

# ANNUAL REPORT 2014-2015



**SHESHADRI INDUSTRIES LIMITED**







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## Important Communication to Members

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circular stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants.





## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Sri Badrinarayan Agarwal  
Sri Jeetender Kumar Agarwal  
Sri Surender Kumar Agarwal  
Sri Manish Gupta  
Smt Sushma Gupta

Chairman  
Managing Director & CFO  
Independent Director  
Independent Director  
Additional Director (from 31.03.2015)

### Vice President (Corp. Affairs) & Company Secretary

Sri B. Rama Subba Reddy

### Auditors

M/s. Brahmayya & Co.  
Flat No. 403 & 404, Golden Green Apartments  
Irrum Manzil Colony,  
Hyderabad - 500082

### Bankers

Andhra Bank  
State Bank of Hyderabad  
ICICI Bank Limited

### Registered Office

6th Floor, Surya Towers,  
105, S.P.Road  
Secunderabad – 500003, Telangana  
Website: [www.sheshadri.in](http://www.sheshadri.in)  
Email: [info@sheshadri.in](mailto:info@sheshadri.in)  
CIN: LI7291TG2009PLC064849  
Phone: 91-40-30512700  
Fax: 91-40-30512725/27815135

### Audit Committee

Sri Surender Kumar Agarwal  
Sri Manish Gupta  
Sri Jeetender Kumar Agarwal

### Stakeholders' Relationship Committee

Sri Surender Kumar Agarwal  
Sri Jeetender Kumar Agarwal  
Sri B. Rama Subba Reddy

### Nomination & Remuneration Committee

Sri Surender Kumar Agarwal  
Sri Manish Gupta  
Sri Badrinarayan Agarwal

ISIN: INE193R01019  
Listed on BSE Limited  
Scrip Code: 539111

### Registrar and Share Transfer Agents

Karvy Computer Share Private Limited  
Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli,  
Financial District, Nanakramguda, Serilingampally,  
Hyderabad – 500032  
Tel No. 040-67161606, Fax No. 040-23420814  
e-mail: [einward@karvy.com](mailto:einward@karvy.com)  
Website: [www.karvycomputershare.com](http://www.karvycomputershare.com)

### FACTORIES

#### Unit I:

Spinning Division  
Rajna, Pandhurna (Tq.),  
Chindwara (Dist.)  
Madhya Pradesh – 480 340

#### Unit II:

Garments Division  
Aliabad, Medchal (Tq.)  
Ranga Reddy (Dist.),  
Telangana – 500 078

#### Unit III:

Plot No. 28B, IDA  
Bhongir, Nalgonda Dist.  
Telangana - 508 116





## NOTICE

NOTICE is hereby given that the 6th Annual General Meeting of the Members of Sheshadri Industries Limited will be held on **Tuesday, 29th day of September, 2015 at 11.00 a.m. at Gayatri Gardens, Survey No. 26, Sikh Village, Near Diamond Point Hotel, Secunderabad - 500003** to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2015 and the Reports of the Directors and Auditors thereon.
2. To appoint a director in place of Sri Jeetender Kumar Agarwal, who retires by rotation and, being eligible offers himself for reappointment and in this connection to consider and if deemed fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** Sri Jeetender Kumar Agarwal (DIN 00041946), be and is hereby re-appointed as a Director of the company, liable to retire by rotation”

3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and in this connection, to consider and if thought fit, to pass with or without modification(s), the following Resolution as an ordinary Resolution.

**“RESOLVED THAT** M/s Brahmaya & Co., Chartered Accountants, (Firm's Registration Number 000513S) be and are hereby re-appointed as statutory auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at a remuneration to be decided by the Board of Directors of the Company”.

### SPECIAL BUSINESS

4. **TO APPOINT SMT SUSHMA GUPTA (DIN: 07147330) AS AN INDEPENDENT DIRECTOR AND IN THIS REGARD TO CONSIDER AND IF THOUGH FIT, TO PASS, WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION.**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Smt Sushma Gupta (DIN: 07147330), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5(five) consecutive years with effect from 29.09.2015 to 28.09.2020.”

**“RESOLVED FURTHER THAT** Smt Sushma Gupta as an Independent Director shall not be liable for retirement by rotation during the tenure of her office.”

5. **TO MAINTAIN THE REGISTER OF MEMBERS AND RELATED BOOKS AT A PLACE OTHER THAN THE REGISTERED OFFICE OF THE COMPANY AND IN THIS REGARD TO CONSIDER AND IF THOUGH FIT, TO PASS, WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION.**

**“RESOLVED THAT** pursuant to the provisions of Section 94 and all other applicable provisions, if any, of the Companies Act, 2013, read with Rules made there under, including any statutory amendment or modification thereof as may be in force, the Company hereby approves that the register of members and index of members as required to be maintained under Section 88 of the Act and copies of all annual returns prepared, together with the copies of certificates and documents required to be annexed thereto under Section 92 of the Act, and other related books be kept at the office of the Company's Registrar and Transfer Agents viz. Karvy



Computershare Private Limited, situated at Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana.

**RESOLVED FURTHER THAT** the Registers, Indexes, Returns, documents etc. as aforesaid be kept open for inspection between the hours of 2.00 p.m. and 4.00 p.m. on any working day of the Registrars except when the Registers and Books are closed.”

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

“**RESOLVED THAT** the consent of the company be and is hereby accorded in terms of section 180(1)(a) 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 the time being in force), to the mortgaging and/or charging by the Board of Directors of the Company (hereinafter referred to as Board) of all the movable and immovable properties of the Company, where so ever situated, present and future, of the whole of the undertaking of the company together with power to take over the management of the business and concern of the company in certain events on FIRST CHARGE BASIS ranking pari passu with the other term lenders in favour of

1. Andhra Bank Consortium (Andhra Bank ₹ 37.26 crores & State Bank of Hyderabad ₹ 4.49 crores) to secure its Rupee Term Loan of ₹ 41.75 crores
2. ICICI Bank to secure its Rupee Term Loan of ₹ 0.73 crores

and on SECOND CHARGE BASIS ranking pari passu among the second charge holders in favour of Andhra Bank Consortium (Andhra Bank ₹ 17.80 crores & State Bank of Hyderabad ₹ 5.81 crores) to secure working capital facilities of ₹ 23.61 crores, together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, premia on prepayment or on redemption, cost, charges, expenses and other monies, payable by the Company to Andhra

Bank Consortium/ICICI Bank under their letter of sanctions / loan agreements entered / to be entered into by the Company in respect of the said financial assistance.

Provided however that the above mortgage on the second charge basis in favour of Andhra Bank Consortium (Andhra Bank & State Bank of Hyderabad) to secure their working capital facilities shall rank second and subservient to the charges created / to be created by the Company in favour of Andhra Bank Consortium (Andhra Bank & State Bank of Hyderabad) and ICICI to secure the term loans sanctioned / to be sanctioned by them.

Provided further that the above mortgage/ charge on first charge basis in favour of Andhra Bank Consortium (Andhra Bank & State Bank of Hyderabad) and ICICI shall rank pari-passu with, the mortgages and/or charges already created or to be created by the Company to secure the term loans sanctioned/to be sanctioned by Andhra Bank Consortium (Andhra Bank & State Bank of Hyderabad) and ICICI and the mortgage on SECOND CHARGE BASIS on immovable properties of the company in favour of Andhra Bank Consortium shall rank pari passu with the charges created / to be created in favour of the Bankers for working capital facilities.

“**RESOLVED FURTHER THAT** the Company do hereby authorize the Board to take all necessary steps for the execution of the documents for creation of the aforesaid mortgage/charge.”

**7. TO CONSIDER AND IF THOUGH FIT, TO PASS, WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION.**

“**RESOLVED THAT** the Company do hereby approve in terms of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit & Auditors) Rules, 2014, as amended, the remuneration of ₹ 20000/- (Rupees Twenty thousand only) plus out of pocket expenses payable to Aruna Prasad & Co., Cost Accountant for the cost audit to be conducted by them of the cost records of the Company for the financial year 2015-16.”



**8. TO APPROVE THE MATERIAL RELATED PARTY CONTRACT FOR MANUFACTURING OF READYMADE GARMENTS THROUGH M/S ISHAYU GARMENTS, NALGONDA, AND IN THIS REGARD TO CONSIDER, AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION WITH OR WITHOUT MODIFICATION(S) AS A SPECIAL RESOLUTION:**

**“RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), and Clause 49 (VII) of the Listing Agreement, the approval of the Company be and is hereby accorded to the Board of Directors, to enter into contract for manufacturing of readymade Garments with M/s Ishayu Garments, Nalgonda, a ‘related party’ as defined under Section 2(76) of the Companies Act, 2013 and Clause 49-VII(B)(ii) of the Listing Agreement relating to manufacturing of readymade Garments for an estimated amount upto Rs.20 crores during a financial year on such terms and conditions as may be mutually agreed upon between the Company and M/s Ishayu Garments, Nalgonda.”

**“RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to decide upon the nature and value of the contract for Rs.20 crores to be transacted with M/s Ishayu Garments, Nalgonda.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby also authorized to do all such acts, matters, deeds and things as may be necessary to give effect to the above resolution.”

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

Place: Secunderabad  
Date: 16.05.2015

**B.N.Agarwal**  
Chairman

## NOTES

1. The register of members and share transfer books of the Company will be closed from 23rd September, 2015 to 29th September, 2015 (both days inclusive) for the purpose of Annual General Meeting.
2. A MEMBER ENTITLED TO ATTEND THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.  
  
A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights.
3. A member holding more than 10% of the total share capital may appoint a single person as Proxy and such person shall not act as Proxy for any other person or member. The Instrument appointing the proxy should be deposited at the registered office of the company not less than forty-eight hours before the commencement of the meeting.
4. The shareholder desiring any further information as regards the accounts are requested to write to the Company so as to reach it at least one week prior to the date of the meeting for consideration of the management to deal at the meeting.
5. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
6. Members may note that the Notice of the 6th AGM and the Annual Report for FY 2014-15, copies of audited financial statements, Directors' report etc., will also be available on the website of the company, [www.sheshadri.in](http://www.sheshadri.in) for download. Members holding shares in electronic mode are therefore requested to keep their email address updated with the Depository Participants. Members holding shares in physical mode are also requested to update their email addresses by writing to the Registrar and Transfer Agent of the Company at the address M/s Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana.
7. **E-Voting :**
  - (i) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and Rule 20 of the



Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide to its Members, the facility to cast their vote electronically, through the e-voting services provided by Karvy Computershare Private Limited (KCPL) on all resolutions set forth in this Notice. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').

- (ii) In order to enable its Members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in the Notice of AGM, the Company has also enclosed a ballot form with the Annual Report for 2014-15.
- (iii) The facility for voting through polling paper shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting/ballot form shall be able to vote at the Meeting through polling paper.
- (iv) A Member can opt for only single mode of voting i.e. either through e-voting or by Ballot Form. If a Member casts votes by both modes then voting done through e-voting shall prevail and vote by Ballot shall be treated as invalid. The members who have cast their vote by remote e-voting/ballot form may also attend the Meeting but shall not be entitled to cast their vote again.
- (v) The Board of Directors of the Company has appointed Smt Rashida Adenwala, a Practising Company Secretary, Partner, R & A Associates, Hyderabad as Scrutinizer to voting process (e-voting, ballot and poll) in a fair and transparent manner and she has communicated her willingness to be appointed and will be available for same purpose.
- (vi) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 22nd September, 2015.
- (vii) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. 22nd September, 2015 only shall be entitled to avail the facility of remote e-voting, ballot form as well as voting at AGM through polling paper.

(viii) Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. 22nd September, 2015, may obtain the User ID and password by writing to Karvy at [evoting@karvy.com](mailto:evoting@karvy.com) or contact 040-67161606 or Toll Free No.1800 3454 001. However, if the person is already registered with Karvy for remote e-voting then the existing user ID and password can be used for casting vote.

(ix) The remote e-voting facility will be available during the following period:

Commencement of remote e-voting: From 9.00 a.m. (IST) on September 26, 2015

End of remote e-voting : Up to 5.00 p.m. (IST) on September 28, 2015

The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting Module shall be disabled by Karvy upon expiry of aforesaid period.

(x) The Scrutinizer, after scrutinising the votes cast at the meeting and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company [www.sheshadri.in](http://www.sheshadri.in) and on the website of Karvy <https://evoting.karvy.com>. The results shall simultaneously be communicated to BSE Limited.

(xi) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. September 29, 2015.

(xii) Instructions and other information relating to remote e-voting:

**A. In case of Members receiving Notice through mail:**

- a. Open e-mail and open PDF File viz. "Sheshadri Industries.pdf" with you client ID or folio No. as password. The said PDF File contains your user ID and password for e-voting. Please note that the password is an initial password.
- b. Use the following URL for e-voting: From Karvy website: <http://evoting.karvy.com>
- c. Shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date, may cast their vote electronically.





- d. Enter the login credentials. In case of physical folio, User ID will be EVEN number followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
- e. After entering the details appropriately, click on LOGIN.
- f. You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.,). The system will prompt you to change your password and update any contact details like mobile, email etc., on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- g. You need to login again with the new credentials.
- h. On successful login, the system will prompt you to select the EVENT i.e., Sheshadri Industries Limited.
- i. On the voting page, enter the number of shares as on the cut-off date under FOR/AGAINST or alternately you may enter partially any number in FOR and partially in AGAINST but the total number in FOR/AGAINST taken together should not exceed the total shareholding. You may also choose the option ABSTAIN. If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- j. Shareholders holding multiple folios / demat account shall choose the voting process separately for each folios / demat account.
- k. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- l. Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm,

you will not be allowed to modify your vote. During the voting period, shareholders can login any number of times till they have voted on the Resolution.

- m. Once the vote on the Resolution is cast by the shareholder, he shall not be allowed to change it subsequently.
- n. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to rashida@rna-cs.com with a copy marked to evoting@karvy.com.
- o. In case of any queries relating to e-voting, members may please refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <http://evoting.karvy.com> or contact Mr. P. Srirama Murthy, Asst. Manager - Corporate Registry, Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500032, Contact no. 040-67161606, Toll free No. 1800 345 4001, email id: srirama.murthy@karvy.com, evoting@karvy.com.

**B. In case of members receiving notice through post/courier:**

- (i) Initial password, as below, will be sent separately.

EVEN (E Voting Event Number)	User ID	Password

- (ii) Please follow all steps mentioned above in Sr. No. (xii)(A)(b) to (xii)(A)(n) to cast your vote by electronic means.

**(xiii) Instructions and other information relating to Ballot Form:**

- (i) A Member desiring to exercise voting by using Ballot Form shall complete the enclosed Ballot Form with assent (FOR) or dissent (AGAINST) and send it to the Scrutinizer, Smt Rashida Adenwala, a Practising Company Secretary, Partner, R & A Associates, Hyderabad, duly appointed by the Board of Directors of the Company, in the enclosed postage prepaid self-addressed envelope. Ballot Forms deposited in person or sent by post or courier at the expense of the Member will also be accepted at the Registered Office of the Company.



