLES

	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
Trade Receivables outstanding for a period exceeding Six months from the date they were due for payment Unsecured, Considered Good	118.44	150.89
Doubtful	140.03	63.51
	258.47	214.40
Less: Provision for Doubtful Trade Receivables	140.03	63.51
	118.44	150.89
Other Trade Receivables Unsecured, Considered Good	3,534.55	3,279.58
Total	3,652.99	3,430.47
Trade Receivables includes debts due from:		
	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
Company in which any Director is a Director/Partner		
N. B. Commercial Enterprises Limited	0.19	0.34
Sayaji Ingritech LLP	0.45	-

Notes Forming Part of the Financial Statements

NOTE 15 : CASH AND BANK BALANCES

	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
(a) Cash on Hand	21.46	18.97
(b) Bank Balance in Current Accounts	89.09	49.72
(c) Other Bank Balances		
(i) In Current Accounts	158.96	130.84
(iii) In Earmarked Accounts		
- Unpaid Dividend Accounts	27.63	24.10
- Balances held as Margin Money or Security against Borrowings, Guarantees and Other Commitments (Refer Note below)	19.60	20.37
Total	316.74	244.00
Of the above, the balances that meet the definition of Cash and Cash Equivalents as per AS 3 <i>Cash Flow Statements</i> is	110.55	68.69

Note : Balance with banks include margin monies and deposits amounting to ₹.104.60 Lakhs.
(As at 31.03.2016 ₹. 20.37 Lakhs) which have an original maturity of more than 12 months.

NOTE 16 : SHORT TERM LOANS AND ADVANCES

	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
(a) Loans and Advances to Related Parties (Refer Note 24.xiii) Unsecured, Considered Good	16.33	0.08
(b) Security Deposits Unsecured, Considered Good	2.29	2.53
(c) Loans and Advances to Employees Unsecured, Considered Good	0.12	2.02
(d) Prepaid Expenses Unsecured, Considered Good	85.53	58.86
(e) Balances with Government Authorities		
(i) CENVAT Credit	193.19	193.87
(ii) PLA Balance	1.25	4.01
(iii) VAT	14.31	13.31
	208.75	211.19
(f) Advance to Suppliers Unsecured, Considered Good* Considered Doubtful Less: Provisions	523.45 1063.00 1063.00	1077.36 980.00 980.00
	-	-
(g) Others Unsecured, Considered Good	94.26	81.14
Total	930.73	1,433.18

* The Company has entered into a long-term agreement with Yashwant Sahakari Glucose Karkhana Ltd (YSGKL) for purchase of certain products manufactured by YSGKL at mutually agreed prices. Consequent to certain disputes and difference between parties the said agreement has been terminated subsequent to the year end. In accordance with the termination agreement, YSGKL has agreed to pay ₹.250.00 Lakhs in 5 equal instalments commencing November 2017, as full and final settlement and has deposited post dated cheques with the Company. Consequently, the company is of the view that no provision is required in respect of ₹.250.00 Lakhs receivable from YSGKL as at 31st March, 2017.

NOTE 17 : OTHER CURRENT ASSETS

	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
(a) Derivative Financial Asset	154.57	-
(b) Export Incentive Receivable	51.91	43.35
(c) Interest Receivable	5.93	18.45
Total	212.41	61.80

Notes Forming Part of the Financial Statements

NOTE 18 : REVENUE FROM OPERATIONS

	For the year 2016-17 ₹ in Lakhs	For the year 2015-16 ₹ in Lakhs
(a) Sale of Products (Refer Note (i) below)	57,843.52	53,018.48
(b) Less: Excise Duty & VAT	4,783.04	4,134.21
	53,060.48	48,884.27
(c) Other Operating Revenues (Refer Note (ii) below)	395.03	251.60
Total	53,455.51	49,135.87
Note :		
(i) Sale of Products comprises:		
<u>Manufactured Goods:</u>		
Starches	15,604.16	13,560.11
Processed Foods	22,261.96	22,851.65
Drugs & Pharmaceuticals	3,964.43	2,529.57
By Products and Others	11,228.38	9,923.26
Total Sale of Manufactured Goods	53,058.93	48,864.59
<u>Traded Goods</u>		
Starches	1.55	19.68
Total Sale of Traded Goods	1.55	19.68
Total Sale of Products	53,060.48	48,884.27
(ii) Other Operating Revenue comprise:		
Export Incentives	240.11	251.60
Net Gain on Foreign Currency Transactions and Translation	154.57	-
Excise Refund	0.35	-
Total Other Operating Revenues	395.03	251.60

NOTE 19 : OTHER INCOME

	For the year 2016-17 ₹ in Lakhs	For the year 2015-16 ₹ in Lakhs
(a) Dividend Income:		
From Long Term Investments		
Joint Venture Company	60.00	48.00
Others	0.03	0.11
(b) Profit on Sales of Fixed Assets	-	0.89
(c) Profit on Sales of Investment	-	9.41
(d) Insurance Claim received	106.91	11.57
(d) Other Non Operating Income (Refer Note below)	6.68	23.25
Total	173.62	93.23
Note:		
Other Non Operating Income comprises:		
- Rental Income from Operating Leases	5.35	17.50
- Miscellaneous Income	1.33	5.75
Total - Other Non Operating Income	6.68	23.25

Notes Forming Part of the Financial Statements

NOTE 20.a : COST OF MATERIALS CONSUMED

	For the year 2016-17 ₹ in Lakhs	For the year 2015-16 ₹ in Lakhs
Opening Stock	2,474.85	737.48
Add: Purchases	32,878.29	31,491.21
Less: Closing Stock	1,635.74	2,474.85
Total	33,717.40	29,753.84
Material consumed comprises:		
Maize	31,399.76	28,484.04
Maize Starch	274.14	1,144.83
Sorbitol	1,787.52	-
Others	255.98	124.97
Total	33,717.40	29,753.84

NOTE 20.b : PURCHASE OF TRADED GOODS

	For the year 2016-17 ₹ in Lakhs	For the year 2015-16 ₹ in Lakhs
Starches	1.45	16.85
Total	1.45	16.85

NOTE 20.c : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS AND STOCK-IN-TRADE

	For the year 2016-17 ₹ in Lakhs	For the year 2015-16 ₹ in Lakhs
<u>Inventories at the End of the Year</u>		
Finished Goods & By-Products	1,313.71	1,281.83
Stock in Transit - Finished Goods	233.54	-
Work-In-Progress	488.37	441.72
	2,035.62	1,723.55
<u>Inventories at the beginning of the Year</u>		
Finished Goods & By-Products	1,281.83	889.14
Work-In-Progress	441.72	533.18
	1,723.55	1,422.32
Total	(312.07)	(301.23)

NOTE 21 : EMPLOYEE BENEFITS EXPENSE

	For the year 2016-17 ₹ in Lakhs	For the year 2015-16 ₹ in Lakhs
Salaries and Wages	3,757.65	3,525.81
Contribution to Provident and other Funds (Refer Note 24.viii)	255.24	335.41
Staff Welfare Expenses	326.31	465.21
Total	4,339.20	4,326.43

Notes Forming Part of the Financial Statements

NOTE 22 : FINANCE COSTS

	For the year 2016-17 ₹ in Lakhs	For the year 2015-16 ₹ in Lakhs
Interest Expense on Borrowings	1,129.76	1,094.00
Loan Scrutiny & Processing Fees	6.62	22.07
Total	1,136.38	1,116.07

NOTE 23 : OTHER EXPENSES

	For the year 2016-17 ₹ in Lakhs	For the year 2015-16 ₹ in Lakhs
Consumption of Packing Materials	1820.69	1907.40
Consumption of Stores Spare Parts and Chemicals	1951.79	2037.95
Power and Fuel	3755.03	3705.62
Rent including Lease Rentals (Refer Note 24x)	141.09	139.14
Repairs and Maintenance - Buildings	61.32	74.86
Repairs and Maintenance - Machinery	816.27	773.61
Repairs and Maintenance - Others	178.53	165.66
Insurance	43.30	36.42
Rates and Taxes (Refer Note 24.iv)	227.47	217.37
Sales Expenses	2662.69	2662.65
Technical Know-How & Service Fees	-	48.50
Donations and Contributions	2.62	6.55
Corporate Social Responsibilities Expenses	19.13	13.04
Loss on Sale / disposal of Fixed Assets (Net)	11.29	-
Payment to Auditors (Refer Note below)	36.08	17.02
Provision for Doubtful Advances	83.00	-
Provision for Doubtful Trade Receivables	76.52	5.10
Provision for Diminution in the value of investments	-	26.22
Investment Written Off	0.35	-
Share of Loss in Sayaji Seeds LLP	1.20	-
Directors Sitting Fees	9.78	9.86
Managerial Remuneration	326.68	252.85
General Charges	1107.79	1056.82
Total	13,332.62	13,156.64

Note

	For the year 2016-17 ₹ in Lakhs	For the year 2015-16 ₹ in Lakhs
Payment to the Auditors comprises :		
a) To Statutory Auditors		
- For Audit	8.00	8.00
- For Tax Audit	0.75	0.50
- For Certification	0.52	0.51
- For Tax Matters*	13.67	6.53
- For Other Services	12.76	0.90
- Reimbursement of Expenses	0.38	0.58
	36.08	17.02

* Payment made to firms in which some of the partners of audit firm are Partners is ₹ 13.67 Lakhs (Previous year ₹ 6.53 Lakhs)

Notes Forming Part of the Financial Statements

NOTE NO.24

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

	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
ii. Commitments:		
Estimated amount of contracts remaining to be executed on capital account (Net of Advance paid)	145.11	45.35
iii. Contingent liabilities not provided for :		
(a) Bills discounted but not matured	86.05	78.06
(b) Guarantees given by the Bankers on behalf of the Company.	195.62	202.87
(c) Disputed demand of Income tax as the Company expects to succeed in the appeal.	12.42	12.71
(d) Disputed demand of Value Added Tax as the Company expects to succeed in the appeal.	9.03	—
Note: Against the above, the Company has paid Rs. 2.81 lacs. Future cash outflows in respect of disputed demands are determinable only on receipt of judgements/decisions pending.		
(e) Guarantee to Bank against credit facilities (Fund Based & Non Fund Based Limits) extended to the other company	1,822.59	1,186.10
Future cash outflows in respect of disputed demands are determinable only on receipt of judgements/decisions pending at various forums/authorities.		
iv. Excise Duty shown as deduction from Sales represents the amount of excise duty collected on sales. The difference between excise duty element in the amounts of closing stocks and opening stocks, excise duty paid on samples and inventory written off which is not recoverable from sales (if any) is shown under Note No. 23 of "Other Expenses"		
v. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006		
The information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors. Based on the above procedures done, as at 31st March, 2017, there is no amount outstanding towards MSME vendors which is payable by the company.		
	2016-17	2015-16
Principal amount due to suppliers and remaining unpaid under MSMED Act, 2006	—	(—)
Interest accrued and due and unpaid to suppliers under MSMED Act, on the above amount	—	(—)
Interest paid	—	(—)
Payment made to suppliers (Other than interest) beyond the appointed day, during the year	—	(—)
Interest due and payable to suppliers under MSMED Act, for payments already made for the period of delay	—	(—)
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	—	(—)
Amount of further interest remaining due and payable in succeeding year	—	(—)
vi. Deferred Tax:	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
Deferred Tax Liability:		
Depreciation	(1,947.08)	(1,713.32)
Deferred Tax Assets:		
Provision for Employee benefits	153.67	188.40
Provision for Doubtful Debts/Advances	397.77	353.68
Unabsorbed Depreciation	103.22	51.07
Deferred tax asset /(liability) (Net)	(1,292.42)	(1,120.17)

Notes Forming Part of the Financial Statements

vii. CSR Expenditure

(a) Gross amount required to be spent by the Company during the year ₹ 19.06 Lakhs (Previous Year ₹ 20.90 Lakhs)

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

Description	In Cash	
	2016-17	2015-16
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above		
Community Health Care & Drinking water provision	4.29	3.12
Education & knowledge enhancement	4.74	6.32
(iii) Others	10.10	3.60
Total	19.13	13.04

viii. Employee Benefits:

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

a. Defined Benefit Plans:

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

b. Particulars	Gratuity		Leave Encashment	
	2016-17	2015-16	2016-17	2015-16
i. Expenses recognized in Profit & Loss Account for the period ended March 31, 2017				
Current Service cost	48.93	49.89	32.41	32.76
Interest Cost	101.97	93.93	20.60	16.83
Expected return on plan assets	(76.53)	(68.08)	-	-
Net actuarial losses (gains)	(28.97)	45.82	42.50	60.68
Total Expenses	45.40	121.56	95.51	110.27
ii. Reconciliation of Opening and Closing balances of changes in present value of the Defined Benefit Obligation				
Opening defined benefit obligation as on April 1, 2016	1262.01	1181.54	255.00	211.74
Service cost	48.93	49.89	32.41	32.76
Interest cost	101.97	93.93	20.60	16.83
Actuarial losses (gains)	(32.65)	46.28	42.50	60.68
Benefits paid	(142.66)	(109.63)	(86.38)	(67.01)
Closing defined benefit obligation as at March 31, 2017	1,237.60	1,262.01	264.13	255.00
iii. Reconciliation of Opening and Closing balances of changes in fair value of the assets				
Opening fair value of plan assets as at April 1, 2016	947.20	856.32	-	-
Expected return on plan assets	76.53	68.08	-	-
Actuarial gains and (losses)	(3.68)	0.46	-	-
Assets distributed on settlements	-	-	-	-
Contributions by employer	159.56	131.97	-	-
Benefits paid	(142.66)	(109.63)	-	-
Closing balance of fair value of plan assets as at 31.03.2017	1036.95	947.20	-	-

Notes Forming Part of the Financial Statements

	₹ in Lakhs			
	Gratuity		Leave Encashment	
	2016-17	2015-16	2016-17	2015-16
iv. Net Liability recognized in the Balance Sheet as at March 31, 2017				
Defined Benefit Obligation as at March 31, 2017	1,237.60	1,262.01	264.13	255.00
Fair Value of plan assets as at March 31, 2017	1036.95	947.20	-	-
Present Value of unfunded obligation recognized as liability as at March 31, 2017	200.65	314.81	264.13	255.00
v. Actual Return on Plan Assets	72.86	68.53	-	-
vi. Actuarial Assumptions	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2017	As at 31st March, 2016
Discount Rate	7.26%	8.08%	7.26%	8.08%
Expected rate of return on plan assets	7.26%	8.08%	-	-
Expected rate of salary increase	4.00%	4.00%	4.00%	4.00%
Mortality	Indian Assured Lives Mortality (2006-08) ultimate	Indian Assured Lives Mortality (2006-08) ultimate	Indian Assured Lives Mortality (2006-08) ultimate	Indian Assured Lives Mortality (2006-08) ultimate
Withdrawal Rates	2.00%	2.00%	2.00%	2.00%
Retirement Age	60 years	60 years	60 years	60 years
Actuarial Valuation Method	Projected unit credit method	Projected unit credit method	Projected unit credit method	Projected unit credit method

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

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

viii. Experience History:

(₹ in Lakhs)

	Gratuity					Leave Encashment				
	31.03.17	31.03.16	31.03.15	31.03.14	31.03.13	31.03.17	31.03.16	31.03.15	31.03.14	31.03.13
Present value of defined obligations at the end of the year	1237.60	1262.01	1181.54	1011.40	897.13	264.13	255.00	211.74	149.75	123.51
Fair value of plan assets at the end of the year	1036.95	947.20	856.32	760.84	669.16	-	-	-	-	-
Funded Status Surplus/ (Deficit)	(200.65)	(314.81)	(325.22)	(250.56)	(227.97)	-	-	-	-	-
Experience gain/(loss)	32.65	(46.28)	(135.60)	(79.66)	2.26	(42.50)	(60.68)	(66.45)	(33.50)	(47.27)
adjustment of plan liabilities	(3.68)	0.46	0.40	0.66	3.44	-	-	-	-	-
adjustment of plan assets	(200.65)	(314.81)	(325.22)	(250.56)	(227.97)	(264.13)	(255.00)	(211.74)	(149.75)	(123.51)
Net assets / (liability) at the end of the year										

Notes Forming Part of the Financial Statements

c. Defined Contribution Plans:

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

Particulars	2016-17	2015-16
Employer's Contribution to Provident Fund	106.38	103.08
Employer's Contribution to Family Pension Fund	79.74	91.84
Employer's Contribution to Superannuation Fund	30.29	24.06
Total Contributions	216.41	218.98

The above is recognized as an expense and included in the Note 21 of Employee Benefit Expense under the head "Contribution to Provident and other funds".

ix. a. Business Segment:

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

b. Geographical Segment:

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

Segment Revenue:

	2016-17 ₹ in Lakhs	2015-16 ₹ in Lakhs
1. Sales		
(a) India	44,114.94	38,908.04
(b) Outside India	9,340.57	10,227.83
Total :	<u>53,455.51</u>	<u>49,135.87</u>
2. Other Income		
(a) India	173.62	93.23
(b) Outside India	-	-
Total :	<u>173.62</u>	<u>93.23</u>

Segment Assets

	2016-17 ₹ in Lakhs	2015-16 ₹ in Lakhs
1. Carrying amount		
(a) India	13,288.63	13,006.08
(b) Outside India	2.55	3.71
Total :	<u>13,291.18</u>	<u>13,009.79</u>
2. Capital Expenditure		
(a) India	1,167.45	2,395.84
(b) Outside India	-	-
Total :	<u>1,167.45</u>	<u>2,395.84</u>

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

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

Particulars	2016-17 ₹ in Lakhs	2015-16 ₹ in Lakhs
A. Lease payment recognised in the statement of profit and loss for the year	123.02	122.23
B. Future minimum Lease Payments		
(i) Not Later than one year	119.70	119.70
(ii) Later than one year, but not later than five years	49.88	169.58
(iii) Later than five years	-	-

Notes Forming Part of the Financial Statements

Particulars	2016-17		2015-16	
	₹ in Lakhs		₹ in Lakhs	
xi. Details of Imported Materials:				
(a) CIF value of Imports				
i) Stores, Spare Parts & Chemicals		88.01		126.49
ii) Machineries		133.30		109.19
(b) Consumption:				
	Raw Materials		Stores, Spares, Chemicals	
	₹ in Lakhs	%	₹ in Lakhs	%
1. Imported	–	–	81.69	2.17
	(–)	(–)	(107.15)	(2.76)
2. Indigenous	33,717.39	100	3,690.79	97.83
	(29,753.84)	(100)	(3,838.20)	(97.24)
Total :	33,717.39	100	3,772.48	100
	(29,753.84)	(100)	(3,945.35)	(100)

xii. Particulars regarding Foreign Exchange:

a) Expenditure on accrual basis in foreign currency:	₹ in Lakhs
1) Travelling	45.95 (33.82)
2) Subscription for periodicals	– (–)
3) Technical Know-how & Service Fees	– (48.50)
4) Commission	59.86 (62.89)
5) Overseas Office Expenses	56.25 (51.96)
b) Earnings in foreign currency:	
FOB Value of Exports	8,696.01 (9,430.86)

(Figures in brackets are of Previous Year)

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

Sayaji Seeds LLP
Sayaji Corn Products Ltd.

Joint Venture Company:

Sayaji Sethness Limited

Entities under Common Control:

C. V. Mehta (Pvt.) Ltd.
Bini Commercial Enterprises (Pvt.) Ltd.
N.B. Commercial Enterprises Ltd.
Varun Travels (Pvt.) Ltd.
Priyam Commercial Enterprises (Pvt) Ltd.
Viva Tex Chem (Pvt) Ltd.
Viva Public Charitable Trust
Sayaji Properties LLP
Sayaji Agrosiences LLP
Sayaji Samruddhi LLP
Sayaji Ingritech LLP

Notes Forming Part of the Financial Statements

Key Managerial Personnel:

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

Relatives of Key Managerial Personnel:

Smt. Niramayi B. Mehta
Smt. Sujata P. Mehta
Smt. Kavisha V. Mehta
Smt. Bhoomi V. Mehta (till 02.09.2016)

(b) Related Party Transactions and Balances:

Transactions	₹ in Lakhs					
	Subsidiary Company	Joint Venture Company	Entities under Common Control	Key Managerial Personnel	Relatives of Key Managerial personnel	Total
Sale of Goods	--	2.50	37.66	--	--	40.16
	(--)	(2.90)	(26.73)	(--)	(--)	(29.63)
Purchase of Goods	--	--	--	--	--	--
	(--)	(--)	(--)	(--)	(--)	(--)
Public Deposits received	--	--	--	--	--	--
	(--)	(--)	(--)	(50.00)	(59.00)	(109.00)
Inter Corporate Deposits received	--	--	--	--	11.00	11.00
	(--)	(50.00)	(--)	(--)	(--)	(50.00)
Interest paid on Deposits	--	63.00	3.47	16.33	25.30	108.10
	(--)	(58.50)	(3.46)	(14.65)	(16.60)	(93.21)
Remuneration	--	--	--	378.00	24.72	402.72
	(--)	(--)	(--)	(301.19)	(2.50)	(303.69)
Sitting Fees	--	--	--	--	1.53	1.53
	(--)	(--)	(--)	(--)	(2.20)	(2.20)
Service Given	13.80	52.97	--	--	--	66.77
	(--)	(51.01)	(--)	(--)	(--)	(51.01)
Services Received	--	--	89.34	--	--	89.34
	(--)	(--)	(98.18)	(--)	(9.80)	(107.98)
Rent Received	--	--	2.53	--	--	2.53
	(--)	(--)	(20.03)	(--)	(--)	(20.03)
CSR Expenses	--	--	10.10	--	--	10.10
	(--)	(--)	(--)	(--)	(--)	(--)
Investment made	85.00	--	--	--	--	85.00
	(--)	(--)	(--)	(--)	(--)	(--)
Corporate Guarantee	--	--	1822.59	--	--	1822.59
	(--)	(--)	(1186.10)	(--)	(--)	(1186.10)
Debit Balances o/s. as on 31.03.2017	13.80	0.04	4.45	--	--	18.29
	(--)	(0.04)	(4.24)	(--)	(--)	(4.28)
Credit Balances o/s. as on 31.03.2017	--	700.00	38.61	146.28	223.50	1108.39
	(--)	(700.00)	(38.92)	(142.00)	(212.50)	(1093.42)

(Figures in brackets are of Previous Year)

(c) Material Transaction with Related Party

₹ in Lakhs

Name	Nature of Transaction											Debit Balance as on 31.03.2017	Credit Balance as on 31.03.2017	
	Sale of Goods	Remuneration	Public Deposits/ICD Received	Interest paid on Deposits	Sitting Fees	Corporate Guarantee	Rent Received	CSR Expenses	Services Given	Investment Made	Services Received			
1. Shri Priyam B. Mehta	--	114.79	--	12.99	--	--	--	--	--	--	--	--	113.00	--
2. Shri Varun P. Mehta	(--)	(103.60)	(28.00)	(11.90)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(113.00)	(--)
3. Shri Vishal P. Mehta	(--)	106.05	(5.00)	0.58	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	5.00	(--)
4. Shri Priyam B. Mehta (HUF)	(--)	(74.02)	(17.00)	(0.30)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(5.00)	(--)
5. Smt. Niramayi B. Mehta	(--)	105.84	(2.44)	2.76	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	24.00	(--)
6. Smt. Sujata P. Mehta	(--)	(75.23)	--	(1.61)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(24.00)	(--)
7. Shri Narayansingh J. Deora	(--)	--	(14.00)	1.61	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	14.00	(--)
8. Shri Rajesh H Shah	(--)	(--)	(31.00)	(1.61)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(14.00)	(--)
9. N B Commercial Enterprises Ltd	(--)	25.26	(11.00)	5.52	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	48.00	(--)
10. Sayaji Sethness Ltd	(--)	(24.46)	(4.32)	(4.32)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(31.00)	(--)
11. Sayaji Seeds LLP	(--)	26.06	11.00	13.80	1.53	(--)	(--)	(--)	(--)	(--)	(--)	(--)	123.50	(--)
12. Varun Travels Pvt Ltd	(--)	(23.88)	(18.00)	(6.83)	(2.20)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(112.50)	(--)
13. Bini Commercial Enterprises Pvt Ltd	(--)	--	--	--	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	2.11	(--)
14. Viva Public Charitable Trust	(--)	(24.46)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(2.04)	(--)
15. Sayaji Ingritech LLP	(--)	26.06	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	2.17	(--)
15. Sayaji Corn Products Ltd	(--)	(23.88)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(1.99)	(--)
	37.28	--	--	--	--	1355.95	--	--	--	--	--	--	0.52	--
	(26.73)	(--)	(--)	(--)	(1186.10)	(17.50)	(--)	(--)	(--)	(--)	(--)	(--)	(0.39)	(--)
	2.50	(--)	(50.00)	63.00	(--)	(--)	(--)	52.97	(--)	(--)	(--)	(--)	0.04	(--)
	(2.90)	(--)	--	(58.50)	(--)	(--)	(--)	(51.02)	(--)	(--)	(--)	(--)	(0.04)	(--)
	--	(--)	--	--	(--)	(--)	(--)	13.80	78.80	(--)	(--)	(--)	92.60	(--)
	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)
	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	89.34	(--)	(--)	1.31	(--)
	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(98.18)	(--)	(--)	(3.85)	(--)
	(--)	(--)	(--)	0.54	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)
	(--)	(--)	(--)	(0.54)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	6.09
	(--)	(--)	(--)	(--)	(--)	(--)	(--)	10.10	(--)	(--)	(--)	(--)	(6.10)	(--)
	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)
	0.37	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	1.30	(--)
	(--)	(--)	(--)	(--)	(--)	466.64	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)
	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	5.00	(--)	(--)	(--)	(--)	(--)
	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)	(--)