- (ii) Please convey your assent in Column "FOR" or dissent in the column "AGAINST" by placing a tick (✓) mark in the appropriate column in the Ballot Form only. The assent / dissent received in any other form / manner will not be considered.
  - (iii) Duly completed and signed Ballot Forms shall reach the Scrutinizer on or before **Monday, September 28, 2015 (5.00 p.m. IST)**. The Ballot Forms received after the said date / time shall be strictly treated as if the reply from the Member has not been received.
  - (iv) Unsigned / incomplete Ballot Forms will be rejected. Scrutinizer's decision on validity of the Ballot Form shall be final.
  - (v) A Member may request duplicate Ballot Form, if so required, by writing to the Company at its Registered Office or by sending an email on info@sheshadri.in by mentioning their Folio No. / DP ID and Client ID. However, the duly filled in duplicate Ballot Form should reach the scrutinizer not later than Monday, September 28, 2015 (5.00 p.m. IST).
8. The Companies Act, 2013 provides for the facility of nomination to the holders of Shares in a Company. Accordingly, members can avail the facility of nomination in respect of their shares held either singly or jointly. Members desiring to avail this facility are requested to fill up the prescribed nomination form and send the same to the Registered Office of the Company. (The forms are available at the Regd. Office /Office of Registrars of the Company).
  9. Members are requested to notify immediately any change in their addresses to the Company.
  10. The members are requested to bring their copy for the annual report with them at the time of attending Annual General Meeting.
- By order of the Board  
For **Sheshadri Industries Limited**
- Place: Secunderabad  
Date: 16.05.2015
- B.N.Agarwal**  
Chairman

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### Item No. 4

Smt Sushma Gupta has been appointed by the Board of Directors as Additional Director (Woman Director), on the recommendation of Nomination & Remuneration Committee, in terms of Sections 161 and 149 of the Companies Act 2013, from 31st March, 2015. In terms of the said section, Smt Sushma Gupta shall hold office upto the ensuing Annual General Meeting of the Company.

Notice in writing under Section 160 of the Act has been received from a member signifying his intention to propose Smt Sushma Gupta as Director of the Company along with the requisite amount of deposit as required under the provisions of Section 160 of the Companies Act 2013 which will be refunded to the member if Smt Sushma Gupta is elected as Director.

Smt Sushma Gupta is a Bachelor of Arts and a Gold Medalist in Economics. She has a passion for teaching and is into the field of teaching for the past 7 years. In the opinion of the Board, her presence on the Board of the Company will add value to the management.

Smt Sushma Gupta has given a declaration to the Board that she meets the criteria of independence as provided

under section 149(6) of the Act. In the opinion of the Board, she fulfills the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and she is independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of Smt Sushma Gupta as Independent Director is now being placed before the Members for their approval.

The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The other details of Smt Sushma Gupta in terms of clause 49 is annexed to this Notice.

The Board recommends the above the resolution for the approval of members.

Except Smt Sushma Gupta, none of the other directors / key Managerial Personnel of the Company / their relatives are in anyway concerned or interested, financially or otherwise in the above resolutions.



## Item No. 5

Under the provisions of the Companies Act, 2013, (the "Act") certain documents such as the register of members and index of members as required to be maintained under Section 88 of the Act and copies of all annual returns prepared, together with the copies of certificates and documents required to be annexed thereto under Section 92 of the Act, and other related books, are required to be maintained at the registered office of the Company unless a special resolution is passed in a general meeting authorising the keeping of the register at any other place within the city, town or village in which the registered office is situated or any other place in India in which more than one-tenth of the total members entered in the register of members reside.

M/s. Karvy Computershare Private Limited, Hyderabad is Company's Registrar and Share Transfer Agent (RTA), who have been providing depository related services for the shares held in demat mode and also acting as the Share Transfer Agent for the shares held in physical segment.

In view of the shifting of office of M/s. Karvy Computershare Private Limited from Plot No. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad, Telangana – 500081 to Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana, it is proposed to keep the aforementioned Registers and documents at the premises of the R & T Agents as stated in the resolution.

Your Directors recommend Resolution at Item No.5 as a Special Resolution for approval of the members.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is, in any way, deemed to be concerned or interested financially or otherwise in this item of business.

## Item No. 6

Pursuant to the Scheme of Arrangement by way of demerger between Suryavanshi Spinning Mills Ltd., Aananda Lakshmi Spinning Mills Ltd., and Sheshadri Industries Ltd., and their respective members and creditors duly approved by the Hon'ble High Court of Judicature at Hyderabad vide its order dated 30th July 2014, yarn unit situated in the state of Madhya Pradesh and Garments divisions in the state of Telangana were transferred and vested with Sheshadri Industries Ltd on a going concern basis with the appointed date as 01.04.2013 in accordance with the provisions of Sections 391 to 394 of the Companies Act, 1956 and Section 2(19AA) of the Income Tax Act, 1961.

Post Demerger, your company is required to create separate charges and mortgages over its movable and immovable properties in favour of the Banks and Financial Insti-

tutions to the extent of the secured loans apportioned to the company.

The Bankers of the Company have bifurcated and sanctioned the following credit facilities post demerger to the company:

1. Andhra Bank Consortium (Andhra Bank ₹ 37.26 crores & State Bank of Hyderabad ₹ 4.49 crores) - Rupee Term Loan of ₹ 41.75 crores
2. ICICI Bank - Rupee Term Loan of ₹ 0.73 crores
3. Andhra Bank Consortium (Andhra Bank ₹ 17.80 crores & State Bank of Hyderabad ₹ 5.81 crores) - working capital facilities of ₹ 23.61 crores,

As per the terms of sanction letters, the company has to create mortgage on its immovable properties by way of first charge to secure term loan and by way of second charge to secure the working capital facilities sanctioned by the bankers.

The mortgage and / or charge on any of the movable and / or immovable or any other tangible and intangible assets / properties and / or the whole or any part of the undertaking(s) of the Company, to secure borrowings of the Company with a power to the charge holders to take over the management of the business of the Company in certain events of default, may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 180(1)(a) of the Companies Act, 2013, thus it is necessary to pass a special resolution under Section 180(1)(a) of the Act, for creation of charges/ mortgages/ hypothecations within the overall ceiling prescribed by the members under Section 180(1)(c) of the Act.

The above proposal is in the interest of the Company and the Directors recommend the resolutions set out at item No 6 for the approval of the Members.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise in the resolution.

## Item No. 7

Section 148 of the Companies Act, 2013 read with Rule 14 of Companies (Audit & Auditors) Rules, 2014, as amended, provides for the appointment and the remuneration of the Cost Auditor for the audit of the cost records of the company by the Board and the remuneration of the Cost Auditor to be ratified by the members of the company. The appointment of Aruna Prasad & Co., Cost Accountant has been approved by Board of Directors as Cost Auditor for carrying out cost audit on the cost records maintained by the company for the year 2015 – 16 on a remuneration of ₹ 20000/- plus out of pocket expenses. The ratification by the members to this remuneration is



being sought in this resolution. The Board recommends the resolution for the approval of the members.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise in the resolution.

## Item No. 8

In terms of proviso of section 188 of the companies Act, 2013 and Clause 49-VII(C) of the Listing Agreement, the contract/arrangement/transaction relating to obtaining the facility of manufacturing of readymade garments from the under mentioned related party as defined under Section 2(76) of the Companies Act, 2013 and Clause 49VII(B)

(ii) and 49 (VII)(E) of the Listing Agreement requires the approval of unrelated members of the Company by way of special resolution. As these transactions are material in nature, are likely to exceed the limits prescribed under Companies Act, 2013 and listing agreement as per the last audited financial statements of the Company and as part of good corporate Governance the contract/arrangement/transaction and its monetary terms and monetary value of the contract with the under mentioned related party requires the approval of members' by way of special Resolution.

The particulars of the contracts/arrangements/transactions are as under:

Sl. No.	Name of the related party	Nature of transaction	Relationship with related party
I	M/s Ishayu Garments	Conversion of fabric into readymade garments on job work basis for an amount not exceeding Rs. 20 crores in a financial year	Smt Meenal Agarwal w/o Sri Jeetender Kumar Agarwal and Sri Devansh Agarwal s/o Sri Jeetender Kumar Agarwal are partners in M/s Ishayu Garments.  Sri Badrinarayan Agarwal is father of Sri Jeetender Kumar Agarwal

The above proposal has been approved by the Audit Committee in accordance with Clause 49 of the Listing Agreement, as well as Section 177 of the Companies Act, 2013. The Audit Committee / Board of Directors would be endeavoring to approve the transactions between the Company and the afore said related party in the ordinary course of business and on arm's length basis and hence approval of the Shareholders may not be required under the provisions of the Companies Act, 2013 for transactions which are in the ordinary course of the Company's business and are at arm's length however the same is required under Clause 49(VII)(E) of listing agreement as the transaction envisaged is likely to exceed the limits as prescribed in the proviso to Clause 49 (VII)(C). Also, at times, some of the terms of related party transactions may not be viewed as at arm's length basis and the same may attract approval under Companies Act, 2013 read with Rules made there under. As a matter of abundant caution, and good corporate governance, approval of the Shareholders is therefore being sought in terms of Clause

49 of the Listing Agreement and the provisions of the Companies Act 2013. The Board recommends the resolutions for approval of the Members by way of Special Resolution.

Sri Jeetender Kumar Agarwal, & Mr. Badrinarayan Agarwal and their relatives (Smt Narbada Agarwal, Smt Meenal Agarwal and Sri Devansh Agarwal) are interested in the above resolutions. None of the other Directors / key Managerial Personnel of the Company / their relatives is in anyway concerned or interested, financially or otherwise, in the above resolution.

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

Place : Secunderabad  
Date : 16.05.2015

**B.N.Agarwal**  
Chairman





## **ANNEXURE TO ITEMS 2 & 4 OF THE NOTICE**

Details of Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting  
(in pursuance of Clause 49 of the Listing Agreement)

Name of the Director	Sri Jeetender Kumar Agarwal	Smt Sushma Gupta
DIN	00041946	07147330
Date of Birth	22.07.1964	03.09.1963
Nationality	Indian	Indian
Date of Appointment on the Board	26.03.2013	31.03.2015
Qualifications	B.E. Textiles	B.A.
Expertise in specific functional area	22 years of experience in textile industry	Gold medalist in Economics
Number of shares held in the Company	638376	185
List of the directorships held in other companies	1. Aananda Lakshmi Spinning Mills Limited	1. Suryavanshi Spinning Mills Limited
	2. Suryavanshi Industries Limited	2. Aananda Lakshmi Spinning Mills Limited
	3. Suryavanshi Integrated Apparel Park Limited	
	4. Sheshadri Power and Infrastructure Private Limited	
Chairman/ Member in the Committees of the Boards of companies in which he is Director*	Nil	Nil
*Committee memberships/chairmanships includes only Audit Committee and Stake holders' Relationship Committee of other Public Limited Companies (whether Listed or not).		
Except for Sri Badrinarayan Agarwal being father to Sri Jeetender Kumar Agarwal, there is no inter-se relationship between other Board Members.		



## DIRECTORS' REPORT

Dear Shareholders,

We have pleasure in presenting the 6th Annual Report on the business and operations of Company and Financial Results for the year ended 31st March, 2015.

### I. FINANCIAL RESULTS

₹ In lakhs

	2014-2015	2013-2014
Turnover Revenue	12923.43	15180.27
Gross Profit before financial charges & depreciation	746.04	868.63
Less: Depreciation	128.80	193.17
Financial charges	590.44	597.19
Profit / (Loss) before taxation	26.80	78.27
Tax expenses	20.02	-
Profit/(Loss) after taxation	6.78	78.27

### II. OPERATIONS

Company achieved Total Revenue of ₹ 12923.43 Lakhs (including Other Income of ₹ 633.34 lakhs) and achieved a profit after tax of ₹ 6.78 Lakhs for the Year ended 31st March, 2015 as against Total Revenue of ₹ 15180.27 Lakhs (including Other Income of ₹ 759.68 lakhs) and profit after tax of ₹ 78.27 Lakhs for the Year ended 31st March, 2014.

The Company has been focusing on the new markets and introduction of value added products. The operations were affected due to sluggish international market conditions which resulted in lower demand from the international clients. As a result, the Company enhanced its focus on the development of its products in the domestic market by introducing its own brand "WOODSIDE". The Company has set up a dedicated team that monitors and understands the changing trends, designs, fashions across the globe. This helps the Company produce different shades, textures and fabrics which create a benchmark for their clients.

### III. SHARE CAPITAL

The authorized capital of the Company as on 31st March, 2015 was Rs. 5,00,00,000/- divided into 50,00,000 equity shares of Rs. 10/- each and paid-up capital was Rs. 4,95,95,770/- divided into 49,59,577 equity shares of Rs. 10/- each.

### IV. DIVIDEND

In view of insufficient profits for the year under

review, the Board is unable to recommend dividend.

### V. EXPORTS

During the year under review the company's exports were ₹ 79.90 Crores as against ₹ 89.60 crores of the previous financial year. The decrease in exports was due to adverse global market conditions coupled with fluctuation in foreign currency.

### VI. EXPANSION & MODERNISATION

Modernization and technological up-gradation programs continue in the Company to maintain competitiveness and achieve better quality. Company plans to modernize by adding balancing equipment with a capital cost of about ₹ 25 Crores. Stringent cost control measures remain in place in all possible areas and are regularly reviewed.

### VII. FUTURE OUTLOOK

The Company's efforts in development of new value added products are expected to yield better results. The company has further plans to modernize/expand its operations at its garment and spinning units. The company introduced its own brand "WOODSIDE" in the domestic market. The establishment of the new brand is expected to take some time to yield lasting results.

### VIII. CORPORATE GOVERNANCE

A separate report on Corporate Governance is enclosed as a part of this Annual Report. A certificate from the Auditors of the Company regarding compliance with Corporate Governance norms stipulated under Clause 49 of the Listing Agreement is annexed to the Report on Corporate Governance.

### IX. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement is presented in a separate section forming part of the Annual Report.

### X. ENVIRONMENT AND POLLUTION CONTROL

The manufacturing facilities have obtained environmental clearance from the Pollution Control Board concerned and are in compliance with all current environmental legislation. As an integral part of its environment protection drive, the Company ensures the very minimum quantity of generation of waste, low emission levels and low noise pollution levels during operations of all manufacturing facilities.

### XI. DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A. RETIREMENT BY ROTATION

Pursuant to provisions of the Companies Act,



2013, Sri Jeetender Kumar Agarwal (DIN 00041946), Director will retire at the ensuing Annual General Meeting and being eligible, offers himself for reappointment. The Board recommends his re-appointment

**B. APPOINTMENT**

Smt Sushma Gupta (DIN 07147330) was appointed as an Additional Director who shall hold office till the date of this Annual General Meeting. A member proposed her candidature for appointment at the ensuing Annual General Meeting.

In terms of the Companies Act, 2013 Smt Sushma Gupta is proposed to be appointed as independent Director for a term of 5 years, not liable for retirement by rotation.

Brief resume of the Directors retiring by rotation and independent Director, nature of their expertise in specific functional areas and names of public companies in which they hold directorships as stipulated under clause 49 of the listing agreement with the Stock Exchange are given as Annexure to the Notice.

Sri B.R.S.Reddy was appointed as Vice President (Corp. Affairs) & Company Secretary w.e.f. 9th February, 2015.

**C. CESSATION**

During the year under review, Sri Rishikesh Agarwal and Smt Narbada Bai resigned from the directorship of the Company w.e.f. 17th August, 2014. The Board places on record its appreciation for the valuable services and guidance rendered by Sri Rishikesh Agarwal and Smt Narbada Bai during their tenure as Director on the Board.

**D. EVALUATION OF THE BOARD'S PERFORMANCE**

During the year, the Board adopted a formal performance evaluation policy for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board's functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise,

independent judgement etc. The evaluation of the Independent Directors and that of the Chairman was carried out by the entire Board excluding the Director being evaluated and the evaluation of Non-Independent Directors was carried out by the Independent Directors. A separate meeting of Independent Directors was also held during the year wherein the performance of Chairman, Board, Executive Directors was evaluated.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

**E. REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is attached to this report as **Annexure I**.

**F. DECLARATION BY INDEPENDENT DIRECTORS**

All the Independent Directors of the Company have given declaration stating that they meet the criteria of independence as provided under Companies Act, 2013.

**G. FAMILIARIZATION PROGRAMME OF INDEPENDENT DIRECTORS**

Each newly appointed Independent Director is taken through a formal induction program including the presentation from the Managing Director on the Company's manufacturing, marketing, finance and other important aspects. The Company Secretary briefs the Director about their legal and regulatory responsibilities as a Director. The induction for Independent Directors include interactive sessions with Executive Committee Members, Business and Functional Heads, visit to the manufacturing site etc. The details of such program are available on company's website ([www.sheshadri.in](http://www.sheshadri.in)).

**12. AUDITORS & AUDITORS' REPORT**

**A. STATUTORY AUDITORS**

The Statutory Auditors of the Company, M/s. Brahmayya & Co, Chartered Accountants, Hyderabad will retire at the conclusion of ensuing Annual General Meeting and are eligible for reappointment. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed there under for reappointment as Auditors



of the Company. As required under Clause 49 of the Listing Agreement, the auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. The Statutory Auditors' Report does not contain any reservation, qualification or adverse remark.

#### **B. SECRETARIAL AUDITOR**

During the year, the Company has appointed M/s R & A Associates, Practising Company Secretaries as Secretarial Auditor. The Secretarial Audit report for the financial year 2014-15 is annexed herewith as **Annexure II** to this Report. The Secretarial Audit Report does not contain any reservation, qualification or adverse remark.

#### **C. COST AUDITOR**

Pursuant to Section 148 of Companies Act, 2013, the Board of Directors on the recommendation of Audit Committee appointed Aruna Prasad & Co., Cost Accountants as the Cost Auditors of the Company for the year 2015-16 and has recommended the remuneration to the shareholders for their ratification at the ensuing Annual General Meeting. The Auditor has confirmed that the appointment is within the prescribed limits and also certified that they are free from any disqualifications.

#### **13. DIRECTORS' RESPONSIBILITY STATEMENT:**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

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

- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **14. RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

The Policy on materiality of related party transactions as approved by the Board may be accessed on the Company's website.

Your Directors draw attention of the members to Note 31 to the financial statement which sets out related party disclosures. Particulars of Contracts or Arrangements with Related parties referred to in Section 188(1) in Form AOC- 2 is enclosed to this report in **Annexure V**.

#### **15. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, is annexed and marked **Annexure III** and forms part of this Report.

#### **16. INTERNAL FINANCIAL CONTROLS**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

#### **17. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:**

The information required pursuant to Section 197(12) of Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of the employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the members and others entitled thereto, excluding





the information on employees' particulars which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company upto the date of the ensuing Annual General Meeting. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary in this regard.

No employee was in receipt of remuneration in excess of the limits prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and hence the disclosure as required under Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not required.

## 18. POLICY ON SEXUAL HARASSMENT:

The Company has adopted policy on Prevention of Sexual Harassment of Employees at workplace in accordance with The Sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, the Company has not received any complaints pertaining to sexual harassment.

## 19. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

The Company has not made any loan, given guarantee or provided security pursuant to the provisions of Section 186 of Companies Act, 2013. The details of investments made by the Company pursuant to the provisions of Section 186 of Companies Act, 2013 is provided in Note 10 to the financial statement.

## 20. DISCLOSURES:

### A. EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company is annexed herewith as **Annexure IV** to this Report.

### B. COMPOSITION OF AUDIT COMMITTEE

The Audit Committee comprises Sri Surender Kumar Agarwal (Chairman), Sri Manish Gupta and Sri Jeetender Kumar Agarwal as other members.

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

### C. VIGIL MECHANISM

The Company has implemented a vigil mechanism policy to deal with instance of fraud and mismanagement, if any. It provides for the directors and employees to report genuine concerns and provides adequate safeguards against victimization of persons who use such

mechanism. The Policy on vigil mechanism may be accessed on the Company's website at [www.sheshadri.in](http://www.sheshadri.in). There were no complaints received during the year 2014-15.

## D. NUMBER OF BOARD MEETINGS

The Board of Directors of the Company met Nine (9) times during the year. For further details, please refer report on Corporate Governance.

## E. LISTING

The Company received listing approval from BSE Limited on 9th March, 2015, trading permission on 16th April, 2015 and its shares are being traded on BSE Limited from 20th April, 2015 pursuant to the scheme of demerger. The Company confirms that it has paid listing fees for the year to BSE Limited where its shares are listed.

## 21. GENERAL

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

- Details relating to deposits covered under Chapter V of the Act.
- The Company has no subsidiaries, joint ventures or associate companies.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

## 22. APPRECIATION:

The Board of Directors is pleased to place on record their appreciation of the co-operation and support extended by All India Financial Institutions, Banks and various State and Central Government Agencies.

The Board would also like to thank the Company's shareholders, customers, suppliers for the support and the confidence which they have reposed in the management. The Board place on record its appreciation of the contribution made by the employees at all levels for their hard work, solidarity, co-operation and support.

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

Place : Secunderabad  
Date : 16.05.2015

**B.N.Agarwal**  
Chairman



## REMUNERATION POLICY

### I. INTRODUCTION

Sheshadri Industries Limited (SIL) recognizes the importance of aligning the business objectives with specific and measureable individual objectives and targets. The Company has therefore formulated the remuneration policy for its Directors, Key Managerial Personnel and other employees keeping in view the following objectives:

- a) Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the company successfully.
- b) Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- c) Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

### 2. SCOPE AND EXCLUSION:

This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

### 3. TERMS AND REFERENCES:

In this Policy, the following terms shall have the following meanings:

“Director” means a director appointed to the Board of the Company.

“Key Managerial Personnel” means

- (i) the Chief Executive Officer or the Managing Director or the manager;
- (ii) the Company secretary;
- (iii) the Whole-time director;
- (iv) the Chief Financial Officer; and
- (v) such other officer as may be prescribed under the Companies Act, 2013.

“Nomination and Remuneration Committee” means the committee constituted by SIL's Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Equity Listing Agreement.

### 4. POLICY:

#### A. Criteria for Appointment of Non-Executive Directors & Independent Directors

- a) The Non-Executive Directors shall be of

high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of marketing, finance, taxation, law, governance and general management.

- b) In case of appointment of Independent Directors, the Nomination & Remuneration (N&R) Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- c) The N&R committee shall ensure that the candidate identified for appointment as a director is not disqualified for appointment under section 164 of the Companies Act 2013.
- d) In case of re-appointment of Non-Executive Directors & Independent Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

#### Remuneration of Non-Executive Directors & Independent Directors

- i. A Non-Executive Director & Independent Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 including any amendment or modification thereto as may be in force;
- ii. The Independent Directors of the Company shall not be entitled to participate in the Stock Option Scheme of the Company, if any, introduced by the Company.

#### B. Criteria for Appointment of Executive Directors and Key Managerial Personnel (KMP)

For the purpose of appointment of any Executive Director and Key Managerial Personnel (KMP), the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position. The Committee shall also ensure that the incumbent fulfils such other criteria as laid down under the



Companies Act, 2013 read with Rules made there under or other applicable laws.

**Remuneration of Executive Directors & KMP**

- i. The Board, on the recommendation of the Nomination and Remuneration (N&R) Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits prescribed under Companies Act, 2013 including any statutory modification or amendment thereto as may be in force, subject to approval by the shareholders in General Meeting.
- ii. The Board, on the recommendation of the N&R Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.
- iii. The remuneration of the Executive Directors and KMP may be broadly divided into fixed and

variable components. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits. The variable component comprises performance bonus.

**C. Remuneration to Other Employees:**

- i. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.
- ii. The remuneration maybe divided into two components viz. fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus.

**ANNEXURE - II**

**FORM NO. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015.**

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

To,  
The Members,  
SHESHADRI INDUSTRIES LIMITED,  
6th Floor, Surya Towers, 105,  
Sardar Patel Road - 500003.

We have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by SHESHADRI INDUSTRIES LIMITED (hereinafter called the "**Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the SHESHADRI INDUSTRIES LIMITED 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, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2015 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of:

- i. The Companies Act, 1956 and 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. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares



- and Takeovers) Regulations, 2011; **(No transaction during the Audit Period).**
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the Audit Period).**
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014; **(Not applicable to the Company during the Audit Period).**
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period).**
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period) and**
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period)**
- vi. The following other laws as specifically applicable to the Company in view of the management are:
- a) Textiles (Development and Regulation) Order, 2001.\*
  - b) Hank Yarn Packing Notification issued under Essential Commodities Act, 1955.\*
- We have also examined compliance with the applicable clauses of the following:
- i. Secretarial Standards issued by The Institute of Company Secretaries of India **(Not notified hence not applicable to the Company during the audit period).**
  - ii. The Listing Agreement entered into by the Company with BSE India Limited.

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

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

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

**We 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.

**We further report that during the audit period:**

The Hon'ble High Court of Judicature at Hyderabad vide its Orders dated July 30, 2014 approved the Scheme of Arrangement by way of Demerger between Suryavanshi Spinning Mills Ltd (SSML), Aananda Lakshmi Spinning Mills Limited (ALSML) and Sheshadri Industries Ltd (SIL) and their respective members and creditors (Scheme) for demerger of yarn unit at Bhongir, Telangana of Suryavanshi Spinning Mills Ltd into Aananda Lakshmi Spinning Mills Limited (Resulting Company -1) and yarn unit at Rajna, Madhya Pradesh (along with two Garment divisions, Telangana) of Suryavanshi Spinning Mills into Sheshadri Industries Limited (Resulting Company-2) and retaining residual business of yarn unit and medical textile unit at Aliabad, Ranga Reddy District, Telangana by the Suryavanshi Spinning Mills Limited (Demerged Company). Upon filing the Order of the High Court with the Registrar of Companies at Hyderabad, the Scheme became effective on August 21, 2014 and appointed date was April 1, 2013.

For **R & A Associates**  
Company Secretaries

**Mrs. Rashida Adenwala**  
Partner

Date: 16.05.2015  
Place: Hyderabad

FCS No.: 4020  
C P No.: 2224

*This report is to be read with our letter of even date, which is annexed as "Annexure – A" and forms an integral part of this report.*





**“Annexure – A”**

To,  
The Members,  
SHESHADRI INDUSTRIES LIMITED,  
6th Floor, Surya Towers, 105,  
Sardar Patel Road - 500003.

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of M/s. SHESHADRI INDUSTRIES LIMITED (“the Company”). Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **R & A Associates**  
Company Secretaries

Mrs. Rashida Adenwala  
Partner  
FCS No.: 4020  
C P No.: 2224



Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014

#### A. CONSERVATION OF ENERGY

i)	The steps taken or impact on conservation of energy	An energy audit was undertaken by a firm of consultants to improve upon the energy conservation measures. The recommendations from the audit were implemented.
ii)	The steps taken by the Company for utilizing alternate sources of energy	Nil
iii)	The capital investment on energy conservation equipments	Nil

#### B. TECHNOLOGY ABSORPTION

i)	The efforts made towards technology absorption	The Company has adapted indigenous technology and innovated upon the same.
ii)	The benefits derived like product improvement, cost reduction, product development or import substitution	Product improvement, increase in yield, production of high value added products.
iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	No technology has been imported during the last three years.
	a. The details of technology imported	NA
	b. The year of import	NA
	c. Whether the technology been fully absorbed	NA
	d. If not fully absorbed, areas where absorption has not taken place and the reasons thereof and	NA
iv)	The expenditure incurred on Research and Development	Expenditure on in-house Research & Development was not incurred during the year under review.

#### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

i)	<b>Foreign Exchange Earned:</b>	<b>2014-15</b>	2013-14
	FOB value of exports	<b>7837.64</b>	8820.85
	CIF value of exports	<b>7990.36</b>	8960.28
ii)	<b>Foreign Exchange used:</b>		
	Commission on Exports	<b>66.42</b>	67.49
	Foreign Travel Expenses	<b>9.91</b>	10.74
	Plant & Machinery	<b>53.07</b>	0.00
	Spare parts	<b>64.24</b>	43.70

**ANNEXURE - IV****FORM NO. MGT - 9****EXTRACT OF ANNUAL RETURN****as on the financial year ended 31.03.2015**

[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:**

i)	CIN	L17291TG2009PLC064849
ii)	Registration Date	26/08/2009
iii)	Name of the Company	Sheshadri Industries Limited
iv)	Category /Sub-Category of the Company	Company Limited by shares / Indian Non-Government Company
v)	Address of the Registered Office and contact details	6th Floor, Surya Towers, 105, Sardar Patel Road, Secunderabad – 500003 Tel No. 040-30512700, Fax: 040-30512725/27815135/30512799
vi)	Whether listed company Yes / No	Yes
vii)	Name, address and contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana Tel no. 040-67161606, Fax No. 040-23420814

**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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Cotton yarn	13111-Spinning, weaving and finishing of textiles	66.18%
2	Garments	14101-Manufacture of all types of textile garments and clothing accessories	33.82%

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

SL. No.	Name and address of the Company	CIN/GLN	Holding / subsidiary / Associate	% of shares held	Applicable section
	NONE				



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

##### i) Category-wise shareholding

Category of Share holders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A.</b>	<b>Promoters</b>									
<b>(1)</b>	<b>Indian</b>									
a)	Individual / HUF	-	51000	51000	100.00	2850500	51000	2901500	58.50	-41.50
b)	Central Govt.	-	-	-	-	-	-	-	-	-
c)	State Govt.(s)	-	-	-	-	-	-	-	-	-
d)	Bodies Corporate	-	-	-	-	-	-	-	-	-
e)	Banks / FI	-	-	-	-	-	-	-	-	-
f)	Any Other....	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A)(1):</b>	-	<b>51000</b>	<b>51000</b>	<b>100.00</b>	<b>2850500</b>	<b>51000</b>	<b>2901500</b>	<b>58.50</b>	<b>-41.50</b>
<b>(2)</b>	<b>Foreign</b>									
a)	NRIs - Individuals	-	-	-	-	-	-	-	-	-
b)	Other - Individuals	-	-	-	-	-	-	-	-	-
c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
d)	Banks / FI	-	-	-	-	-	-	-	-	-
e)	Any Other....	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A)(2):</b>	-	-	-	-	-	-	-	-	-
	<b>Total Share holding of Promoters (A) = (A) (1) + (A)(2)</b>	-	51000	51000	100.00	2850500	51000	2901500	58.50	-41.50
<b>B.</b>	<b>Public Shareholding</b>									
<b>(1)</b>	<b>Institutions</b>									
a)	Mutual Funds / UTI	-	-	-	-	148	110	258	0.01	0.01
b)	Banks / FI	-	-	-	-	259	166	425	0.01	0.01
c)	Central Govt.	-	-	-	-	-	-	-	-	-
d)	State Govt.(s)	-	-	-	-	-	-	-	-	-
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	-	-	-	-	-	-	-	-	-
g)	FII's	-	-	-	-	-	-	-	-	-
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)	Others (specify)	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (B)(1):</b>	-	-	-	-	<b>407</b>	<b>276</b>	<b>683</b>	<b>0.01</b>	<b>0.01</b>



Category of Share holders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>(2)</b>	<b>Non-Institutions</b>									
<b>a)</b>	<b>Bodies Corporate</b>									
i)	Indian	-	-	-	-	151306	482745	634051	12.78	12.78
ii)	Overseas	-	-	-	-	-	-	-	-	-
<b>b)</b>	<b>Individuals</b>									
i)	Individual Shareholders Holding nominal share capital upto ₹ 1 lakh	-	-	-	-	879338	178763	1058101	21.33	21.33
ii)	Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	353327	-	353327	7.12	7.12
<b>c)</b>	<b>Others (specify)</b>									
i)	NRI	-	-	-	-	11915	-	11915	0.24	0.24
	<b>Sub-Total (B)(2):</b>	-	-	-	-	1395886	661508	2057394	41.48	41.48
	<b>Total Public Shareholding</b>	-	-	-	-	1396293	661784	2058077	41.50	41.50
	<b>(B)=(B)(1)+(B)(2)</b>									
<b>C.</b>	<b>Shares held by</b>									
	Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
	<b>Grand Total (A+B+C)</b>	-	51000	51000	100.00	4246793	712784	4959577	100.00	-

**Note:** During the year, the Company allotted shares pursuant to the scheme of demerger to the shareholders of Suryavanshi Spinning Mills Limited (listed demerged company) and accordingly there was increase in share capital.





ii) Shareholding of promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total share	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total share	
1	Jeetender Kumar Agarwal	20000	39.22	-	638376	12.87	-	-26.35
2	Devender Kumar Agarwal	-	-	-	600825	12.11	-	12.11
3	Rajender Kumar Agarwal	500	0.98	-	579859	11.69	-	10.71
4	Badrinarayan Agarwal Family Trust	-	-	-	268203	5.41	-	5.41
5	Badrinarayan Agarwal	500	0.98	-	223247	4.50	-	3.52
6	Yamunadevi Agarwal	-	-	-	162873	3.28	-	3.28
7	Latha Agarwal	-	-	-	145836	2.94	-	2.94
8	Narbada Bai	5000	9.80	-	133424	2.69	-	-7.11
9	Meenal Agarwal	10000	19.61	-	133857	2.70	-	-16.91
10	Rishikesh Agarwal	5000	9.80	-	5000	0.10	-	-9.70
11	Devansh Agarwal	10000	19.61	-	10000	0.20	-	-19.41
	<b>Total</b>	<b>51000</b>	<b>100.00</b>	<b>-</b>	<b>2901500</b>	<b>58.50</b>	<b>-</b>	<b>-41.50</b>

**NOTE:** Difference in shares & % is due to allotment pursuant to the scheme of demerger to the shareholders of listed demerged company.

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

Sl. No.	Promoter's Name	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	Jeetender Kumar Agarwal				
	At the beginning of the year	20000	39.22	20000	39.22
	Increase of shares due to allotment pursuant to scheme of demerger on 3rd September, 2014	618376	-	638376	12.87
	At the End of the year			638376	12.87
2	Devender Kumar Agarwal				
	At the beginning of the year	-	-	-	-



Sl. No.	Promoter's Name	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
	Increase of shares due to allotment pursuant to scheme of demerger on 3rd September, 2014	600825	-	600825	12.11
	At the End of the year			600825	12.11
3	Rajender Kumar Agarwal				
	At the beginning of the year	500	0.98	500	0.98
	Increase of shares due to allotment pursuant to scheme of demerger on 3rd September, 2014	579359	-	579859	11.69
	At the End of the year			579859	11.69
4	Badrinarayan Agarwal Family Trust				
	At the beginning of the year	-	-	-	-
	Increase of shares due to allotment pursuant to scheme of demerger on 3rd September, 2014	268203	-	268203	5.41
	At the End of the year			268203	5.41
5	Badrinarayan Agarwal				
	At the beginning of the year	500	0.98	500	0.98
	Increase of shares due to allotment pursuant to scheme of demerger on 3rd September, 2014	222747	-	223247	4.50
	At the End of the year			223247	4.50
6	Yamunadevi Agarwal				
	At the beginning of the year	-	-	-	-
	Increase of shares due to allotment pursuant to scheme of demerger on 3rd September, 2014	162873	-	162873	3.28
	At the End of the year			162873	3.28
7	Latha Agarwal				
	At the beginning of the year	-	-	-	-
	Increase of shares due to allotment pursuant to scheme of demerger on 3rd September, 2014	145836	-	145836	2.94
	At the End of the year			145836	2.94
8	Narbada Bai				
	At the beginning of the year	5000	9.80	5000	9.80
	Increase of shares due to allotment pursuant to scheme of demerger on 3rd September, 2014	128424	-	133424	2.69
	At the End of the year			133424	2.69
9	Meenal Agarwal				
	At the beginning of the year	10000	19.61	10000	19.61
	Increase of shares due to allotment pursuant to scheme of demerger on 3rd September, 2014	123857	-	133857	2.70
	At the End of the year			133857	2.70
10	Rishikesh Agarwal				
	At the beginning of the year	5000	9.80	5000	9.80
	At the End of the year			5000	0.10
11	Devansh Agarwal				
	At the beginning of the year	10000	19.61	10000	19.61
	At the End of the year			10000	0.20

**NOTE:** Difference in shares & % is due to allotment pursuant to the scheme of demerger to the shareholders of listed demerged company.



**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at 03.09.2014*		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Westend Developers Limited				
	At 3rd September, 2014	481000	9.70	481000	9.70
	At the End of the year			481000	9.70
2	Jahnvi Sri Dhanya S				
	At 3rd September, 2014	77700	1.57	77700	1.57
	At the End of the year			77700	1.57
3	Suryalakshmi Cotton Mills Limited				
	At 3rd September, 2014	37777	0.76	37777	0.76
	At the End of the year			37777	0.76
4	Ramesh Kumar Somani				
	At 3rd September, 2014	34780	0.70	34780	0.70
	At the End of the year			34780	0.70
5	Shri Parasram Holdings Pvt Ltd				
	At 3rd September, 2014	32895	0.66	32895	0.66
	At the End of the year			32895	0.66
6	Nileshkumar Manubhai Mehta				
	At 3rd September, 2014	26830	0.54	26830	0.54
	At the End of the year			26830	0.54
7	Baman K Mehta				
	At 3rd September, 2014	25900	0.52	25900	0.52
	At the End of the year			25900	0.52
8	Manshi Nileshkumar Mehta				
	At 3rd September, 2014	24533	0.49	24533	0.49
	At the End of the year			24533	0.49
9	Vinodchandra Mansukhlal Parekh				
	At 3rd September, 2014	19992	0.40	19992	0.40
	At the End of the year			19992	0.40
10	Atul Jitendra Agarwal				
	At 3rd September, 2014	18500	0.37	18500	0.37
	At the End of the year			18500	0.37

\*As at the beginning of the year (01.04.2014), there were no shareholders other than Directors and Promoters. The company allotted shares to the shareholders of Suryavanshi Spinning Mills Limited (public listed company) on 03.09.2014 pursuant to the scheme of demerger. Hence, shareholding on 03.09.2014 is taken as opening balance of shareholding for top 10 public shareholders.



(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Badrinarayan Agarwal Chairman				
	At the beginning of the year	500	0.98	500	0.98
	Increase of shares due to allotment pursuant to scheme of demerger on 3rd September, 2014	222747	-	223247	4.50
	At the End of the year			223247	4.50
2	Jeetender Kumar Agarwal Managing Director & CFO				
	At the beginning of the year	20000	39.22	20000	39.22
	Increase of shares due to allotment pursuant to scheme of demerger on 3rd September, 2014	618376	-	638376	12.87
	At the End of the year			638376	12.87
3	Surender Kumar Agarwal Independent Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	At the end of the year			Nil	Nil
4	Manish Gupta Independent Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	At the end of the year			Nil	Nil
5	Sushma Gupta Additional (Woman) Director (appointed w.e.f. 31st March, 2015)				
	At 31st March, 2015 (date of appointment)	185	0.00	185	0.00
	At the end of the year			185	0.00
6	Rishikesh Agarwal Director (resigned w.e.f. 18th August, 2014)				
	At the beginning of the year	5000	9.80	5000	9.80
	At 18th August, 2014 (date of resignation)			5000	9.80
7	Narbada Bai Director (resigned w.e.f. 18th August, 2014)				
	At the beginning of the year	5000	9.80	5000	9.80
	At 18th August, 2014 (date of resignation)			5000	9.80
8	B. Rama Subba Reddy Vice President (Corp. Affairs) & Company Secretary (appointed from 9th February, 2015)				
	At 9th February, 2015 (date of appointment)	4095	0.08	4095	0.08
	At the end of the year			4095	0.08

**NOTE:** Difference in shares & % is due to allotment pursuant to the scheme of demerger to the shareholders of listed demerged company.

**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	3401.46	150.00	-	3551.46
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>3401.46</b>	<b>150.00</b>		<b>3551.46</b>
Change in Indebtedness during the financial year:				
• Addition	1291.34	121.61	-	1412.95
• Reduction	400.60	-	-	400.60
<b>Net Change</b>	<b>890.74</b>	<b>121.61</b>		<b>1012.35</b>
Indebtedness at the end of the financial year:				
i) Principal Amount	4292.20	271.61	-	4563.81
ii) Interest due but not paid	18.25	-	-	18.25
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>4310.45</b>	<b>271.61</b>		<b>4582.06</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Mr. Jeetender Kumar Agarwal, Managing Director	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	25.94	25.94
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3.15	3.15
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission		
	- as % of profit	-	-
	- others, specify...	-	-
5.	Others, please specify Contribution to Provident fund	2.22	2.22
	<b>Total (A)</b>	<b>31.31</b>	<b>31.31</b>
	Ceiling as per the Act	42.00*	42.00

\*As per Section II Part II of Schedule V





**B. Remuneration to other Directors:**

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Name of the Director			Total Amount
1.	Independent Directors	Mr. Surender Kumar Agarwal	Mr. Manish Gupta	Ms. Sushma Gupta (appointed w.e.f. 31.03.2015)	
	• Fee for attending board / committee meetings	0.29	0.21	0.06	0.56
	• Commission	-	-	-	-
	• Others, please specify	-	-	-	-
	<b>Total (1)</b>	<b>0.29</b>	<b>0.21</b>	<b>0.06</b>	<b>0.56</b>
2.	Other Non-Executive Directors	Mr. Badrinarayan Agarwal	Mr. Rishikesh Agarwal (resigned w.e.f. 18.08.2014)	Mrs Narbada Bai (resigned w.e.f. 18.08.2014)	
	• Fee for attending board / committee meetings	-	-	-	-
	• Commission	-	-	-	-
	• Others, please specify	-	-	-	-
	<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total (B)=(1+2)</b>	<b>0.29</b>	<b>0.21</b>	<b>0.06</b>	<b>0.56</b>
	Total Managerial Remuneration (A+B)				31.87
	Overall Ceiling as per the Act (for Independent Directors)	14.00*	14.00*	2.00*	30.00

\*₹ 1 lac per each meeting attended

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

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr. Jeetender Kumar Agarwal, CFO	Mr. B. Rama Subba Reddy, Vice President (Corp. Affairs) & Company Secretary (appointed w.e.f. 9th February, 2015)	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	2.35	2.35
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-



Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr. Jeetender Kumar Agarwal, CFO	Mr. B. Rama Subba Reddy, Vice President (Corp. Affairs) & Company Secretary (appointed w.e.f. 9th February, 2015)	
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5.	Others, please specify Contribution to Provident fund	-	0.07	0.07
	<b>Total</b>	<b>-</b>	<b>2.42</b>	<b>2.42</b>

#### VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

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



**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:  
There were no related party transactions that were not at arm's length basis.
2. Details of material contracts or arrangement or transactions at arm's length basis:

(a)	Name(s) of the related party and nature of relationship	Fortune Eagle (HK) Trading Limited
(b)	Nature of contracts/arrangements/transactions	Sale of garments
(c)	Duration of the contracts / arrangements / transactions	It is a continuing contract
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	The Company sells the garments manufactured by it to the above mentioned related party. The value of the transaction for the year 2014-15 was ₹ 40.93 crores.
(e)	Justification for entering into such contracts or arrangements or transactions	The transaction is in the ordinary course of business and at arm's length
(f)	Date(s) of approval by the Board	03.09.2014 (It was approved by shareholders in AGM held on 30.09.2014)
(g)	Amount paid as advances, if any:	-

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

Place: Secunderabad  
Date: 16.05.2015

**B.N.Agarwal**  
Chairman



## MANAGEMENT DISCUSSION ANALYSIS FORMING PART OF THE ANNUAL REPORT

### 1. INDUSTRY STRUCTURE, DEVELOPMENT AND PRODUCT WISE PERFORMANCE

The Company is in the business of manufacturing of Cotton, Polyester, polyester-viscose Blended Yarns and readymade garments at its factories situated at Aliabad, Shameerpet Mandal, Rangareddy District; Bhongir, Nalgonda District, in the state of Telangana and Rajna, Madhya Pradesh, catering to both domestic and the export markets.

In terms of textile units, Indian Textile & Garment industry is one of the largest in the world. Most of the processing units in India are independent units, with some being integrated with spinning, weaving or knitting units. The garment sector is decentralized, with substantial part of production being sub-contracted to small fabricators and contract manufacturers. It is estimated that there are over 75,000 garment units in India, but most of them are small in size and undertake work as contract manufacturers for large exporting firms.