Notes Forming Part of the Financial Statements

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

- (i) Investment made by the company is given under note no. 11.
 (ii) The company has given guarantee to bank in respect of credit facilities granted by the bank to N B Commercial Enterprises Ltd, outstanding amount of ₹. 1355.95 Lakhs (Previous year ₹. 1186.10 Lakhs) and to Sayaji Ingritech LLP outstanding amount of ₹. 466.64 Lakhs (Previous year Nil)

Disclosure in relation to Specified Bank Note held and transacted during the Period from 8th November 2016 to 30th December, 2016

Description	Specified Bank Notes (₹)	Other denomination Notes (₹)	Total (₹)
Closing Cash in hand as on 08.11.2016	0.07	16.67	16.74
(+) Permitted receipts	---	13.86	13.86
(-) Permitted payments	---	28.99	28.99
(-) Amount deposited in Banks	0.07	---	0.07
Closing cash in hand as on 30.12.2016	---	1.54	1.54

xv. Earnings per Share:

	2016-17	2015-16
a) Weighted average number of equity shares of ₹ 100/- each.		
Number of Shares at the beginning of the year	79,000	79,000
Number of Shares at the end of the year	79,000	79,000
Weighted average number of equity shares outstanding during the year	79,000	79,000
b) Net Profit after tax available for Equity Shareholders (₹ In Lakhs)	393.67	273.01
c) Basic and diluted Earnings Per Share (₹)	498.32	345.58

xvi. Derivative Contracts :

Pursuant to the applicability of " Guidance Note on Accounting for Derivative Contracts" effective from 1st April, 2016 (the transition date), the company has fair valued the forward contracts outstanding as at transition date and resultant gain on such contracts aggregating to ₹ 59.22 Lakhs (net of Taxes ₹ 29.25 lakhs), is adjusted to the opening balances of Surplus of Statement of Profit and Loss.

xvii. Exceptional Items :

Exceptional items represents sundry balances written off/(written back), which are no longer recoverable/payable.

The same represents (i) balances no longer recoverable from customers (net of advances) ₹ 19.35 Lakhs, (ii) balances no longer payable to vendors (net of advances) ₹ (12.98) Lakhs and (iii) other sundry balances no longer payable ₹ (14.51) Lakhs

xviii. Disclosures regarding Derivative Instruments:

- a) The company uses forward exchange contracts to hedge its exposure in foreign currency. There are no contracts entered into for the purpose of speculation.

- b) The information on derivative instruments as on March 31, 2017 is as follows:

Hedged Exposures	Number of Contracts	Foreign Currency Amount	Reporting Currency Amount
Forward cover for export receivables	(7)	\$ 7,69,694.00	₹ 5,06,29,164.00
	(1)	('\$ 116,314.50)	(₹ 78,05,866.00)
Forward cover for import payables	-	-	-
	(-)	(-)	(-)
Unhedged Exposures			
Accounts Receivable		\$ 6,39,714.00	₹ 4,14,85,453.00
		('\$ 1,534,096.49)	(₹ 10,16,33,892.00)
		-	-
		(AED 48,620.00)	(₹ 8,77,591.00)
		(-)	(-)
Accounts Payable		(€ 48,020.00)	(₹ 36,14,946.00)

xix. Jointly Controlled Entities (JCE):

Name of joint venture and country of incorporation	% of interest / ownership	Amount of interest based on accounts for the year ended 31 March, 2017					
		Assets	Liabilities	Income	Expenditure	Contingent liabilities	Capital commitments
Sayaji Sethness Ltd (India)	40% (40%)	996.48 (984.08)	230.56 (353.39)	1157.66 (1201.12)	954.18 (977.66)	- -	1.27 -

The above figure are given before the elimination of common transaction.
(Figures in brackets are of Previous Year)

SIGNATURE TO NOTE 1 TO 24

As per our attached report of even date

For Deloitte Haskins & Sells
Chartered Accountants

Gaurav J. Shah
Partner

Ahmedabad
Date : May 26, 2017

Priyam B. Mehta
Chairman & Managing Director

CA Mahendra N. Shah
Director

CA Chirag M. Shah
Director

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

Varun P. Mehta
Executive Director

Dr. Gaurang K. Dalal
Director

Sujata P. Mehta
Director

Rajesh H. Shah
Company Secretary

Vishal P. Mehta
Executive Director

Dr. Janak D. Desai
Director

Ahmedabad
Date : May 26, 2017

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

SAYAJI INDUSTRIES LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of SAYAJI INDUSTRIES LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its jointly controlled entity, comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its jointly controlled entity and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of the subsidiaries referred to in the Other Matters paragraph below, the aforesaid consolidated 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 consolidated state of affairs of the Group and its jointly controlled entity as at 31st March, 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 16 to the consolidated financial statements regarding ₹ 250 lacs due from Yashwant Sahakari Glucose Karkhana Ltd (YSGKL) under the terms of a settlement agreement. The recoverability of the amount is predicated on realization of the post-dated cheques received from YSGKL. Our opinion is not modified in respect of this matter.

Other Matters

- (a) We did not audit the financial statements of one subsidiary whose financial statements reflect total assets of ₹ 190.80 lacs as at 31st March, 2017, total revenues of ₹ 55.98 lacs and net cash inflows amounting to ₹ 1.60 lacs for

the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary is based solely on the reports of the other auditors. Our report does not include the opinion in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary as the said subsidiary is a Limited Liability Partnership to whom section 143(3) of the Companies Act, 2013 does not apply.

- (b) We did not audit the financial statements of one subsidiary whose financial statements reflect total assets of Rs.5 lacs as at 31st March, 2017, with no revenues and profits and net cash inflows amounting to Rs.5 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and the other financial information of subsidiaries and jointly controlled entity, referred in the Other Matters paragraph above we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss,

and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company and jointly controlled company incorporated in India, none of the directors of the Group companies and jointly controlled company incorporated in India is disqualified as on 31st March, 2017 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Holding company, subsidiary company and jointly controlled company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding company's, subsidiary company's, jointly controlled company's incorporated in India 's internal financial controls over financial reporting and operating effectiveness of the Holding company's, subsidiary company's, and jointly controlled company's incorporated in India '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 Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its jointly controlled entity in Note no. 24(iii) to the consolidated financial statements.
 - ii. The Group and jointly controlled entity did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company and jointly controlled company incorporated

in India.

- iv. The Holding Company has provided requisite disclosures in the consolidated financial statements as regards the holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016 of the Group entities as applicable. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the relevant books of accounts maintained by those entities for the purpose of preparation of the

consolidated financial statements and as produced to us by the Management of the respective Group entities.

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

Place : Ahmedabad

Date : May 26, 2017

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

In conjunction with our audit of the consolidated AS financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Sayaji Industries Limited (hereinafter referred to as "the Holding Company"), its subsidiary company incorporated in India, and jointly controlled company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company, its subsidiary company and its jointly controlled company, which are companies incorporated in India, 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 that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 and the audit evidence obtained by the other auditors of the subsidiary company and jointly controlled company, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company, its subsidiary company and its jointly controlled company, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management

override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in 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 Holding Company, its subsidiary company and jointly controlled company, which are companies incorporated in India, have, 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, 2017, based on the internal control over financial reporting criteria

established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Gaurav J. Shah
Partner
(Membership No. 35701)

Place : Ahmedabad

Date : May 26, 2017

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017

	Note No.	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
A EQUITY AND LIABILITIES			
1 SHAREHOLDERS' FUNDS			
(a) Share Capital	2	79.00	79.00
(b) Reserves & Surplus	3	5,841.27	5,253.15
		<u>5,920.27</u>	<u>5,332.15</u>
2 MINORITY INTEREST		8.68	-
3 NON CURRENT LIABILITIES			
(a) Long Term Borrowings	4	2,904.85	3,587.33
(b) Deferred Tax Liabilities (Net)	24.vi	1,322.06	1,146.02
(c) Long Term Provisions	5	240.69	335.56
		<u>4,467.60</u>	<u>5,068.91</u>
3 CURRENT LIABILITIES			
(a) Short Term Borrowings	6	6,164.87	5,219.06
(b) Trade Payables	7		
- Dues of Micro and Small Enterprises		-	-
- Dues of creditors other than Micro and Small Enterprises	24.v	4,989.48	5,833.76
(c) Other Current Liabilities	8	2,422.53	2,242.77
(d) Short Term Provisions	9	235.26	435.91
		<u>13,812.14</u>	<u>13,731.50</u>
TOTAL		<u>24,208.69</u>	<u>24,132.56</u>
B ASSETS			
1 NON CURRENT ASSETS			
(a) Fixed Assets			
(i) Tangible Assets	10	13,508.60	13,196.00
(ii) Intangible Assets		90.25	109.30
(iii) Capital Work-In-Progress		327.05	192.55
		<u>13,925.90</u>	<u>13,497.85</u>
(b) Non Current Investments	11	17.82	18.17
(c) Long Term Loans and Advances	12	598.06	551.66
		<u>14,541.78</u>	<u>14,067.68</u>
2 CURRENT ASSETS			
(a) Inventories	13	4,323.67	4,660.56
(b) Trade Receivables	14	3,858.02	3,636.77
(c) Cash and Cash Equivalents	15	340.36	256.06
(d) Short Term Loans and Advances	16	932.13	1,449.38
(e) Other Current Assets	17	212.73	62.11
		<u>9,666.91</u>	<u>10,064.88</u>
TOTAL		<u>24,208.69</u>	<u>24,132.56</u>

See accompanying notes forming part of the Financial Statements 1 to 24

As per our attached report of even date

For Deloitte Haskins & Sells Chartered Accountants	Priyam B. Mehta Chairman & Managing Director	Varun P. Mehta Executive Director	Vishal P. Mehta Executive Director
Gaurav J. Shah Partner	CA Mahendra N. Shah Director	Dr. Gaurang K. Dalal Director	Dr. Janak D. Desai Director
	CA Chirag M. Shah Director	Sujata P. Mehta Director	
Ahmedabad Date : May 26, 2017	CA Narayansingh J. Deora Sr. Executive V. P. (Accounts)	Rajesh H. Shah Company Secretary	Ahmedabad Date : May 26, 2017

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED
31ST MARCH, 2017**

	Note No.	For the year 2016-17 ₹ in Lakhs	For the year 2015-16 ₹ in Lakhs
INCOME			
1 Revenue from Operations (Gross)	18	59,581.49	54,603.16
Less: Excise Duty & VAT		4,938.90	4,291.07
Revenue from Operations (Net)		54,642.59	50,312.09
2 Other Income	19	173.98	93.57
3 Total Revenue (1+2)		54,816.57	50,405.66
4 EXPENDITURE			
(a) Cost of Materials Consumed	20.a	34,458.37	30,449.97
(b) Purchases of Stock-In-Trade	20.b	1.45	16.85
(c) Changes in Inventories of Finished Goods and Work in Progress	20.c	(355.10)	(305.16)
(d) Employee Benefit Expenses	21	4,420.46	4,393.67
(e) Finance Costs	22	1,111.18	1,092.67
(f) Depreciation & Amortization	10	901.28	812.84
(g) Other Expenses	23	13,535.18	13,348.53
Total Expenses		54,072.82	49,809.37
5 Profit Before Exceptional items and Tax (3-4)		743.75	596.29
6 Exceptional items [Refer Note No. 24(xvii)]		8.14	-
7 Profit Before Tax (5+6)		751.89	596.29
8 Tax Expense:			
(a) Current Tax		202.72	148.10
(b) MAT credit recognised		(132.33)	(74.70)
(c) Short provision of earlier years		5.95	67.03
Net Current tax expenses		76.34	140.43
(d) Deferred Tax		146.78	34.73
Net tax expenses		223.12	175.16
9 Profit After Tax before adjusting minority interest (7-8)		528.77	421.13
10 Minority Interest		(0.13)	0.00
11 Profit After Tax after adjusting minority interest (9-10)		528.90	421.13
12 Earnings Per Share (of ₹100/- each)	24.xv		
(a) Basic		669.49	533.08
(b) Diluted		669.49	533.08