### 2. INDIAN TEXTILE INDUSTRY

The Indian textiles industry is extremely varied, with a hand-spun and handwoven sector at one end of the spectrum, and the capital intensive sophisticated mill sector at the other. The decentralised power looms/ hosiery and knitting sector form the largest Section of the Textiles Sector. The close linkage of the Industry to agriculture and the ancient culture, the traditions of the country make the Indian textiles sector unique in comparison to the textiles industry of other countries. This also provides the industry with the capacity to produce a variety of products suitable to the different market segments, both within and outside the country.

The Indian textiles industry, currently estimated at around US \$108 billion, is expected to reach US \$ 141 billion by 2021. The industry is the second largest employer after agriculture, providing direct employment to over 45 million and 60 million people indirectly. The Indian Textile Industry contributes approximately 5 per cent to GDP, and 14 per cent to overall Index of Industrial Production (IIP).

The Indian textile industry has the potential to grow five-fold over the next ten years to touch US\$ 500 billion mark on the back of growing demand for polyester fabric, according to a study. The US\$ 500 billion market figure consists of domestic sales of US\$ 315 billion and exports of US\$ 185 billion. The current industry size comprises domestic market

of US\$ 68 billion and exports of US\$ 40 billion, according to a study.

Apparel exports from India have registered a growth of 17.6 per cent in the period April—September 2014 over the same period in the previous financial year.

### 3. PRODUCTION OF YARN

Spinning is a matured textile sub-segment in India. India is a leading spun yarn producer in the world and also the most cost competitive producer. Approximately, 75% of the total spun yarn produced in India is 100% cotton yarn.

Global cotton supply continues to outpace demand, resulting in increase in cotton stocks for the fifth consecutive year. The growth in the domestic cotton yarn production has slowed down in FY 2015 (YTD) as the spinning mills have been operating at high utilization levels which has resulted in capacity constraints.

However, with changes in cotton policy in China leading to increased consumption of domestic cotton, the import demand of Indian yarn from China has reduced. This is also reflected in decline in the yarn exports from India by ~11% in H1 FY 2015 over the same period last year to 544 million Kg. The domestic yarn prices which had remained firm till July 2014 have started declining since August 2014 due to decline in the domestic cotton prices and also due to moderation in the export demand which has resulted in oversupply in the domestic market. The Indian yarn prices have declined by ~17% over the period

### 4. GARMENTS

Garments business is now picking up in India with increasing labour costs in China. In addition, there is an increase in domestic consumption, which is further fuelling the growth and demand for finished garments. Apart from this, it requires significant level of industrial engineering. Traditionally, China, Bangladesh, Africa, Sri Lanka and Vietnam have dominated the garment manufacturing over the years. While India has always been among the largest fabric exporters globally, now it is an emerging destination for major branded players for garment manufacturing with its advantage over cost-effectiveness and quality benchmarks.

Your Company has been chosen one of the preferred vendors for the supply of readymade garments by the big global label and retailers like Jordache Ltd, USA and Caulfield Apparels, Canada, Tharanco Life



Styles LLC, USA. Your company is well equipped to cater to the requirements of international buyer for the supply of various types of readymade garments viz., Polos, Sweatshirts and Shorts. Your company is well equipped to handle any kind of complicated needle work required to make high-end fashion garments. A variety of embellishments, both Indian and imported are being used.

Your Company has set up a dedicated team that monitors and analyses the changing trends, designs, fashions across the globe. This helps the Company produce different shades, textures and fabrics which create a benchmark for their clients. Due to recession in global market, your Company has developed its own brand "WOODSIDE", an exclusive range of polo shirts and crew neck t-shirts for men and women. This range of new products is presented to the market with totally new design concepts and colour scheme. These shirts are also available on online portals Snapdeal, amazon, flipkart and paytm. The Company aims to increase its presence in the semi-urban and rural areas.

## 5. OPPORTUNITIES AND THREATS

### 5.1 Opportunities:

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market. The organised apparel segment is expected to grow at a compound annual growth rate (CAGR) of more than 13 per cent over a 10-year period.

- Low cost of production: With the growing economy, India is today a dream market for most marketers. The availability of low cost of skilled labour and creation of state-of-the art infrastructure by most companies, create an ideal situation for India to grow further.
- Global competitiveness: Currently India is the second largest exporter of textiles in the world with a share of 5%, behind China enjoying a share of 39%. However, increasing labour cost in China and non-compliance of regulatory norms by large factories in Bangladesh, presents India a significant advantage.
- Vendors to partners: With large number of global textile players heading to India, the manufacturers are now not just supplying, but

partnering with the world's leading brands. The long-term association does not only add sustained order book flow for the companies, but adds to the enhanced profitability levels as well.

- Make in India: The government's thrust on the 'Make in India' concept aids in futuristic growth in more ways than one. An experienced, enriched and technologically empowered textile sector will only emerge as an international powerhouse in the coming time.

### 5.2 Threats:

Firms in textiles sector are facing following problems in adding capacity due to:

- Shortage of skilled manpower and labour related issues
- Power shortage
- High cost of capital
- Uncertainty in market conditions
- High prices of raw materials / intermediates
- Low export demand and uncertainty of economic environment
- Low domestic demand
- Competition from imports
- High financial charges

## 6. RISKS AND CONCERNS:

### • Economic slowdown

Textile as a product is highly dependent on macro-economic scenario of the countries across the world. Any slowdown in the economy might have a direct impact on the operations of the Company. With the new government at the centre, the country is expected to potentially hit the sweet spot in the coming few years, and reaffirm its position as the fastest growing country in the world, overtaking China. This will adequately help the Company to sustain its topline and profitability levels.

### • Evolving fashion trends

The Company might lose its customers and market share if it does not cater to the changing needs of its customers. The Company has set up a dedicated team that monitors and understands the fashion trends across the globe. This helps the Company produce different shades, textures and fabric which create a benchmark for their clients. This has helped company generate majority of its revenues from value-added products.





- **Increase in cotton prices**

Cotton accounts for significant portion of the cost of production for textile. Volatility in the cost of raw material might dent the margins of the company and affect its bottomline. The Company has plants located within close proximity to cotton growing regions, which adds to savings on its procuring cost. In addition, it also sources bulk of its requirements from regulated government agencies, at reasonable cost and assured supply.

- **Appreciation in Indian currency**

Majority of the revenues of the Company is derived through exports. Any significant appreciation in currency might result in loss of revenues in near short-term for the Company. The volatility in currency is directly linked to raw material prices. Hence, any significant appreciation in the currency, will result in decline of raw material prices, thus giving a natural hedge, with no impact on margins.

## 7. OUT LOOK:

While the cotton production in India in the year 2015-16 is expected to decline by 3 to 5% as farmers shift to alternate crops, the cotton availability in India is expected to remain comfortable and further improve from that in the year 2014-15 with stock to consumption ratio expected at 28 to 33% at the end of the year 2015-16. The improvement will be driven by higher carry forward stock from the year 2014-15 as exports had declined due to lower demand from China and expectation of limited cotton exports in the year 2015-16 as well.

Despite the decline in the production, India will remain the world's largest cotton producer.

The cotton consumption is expected to increase by 3 to 4% in the year 2015-16 on account of low cotton prices which has resulted in a significant decline in the spread between cotton and polyester stable fiber and also the expected improvement in the global economic growth, which will lead to improved demand for textile products.

Going forward, we expect the Indian economy to pick-up. Besides, factors such as rapid urbanisation, growing consumer confidence, increase in disposable income and fashion & lifestyle changes are expected to boost the consumption of apparels. Furthermore, traditional economies such as the United States and the European Union along with new markets like UAE, Latin America and Africa are likely to foster the overseas demand for apparels. As a result, we expect the industry's sales growth to accelerate to

15.1 per cent in 2015-16. On the expenses front, prices of raw materials such as cotton yarn and synthetic yarn are expected to decline in 2015-16. This is likely to reduce the input cost pressure on the industry. The post-operating expenses are also expected to grow at a slower pace. Resultantly, net profit of the industry is likely to grow by a healthy 18.9 per cent during the year.

## 8. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate internal control system commensurate with the size and complexity of the organization. The Company has undertaken a comprehensive review of all internal control systems to take care of the needs of the expanding size of the Company and also upgraded the IT support systems. A system of internal audit to meet the statutory requirement as well as to ensure proper implementation of management and accounting controls is in place. The Audit Committee periodically reviews the adequacy of the internal audit functions.

## 9. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:

There are no material developments in the Human Resources area. The industrial relations have been generally satisfactory. The Company constantly reviews the man power requirements and has a properly equipped Department to take care of the requirements. The total number of people employed by the Company as on 31.03.2015 was 783.

## 10. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The total Revenue for the year 2014-15 was ₹ 129.23 crores and profit after tax was of ₹ 0.07 crores.

### NOTE:

1. Readers are advised to kindly note that the above discussion contains statements about risks, concerns, opportunities, etc., which are valid only at the time of making the statements. A variety of factors known / unknown, expected or otherwise may influence the financial results. These statements are not expected to be updated or revised to take care of any changes in the underlying presumptions.
2. Readers may therefore appreciate the context in which these statements are made before making use of the same.

**CORPORATE GOVERNANCE REPORT****I. BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

Sheshadri Industries' corporate culture has meant working always proactively to meet the expectations of its customers, shareholders, employees, business associates, the society at large and in complying with the dictates of the regulatory frame work both in letter and spirit. The Company believes Corporate Governance is an effective instrument for realisation of this corporate aim and accordingly endeavors to function with integrity in a transparent environment.

**2. BOARD OF DIRECTORS****a) Composition and provisions as to Board and Committees:**

Your Company's existing Board comprises of 5 (Five) Directors. Of these, 2 (two) are Promoter Directors and 3 (three) are Independent Directors. The Chairman is a Non-Executive Promoter Director. The details of the Directors with regard to outside directorships, committee positions are as follows:

Name of the Director	Category	No. of other Directorships as on 31.03.2015	No. of membership(s) of Board Committees* in other companies as on 31.03.2015	No. of Chairmanship(s) of Board Committees* in other Companies as on 31.03.2015
Badrinarayan Agarwal DIN: 00042123	Chairman (Promoter)	4	-	-
Jeetender Kumar Agarwal DIN: 00041946	Managing Director (Promoter)	4	-	-
Surender Kumar Agarwal DIN: 00281576	Independent Director	5	1	3
Manish Gupta DIN: 00526638	Independent Director	5	2	-
Sushma Gupta# DIN: 07147330	Independent (woman) Director	2	-	-
Rishikesh Agarwal**	Director (Promoter)	NA**	NA	NA
Narbada Bai**	Director (Promoter)	NA**	NA	NA

\* Memberships/Chairmanships of only Audit Committees and Stakeholders' Relationship Committees in all public limited companies (excluding Sheshadri Industries Limited) have been considered

\*\* Resigned w.e.f. 18th August, 2014

# Appointed w.e.f. 31st March, 2015

**b) Attendance of each Director at the Board of Directors Meeting and the last Annual General Meeting:**

Name of the Director	No. of Board meetings held from 01.04.2014 to 31.03.2015	No. of Board meetings attended from 01.04.2014 to 31.03.2015	Attendance at last AGM (30.09.2014)
Badrinarayan Agarwal	9	9	Yes
Jeetender Kumar Agarwal	9	9	Yes
Surender Kumar Agarwal	9	7	Yes
Manish Gupta	9	7	Yes
Sushma Gupta**	9	1**	NA
Rishikesh Agarwal*	9	1*	NA
Narabada Bai*	9	1*	NA

\*Resigned w.e.f. 18th August, 2014

\*\*Appointed w.e.f. 31st March, 2015



- c) No of Board of Director Meetings held, dates on which meetings were held: During the financial year ended 31st March, 2015, Nine (9) Board Meetings were held on 25.07.2014, 18.08.2014, 03.09.2014, 14.11.2014, 20.01.2015, 14.02.2015, 04.03.2015, 28.03.2015 and 31.03.2015.

### 3. AUDIT COMMITTEE

#### a) Composition, name of members and Chairperson

1. Sri Surender Kumar Agarwal – Chairman, Independent Director
2. Sri Manish Gupta – Member, Independent Director
3. Sri Jeetender Kumar Agarwal – Member, Executive Director

#### b) Meetings and attendance during the year

During the financial year ended March 31, 2015 – Three (3) Audit Committee Meetings were held on 03.09.2014, 14.11.2014 and 14.02.2015.

Name	No. of meetings attended
Sri Surender Kumar Agarwal	3
Sri Manish Gupta	3
Sri Jeetender Kumar Agarwal	3

#### Powers of Audit Committee

The audit committee shall have powers, which should include the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

#### c) Role of Audit Committee

The role of the audit committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;



6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.  
Explanation (i): The term "related party transactions" shall have the same meaning as provided in Clause 49(VII) of the Listing Agreement.

**d) Review of information by Audit Committee**

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

**4. NOMINATION AND REMUNERATION COMMITTEE**

**a) Composition, Name of members and Chairperson**

- |    |                            |   |                                |
|----|----------------------------|---|--------------------------------|
| 1. | Sri Surender Kumar Agarwal | – | Chairman, Independent Director |
| 2. | Sri Manish Gupta           | – | Member, Independent Director   |
| 3. | Sri Badrinarayan Agarwa    | – | Member, Non-Executive Director |



**b) Meetings and attendance during the year**

During the financial year ended March 31, 2015 – Three (3) Nomination & Remuneration Committee Meetings were held on 03.09.2014, 20.01.2015 and 31.03.2015.

Name	No. of meetings attended
Sri Surender Kumar Agarwal	3
Sri Manish Gupta	3
Sri Badrinarayan Agarwal	3

**c) Brief description of terms of reference**

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

**d) Remuneration policy**

The Company follows a policy on remuneration of Directors and Senior Management Employees. The Remuneration policy is attached to this report as Annexure I.

**e) Details of remuneration to all the Directors, as per format in main report.**

(₹ in Lakhs)

Sl. No.	Name of the Director	Salary, allowances & Perquisites	Sitting fees paid	Commission	Total	No. of shares held as on 31st March, 2015
1	Badrinarayan Agarwal	-	-	-	-	223247
2	Jeetender Kumar Agarwal	31.31	-	-	31.31	638376
3	Surender Kumar Agarwal	-	0.29	-	0.29	Nil
4	Manish Gupta	-	0.21	-	0.21	Nil
5	Sushma Gupta**	-	0.06	-	0.06	185
6	Rishikesh Agarwal*	-	-	-	-	5000
7	Narabada Bai*	-	-	-	-	133424

\*Resigned w.e.f. 18th August, 2014

\*\*Appointed w.e.f. 31st March, 2015

The Company does not have any stock option plan or performance linked incentive for the Executive Directors. The appointments are made for a period of three years on the terms and conditions in the respective resolution passed by the Members in the General Meetings, which do not provide for severance fees.

**5. STAKEHOLDERS' RELATIONSHIP COMMITTEE**

- a. Name of Non-Executive Director heading the Committee:  
Sri Surender Kumar Agarwal
- b. Name and designation of Compliance Officer:  
Mr. B. Rama Subba Reddy, Vice President (Corp. Affairs) & Company Secretary
- c. Number of Shareholders Complaints received so far:  
No. of Complaints received for the 4th Quarter - NIL  
No. of Complaints received for the Year ended 31st March 2015 – NIL
- d. Number not solved to the satisfaction of shareholders: NIL
- e. Number of pending complaints : NIL





## 6. GENERAL BODY MEETINGS

### a) Location and time, where last three AGMs held:

Financial Year	Date	Venue	Time
2013-2014	30/09/2014	Gayatri Gardens, Survey No.26, Sikh Village, Near Diamond Point Hotel, Secunderabad - 500 003	11.00 a.m.
2012-2013	30/09/2013	Surya Towers, 6th Floor, 105, S.P.Road, Secunderabad – 500 003	12.30 p.m.
2011-2012	25/09/2012	Surya Towers, 6th Floor, 105, S.P.Road, Secunderabad – 500 003	3.00 p.m.

### b) Special Resolutions passed in the last three AGMs:

At the AGM held on 30.09.2014, the following special resolutions were passed:

1. Appointment of Sri Jeetender Kumar Agarwal as Managing Director for a period of 3 years
2. Adoption of new Articles of Association in substitution of old
3. Sanction of Borrowing limits upto ₹ 200 crores under Section 180(1)(c) of the Companies Act, 2013
4. Authorisation to the Board to create mortgage and charge over Company's movable and immovable properties in favor of Banks and Institutions.
5. Approval for related party transaction for leasing of land from Smt Meenal Agarwal and Sri Devansh Agarwal at lease rentals of ₹ 18 lacs p.a. with increase of 5% each year.
6. Approval for related party transaction with Fortune Eagle (HK) Trading Limited upto a value of ₹ 200 crores during a financial year.
7. Approval for related party transaction with M/s Venkateswara Apparels upto a value of ₹ 10 crores during a financial year.
8. Approval for related party transaction with M/s Aadya Garments upto a value of ₹ 10 crores during a financial year.
9. Approval for related party transaction with Suryavanshi Industries Limited upto a value of ₹ 20 crores during a financial year.

**At the AGM held on 30.09.2013 and 25.09.2012, no special resolution was passed.**

### c) Whether Special resolutions were put through postal ballot during the financial year 2013-14, details of voting pattern:

No special resolution was put to vote through postal ballot during the financial year 2013-14.

### d) None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through postal ballot.

Provisions of Companies Act, 2013 regarding passing of resolutions through postal ballot shall be complied with whenever necessary.

## 7. DISCLOSURES

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

During the period under review, the Company had not entered into any material transaction with any of its related parties that were in conflict with the Company's interest. Attention of members is drawn to the disclosure of transactions with related parties set out in Note No. 31 of Audited Financial Statements, forming part of the Annual Report.

All related party transactions are negotiated on an arm's length basis in the ordinary course of business, and are intended to further the Company's interests.



- b. Details of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years. Nil

c. **Whistle Blower policy:**

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil mechanism/Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct.

The reportable matters may be disclosed to the Compliance Officer who operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

d. **Details of compliance with mandatory requirements and adoption of non-mandatory requirements.**

Mandatory requirements: All complied with.

Non-mandatory requirements:

- a. Audit qualifications: The Company is in the regime of unqualified financial statements.
- b. Separate posts of Chairman and Managing Director: The Company has appointed separate persons to the post of Chairman and Managing Director.
- c. Reporting of Internal Auditor: The Internal Auditor directly reports to the Audit Committee.

e. **CEO/CFO certification:**

In terms of Clause 49 of the Listing Agreement, the Certificate duly signed by Managing Director and Chief Financial Officer of the Company was placed before the Board of Directors along with the financial statements for the year ended March 31, 2015, at its meeting held on 16.05.2015. The same is annexed herewith

**8. MEANS OF COMMUNICATION**

- a. The Company's quarterly financial results are informed to BSE Limited and also uploaded on the Company's website [www.sheshadri.in](http://www.sheshadri.in)
- b. The Quarterly results are usually published in Business Standard and Praja Shakti/Nava Telangana.
- c. Display of official news releases and the presentations made to institutional investors or to the analysts - The website shall be used for this purpose, when the occasion arises.

**9. GENERAL SHAREHOLDER INFORMATION**

a) **AGM – Date, time and Venue:**

Day, Date : Tuesday, 29.09.2015

Time : 11.00 a.m.

Venue : Gayatri Gardens, Survey No.26, Sikh Village,  
Near Diamond Point Hotel, Secunderabad-500 003

- b) Financial Year : 1st April to 31st March of the following year
- c) Date of Book closure : 23rd September, 2015 to 29th September, 2015 (both days inclusive)
- d) Dividend payment date : N.A.
- e) Listing on Stock Exchanges : BSE Limited
- f) Stock code : 539111
- g) Market price data & performance in comparison to broad-base indices i.e., SENSEX:  
Not available as on 31st March, 2015 since the shares of the company were permitted to trade on BSE Limited from 20th April, 2015.



**h) Registrar & Transfer Agent:**

Karvy Computershare Private Limited  
Karvy Selenium Tower B, Plot No 31 & 32,  
Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500032  
Tel No. 040-67161606, Fax No. 040-23420814  
e-mail: einward@karvy.com, Website: www.karvycomputershare.com

**i) Share transfer system:**

Shares sent for transfer in physical form are registered and returned by our Registrar and Share Transfer Agent in 15 days of receipt of the documents, provided the documents are found to be in order. Shares under objection are returned within two weeks.

**j) Distribution of shareholding:**

Shareholding pattern as on 31.03.2015

S. No.	Particulars	No. of shares	% of Holding
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group:</b>		
1	Indian	2850500	58.50
2	Foreign	-	-
	<b>Total Shareholding of Promoter and Promoter Group</b>	<b>2850500</b>	<b>58.50</b>
<b>(B)</b>	<b>Public Shareholding:</b>		
1	Institutions	683	0.02
2	Non-Institutions	2057394	41.48
	<b>Total Public Shareholding</b>	<b>2058077</b>	<b>41.50</b>
<b>(C)</b>	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>		
1	Promoter and Promoter Group	-	-
2	Public	-	-
	<b>Total (A+B+C)</b>	<b>4959577</b>	<b>100.00</b>

**Distribution of shareholding as on 31.03.2015**

Category	Holders		Amount	
	Number	% to total	In ₹	% to total
upto 5000	6410	93.86	4497570.00	9.07
5001 - 10000	187	2.74	1311530.00	2.64
10001 - 20000	103	1.51	1497920.00	3.02
20001 - 30000	36	0.53	872820.00	1.76
30001 - 40000	17	0.25	597540.00	1.20
40001 - 50000	13	0.19	597830.00	1.21
50001 - 100000	33	0.48	2332300.00	4.70
100001 & ABOVE	30	0.44	37888260.00	76.39
<b>TOTAL</b>	<b>6829</b>	<b>100.00</b>	<b>49595770.00</b>	<b>100.00</b>



**k) Dematerialisation of shares and liquidity**

The Company's shares are available for dematerialisation on both the Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). 4246793 shares amounting to 85.63% of the paid-up capital have been dematerialised by investors as on 31st March, 2015.

ISIN: INE193R01019

Address of Registrar for Dematerialisation of Shares:

Karvy Computershare Private Limited

Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli,

Financial District, Nanakramguda, Serilingampally, Hyderabad – 500032, Tel No. 040-67161606,

Fax No. 040-23420814, e-mail: einward@karvy.com, Website: www.karvycomputershare.com

**l) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:** Not Applicable as the Company has not issued any of the above instruments.

**m) Plant Locations**

**Unit I:**

Spinning Division

Rajna, Pandhurna (Tq.), Chindwara (Dist.)

Madhya Pradesh – 480 340

**Unit II:**

Garments Division

Aliabad, Medchal (Tq.)

Ranga Reddy (Dist.), Telangana – 500 078

**Unit III:**

Plot No. 28B, IDA

Bhongir, Nalgonda Dist.

Telangana - 508 116

**n) Address for correspondence:**

- i. For transfer / dematerialisation of share, change of address of members and other queries relating to the shares of the Company:

M/s. Karvy Computershare Private Limited

Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District,

Nanakramguda, Serilingampally, Hyderabad – 500032, Tel No. 040-67161606, Fax No. 040-23420814

e-mail: einward@karvy.com, Website: www.karvycomputershare.com

- ii. Any queries relating to annual reports, etc.

The Company Secretary,

Sheshadri Industries Limited,

6th Floor, Surya Towers, 105, S.P. Road, Secunderabad – 500 003.

Phone No(s) : 040 - 30512700, Fax No: 040 - 30512725, Email ID: info@sheshadri.in

The above report has been approved by the Board of Directors in their meeting held on 16.05.2015.

## DECLARATION

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, all Board members and Senior Management Personnel have affirmed compliance with Sheshadri Industries Limited Code of Conduct for the year ended March 31, 2015.

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

Place : Secunderabad

Date : 16.05.2015

**Jeetender Kumar Agarwal**  
Managing Director



## CEO/CFO CERTIFICATE UNDER CLAUSE 49 OF LISTING AGREEMENT

To

The Board of Directors, Sheshadri Industries Limited

- A. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2015 and that to the best of our knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee:
1. significant changes in internal control over financial reporting during the year;
  2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  3. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For **Sheshadri Industries Limited**

Place : Secunderabad

Date : 16.05.2015

**Jeetender Kumar Agarwal**

Managing Director & CFO

## Auditors Certificate on compliance of Corporate Governance

To the members of

Sheshadri Industries Limited, Secunderabad.

We have examined the compliance of conditions of Corporate Governance by SHESHADRI INDUSTRIES LIMITED, for the year ended 31st March, 2015\* as stipulated in Clause 49 of the listing agreement of the Company with Stock Exchanges in India.

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

In our opinion and to the best of our information and according to the explanations given to us, the Company has complied with the conditions of Corporate Governance as stipulated in the above listing agreement.

We state that in respect of investor grievances received during the year ended 31st March, 2015\*, no investor grievances are pending against the Company, as per the records maintained by the Company and presented to the Stakeholders' Relationship Committee. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Brahmayya & Co.,**  
Chartered Accountants

**K.S. RAO**

Partner

(Membership No. 015850)

Place : Hyderabad

Date : 16.05.2015

\*The Company received listing approval from BSE Limited pursuant to scheme of demerger on 26th March, 2015, trading approval on 16th April, 2015 and its shares were traded w.e.f. 20th April, 2015.



## INDEPENDENT AUDITOR'S REPORT

To the Members of SHESHADRI INDUSTRIES LIMITED,  
SECUNDERABAD.

### Report on the Financial Statements

We have audited the accompanying financial statements of SHESHADRI INDUSTRIES LIMITED, ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the 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 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 specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

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 financial statements are free from material misstatement.

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

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its Profit and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the





Company so far as it appears from our examination of those books

- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to

the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 25 (d), (e), (f), (g) and (h) to financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

for **BRAHMAYYA & CO.**  
Chartered Accountants  
Firm's Regn No. 000513S

Place : Hyderabad  
Date : 16.05.2015

**(K.S.RAO)**  
Partner  
Membership No. 015850



## Annexure to the Auditor's Report:

The Annexure referred to in Para I under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date, to the members of SHESHADRI INDUSTRIES LIMITED, SECUNDERABAD, for the year ended March 31, 2015.,

1. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. As explained to us, the management has physically verified the fixed assets during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of the assets. No discrepancies were noticed on such verification.
2. a. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b. In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. The Company is maintaining proper records of inventory. The discrepancies noticed on physical verification between the physical stocks and book records were not material.
3. a. During the year, the Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- b. In view of our comment in paragraph (a) above, Clause (III) (a) and (b) of paragraph 3 of the aforesaid order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the

Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.

5. The Company has not accepted any deposits from the public. Hence the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed there under, do not apply to this Company.
6. We have broadly reviewed the cost records maintained by the Company pursuant to sub-section (1) of section 148 of the Companies Act, 2013 and are of the opinion that prime facie the prescribed accounts and 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.
7. a. According to the records of the Company, the company is regular in depositing undisputed statutory dues including provident fund, employees 'state insurance, Income-tax, Sales-tax, Wealth tax, Service tax, Duty of customs, Duty of excise, Value added tax, Cess and any other statutory dues with the appropriate authorities.
- b. According to the records of the Company, no undisputed statutory dues including provident fund, employees 'state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.
- c. According to the records of the Company and the information and explanations given to us, the dues of Sales Tax, Income tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty and Cess which have not been deposited on account of any dispute are as follows:



Sl. No	Nature of the Statute	Nature of the Dues	Amount (₹)	Period to which the amount relates (Financial Year)	Forum where dispute is pending
1.	M.P.Sales Tax Act	Sales Tax dues	3,39,773/-	2003-2004	Deputy Commissioner (Appeal) Sales Tax, Bhopal, Madhya Pradesh.
2.	M.P.Sales Tax Act	Sales Tax dues	7,25,736/-	2004-2005	Deputy Commissioner (Appeal) Sales Tax, Bhopal, Madhya Pradesh.
3.	Customs Act, 1962	Interest on Customs Duty	20,32,054/-	2003-2004	Hon'ble High Court, Jabalpur, Madhya Pradesh
4.	Customs Act, 1962	Customs Duty	16,14,454/-	2002-03	Tribunal CESAT, New Delhi
5.	M.P.Sales Tax Act	Sales Tax (Entry tax) dues	42,80,980/-	2012-2013	Additional Commissioner of Commercial tax (Appeal), Jabalpur, Madhya Pradesh.