See accompanying notes forming part of the Financial Statements 1 to 24

As per our attached report of even date

For Deloitte Haskins & Sells
Chartered Accountants

Priyam B. Mehta
Chairman & Managing Director

Varun P. Mehta
Executive Director

Vishal P. Mehta
Executive Director

Gaurav J. Shah
Partner

CA Mahendra N. Shah
Director

Dr. Gaurang K. Dalal
Director

Dr. Janak D. Desai
Director

CA Chirag M. Shah
Director

Sujata P. Mehta
Director

Ahmedabad
Date : May 26, 2017

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

Rajesh H. Shah
Company Secretary

Ahmedabad
Date : May 26, 2017

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	Year ended 31 st March, 2017		Year ended 31 st March, 2016	
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net profit before tax		752.02		596.29
Adjustments for:				
Depreciation & Amortisation	901.28		812.84	
Interest Expenses	1,111.18		1092.67	
Dividend Income	(60.03)		(48.11)	
Provision for Doubtful Advances	83.00		-	
Provision for Doubtful Trade Receivable	76.52		5.10	8.68
Provision for Diminution in value of Investments	-		26.22	
Insurance Claim Received	(106.91)		-	
(Profit)/Loss on sale of Fixed Assets	11.29		(0.89)	
Investment Wirtten Off	0.35		-	
(Profit)/Loss on sale of Investment	-		(9.41)	
MTM Gain of Derivative Financial Instruments on transition	88.47		-	
MTM Gain of Derivative Financial Instruments	(154.57)		-	
Unrealised Exchange fluctuation (Gain)/Loss	(9.88)		20.37	
		1,940.70		1,898.79
Operating profit before working capital changes		2,692.72		2,495.08
Adjustments for:				
Trade and Other Receivables	140.81		(212.17)	
Inventories	336.89		(2,111.57)	
Trade and Other Payables	(913.41)		2,002.38	
		(435.71)		(321.36)
Cash Generated From Operations		2,257.01		2,173.72
Taxes paid		(172.10)		(128.59)
Net Cash From Operating Activities		2,084.91		2,045.13
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	(1,297.68)		(2,189.11)	
Sale of Fixed Assets	107.97		1.24	
Minority Interest	8.68		(15.93)	
Sale of Investment	-		6.52	
Dividend Received	60.03		48.11	
Interest Received	-		17.51	
Cash & Cash Equivalent not considered as Cash & Cash Equivalent	(30.88)		(81.58)	
-Balance in Earmarked accounts				
Net Cash From Investing Activities		(1,151.88)		(2,213.24)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Borrowings	1,129.43		2141.27	
Repayment of Loans	(710.33)		(674.72)	
Interest Paid	(1,111.18)		(1,110.18)	
Dividend & Tax thereon paid	(187.53)		(224.00)	
Net Cash Generated in Financing Activities		(879.61)		132.37
Net Changes in Cash & Cash Equivalents (A+B+C)		53.42		(35.74)
Add: Cash and Cash Equivalents at the beginning of the year		80.75		116.49
Cash and Cash Equivalents at the end of the year		134.17		80.75
Reconciliation of Cash and cash equivalents with Cash and Bank Balance				
Cash & Bank Balance as per Note 15		340.36		256.06
Less :				
Amount not considered as cash & cash Equivalents.				
(a) In Deposit Accounts		158.96		130.84
(b) In earmarked accounts (Refer Note 2 Below)				
- Unpaid Dividend Account		27.63		24.10
- Balance held as margin money		19.60		20.37
Net Cash and cash equivalent (as defined in AS 3 Cashflow Statements) included in Note 15		134.17		80.75

Notes:

1 The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard-3 on Cash Flow Statements issued by The Institute of Chartered Accountants of India.

As per our attached report of even date

For Deloitte Haskins & Sells
Chartered Accountants
Gaurav J. Shah
Partner

Priyam B. Mehta
Chairman & Managing Director
CA Mahendra N. Shah
Director
CA Chirag M. Shah
Director
CA Narayansingh J. Deora
Sr. Executive V. P. (Accounts)

Varun P. Mehta
Executive Director
Dr. Gaurang K. Dalal
Director
Sujata P. Mehta
Director
Rajesh H. Shah
Company Secretary

Vishal P. Mehta
Executive Director
Dr. Janak D. Desai
Director

Ahmedabad
Date : May 26, 2017

Ahmedabad
Date : May 26, 2017

Notes Forming Part of the Consolidated Financial Statements

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

i Basis of Consolidation

The Consolidated financial statements relate to Sayaji Industries Limited., the holding company and its subsidiaries Sayaji Corn Products Ltd, Sayaji Seeds LLP, and Joint Venture Company Sayaji Sethness Ltd. The consolidation of the accounts of the holding company with subsidiaries is prepared in accordance with Accounting Standard (AS) 21 Consolidated Financial Statements. The Financial statements of the parent company and its subsidiaries are combined on line-by line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions and unrealized profits or losses are fully eliminated. 'Share of profit / loss, assets and liabilities in the jointly controlled Company, which is not subsidiary, have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses on a proportionate basis to the extent of the Group's equity interest in such entity as per AS 27 Financial Reporting of Interests in Joint Ventures. The intra-group balances, intra-group transactions and unrealised profits or losses have been eliminated to the extent of the Group's share in the entity

The subsidiary and Joint Venture Companies considered in the consolidated financial statements are :

Sr. No.	Name of the Company	Relationship	Country of incorporation	% of Holding	
				Current Year	Previous Year
1	Sayaji Seeds LLP	Subsidiary	India	90.00%	0.00%
2	Sayaji Corn Products Ltd	Subsidiary	India	100.00%	0.00%
3	Sayaji Sethness Ltd	Joint Venture Co.	India	40.00%	40.00%

b. Basis of Preparation of Financial Statements:

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies Accounting standards (Amendment) Rules, 2016 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

ii Use of Estimates:

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

iii Fixed Assets (Tangible and Intangible Assets) :

Fixed assets are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

iv Operating Lease:

Leases where the lessor effectively retains substantially all the risks and rewards incidental to ownership of the leased assets are recognised as operating leases. Operating Lease Rentals under operating leases are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

v Depreciation and Amortisation :

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

Notes Forming Part of the Consolidated Financial Statements

Intangible assets are amortised over their estimated useful life on straight line method - Computer Software - 6 Years

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

vi Impairment of Assets:

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

vii Investments:

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

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

viii Inventories:

Inventories are valued at lower of cost and net realisable value, except by-products which is valued at Net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a First in First out (FIFO) basis except for Stores, Spares (including Packing Materials & Chemicals), where monthly weighted average cost basis method is adopted. Cost includes cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Obsolete, slow moving and defective inventories are identified and provided for.

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

ix Cash and Cash Equivalents :

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

x Cash Flow Statement :

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

xi Employee Benefits :

a) Defined Contribution Plan.

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

b) Defined Benefit Plan

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

Notes Forming Part of the Consolidated Financial Statements

The Company's liability towards Leave Encashment is determined using the projected unit credit method. 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.

When valuing the liability using the projected unit credit method, the resulting actuarial gains and losses are recognized immediately in the statement of profit and loss account as income or expenses. Obligation is measured at the value of estimated future cash flows using a discounted rate that is determined by reference to the market yields at the balance sheet date on government bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

xii **Borrowing Cost:**

Borrowing costs includes interest and amortisation of ancilliary cost incurred. Costs in connection with the borrowing of the funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit & Loss over the tenure of the loan. Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use.

xiii **Revenue Recognition:**

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

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

Other Income :

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

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

xiv **Export Incentives :**

Export benefits are accounted for in the year of the exports based on the eligibility and when there is no uncertainty in receiving the same.

xv **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 ultimate collection.

xvi **Foreign Currency Transactions:**

Initial Recognition:

Transactions in foreign currency are recorded at the exchange rates prevailing at the time the transactions are effected.

Any income or expense on account of exchange rate difference either on settlement or on translation is recognized in the Statement of profit and loss account for the period in which the difference takes place.

Measurement at Balance Sheet Date:

At the year end, monetary items denominated in foreign currency are reported using the closing rate of exchange. In cases of items which are covered by forward exchange contracts, the differences between the year end rates and rate on the date of contract is recognised as exchange difference and the premium paid on forward contract is recognised over the life of contract. The forward contracts taken to hedge risks associated with foreign currency fluctuations relating to highly probable forecast transactions are measured at fair value as per the Guidance Notes on Accounting for Derivative Contracts and the resulting gain/loss is recognised in the statement of Profit and loss.

Non monetary foreign currency items are carried at historical cost.

Notes Forming Part of the Consolidated Financial Statements

xvii Segment reporting:

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance. The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

xviii Operating Cycle

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

xix Earnings per share:

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

xx Taxes on Income:

Income tax expense for the year comprises of current tax, deferred tax. Current tax provision is determined in accordance with applicable tax rates on the basis of reliefs, deductions etc. available under the Income Tax Act, 1961. Deferred Tax is recognised on timing differences, being the difference 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 substantively enacted as at the reporting date. Deferred Tax liabilities are recognised for all timing differences. Deferred Tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to the capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income to realise assets. Deferred Tax assets and liabilities are offset if such items relate to taxes on income levied by same governing tax laws and the company has a legally enforceable right for such offset. Deferred Tax assets are reviewed at each balance sheet date for their realisability.

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

xxi Provision, Contingent Liabilities and Contingent Assets:

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 the Notes. Contingent assets are not recognised in the financial statements.

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

Notes Forming Part of the Consolidated Financial Statements

Note 2 : SHARE CAPITAL

	As at 31.03.2017		As at 31.03.2016	
	Number of Shares	₹ in Lakhs	Number of Shares	₹ in Lakhs
(a) Authorised				
Equity Shares of ₹ 100/- each with voting rights	200,000	200.00	200,000	200.00
(b) Issued, Subscribed and fully paid up				
Equity Shares of ₹ 100/- each with voting rights	79,000	79.00	79,000	79.00
Total		79.00		79.00

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

	Opening Balance	Changes if any, During the Year in Share Capital	Closing Balance
Equity Shares with voting rights			
Year ended 31st March, 2017			
- Number of Shares	79,000	-	79,000
- Amount (₹)	7,900,000	-	7,900,000
Year ended 31st March, 2016			
- Number of Shares	79,000	-	79,000
- Amount (₹)	7,900,000	-	7,900,000

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

Class of Shares/Name of Shareholder	As at 31.03.2017		As at 31.03.2016	
	Number of Shares held	% holding in that class of Shares	Number of Shares held	% holding in that class of Shares
Equity Shares with Voting Rights				
Sujata Priyam Mehta	14,221	18.00	14,221	18.00
C.V. Mehta Private Limited	11,994	15.18	11,994	15.18
Priyam Commercial Enterprises Pvt. Ltd.	10,705	13.55	10,705	13.55
Priyam B. Mehta	9,115	11.54	9,115	11.54
Bini Commercial Enterprises Pvt. Ltd.	5,740	7.27	5,740	7.27

(iii) The Company has issued only one class of shares referred to as Equity Shares having a par value of ₹ 100/-. All Equity Shares carry one vote per share without restrictions and are entitled to Dividend, as and when declared. All Equity shares rank equally with regard to the Company's residual assets.

Notes Forming Part of the Consolidated Financial Statements

NOTE 3 : RESERVES AND SURPLUS

	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
(a) Capital Reserve		
As at the Balancesheet Date	2.79	2.79
(b) Capital Redemption Reserve		
As at the Balancesheet Date	53.59	53.59
(c) Securities Premium Account		
As at the Balancesheet Date	275.50	275.50
(d) General Reserve		
Opening Balance	4,120.73	3,950.73
Add: Transferred from Surplus in Statement of Profit & Loss	-	170.00
Closing Balance	4120.73	4120.73
(e) Surplus in Statement of Profit & Loss		
Opening Balance	800.54	740.47
Add: Gain on Financial Derivative Contracts as on transition date (Net of Taxes of ₹. 29.25 Lakhs)– Refer Note 24 (xvi)	59.22	-
Add: Profit for the year	528.77	421.13
Less: Share of Minority Interest	(0.13)	0.00
	1388.66	1161.60
Less: Transferred to/Appropriations		
General Reserve	-	(170.00)
Proposed Dividend on Equity Shares to be distributed to the Shareholders (Refer Note Below)	-	(158.75)
Tax on Dividend	-	(32.31)
Closing Balance	1388.66	800.54
Total	5,841.27	5,253.15

Note : As per the requirements of pre-revised AS 4, the Company used to create a liability for dividend proposed/ declared after the balance sheet date if dividend related to periods covered by the financial statements. Going forward, as per AS 4(R), the company cannot create provision for “dividend proposed/ declared after the balance sheet date unless a statute requires otherwise.

NOTE 4 : LONG TERM BORROWINGS

	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
(a) Term Loans From Banks		
Secured	1,187.50	1,737.50
(b) Public Deposits *		
Unsecured	1,258.85	1,367.84
(c) Deposits from Related Parties (Refer Note 24.xiii)		
Unsecured	458.50	458.50
(d) Loan from Financial Institution		
Secured	-	23.49
Total	2,904.85	3,587.33

* Public Deposits includes deposits accepted from Directors amounting to ₹ 322.50 Lakhs (Previous year ₹ 229.00 Lakhs)

- (i) 11.25% Overdraft from Punjab National Bank of ₹ 437.50 Lakhs (Previous year ₹ 487.50 Lakhs) is secured by mortgage of property situated at Kathwada Unit. This loan is repayable in 120 equal monthly instalments starting from 01.02.2016.
- (ii) 12.55% Term Loan - 1 from Kotak Mahindra Bank of ₹ 100 Lakhs (Previous Year ₹ 300.00 Lakhs) is secured by way of Equitable mortgage of building in Mumbai. The said loan is repayable in 20 equal quarterly instalments starting from 10.12.2012.
- (iii) 11.80% Term Loan - 2 from Kotak Mahindra Bank of ₹ 1200 Lakhs (Previous Year ₹ 1600.00 Lakhs) is secured by way of Equitable mortgage of building in Mumbai. The said loan is repayable in 20 equal quarterly instalments starting from 27.05.2015.
- (iv) 9.51% Vehicle loans from Financial Institution amounting to ₹ 25.22 Lakhs (Previous year ₹ 52.33 Lakhs) is secured by way of hypothecation of respective motor vehicles purchased. The said loans are repayable in 36 equal monthly instalments starting from 01.04.2015

Notes Forming Part of the Consolidated Financial Statements

NOTE 5 : LONG TERM PROVISIONS

	As at 31.03.2017 ₹ in Lacs	As at 31.03.2016 ₹ in Lacs
Provision for Employee Benefit (Refer Note 24.viii)		
(a) Provision for Compensated Absences	186.06	170.73
(b) Provision for Gratuity (Net)	54.63	164.83
Total	240.69	335.56

NOTE 6 : SHORT TERM BORROWINGS

	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
(a) Public Deposits		
Unsecured	15.13	22.70
(b) Purchase Bill Discounting with Bank		
Unsecured	2,987.34	1971.53
(c) Working Capital Loans from Bank		
Secured	3,137.79	3,224.83
(d) Unsecured Loan	24.61	-
Total	6,164.87	5,219.06

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

(ii) Purchase bill discounting is secured by way of equitable mortgage of building in Mumbai.

NOTE 7 : TRADE PAYABLES

	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
Trade Payables (Refer Note 24.v)		
(Other than acceptances)		
For Supply of Goods		
- Dues of Micro and Small Enterprises	-	-
- Dues of Creditors other than Micro and Small Enterprises	3581.33	4518.04
For Others		
- Total outstanding dues of Micro Enterprises and Small Enterprises	-	-
- Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	1408.15	1315.72
Total	4989.48	5833.76

NOTE 8 : OTHER CURRENT LIABILITIES

	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
(a) Current Maturities of Long Term Debt (Refer Note below)	1225.51	1,074.20
(b) Current Maturity of loan from Financial Institution (Refer Note below)	25.22	28.83
(c) Unpaid Dividends	27.63	24.10
(d) Unpaid Matured Public Deposits	23.36	15.29
(e) Other Payables		
(i) Statutory Remittances	322.62	306.26
(ii) Payable on Purchase of Fixed Assets	188.85	203.71
(iii) Trade/Security Deposit Received	16.05	19.76
(iv) Advances from Customers	474.32	430.77
(v) Interest Payable	17.31	19.90
(vi) Others	101.66	119.95
Total	2,422.53	2,242.77

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

Notes Forming Part of the Consolidated Financial Statements

NOTE 9 : SHORT TERM PROVISIONS

	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
(a) Provision for Employee Benefits (Refer Note 23.viii)		
(i) Provision for Compensated Absences	81.70	88.96
(ii) Provision for Gratuity (Net)	153.56	155.88
	235.26	244.84
(b) Provision - Others		
(i) Provision for Proposed Equity Dividend	-	158.75
(ii) Provision for Tax on Proposed Dividend	-	32.32
	-	191.07
Total	235.26	435.91

NOTE 10 : FIXED ASSETS

(₹ in Lakhs)

Particulars	GROSS BLOCK (AT COST)				ACCUMULATED DEPRECIATION				NET BLOCK	
	Balance as at 01.04.2016	Additions during the year	Disposals during the year	Balance as at 31.03.2017	Balance as at 01.04.2016	Depreciation for the year	Eliminated on disposal of assets	Balance as at 31.03.2017	Balance as at 31.03.2017	Balance as at 31.03.2016
Tangible Assets										
(a) Land	11.57	-	-	11.57	-	-	-	-	11.57	11.57
Freehold	11.57	-	-	11.57	-	-	-	-	-	-
(b) Buildings	3,159.89	206.12	-	3,366.01	788.72	122.05	-	910.77	2,455.24	2371.17
Owned	(2252.08)	(907.81)	-	(3159.89)	(680.11)	(108.61)	-	(788.72)	-	-
(c) Plant & Machinery	17,703.53	962.07	47.92	18,617.68	7,380.60	657.46	35.61	8,002.45	10,615.23	10322.93
Owned	(16391.82)	(1,311.70)	-	(17703.52)	(6789.06)	(591.54)	-	(7380.60)	-	-
(d) Furniture & Fixtures	181.38	9.27	-	190.65	123.78	9.98	-	133.76	56.89	57.60
Owned	(170.37)	(11.02)	-	(181.39)	(114.08)	(9.70)	-	(123.78)	-	-
(e) Office Equipments	231.06	22.76	-	253.82	150.91	26.29	-	177.20	76.62	80.15
Owned	(196.06)	(35.00)	-	(231.06)	(124.54)	(26.37)	-	(150.91)	-	-
(f) Vehicles	564.36	6.92	-	571.28	211.79	66.45	-	278.24	293.04	352.57
Owned	(538.17)	(29.78)	(3.59)	(564.36)	(149.43)	(65.60)	(3.24)	(211.79)	293.04	352.57
(g) Others	0.35	-	-	0.35	0.34	-	-	0.34	0.01	0.01
Agricultural Equipments	(0.35)	-	-	(0.35)	(0.34)	-	-	(0.34)	-	-
Intangible Assets	120.32	-	-	120.32	11.02	19.05	-	30.07	90.25	109.30
Software	-	120.32	-	(120.32)	-	(11.02)	-	(11.02)	-	-
Total	21,972.46	1,207.14	47.92	23,131.68	8,667.16	901.28	35.61	9,532.83	13,598.85	13,305.30
Previous Year	19,560.42	2,415.63	3.59	21,972.46	7,857.56	812.84	3.24	8,667.15	13,305.30	

Buildings include :

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

Depreciation and Amortization relating to continuing operations	For the year ended 31.03.2017 ₹ in Lakhs	For the year ended 31.03.2016 ₹ in Lakhs
Depreciation for the year on Tangible Assets as per Note 10	882.23	801.82
Amortization for the year on Intangible Assets as per Note 10	19.05	11.02
Total Depreciation	901.28	812.84

Note : Details of Assets acquired under Hire Purchase Agreements :

Notes Forming Part of the Consolidated Financial Statements

	Gross Block		Net Block	
	31.03.2017 ₹ in Lakhs	31.03.2016 ₹ in Lakhs	31.03.2017 ₹ in Lakhs	31.03.2016 ₹ in Lakhs
Vehicles	83.06	83.06	62.52	72.38

Details relating to assets given on Operating lease.	For the year ended 31.03.2017 ₹ in Lacs	For the year ended 31.03.2016 ₹ in Lacs
Gas Engine as a part of Plant & Machinery:		
Gross Block	-	310.32
Accumulated Depreciation	-	247.37
Net Block	-	62.95
Depreciation for the year on such assets	-	83.29
It may be noted that the said operating lease agreement with N.B. Commercial Enterprise Limited (Enterprise under common control) got expired in October 2015.		

NOTE 11 : NON CURRENT INVESTMENTS

	As at 31.03.2017			As at 31.03.2016		
	Quoted ₹ in Lakhs	Unquoted ₹ in Lakhs	Total ₹ in Lakhs	Quoted ₹ in Lakhs	Unquoted ₹ in Lakhs	Total ₹ in Lakhs
Other Investments (At Cost)						
(a) Investment in Equity Instruments						
2,500 Equity Shares of ₹ 10/- each of Rapicut Carbide Limited (Previous Year - 2,500 Nos.)	0.05	-	0.05	0.05	-	0.05
2360 Equity Shares of Punjab National Bank of ₹ 2/- each (Previous Year - 2,360 Nos of ₹ 2/- each)	1.84	-	1.84	1.84	-	1.84
4,500 Equity Shares of Cama Hotels Ltd. of ₹ 10/- each (Previous Year - 4,500 Nos)	-	-	-	-	0.58	0.58
2,500 Equity Shares of Sterling (Guj) Hospitals Ltd. of ₹ 10/- each (Previous Year - 2,500 Nos)	-	-	-	-	0.25	0.25
2,51,100 Equity Shares of Ahmedabad Commodity Exchange of ₹ 10/- each (Previous Year: 2,51,100 Nos.)	-	-	-	-	25.64	25.64
	1.89	-	1.89	1.89	26.47	28.36
(b) Investment in Mutual Funds						
(i) 1,59,329 Units of "Principal Assets Allocation Fund" of ₹ 10/- each (P.Y - 1,59,329)	15.93	-	15.93	15.93	-	15.93
(c) Other Non Current Investments - National Saving Certificates						
	-	--	--	-	0.10	0.10
Total	17.82	-	17.82	17.82	26.57	44.39
Less: Provision for Diminution in value of Investments	-	-	-	-	26.22	26.22
Total	17.82	-	17.82	17.82	0.35	18.17
Aggregate amount of Quoted Investments			17.82			17.82
Aggregate Market Value of Quoted Investments			18.12			18.80
Aggregate Amount of Unquoted Investments (At Cost)			-			0.35

Note: During the current year, two investments namely investment in shares of Sterling (Guj) Hospitals Ltd. and investment in National Saving Certificate have been written off. The investment in shares of Cama Hotels Ltd. and Ahmedabad Commodity Exchange were already provided for in the last year and they have been written off in the current year by adjusting the same against provision for diminution.