- d. According to the records of the Company, there were no amounts which were required to be transferred to Investor Education and Protection Fund. Therefore, the provisions of clause 3 (vii) (c) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
8. The Company has accumulated losses (Transferred from Suryavanshi Spinning Mills Limited on 01.04.2013 (Appointed Date) pursuant to the Scheme of Demerger) as at the end of the financial year under reference are less than fifty percent of net worth. The Company has not incurred cash losses during the year covered by our audit and also in the immediately preceding financial year.
9. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institutions and Banks.
10. The Company has not given any guarantee for the loans taken by others from banks and financial institutions.
11. In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
12. Based upon the audit procedures performed and according to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year.

for **BRAHMAYYA & CO.**  
Chartered Accountants  
Firm's Regn No. 000513S

Place : Hyderabad  
Date : 16.05.2015

**(K.S.RAO)**  
Partner  
Membership No. 015850



## Balance Sheet as at 31st March, 2015

(Figures in ₹ Lakhs)

Particulars	Note No.	As at 31st March, 2015	As at 31st March, 2014
<b>Equity and Liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	1	495.96	495.96
Reserves and surplus	2	183.29	214.36
		679.25	710.32
<b>Non-current liabilities</b>			
Long-term borrowings	3	2649.14	1515.60
Long-term provisions	4	80.65	71.84
		2729.79	1587.44
<b>Current liabilities</b>			
Short-term borrowings	5	1620.36	1887.60
Trade payables	6	1862.15	2227.42
Other current liabilities	7	799.85	562.15
Short-term provisions	8	6.80	5.51
		4289.16	4682.68
<b>Total</b>		7698.20	6980.44
<b>Assets</b>			
<b>Non-current assets</b>			
Fixed assets	9		
Tangible assets		1287.46	1442.42
Intangible assets		0.13	0.13
Capital work-in-progress		2208.38	1995.77
		3495.97	3438.32
Non-current investments	10	58.90	-
Long-term loans and advances	11	97.03	142.01
		3651.90	3580.33
<b>Current Assets</b>			
Inventories	12	2179.10	1634.05
Trade receivables	13	734.72	781.97
Cash and cash equivalents	14	158.40	116.02
Short-term loans and advances	15	163.87	138.26
Other current assets	16	810.21	729.81
		4046.30	3400.11
<b>Total</b>		7698.20	6980.44
Notes on financial statements	1 to 39		

The notes referred to above, form an integral part of these financial statements.

per our report of even date

For and on behalf of Board of Directors

For **Brahmayya & Co.**

Chartered Accountants

Firms' Registration Number: 000513S

**J.K. Agarwal**

Managing Director & CFO

**B.N. Agarwal**

Chairman

**K.S.Rao**

Partner

Membership Number: 015850

Place : Hyderabad

Date : 16th May, 2015

**B.R.S. Reddy**

Vice president (Corp.Affairs)

& Company Secretary

**Surender kumar Agarwal**

Director



**Statement of Profit and Loss for the year ended 31st March, 2015**

(Figures in ₹ Lakhs)

Particulars	Note No.	Current Year 31st March, 2015	Previous Year 31st March, 2014
<b>Revenue</b>			
Revenue from operations	17	12290.09	14420.59
Other income	18	633.34	759.68
<b>Total Revenue</b>		<b>12923.43</b>	<b>15180.27</b>
<b>Expenses</b>			
Cost of materials consumed	19	8280.04	10,390.00
Purchases of Stock-in-Trade		40.82	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	(163.62)	16.00
Power and fuel	21	1134.11	1090.20
Employee benefits expense	22	1194.95	1129.96
Finance costs	23	590.44	597.19
Depreciation and amortization expense		128.80	193.17
Other expenses	24	1691.09	1685.21
<b>Total expenses</b>		<b>12896.63</b>	<b>15101.73</b>
Preliminary expenses		-	0.27
<b>Profit/(Loss) before tax</b>		<b>26.80</b>	<b>78.27</b>
<b>Tax expense</b>			
For current year		5.11	-
For earlier years		14.91	-
<b>Profit/(Loss) for the period, after tax</b>		<b>6.78</b>	<b>78.27</b>
Earnings per equity share:			
(1) Basic		0.14	1.58
(2) Diluted		0.14	1.58
Notes on financial statements	I to 39		

The notes referred to above, form an integral part of these financial statements.

per our report of even date

For and on behalf of Board of Directors

For **Brahmayya & Co.**

Chartered Accountants

Firms' Registration Number: 000513S

**J.K. Agarwal**

Managing Director & CFO

**B.N. Agarwal**

Chairman

**K.S.Rao**

Partner

Membership Number: 015850

Place : Hyderabad

Date : 16th May, 2015

**B.R.S. Reddy**

Vice president (Corp.Affairs)  
& Company Secretary

**Surender kumar Agarwal**

Director



**Notes forming part of the financial statement** as at 31st March, 2015

(Figures in ₹ Lakhs)

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	Number	Amount	Number	Amount
<b>I. Share Capital:</b>				
Equity Shares of ₹10 each	5000000	500.00	5000000	500.00
	5000000	500.00	5000000	500.00
<b>Issued,Subscribed &amp; paid up</b>				
Equity Shares of ₹ 10 each	4959577	495.96	4959577	495.96
	4959577	495.96	4959577	495.96
<b>Total</b>	4959577	495.96	4959577	495.96

(a) Disclosure pursuant to note no. 6(A)(d) Part I of schedule III of the Companies Act, 2013

Particulars	As at 31st March, 2015	As at 31st March, 2014
	Equity shares	Equity shares
Shares outstanding at the begning of the year	4959577	10000
Shares issued during the year	-	41000
Shares allotted pursuant to scheme of demerger	-	4908577
Shares redeemed / bought back duing the yer	N.A	N.A
Shares outstanding at the end of the year	4959577	4959577

(b) Disclosure pursuant to Note no. 6(A)(g) of Part I of Schedule III to the Companies Act, 2013 (if more than 5%)

Particulars	As at 31st March, 2015		As at 31st March, 2014	
Jeetender Kumar Agarwal	638376	12.87	638376	12.87
Devender Kumar Agarwal	600825	12.11	-	-
Rajender Kumar Agarwal	579859	11.69	579859	11.69
Badrinarayan Agarwal-Family Trust	268203	5.41	268203	5.41
Westend Developers Ltd	481000	9.70	481000	9.70





**Notes forming part of the financial statement** as at 31st March, 2015

(Figures in ₹ Lakhs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>2 Reserves &amp; Surplus:</b>		
<b>a. Securities Premium Account</b>		
At the commencement of the year	<b>243.99</b>	
Transfer during the year (*)		243.99
Closing Balance	<b>243.99</b>	243.99
<b>b. State Subsidy</b>		
At the commencement of the year	<b>10.00</b>	
Transfer during the year (*)		10.00
	<b>10.00</b>	10.00
<b>c. Surplus</b>		
At the commencement of the year	<b>(39.63)</b>	(1.16)
Add : Carrying value of assets whose useful life exhausted pursuant to Schedule-II of the Companies Act, 2013. (refer Note No.35 )	<b>(37.85)</b>	-
Transfer during the year (*)		(116.74)
Add : For current year	<b>6.78</b>	78.27
Closing Balance	<b>(70.70)</b>	(39.63)
<b>Total</b>	<b>183.29</b>	214.36

(\*) Transferred from Suryavanshi Spinning Mills Limited on 01.04.2013 pursuant to the Scheme of Demerger approved by Honr'able High Court at Hyderabad

**3 Long Term Borrowings:**

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Secured</b>		
<b>i. Term loans from banks</b>		
a) ICICI Bank Ltd	<b>20.98</b>	63.47
b) Andhra Bank-I	<b>31.78</b>	54.72
c) Andhra Bank -II	<b>1021.76</b>	1216.33
d) Andhra Bank - Corporate Loan	<b>962.21</b>	-
e) State Bank of Hyderabad- Additional Term loan	<b>329.13</b>	-
f) Andhra Bank - Working capital term loan	<b>7.40</b>	24.40
	<b>2373.26</b>	1358.92

**NOTES:**

- Term Loans referred at (a) to (e) above are secured by mortgage of fixed assets present and future of the company on first charge pari passu basis and guaranteed by four promoters of the Company.
- Working capital term loans referred at (f) above are Secured by way of hypothecation of Raw materials, Stock-in-process, finished goods and stores and spares and book debts of the Company and also secured by way of second charge on fixed assets of the company on pari passu basis and guaranteed by four promoter of the Company.



**Notes forming part of the financial statement** as at 31st March, 2015

(Figures in ₹ Lakhs)

**Terms of Repayment**

	<b>Name of the Bank</b>	<b>Rate of Interest</b>	<b>Quarterly</b>
a)	ICICI Bank Ltd	15.50%	3 monthly
b)	Andhra Bank-I	14.50%	3
c)	Andhra Bank -II	15.00%	12
d)	Andhra Bank - Working capital term loan	15.00%	1
e)	Andhra Bank - Corporate Loan	14.75%	28
f)	State Bank of Hyderabad- Additional Term loan	14.75%	28

	<b>Particulars</b>	<b>As at 31st March, 2015</b>	<b>As at 31st March, 2014</b>
	Other loans and advances		
	Vehicle purchase loan :		
	Mahindra And Mahindra Financial Services Ltd	3.42	-
	Kotak Mahindra Bank Ltd	0.85	5.46
	Axis Bank	-	1.22
		<b>4.27</b>	<b>6.68</b>
	Vehicle hire Purchase Loans above are secured by hypothecation of the respective asset and guaranteed by one of the directors of the company		
	Terms of Repayment : Monthly instalments		
	<b>Unsecured</b>		
	Unsecured loan from directors	100.00	-
	Inter-corporate deposits	171.61	150.00
		<b>271.61</b>	<b>150.00</b>
	<b>Total</b>	<b>2649.14</b>	<b>1,515.60</b>
<b>4</b>	<b>Long Term Provisions:</b>		
	(a) Provision for employee benefits		
	Gratuity (unfunded)	78.28	69.57
	Leave Encashment (unfunded)	2.37	2.27
	<b>Total</b>	<b>80.65</b>	<b>71.84</b>
<b>5</b>	<b>Short Term Borrowings:</b>		
	<b>Secured</b>		
	(a) <b>Loans repayable on demand</b>		
	(i) Andhra Bank	1155.88	1266.10
	(ii) State Bank of Hyderabad	457.16	613.09
		<b>1613.04</b>	<b>1879.19</b>
	Working Capital Loans referred above are secured by way of hypothecation of Raw materials, Stock-in-process, finished goods and stores and spares and book debts of the Company and also secured by way of second charge on fixed assets of the company on pari passu basis and guaranteed by four promoters of the company.		
	(b) <b>Other loans and advances</b>		
	<b>Vehicle Purchase Loan :</b>		
	Mahindra And Mahindra Financial Services Ltd	1.50	-
	Kotak Mahindra Bank Ltd.	4.60	4.99
	Axis Bank	1.22	3.42
		<b>7.32</b>	<b>8.41</b>
	<b>Total</b>	<b>1620.36</b>	<b>1887.60</b>



**Notes forming part of the financial statement** as at 31st March, 2015

(Figures in ₹ Lakhs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>6 Trade Payables:</b>		
Dues to: Small and Micro Enterprises (*)	<b>25.06</b>	16.64
Other than Small and Micro Enterprises	<b>1837.09</b>	2210.78
<b>Total</b>	<b>1862.15</b>	2227.42
(*) Interest paid, payable or accrued and due to Micro and small enterprises is ₹ NIL		
<b>7 Other Current Liabilities:</b>		
<b>(a) Current maturities of long-term debt</b>		
i. Term loans from banks		
a) ICICI Bank Ltd	<b>45.84</b>	39.36
b) Andhra Bank-I	<b>30.04</b>	30.04
c) Andhra Bank -II	<b>212.21</b>	70.74
d) Andhra Bank - Working capital term loan	<b>17.80</b>	23.20
	<b>305.89</b>	163.34
(b) Interest accrued and due	<b>18.25</b>	-
(c) Other payables	<b>331.20</b>	255.52
(d) Other payables - Statutory dues	<b>21.65</b>	10.52
(e) Salary & Reimbursements	<b>92.91</b>	89.64
(f) Contribution to PF & ESI	<b>8.89</b>	10.59
(g) Bonus Payable	<b>17.94</b>	11.51
(h) Advances received against sales	<b>0.32</b>	21.03
(i) IncomeTax (Net)	<b>2.80</b>	-
	<b>493.96</b>	398.81
<b>Total</b>	<b>799.85</b>	562.15
<b>8 Short Term Provisions:</b>		
(a) Provision for employee benefits		
Gratuity (unfunded)	<b>5.87</b>	4.50
Leave Encashment (unfunded)	<b>0.93</b>	1.01
<b>Total</b>	<b>6.80</b>	5.51



(Figures in ₹ Lakhs)

Notes forming part of the financial statement as at 31st March, 2015

9 Fixed Assets:

Particulars	Gross Block			Accumulated Depreciation / Amortisation			Net Block	
	Balance as at 1 April 2014	Additions	Disposals	Balance as at 31st March 2014	Depreciation for the year	Carrying value of assets whose useful life exhausted	On disposals	Balance as at 31st March 2015
<b>a Tangible Assets</b>								
Land	8.62	-	-	-	-	-	-	8.62
<b>Buildings :</b>								
Factory Buildings	462.98	-	-	262.24	13.27	-	-	187.47
Non Factory Buildings								
- Non Resident	77.76	-	-	22.24	1.28	-	-	54.24
- Resident	115.21	-	-	18.99	1.70	-	-	94.52
<b>Plant and Equipment :</b>								
Plant And Machinery	3949.78	-	-	3,021.54	88.26	13.87	-	826.11
Testing Equipment	14.19	-	-	9.62	0.03	3.76	-	0.78
Canteen Equipment	1.26	-	-	0.06	0.13	-	-	1.07
Electrical Installations	114.04	-	-	81.57	3.47	5.34	-	23.66
Workshop Equipment	1.22	-	-	1.09	-0.00	0.07	-	0.06
Weighing Machines	9.18	-	-	3.84	0.58	0.32	-	4.44
Water Works	11.49	-	-	3.32	0.55	6.45	-	1.17
Furniture and Fixtures	17.78	-	-	13.06	0.50	1.39	-	2.83
Office Equipment	13.65	2.60	-	8.32	1.78	2.82	-	3.33
Air Conditioners	11.00	-	-	3.99	0.82	1.34	-	4.85
Vehicles	112.26	7.54	11.50	36.01	13.03	1.19	8.11	66.18
Data Processing	37.72	4.95	-	29.83	3.40	1.31	-	8.13
<b>Total</b>	<b>4958.14</b>	<b>15.09</b>	<b>11.50</b>	<b>3515.72</b>	<b>128.80</b>	<b>37.86</b>	<b>8.11</b>	<b>1287.46</b>
<b>b Intangible Assets</b>								
Computer software	2.56	-	-	2.44	-	-	-	0.13
<b>Total</b>	<b>2.56</b>	<b>-</b>	<b>-</b>	<b>2.44</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.13</b>
<b>c Capital Work In Progress</b>								
<b>Total</b>	<b>1995.77</b>	<b>227.69</b>	<b>15.09</b>	<b>2208.38</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2208.38</b>
<b>Total (a + b + c)</b>	<b>6956.47</b>	<b>242.78</b>	<b>26.59</b>	<b>3518.16</b>	<b>128.80</b>	<b>37.86</b>	<b>8.11</b>	<b>3495.97</b>
Less: Internal Transfer		15.09	15.09					
<b>Total</b>	<b>6956.47</b>	<b>227.69</b>	<b>11.50</b>	<b>3518.16</b>	<b>128.80</b>	<b>37.86</b>	<b>8.11</b>	<b>3495.97</b>
<b>Previous Year</b>	<b>6657.12</b>	<b>386.37</b>	<b>87.02</b>	<b>3393.89</b>	<b>193.17</b>	<b>193.17</b>	<b>68.90</b>	<b>3438.31</b>
								<b>3263.23</b>

Depreciation has been provided during the year on straight line method on the basis of revised lives as reassessed by the Management of the Company as per Schedule-II to the Companies Act, 2013.