Notes Forming Part of the Consolidated Financial Statements

NOTE 12 : LONG TERM LOANS AND ADVANCES

	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
(a) Capital Advances		
Unsecured, Considered Good	33.51	92.37
(b) Security Deposits		
Unsecured, Considered Good	9.92	9.92
(c) MAT Credit Entitlement		
Unsecured, Considered Good	458.10	325.78
(d) Advance Income Tax	60.89	97.45
(Net of Provisions for Income Tax ₹ 1,510.75 Lakhs) (Previous year ₹ 1,386.50 Lakhs)		
(e) Others		
VAT Refund receivable	35.64	26.14
Total	598.06	551.66

NOTE 13 : INVENTORIES

(At Lower of Cost or Net Realisable Value)

	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
(a) Raw Materials	1,764.24	2,495.91
(b) Work-In-Progress	488.37	441.72
(c) Finished Goods	1,162.54	950.08
(d) Stock In Transit - Finished Goods	233.54	-
(e) By Products (At Net Realisable Value)	279.26	416.81
(f) Stores, Spare Parts, Chemicals, Packing Material and Fuel	395.72	356.04
Total	4,323.67	4,660.56

NOTE 14 : TRADE RECEIVABLES

	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
Trade Receivables outstanding for a period exceeding Six months from the date they were due for payment		
Unsecured, Considered Good	118.72	151.20
Doubtful	140.03	63.51
	258.75	214.71
Less: Provision for Doubtful Trade Receivables	140.03	63.51
	118.72	151.20
Other Trade Receivables		
Unsecured, Considered Good	3,739.30	3,485.57
Total	3,858.02	3,636.77
Trade Receivables includes debts due from:		
	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
Company in which any Director is a Director/Partner		
N. B. Commercial Enterprises Limited	0.19	0.34
Sayaji Ingritech LLP	0.45	-

Notes Forming Part of the Consolidated Financial Statements

NOTE 15 : CASH AND BANK BALANCES

	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
(a) Cash on Hand	21.74	19.11
(b) Bank Balance in Current Accounts	112.43	61.64
(c) Other Bank Balances		
(i) In Current Accounts	158.96	130.84
(ii) In Earmarked Accounts		
- Unpaid Dividend Accounts	27.63	24.10
- Balances held as Margin Money or Security against Borrowings, Guarantees and Other Commitments (Refer Note below)	19.60	20.37
Total	340.36	256.06
Of the above, the balances that meet the definition of Cash and Cash Equivalents as per AS 3 Cash Flow Statements is	134.17	80.75

NOTE 16 : SHORT TERM LOANS AND ADVANCES

	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
(a) Loans and Advances to Related Parties (Refer Note 24.xiii) Unsecured, Considered Good	2.52	0.08
(b) Security Deposits Unsecured, Considered Good	2.74	2.53
(c) Loans and Advances to Employees Unsecured, Considered Good	0.57	2.60
(d) Prepaid Expenses Unsecured, Considered Good	89.39	62.63
(e) Balances with Government Authorities		
(i) CENVAT Credit	201.50	203.42
(ii) PLA Balance	1.63	4.35
(iii) VAT	14.31	13.31
(iv) Others	-	0.65
	217.44	221.73
(f) Advance to Suppliers Unsecured, Considered Good Considered Doubtful Less: Provisions	524.49 1063.00 1063.00	1078.61 980.00 980.00
(g) Others Unsecured, Considered Good	-	-
Total	932.13	1,449.38

* The Company has entered into a long-term agreement with Yashwant Sahakari Glucose Karkhana Ltd (YSGKL) for purchase of certain products manufactured by YSGKL at mutually agreed prices. Consequent to certain disputes and difference between parties the said agreement has been terminated subsequent to the year end. In accordance with the termination agreement, YSGKL has agreed to pay ₹.250.00 Lakhs in 5 equal instalments commencing November 2017, as full and final settlement and has deposited post dated cheques with the Company. Consequently, the company is of the view that no provision is required in respect of ₹.250.00 Lakhs receivable from YSGKL as at 31st March, 2017.

NOTE 17 : OTHER CURRENT ASSETS

	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
(a) Derivative Financial Asset	154.57	-
(b) Export Incentive Receivable	51.91	43.35
(c) Interest Receivable	6.25	18.76
Total	212.73	62.11

Notes Forming Part of the Consolidated Financial Statements

NOTE 18 : REVENUE FROM OPERATIONS

	For the year 2016-17 ₹ in Lakhs	For the year 2015-16 ₹ in Lakhs
(a) Sale of Products (Refer Note (i) below)	59,186.40	54,351.53
(b) Less: Excise Duty & VAT	4,938.90	4,291.07
	54,247.50	50,060.46
(c) Other Operating Revenues (Refer Note (ii) below)	395.09	251.63
Total	54,642.59	50,312.09
Note :		
(i) Sale of Products comprises:		
<u>Manufactured Goods:</u>		
Starches	15,604.16	13,560.11
Processed Foods	22,261.96	22,851.65
Drugs & Pharmaceuticals	3,964.27	2,529.37
By Products and Others	11,227.38	9,922.27
Caramel Colours	1,132.04	1,177.18
Seeds	55.98	-
Total Sale of Manufactured Goods	54,245.95	50,040.78
<u>Traded Goods</u>		
Starches	1.55	19.68
Total Sale of Traded Goods	1.55	19.68
Total Sale of Products	54,247.50	50,060.46
(ii) Other Operating Revenue comprise:		
Export Incentives	240.12	251.63
Net Gain on Foreign Currency Transactions and Translation	154.62	-
Excise Refund	0.35	-
Total Other Operating Revenues	395.09	251.63

NOTE 19 : OTHER INCOME

	For the year 2016-17 ₹ in Lakhs	For the year 2015-16 ₹ in Lakhs
(a) Dividend Income:		
From Long Term Investments		
Joint Venture Company	60.00	48.00
Others	0.03	0.11
(b) Profit on Sales of Fixed Assets	-	0.89
(c) Profit on Sales of Investment	-	9.41
(d) Insurance Claim received	106.91	11.57
(e) Other Non Operating Income (Refer Note below)	7.04	23.59
Total	173.98	93.57
Note:		
Other Non Operating Income comprises:		
- Rental Income from Operating Leases	5.35	17.50
- Miscellaneous Income	1.69	6.09
Total - Other Non Operating Income	7.04	23.59

Notes Forming Part of the Consolidated Financial Statements

NOTE 20.a : COST OF MATERIALS CONSUMED

	For the year 2016-17 ₹ in Lakhs	For the year 2015-16 ₹ in Lakhs
Opening Stock	2,495.91	769.67
Add: Purchases	33,728.41	32,176.21
Less: Closing Stock	1,765.95	2,495.91
Total	34,458.37	30,449.97
Material consumed comprises:		
Maize	31,399.76	28,484.04
Maize Starch	274.14	1,144.83
Sorbitol	1,787.52	-
Carbohydrates	399.01	394.64
Salts & Ammonium Compounds	174.44	196.40
Alkalies & Acids	95.03	103.73
Seeds	69.30	-
Others	259.17	126.33
Total	34,458.37	30,449.97

NOTE 20.b : PURCHASE OF TRADED GOODS

	For the year 2016-17 ₹ in Lakhs	For the year 2015-16 ₹ in Lakhs
Starches	1.45	16.85
Total	1.45	16.85

NOTE 20.c : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS AND STOCK-IN-TRADE

	For the year 2016-17 ₹ in Lakhs	For the year 2015-16 ₹ in Lakhs
<u>Inventories at the End of the Year</u>		
Finished Goods & By-Products	1,441.80	1,366.89
Stock in Transit - Finished Goods	233.54	-
Work-In-Progress	488.37	441.72
	2,163.71	1,808.61
<u>Inventories at the beginning of the Year</u>		
Finished Goods & By-Products	1,366.89	970.27
Work-In-Progress	441.72	533.18
	1,808.61	1,503.45
Total	(355.10)	(305.16)

NOTE 21 : EMPLOYEE BENEFITS EXPENSE

	For the year 2016-17 ₹ in Lakhs	For the year 2015-16 ₹ in Lakhs
Salaries and Wages	3,832.18	3,586.75
Contribution to Provident and other Funds (Refer Note 24.viii)	259.91	339.58
Staff Welfare Expenses	328.37	467.34
Total	4,420.46	4,393.67

Notes Forming Part of the Consolidated Financial Statements

NOTE 22 : FINANCE COST

	For the year 2016-17 ₹ in Lakhs	For the year 2015-16 ₹ in Lakhs
Interest Expense on Borrowings	1,104.56	1,070.60
Loan Scrutiny & Processing Fees	6.62	22.07
Total	1,111.18	1,092.67

NOTE 23 : OTHER EXPENSES

	For the year 2016-17 ₹ in Lakhs	For the year 2015-16 ₹ in Lakhs
Consumption of Packing Materials	1883.39	1973.47
Consumption of Stores Spare Parts and Chemicals	1956.36	2046.20
Power and Fuel	3774.81	3727.29
Rent including Lease Rentals (Refer Note 24x)	141.09	139.14
Repairs and Maintenance - Buildings	64.25	81.76
Repairs and Maintenance - Machinery	822.55	778.34
Repairs and Maintenance - Others	181.86	168.44
Insurance	44.84	37.32
Rates and Taxes (Refer Note 24.iv)	233.16	223.54
Sales Expenses	2698.18	2693.20
Technical Know-How & Service Fees	-	48.50
Donations and Contributions	3.87	8.85
Corporate Social Responsibilities Expenses	22.61	15.72
Loss on Sell of disposal Fixed Asset (Net)	11.29	-
Payment to Auditors (Refer Note below)	38.96	18.35
Provision for Doubtful Advances	83.00	-
Provision for Doubtful Trade Receivables	76.52	5.10
Provision for Dimunition in the value of investments	-	26.22
Investment Written Off	0.35	-
Directors Sitting Fees	9.78	9.86
Managerial Remuneration	326.68	252.85
General Charges	1161.63	1094.38
Total	13,535.18	13,348.53

Note

	For the year 2016-17 ₹ in Lakhs	For the year 2015-16 ₹ in Lakhs
Payment to the Auditors comprises :		
a) To Statutory Auditors		
- For Audit	8.94	8.80
- For Tax Audit	0.95	0.60
- For Certification	0.52	0.51
- For Tax Matters*	13.81	6.91
- For Other Services	14.36	0.90
- Reimbursement of Expenses	0.38	0.63
	38.96	18.35

* Payment made to firms in which some of the partners of audit firm are Partners is ₹ 13.67 Lakhs (Previous year ₹ 6.53 Lakhs)

Notes Forming Part of the Consolidated Financial Statements

NOTE NO.24

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

	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
ii. Commitments:		
Estimated amount of contracts remaining to be executed on capital account (Net of Advance paid)	146.38	45.35
iii. Contingent liabilities not provided for :		
(a) Bills discounted but not matured	86.05	78.06
(b) Guarantees given by the Bankers on behalf of the Company.	195.62	202.87
(c) Disputed demand of Income tax as the Company expects to succeed in the appeal.	12.42	12.71
(d) Disputed demand of Value Added Tax as the Company expects to succeed in the appeal.	9.03	---
Note: Against the above, the Company has paid Rs. 2.81 lacs. Future cash outflows in respect of disputed demands are determinable only on receipt of judgements/decisions pending.		
(e) Guarantee to Bank against credit facilities (Fund Based & Non Fund Based Limits) extended to the other company	1,822.59	1,186.10
Future cash outflows in respect of disputed demands are determinable only on receipt of judgements/decisions pending at various forums/authorities.		
iv. Excise Duty shown as deduction from Sales represents the amount of excise duty collected on sales. The difference between excise duty element in the amounts of closing stocks and opening stocks, excise duty paid on samples and inventory written off which is not recoverable from sales (if any) is shown under Note No. 23 of Other Expenses.		
v. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006		
The information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors. Based on the above procedures done, as at 31st March, 2017, there is no amount outstanding towards MSME vendors which is payable by the company.		
	2016-17	2015-16
Principal amount due to suppliers and remaining unpaid under MSMED Act, 2006	—	(—)
Interest accrued and due and unpaid to suppliers under MSMED Act, on the above amount	—	(—)
Interest paid	—	(—)
Payment made to suppliers (Other than interest) beyond the appointed day, during the year	—	(—)
Interest due and payable to suppliers under MSMED Act, for payments already made for the period of delay	—	(—)
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	—	(—)
Amount of further interest remaining due and payable in succeeding year	—	(—)
vi. Deferred Tax:	As at 31.03.2017 ₹ in Lakhs	As at 31.03.2016 ₹ in Lakhs
Deferred Tax Liability:		
Depreciation	(1,980.41)	(1,742.67)
Deferred Tax Assets:		
Provision for Employee benefits	157.36	191.90
Provision for Doubtful Debts/Advances	397.77	353.68
Unabsorbed Depreciation	103.22	51.07
Deferred tax asset /(liability) (Net)	(1,322.06)	(1,146.02)

Notes Forming Part of the Consolidated Financial Statements

vii. CSR Expenditure

(a) Gross amount required to be spent by the Company during the year ₹ 22.52 Lakhs (Previous Year ₹ 23.55 Lakhs)

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

Description	In Cash	
	2016-17	2015-16
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above		
Community Health Care	4.29	3.12
Education & knowledge enhancement	4.74	6.32
The Prime Minister Relief Fund	0.68	1.68
Donation for conservation/Welfare of Wild Life	2.80	1.00
Others	10.10	3.60
Total	22.61	15.72

viii. Employee Benefits:

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

a. Defined Benefit Plans:

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

(₹ in Lakhs)

b. Particulars

i. Expenses recognized in Profit & Loss Account for the period ended March 31, 2017	Funded	Gratuity			2015-16		
		2016-17		Total	2015-16		Total
	Unfunded	Total	Funded		Unfunded	Total	
Current Service cost	48.93	0.62	49.55	49.89	0.46	50.35	
Interest Cost	101.97	0.48	102.45	93.93	0.35	94.28	
Expected return on plan assets	(76.53)	-	(76.53)	(68.08)	-	(68.08)	
Net actuarial losses (gains)	(28.97)	0.99	(27.98)	45.82	0.75	46.57	
Total Expenses	45.40	2.09	47.49	121.56	1.56	123.12	
ii. Reconciliation of Opening and Closing balances of changes in present value of the Defined Benefit Obligation							
Opening defined benefit obligation as on April 1, 2017	1262.01	5.90	1267.91	1181.54	4.34	1185.88	
Service cost	48.93	0.62	49.55	49.89	0.46	50.35	
Interest cost	101.97	0.48	102.45	93.93	0.35	94.28	
Actuarial losses (gains)	(32.65)	0.99	(31.66)	46.28	0.75	47.03	
Benefits paid	(142.66)	(0.44)	(143.10)	(109.63)	-	(109.63)	
Closing defined benefit obligation as at March 31, 2017	1,237.60	7.55	1,245.15	1,262.01	5.90	1,267.91	

Notes Forming Part of the Consolidated Financial Statements

₹ in Lakhs

Particulars	Gratuity					
	2016-17			2015-16		
	Funded	Unfunded	Total	Funded	Unfunded	Total
iii. Reconciliation of Opening and Closing balances of changes in fair value of the assets						
Opening fair value of plan assets as at April 1, 2016	947.20	-	947.20	856.32	-	856.32
Expected return on plan assets	76.53	-	76.53	68.08	-	68.08
Actuarial gains and (losses)	(3.68)	-	(3.68)	0.46	-	0.46
Assets distributed on settlements	-	-	-	-	-	0.00
Contributions by employer	159.56	-	159.56	131.97	-	131.97
Benefits paid	(142.66)	-	(142.66)	(109.63)	-	(109.63)
Closing balance of fair value of plan assets as at 31.03.2017	1036.95	-1036.95	947.20	-	-	947.20
iv. Net Liability recognized in the Balance Sheet as at March 31, 2017						
Defined Benefit Obligation as at March 31, 2017	1,237.60	7.55	1,245.15	1,262.01	5.90	1,267.91
Fair Value of plan assets as at March 31, 2017	1036.95	-1036.95	947.20	-	-	947.20
Present Value of unfunded obligation recognized as liability as at March 31, 2017	200.65	7.55	208.20	314.81	5.90	320.71
v. Actual Return on Plan Assets	72.86	-	72.86	68.53	-	68.53
vi. Actuarial Assumptions	As at 31st	As at 31st	As at 31st	As at 31st	As at 31st	As at 31st
	March,	March,	March,	March,	March,	March,
	2017	2017	2016	2016	2016	2016
Discount Rate	7.26%	7.34%	8.08%	8.07%	8.07%	8.07%
Expected rate of return on plan assets	7.26%	N.A.	8.08%	N.A.	N.A.	N.A.
Expected rate of salary increase	4.00%	5.00%	4.00%	5.00%	5.00%	5.00%
Mortality	Indian	Indian	Indian	Indian	Indian	Indian
	Assured	Assured	Assured	Assured	Assured	Assured
	Lives	Lives	Lives	Lives	Lives	Lives
	Mortality	Mortality	Mortality	Mortality	Mortality	Mortality
	(2006-08)	(2006-08)	(2006-08)	(2006-08)	(2006-08)	(2006-08)
	ultimate	ultimate	ultimate	ultimate	ultimate	ultimate
Withdrawal Rates	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Retirement Age	60 years	60 years	60 years	60 years	60 years	60 years
Actuarial Valuation Method	Projected	Projected	Projected	Projected	Projected	Projected
	unit credit	unit credit	unit credit	unit credit	unit credit	unit credit
	method	method	method	method	method	method

(₹ in Lakhs)

Particulars	Leave Encashment					
	2016-17			2015-16		
	Unfunded		Total	Unfunded		Total
i. Expenses recognized in Profit & Loss Account for the period ended March 31, 2017						
Current Service cost	32.41	0.40	32.81	32.76	0.29	33.05
Interest Cost	20.60	0.38	20.98	16.83	0.27	17.10
Expected return on plan assets	-	-	-	-	-	-
Net actuarial losses (gains)	42.50	0.28	42.78	60.68	0.84	61.52
Total Expenses	95.51	1.06	96.57	110.27	1.40	111.67

Notes Forming Part of the Consolidated Financial Statements

₹ in Lakhs

Particulars	Unfunded	Leave Encashment		Unfunded	2015-16	
		2016-17	Total		Total	Total
ii. Reconciliation of Opening and Closing balances of changes in present value of the Defined Benefit Obligation						
Opening defined benefit obligation as on April 1, 2016	255.00	4.69	259.69	211.74	3.29	215.03
Service cost	32.41	0.4	32.81	32.76	0.29	33.05
Interest cost	20.60	0.38	20.98	16.83	0.26	17.09
Actuarial losses (gains)	42.50	0.28	42.78	60.68	0.85	61.53
Benefits paid	(86.38)	(2.12)	(88.50)	(67.01)	-	(67.01)
Closing defined benefit obligation as at March 31, 2017	264.13	3.63	267.76	255.00	4.69	259.69
iii. Reconciliation of Opening and Closing balances of changes in fair value of the assets						
Opening fair value of plan assets as at April 1, 2016	-	-	-	-	-	-
Expected return on plan assets	-	-	-	-	-	-
Actuarial gains and (losses)	-	-	-	-	-	-
Assets distributed on settlements	-	-	-	-	-	-
Contributions by employer	-	-	-	-	-	-
Benefits paid	-	-	-	-	-	-
Closing balance of fair value of plan assets as at 31.03.2017	-	-	-	-	-	-
iv. Net Liability recognized in the Balance Sheet as at March 31, 2017						
Defined Benefit Obligation as at March 31, 2017	264.13	3.63	267.76	255.00	4.69	259.69
Fair Value of plan assets as at March 31, 2017	-	-	-	-	-	-
Present Value of unfunded obligation recognized as liability as at March 31, 2017	264.13	3.63	267.76	255.00	4.69	259.69
v. Actual Return on Plan Assets	-	-	-	-	-	-
vi. Actuarial Assumptions	As at 31st	As at 31st		As at 31st	As at 31st	
	March,	March,		March,	March,	
	2017	2017		2016	2016	
Discount Rate	7.26%	7.34%		8.08%	8.07%	
Expected rate of return on plan assets	7.26%	N.A.		8.08%	N.A.	
Expected rate of salary increase	4.00%	5.00%		4.00%	5.00%	
Mortality	Indian	Indian		Indian	Indian	
	Assured	Assured		Assured	Assured	
	Lives	Lives		Lives	Lives	
	Mortality	Mortality		Mortality	Mortality	
	(2006-08)	(2006-08)		(2006-08)	(2006-08)	
	ultimate	ultimate		ultimate	ultimate	
Withdrawal Rates	2.00%	2.00%		2.00%	2.00%	
Retirement Age	60 years	60 years		60 years	60 years	
Actuarial Valuation Method	Projected	Projected		Projected	Projected	
	unit credit	unit credit		unit credit	unit credit	
	method	method		method	method	

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

Notes Forming Part of the Consolidated Financial Statements

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

viii. **Experience History:**

	Gratuity					Leave Encashment				
	31.03.17	31.03.16	31.03.15	31.03.14	31.03.13	31.03.17	31.03.16	31.03.15	31.03.14	31.03.13
Present value of defined obligations at the end of the year	1245.15	1267.91	1185.88	1011.4	897.13	267.76	259.68	215.03	149.75	123.51
Fair value of plan assets at the end of the year	1036.95	947.20	856.32	760.84	669.16	-	-	-	-	-
Funded Status Surplus/ (Deficit)	(200.65)	(314.81)	(325.22)	(250.56)	(227.97)	-	-	-	-	-
Un Funded Status Surplus/ (Deficit)	(7.55)	(5.90)	(4.34)	-	-	-	-	-	-	-
Experience gain/(loss) adjustment of plan liabilities	31.66	(47.03)	(136.79)	(79.66)	2.26	(42.77)	(61.52)	(67.43)	(33.50)	(47.27)
Experience gain/(loss) adjustment of plan assets	(3.68)	0.46	0.40	0.66	3.44	-	-	-	-	-
Net assets / (liability) at the end of the year	(208.20)	(320.71)	(329.56)	(250.56)	(227.97)	(267.76)	(259.68)	(215.03)	(149.75)	(123.51)

c. **Defined Contribution Plans:**

The contribution under defined contribution plans recognized as an expense for the year is as under :

Particulars	₹ in Lakhs	
	2016-17	2015-16
Employer's Contribution to Provident Fund	107.27	104.00
Employer's Contribution to Family Pension Fund	81.00	93.11
Employer's Contribution to Superannuation Fund	30.29	24.06
Total Contributions	218.56	221.17

The above is recognized as an expense and included in the Note 21 of Employee Benefit Expense under the head "Contribution to Provident and other funds".

ix. a. **Business Segment:**

The Company operates in business segment i.e. Corn Wet Milling comprising mainly manufacture of Starches, its derivatives and bye products, Manufacturing of carmel colors and production and trading of seeds.

Revenue:	₹ in Lakhs	
	2016-17	2015-16
1. Sales		
Corn Wet Milling	53,454.51	49,134.88
Caramel Color	1,132.10	1,177.21
Other - Unallocated	55.98	-
Total :	54,642.59	50,312.09

Notes Forming Part of the Consolidated Financial Statements

2.	Other Income		
	Corn Wet Milling	173.62	93.23
	Caramel Color	0.36	0.34
	Other - Unallocated	-	-
	Total:	173.98	93.57
Assets			
1.	Carrying amount		
	Corn Wet Milling	13,291.18	13,009.79
	Caramel Color	307.67	295.51
	Other - Unallocated	-	-
	Total:	13,598.85	13,305.30
2.	Capital Expenditure		
	Corn Wet Milling	1,167.45	2,395.84
	Caramel Color	39.69	19.79
	Other - Unallocated	-	-
	Total:	1,207.14	2,415.63
b.	Geographical Segment:		
	For the purpose of geographical segment, the turnover is segregated based on the location of the customer and assets are segregated based on the location of the assets.		
	Segment Revenue:	2016-17	2015-16
		₹ in Lakhs	₹ in Lakhs
1.	Sales		
	(a) India	45,290.75	40,065.82
	(b) Outside India	9,351.84	10,246.27
	Total :	54,642.59	50,312.09
2.	Other Income		
	(a) India	173.98	93.57
	(b) Outside India	-	-
	Total :	173.98	93.57
		2016-17	2015-16
		₹ in Lakhs	₹ in Lakhs
	Segment Assets		
1.	Carrying amount		
	(a) India	13,596.30	13,301.59
	(b) Outside India	2.55	3.71
	Total :	13,598.85	13,305.30
2.	Capital Expenditure		
	(a) India	1,207.14	2,415.63
	(b) Outside India	-	-
	Total :	1,207.14	2,415.63
x.	The Company has entered into a agreement for taking on lease machinery for a period of 60 months on non cancellable basis.		
	The specified disclosure in respect of this agreement is given below:		
	Particulars	2016-17	2015-16
		₹ in Lakhs	₹ in Lakhs
A.	Lease payment recognised in the statement of profit and loss for the year	123.02	122.23
B.	Future minimum Lease Payments		
	(i) Not Later than one year	119.70	119.70
	(ii) Later than one year, but not later than five years	49.88	169.58
	(iii) Later than five years	-	-

Notes Forming Part of the Consolidated Financial Statements

Particulars	2016-17		2015-16	
	₹ in Lakhs		₹ in Lakhs	
xi. Details of Imported Materials:				
(a) CIF value of Imports				
i) Stores, Spare Parts & Chemicals		88.01		131.66
ii) Machineries		133.30		109.19
(b) Consumption:				
	Raw Materials		Stores, Spares, Chemicals	
	₹ in Lakhs	%	₹ in Lakhs	%
1. Imported	–	–	81.69	2.13
	(–)	(–)	(112.32)	(2.79)
2. Indigenous	34,458.37	100	3,758.06	97.87
	(30,449.97)	(100)	(3,907.35)	(97.21)
Total :	34,458.37	100	3,839.75	100
	(30,449.37)	(100)	(4,019.67)	(100)
xii. Particulars regarding Foreign Exchange:				
a) Expenditure on accrual basis in foreign currency:				₹ in Lakhs
1) Travelling				46.54
				(34.09)
2) Subscription for periodicals				–
				(–)
3) Technical Know-how & Service Fees				–
				(48.50)
4) Commission				59.97
				(63.02)
5) Overseas Office Expenses				56.25
				(51.96)
6) Salary				6.83
				(6.70)
b) Remittance in Foreign Currency :				
Dividend Paid for 2016-17 to Sethness Products Co., USA				30.00
				(24.00)
b) Earnings in foreign currency:				
FOB Value of Exports				8,704.54
				(9,446.53)
				(Figures in brackets are of Previous Year)
xiii. Disclosures pertaining to related parties pursuant to Accounting Standard 18:				
(A) <u>List of Related Parties and Relationships:</u>				
<u>Subsidiary Company:</u>		Sayaji Seeds LLP		
		Sayaji Corn Products Ltd.		
<u>Joint Venture Company:</u>		Sayaji Sethness Limited		
<u>Entities under Common Control:</u>		C. V. Mehta (Pvt.) Ltd.		
		Bini Commercial Enterprises (Pvt.) Ltd.		
		N.B. Commercial Enterprises Ltd.		
		Varun Travels (Pvt.) Ltd.		
		Priyam Commercial Enterprises (Pvt) Ltd.		
		Viva Tex Chem (Pvt) Ltd.		
		Viva Charitable Trust		
		Sayaji Properties LLP		
		Sayaji Agrosociences LLP		

Notes Forming Part of the Consolidated Financial Statements

Sayaji Samruddhi LLP
Sayaji Ingritech LLP

Key Managerial Personnel:

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

Relatives of Key Managerial Personnel:

Smt. Niramayi B. Mehta
Smt. Sujata P. Mehta
Smt. Kavisha V. Mehta
Smt. Bhoomi V. Mehta (till 02.09.2016)

(b) Related Party Transactions and Balances:

Transactions					₹ in Lakhs
	Joint Venture Company	Entities under Common Control	Key Managerial Personnel	Relatives of Key Managerial personnel	Total
Sale of Goods	---	37.66	---	---	37.66
	---	(26.73)	---	---	(26.73)
Purchase of Goods	---	---	---	---	---
	---	(15.36)	---	---	---
Public Deposits received	---	---	---	---	---
	---	---	(50.00)	(59.00)	(109.00)
Inter Corporate Deposits received	---	---	---	11.00	11.00
	---	---	---	---	---
Interest paid on Deposits	---	3.47	16.33	25.30	45.10
	---	(3.46)	(14.65)	(16.60)	(34.71)
Remuneration	---	---	378.00	24.72	402.72
	---	---	(301.19)	(2.50)	(303.69)
Sitting Fees	---	---	---	1.53	1.53
	---	---	---	(2.20)	(2.20)
Services Received	6.83	92.73	---	---	99.56
	(6.70)	(102.75)	---	(9.80)	(119.25)
Rent Received	---	2.53	---	---	2.53
	---	(20.03)	---	---	(20.03)
CSR Expenses	---	12.90	---	---	12.90
	---	---	---	---	---
Corporate Guarantee	---	1822.59	---	---	1822.59
	---	(1186.10)	---	---	(1186.10)
Debit Balances o/s. as on 31.03.2017	---	4.45	---	---	4.45
	---	(4.24)	---	---	(4.24)
Credit Balances o/s. as on 31.03.2017	---	39.26	146.00	223.50	409.04
	---	(43.06)	(142.00)	(212.50)	(397.56)

(Figures in brackets are of Previous Year)

(c) Material Transaction with Related Party

₹ in Lakhs

Name	Nature of Transaction											
	Sale of Goods	Remuneration	Public Deposits/ICD Received	Interest paid on Deposits	Sitting Fees	Corporate Guarantee	Rent Received	CSR Expenses	Purchase of Goods	Services Received	Debit Balance as on 31.03.2017	Credit Balance as on 31.03.2017
1. Shri Priyam B. Mehta	-- (---)	114.79 (103.60)	-- (28.00)	12.99 (11.90)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	113.00 (113.00)
2. Shri Varun P. Mehta	-- (---)	106.05 (74.02)	-- (5.00)	0.58 (0.30)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	5.00 (5.00)
3. Shri Vishal P. Mehta	-- (---)	105.84 (75.23)	-- (17.00)	2.76 (2.44)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	24.00 (24.00)
4. Shri Priyam B. Mehta (HUF)	-- (---)	-- (---)	-- (14.00)	1.61 (1.61)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	14.00 (14.00)
5. Smt. Niramayi B. Mehta	-- (---)	-- (---)	-- (31.00)	5.52 (4.32)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	48.00 (31.00)
6. Smt. Sujata P. Mehta	-- (---)	11.00 (---)	13.80 (18.00)	1.53 (6.83)	-- (2.20)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	123.50 (---)	112.50 (---)
7. Shri Narayansingh J. Deora	-- (---)	25.26 (24.46)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	2.11 (2.04)
8. Shri Rajesh H. Shah	-- (---)	26.06 (23.88)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	2.17 (1.99)
9. N B Commercial Enterprises Ltd	37.28 (26.73)	-- (---)	-- (---)	-- (---)	-- (---)	1355.95 (1186.10)	-- (17.50)	-- (---)	-- (15.36)	-- (---)	0.52 (---)	-- (2.96)
10. Varun Travels Pvt Ltd	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	92.73 (102.75)	0.66 (3.06)	-- (---)
11. Bini Commercial Enterprises Pvt Ltd	-- (---)	-- (---)	-- (---)	0.54 (0.54)	-- (---)	-- (---)	2.53 (2.53)	-- (---)	-- (---)	-- (---)	-- (---)	6.09 (6.10)
12. Viva Public Charitable Trust	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	12.90 (---)	-- (---)	-- (---)	-- (---)	-- (---)
13. Sayaji Ingritech LLP	0.37 (---)	-- (---)	-- (---)	-- (---)	-- (---)	466.64 (---)	-- (---)	-- (---)	-- (---)	-- (---)	1.30 (---)	-- (---)
14. Sethness Product Co. USA	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	-- (---)	6.83 (6.70)	-- (---)	-- (---)	-- (---)

Notes Forming Part of the Consolidated Financial Statements

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

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

Disclosure in relation to Specified Bank Note held and transacted during the Period from 8th November 2016 to 30th December, 2016

Description	Specified Bank Notes (₹)	Other denomination Notes (₹)	Total (₹)
Closing Cash in hand as on 08.11.2016	0.62	16.78	17.40
(+) Permitted receipts	---	14.46	14.46
(-) Permitted payments	---	29.46	29.46
(-) Amount deposited in Banks	0.62	---	0.62
Closing cash in hand as on 30.12.2016	---	1.78	1.78

xv. Earnings per Share:

	2016-17	2015-16
a) Weighted average number of equity shares of ₹ 100/- each.		
Number of Shares at the beginning of the year	79,000	79,000
Number of Shares at the end of the year	79,000	79,000
Weighted average number of equity shares outstanding during the year	79,000	79,000
b) Net Profit after tax available for Equity Shareholders (₹ In Lakhs)	528.90	421.13
c) Basic and diluted Earnings Per Share (₹)	669.49	533.08

xvi. Dervative Contracts :

Pursuant to the applicability of " Guidance Note on Accounting for Derivative Contracts" effective from 1st April, 2016 (the transition date), the company has fair valued the forward contracts outstanding as at transition date and resultant gain on such contracts aggregating to ₹ 59.22 Lakhs (net of Taxes ₹ 29.25 lakhs), is adjusted to the opening balances of Surplus of Statement of Profit and Loss.

xvii. Exceptional Items :

Exceptional items represents sundry balances written off/(written back), which are no longer recoverable/payable. The same represents (i) balances no longer recoverable from customers (net of advances) ₹ 19.35 Lakhs, (ii) balances no longer payable to vendors (net of advances) ₹ (12.98) Lakhs and (iii) other sundry balances no longer payable ₹ (14.51) Lakhs

xviii. Disclosures regarding Derivative Instruments:

- The company uses forward exchange contracts to hedge its exposure in foreign currency. There are no contracts entered into for the purpose of speculation.

- The information on derivative instruments as on March 31, 2016 is as follows:

Hedged Exposures	Number of Contracts	Foreign Currency Amount	Reporting Currency Amount
Forward cover for export receivables	(7)	\$ 7,69,694.00	₹ 5,06,29,164.00
	(1)	('\$ 116,314.50)	(₹ 78,05,866.00)
Forward cover for import payables	-	-	-
	(-)	(-)	(-)
Unhedged Exposures			
Accounts Receivable		\$ 6,39,714.00	₹ 4,14,85,453.00
		('\$ 1,534,096.49)	(₹ 10,16,33,892.00)
		-	-
		(AED 48,620.00)	(₹ 8,77,591.00)
		(-)	(-)
Accounts Payable		(€ 48,020.00)	(₹ 36,14,946.00)

(Figures in brackets are of Previous Year)

SIGNATURE TO NOTE 1 TO 24

As per our attached report of even date

For Deloitte Haskins & Sells	Priyam B. Mehta	Varun P. Mehta	Vishal P. Mehta
Chartered Accountants	Chairman & Managing Director	Executive Director	Executive Director
Gaurav J. Shah	CA Mahendra N. Shah	Dr. Gaurang K. Dalal	Dr. Janak D. Desai
Partner	Director	Director	Director
	CA Chirag M. Shah	Sujata P. Mehta	
	Director	Director	
Ahmedabad	CA Narayansingh J. Deora	Rajesh H. Shah	Ahmedabad
Date : May 26, 2017	Sr. Executive V. P. (Accounts)	Company Secretary	Date : May 26, 2017

SAYAJI INDUSTRIES LIMITED

ATTENDANCE SLIP

CIN- L99999GJ1941PLC000471

Registered office: P.O. Kathwada-Maize products, Ahmedabad-382430

Joint shareholders may obtain additional slip at the venue of the meeting.

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

Name and address of the shareholder

I hereby record my presence at the 76th annual general meeting of the company held on Friday, 28th July, 2017 at 9.30 a.m. at Banquet Hall, The Grand Vinayak Hotel, S.P. Ring Road Odhav Circle, Odhav, Ahmedabad- 382410.

*Applicable for investors holding shares in electronic form.

Signature of shareholder/ Proxy

----- ✂ ----- Tear Here ----- ✂ -----

SAYAJI INDUSTRIES LIMITED CIN- L99999GJ1941PLC000471 Regd. office: P.O. Kathwada-Maize products, Ahmedabad-382430.		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 shareholder(s) Registered Address		Email-Id : Folio No/*Client Id: *DP No:	
I/we, being the shareholder(s) holding _____ shares of Sayaji Industries Limited, hereby appoint 1) _____ of _____ having e-mail id _____ or failing him 2) _____ of _____ having e-mail id _____ or failing him 3) _____ of _____ having e-mail id _____ and whose signature(s) are appended below as my /our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 76th Annual general meeting of the company, , to be held on Friday, 28 th July, 2017 at 9:30 a.m at Banquet Hall, The Grand Vinayak Hotel, S.P. Ring Road Odhav Circle, Odhav, Ahmedabad -382410, and at any adjournment thereof in respect of such resolutions as are indicated below: ** I wish my above proxy to vote in the manner as indicated in the box below:			
Resolution	For	Against	
1. Consider and adopt the audited financial statements, reports of the board of directors and auditors for the year ended March, 2017			
2. Declaration of dividend on equity shares			
3. Appointment of Mr. Varun P. Mehta who retires by rotation and being eligible offers himself for reappointment			
4. Appointment of M/s Shah & Shah Associates, Chartered Accountants as Statutory Auditors			
5. Ratification of remuneration to cost auditors			
6. Granting consent to invite and accept the deposits from general public and shareholders			
7. Approval to increase in remuneration to Mr. Priyam B. Mehta as the managing director of the company for the period from 14.11.2016 to 11.8.2018			
8. Approval to increase in remuneration to Mr. Varun P. Mehta as the managing director of the company for the period from 14.11.2016 to 15.01.2018			
9. Approval to increase in remuneration to Mr. Vishal P. Mehta as the executive director of the company for the period from 14.11.2016 to 25.07.2019			

Signed this _____ day of _____, 2017

Signature of the share holder _____

Signature of the first proxy holder(s) _____

Signature of the second proxy holder(s) _____

Signature of the third proxy holder(s) _____

Affix Revenue stamp

Note :

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

SteamTech[®] 2017

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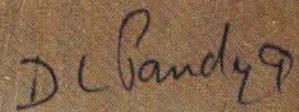
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Place : Ahmedabad



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Conference Convener

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