**Notes forming part of the financial statement** as at 31st March, 2015

(Figures in ₹ Lakhs)

Particulars	Face Value	No. of Shares	As at 31st March, 2015	As at 31st March, 2014
<b>10 Non-current Investments:</b>				
<b>At Cost - Non-Trade - Unquoted :</b>				
<b>Investments in controlled entities</b>				
Seshadri Power And Infrastrucure Pvt Limited	10	589000	58.90	-
<b>Total</b>			58.90	-
<b>11 Long Term Loans and Advances:</b>				
<b>Deposits Recoverable</b>				
(Unsecured considered good)			97.03	82.51
(Electricity and other deposits)			-	59.50
Advance for Investment			97.03	142.01
<b>12 Inventories:</b>				
(Valued and certified by the Management)				
a. Raw Materials			1057.61	741.76
(Valued at cost on weighted average basis)				
b. Stores and spares			180.42	114.84
(Valued at cost on weighted average basis)				
c. Finished goods				
(Valued at lower of cost or net realisable value basis)				
i. Yarn			486.65	447.36
ii. Garments			81.40	35.84
d. Work-in-progress			350.46	284.66
(Valued at lower of cost or net realisable value basis)				
e. Others - Cotton Waste			22.56	9.59
(at realisable value)				
<b>Total</b>			2179.10	1634.05
<b>Details of Raw Materials:</b>				
Cotton			421.67	368.77
Polyster Staple Fibre			6.85	6.85
Viscose Staple Fibre			6.69	8.91
Yarn			398.23	219.08
Stocks Of Dyed Fabric			224.17	138.15
<b>Total</b>			1057.61	741.76



**Notes forming part of the financial statement** as at 31st March, 2015

(Figures in ₹ Lakhs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>13 Trade Receivables:</b>		
(Unsecured, considered good)		
Receivables for a period exceeding six months	23.79	23.30
Receivables for a period less than six months	710.93	758.67
<b>Total</b>	<b>734.72</b>	<b>781.97</b>
<b>14 Cash and cash equivalents:</b>		
Cash on hand	5.53	2.61
Balances with Banks		
With Scheduled Banks	22.58	21.51
Balance with Banks against Margin Money / Guarantees	130.29	91.90
<b>Total</b>	<b>158.40</b>	<b>116.02</b>
<b>15 Short-term loans and advances:</b>		
(Unsecured considered good)		
Advances for Capital purchases	22.18	54.46
Advances for purchases of Raw Material & Stores	135.78	82.93
Advances to Staff	5.35	0.47
Other Advances	0.56	0.40
	<b>163.87</b>	<b>138.26</b>
<b>16 Other Current Assets:</b>		
Balance with Government Department	34.57	26.31
Subsidies Receivable	49.63	34.75
Export Licence Receivable	667.39	653.89
Pre-paid Expenses	19.49	6.59
Advance Tax (Net of provision)	-	0.57
Other advances	13.72	3.02
Claims / Other Receivables	3.90	-
Miscellaneous Expenses to be Written Off	21.51	4.68
	<b>810.21</b>	<b>729.81</b>



**Notes forming part of the financial statement** as at 31st March, 2015

(Figures in ₹ Lakhs)

Particulars		Current Year 31st March, 2015	Previous Year 31st March, 2014
<b>17</b>	<b>Sale of Products:</b>		
	<b>(a) Domestic Sales</b>		
	Yarn	3870.13	5078.96
	Sale of Fabric	42.72	147.51
	Cotton Waste	382.69	233.84
	Garments	4.19	-
	<b>Total</b>	<b>4299.73</b>	<b>5460.31</b>
	<b>(b) Export Sales</b>		
	Yarn	3788.75	4226.54
	Garments	4156.71	4733.74
	Traded Export Yarn	44.90	-
	<b>Total</b>	<b>7990.36</b>	<b>8960.28</b>
	<b>Grand Total</b>	<b>12290.09</b>	<b>14420.59</b>
<b>18</b>	<b>Other Income:</b>		
	Interest Income	17.31	12.20
	Scrap sales	6.83	18.56
	Gain on foreign currency transactions & translation	53.24	49.42
	Export benefits entitlement	502.79	664.00
	Insurance Claims	-	2.06
	Credit Balance and Excess provision Written Back	41.37	3.26
	Prior Period Income	-	9.56
	Profit on sale of licence	1.04	0.08
	Profit on sale of Assets	0.61	-
	Miscellaneous Receipts	10.15	0.54
	<b>Total</b>	<b>633.34</b>	<b>759.68</b>



**Notes forming part of the financial statement** as at 31st March, 2015

(Figures in ₹ Lakhs)

Particulars	Current Year 31st March, 2015	Previous Year 31st March, 2014
<b>19 Cost of materials consumed:</b>		
Opening stocks	741.76	1304.30
Add : Purchases	8710.14	9850.14
<b>Total</b>	<b>9451.90</b>	<b>11154.44</b>
Less : Cost of Raw materials sold	114.24	22.68
Less : Closing Stocks	1057.62	741.76
	<b>8280.04</b>	<b>10390.00</b>
<b>Imported and Indigeneous Raw Materials consumed :</b>		
Imported	-	0.03% 3.01
Indigeneous	100.00% 8280.04	99.97% 10386.99
<b>Total</b>	<b>100.00% 8280.04</b>	<b>100.00% 10390.00</b>
<b>Details of Raw Material Consumed :</b>		
Cotton	6460.66	7188.20
Imported Cotton	-	3.01
Yarn	1819.38	3172.75
Cotton fibre	-	26.04
<b>Total</b>	<b>8280.04</b>	<b>10390.00</b>
<b>20 Changes in inventories of Finished Goods, work-in-progress and stock-in-trade:</b>		
<b>OPENING STOCKS:</b>		
Yarn	447.36	466.77
Garments	35.84	106.96
Stock-in-Process	284.66	212.10
Cotton waste	9.59	7.62
	<b>777.45</b>	<b>793.45</b>
<b>CLOSING STOCKS:</b>		
Yarn	486.65	447.36
Garments	81.40	35.84
Stock-in-Process	350.46	284.66
Cotton waste	22.56	9.59
	<b>941.07</b>	<b>777.45</b>
<b>(INCREASE)/DECREASE IN STOCKS</b>	<b>(163.62)</b>	<b>16.00</b>
<b>21 Power and fuel:</b>		
Electricity Charges	1121.70	1079.87
Fuel Consumed	12.41	10.33
<b>Total</b>	<b>1134.11</b>	<b>1090.20</b>



**Notes forming part of the financial statement** as at 31st March, 2015

(Figures in ₹ Lakhs)

Particulars	Current Year 31st March, 2015	Previous Year 31st March, 2014
<b>22 Employee Benefits Expense:</b>		
(a) Salaries and incentives	1097.34	1054.21
(b) Contributions to Provident Fund	54.21	50.75
(c) Gratuity	20.28	3.21
(d) Contributions to Employee State Insurance	8.64	9.32
(e) Staff welfare expenses	14.48	12.47
<b>Total</b>	<b>1194.95</b>	<b>1129.96</b>
<b>23 Finance Cost:</b>		
Interest expense	577.38	588.30
Other borrowing costs	13.06	8.89
<b>Total</b>	<b>590.44</b>	<b>597.19</b>
<b>24 Other Expenses:</b>		
<b>Stores Consumption</b>		
Consumable Stores	254.37	250.17
Packing Material Consumed	226.47	241.35
	<b>480.84</b>	<b>491.52</b>
<b>Payments to the auditor as</b>		
a. auditor	0.45	0.45
b. for taxation matters	0.22	0.22
c. for Certification	0.17	0.17
	<b>0.84</b>	<b>0.84</b>
Rent	28.83	19.43
Repairs to : buildings	5.69	1.87
: machinery	114.81	106.74
: Others	35.45	28.78
Job work charges	262.61	208.69
Insurance	15.20	17.47
Rates and taxes, excluding, taxes on income	25.36	22.16
Printing and Stationery	11.95	4.94
Postage, Telegrams and Telephones	18.86	12.11
Travelling and Conveyance	40.42	43.43
Managerial Remuneration	31.25	29.34
Directors' Sitting Fees	0.69	0.07
Advertisement	1.80	0.78
Commission on Sales	82.35	89.27
Expenses on Sales	370.21	415.56
Legal & Professional Charges	9.52	9.68
Vehicle Maintenance	40.04	58.22
Loss on Sale of Fixed Assets	0.86	9.62
Debit Balances W/o	1.80	-
Miscellaneous expenses	83.81	60.80
Loss on foreign currency transactions & translation	27.86	49.96
Prior period items	0.04	3.93
	<b>1209.41</b>	<b>1192.85</b>
<b>Grand Total</b>	<b>1691.09</b>	<b>1685.21</b>



**Notes forming part of the financial statement** as at 31st March, 2015

(Figures in ₹ Lakhs)

	As at 31st March, 2015	As at 31st March, 2014
<b>25. Contingent Liabilities not provided for:</b>		
a) Against Foreign Bills Discounted	<b>145.89</b>	834.75
b) Against Foreign and Inland Letter of credit	<b>15.31</b>	879.40
c) Contracts to be executed on Capital Accounts	<b>245.09</b>	405.01
d) Demand raised by Sales Tax Department for the year 2003-04 on subjecting the turnover of unit at Madhya Pradesh to tax for not furnishing "C" Forms. The matter is pending in Appeal before the Deputy Commissioner (Appeals) Sales Tax, Bhopal, Madhya Pradesh.	<b>3.40</b>	3.40
e) Demand raised by Sales Tax Department for the year 2004-05 on subjecting the turnover of unit at Madhya Pradesh to tax for not furnishing "C" Forms. The matter is pending in appeal before the Deputy Commissioner (Appeals) Sales Tax, Bhopal, Madhya Pradesh.	<b>7.26</b>	7.26
f) The Department of Central Excise & Customs raised a Demand for payment of Interest on the duty payable on the depreciated value of plant and machinery of Rajna Unit M.P. at the time of debonding from E.O.U. unit to D.T.A unit. The company challanged the demand before the Hon'ble High Court, M.P.	<b>20.32</b>	20.32
g) The Department of Central Excise & Customs, Bhopal, M.P. raised a Demand for short payment of Central Excise duty on the dispatch of synthetic yarn in to DTA market at concessional rate of Excise duty during the accounting year 2002-03 . The company prefered an appeal before the Hon'ble Appellate Tribunal for Customs Excise and Service Tax, New Delhi.	<b>16.14</b>	16.14
h) Demand raised by Sales Tax Department for the year 2012-13 on subjecting the Entry tax on capital Goods. The matter is pending in Appeal before the Additional Commissioner of Commercial tax (Appeals), Jabalpur, Madhya Pradesh.	<b>42.81</b>	0.00
i) M/s.Suryavanshi Textiles Ltd was amalgamated with Suryavanshi Spinning Mills Limited vide scheme of merger sanctioned by Board for Industrial and Financial Reconstruction (BIFR) under the provisions of Sick Industrial Companies (Special Provisions) Act, 1985 with effect from 01-04-2007.The scheme incorporates certain reliefs and concessions for consideration by income tax department including exemption from applicability of MAT u/s.115JB of the Income Tax Act, 1961 for a period of five years from 01-04-2007.The company is pursuing the matter with the authorities concerned for the said reliefs as per the scheme of merger and liability under MAT u/s 115JB of Income Tax Act 1961 including interest as per assessment orders is ₹ 41 lacs and ₹ 443 lacs for the assessment years 2010-11 and 2011-12 respectively. In the event of the liability being crystallized, the liability shall be shared by Suryavanshi Spinning Mills Limited (Demerged Company), Aananda Lakshmi Spinning Mills Limited (Resulting Company 1) and Sheshadri Industries Limited (Resulting Company 2) equally, since the Company is demerged on 01-04-2013 (Appointed Date) as per the Scheme of Arrangement approved by Hon'ble High Court at Hyderabad.How ever, the relief sought by the company is being heard by BIFR and the proceedings are awaited.		



**Notes forming part of the financial statement** as at 31st March, 2015

(Figures in ₹ Lakhs)

26. The Company has got 25200 spindles of spinning capacity at its spinning unit at Rajna, Madhya Pradesh, with a capital investment of ₹ 35.30 Crores earlier. Company has drawn expansion, modernization and value addition programme involving addition of 9408 spinning capacity and installation of machines etc. with a capital cost of ₹ 34.13 Crores. The implementation of addition of 9408 spindles is in progress. Continuing the expansion programme, company has proposed to add value added machinery like TFO combers machines etc in order to improve quality and quantity and to reduce labour cost since these machines are less labour intensive. The implementation of that value added machinery is supposed to be completed by September 2015. The details of the project cost and capital expenditure incurred upto 31-03-2015 against the project are given here under:

Description	Project cost	Capital Expenditure incurred up to 31.03.2015
Buildings & Civil Works	341.00	230.35
Plant & Machinery - Indigenous	1364.00	1231.25
Plant & Machinery - Imported	1547.00	540.81
Electricals and others	161.00	48.75
<b>Total Project Cost</b>	<b>3413.00</b>	<b>2051.14</b>

- 1) On completion of the proposed expansion, modernisation etc the Rajna unit is entitled for the following benefits as per 'the Industrial Promotion Policy 2010 and action plan (as amended in 2012), Madhya Pradesh.
- 2) 10% of Capital subsidy on total Plant and Machinery subject to cap of ₹ 100 Lakhs.
- 3) Interest subsidy @ 5% for a period of 5 years to be provided on long-term.
- 4) Assistance of Input tax rebate on the amount of purchase and Central Sales Tax (CST) on both Raw Material and Finished goods.

**27. Expenditure in Foreign currency during the year on account of:**

a) Commission on Exports	66.42	67.49
b) Foreign Travel	9.91	10.74

**28. Value of imports calculated on CIF basis in respect of:**

a) Purchase of: Machinery	53.07	-
b) Stores & Spares	64.24	43.70

**29. Earnings in Foreign Exchange:**

F O B value of exports	7837.64	8820.85
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**30. Composition of Net Deferred Tax Asset/(Liability):**

Components of Deferred Tax		
Deferred Tax Asset on account of:		
Carry forward Loss	763.13	775.61
Employee Benefits	28.37	22.87
	<u>791.50</u>	<u>798.48</u>
Deferred Tax Liability on account of:		
Depreciation	234.87	261.08
Deferred revenue Expenses		
	<u>234.87</u>	<u>261.08</u>
Deferred Tax Asset/(Liability) (Net)	<u>556.63</u>	<u>537.40</u>

Note: The company has not recognised deferred Tax Asset as a matter of prudence.



**Notes forming part of the financial statement** as at 31st March, 2015

(Figures in ₹ Lakhs)

**31. Related party disclosure:**

Related party disclosures as required by AS- 18 are given under

	Name of the Party	Relationship	Name of Transaction	Current Year	Previous Year
<b>a.</b>	<b>Transactions during the year</b>				
	<b>Key Management</b>				
	Sri J.K.Agarwal, Managing Director	Key Management	Remuneration Unsecured Loan	31.31 69.47	28.41 -
	<b>Relatives</b>				
	Mrs. Meenal Agarwal	Wife of Sri J.K. Agarwal	Rent Unsecured Loan	6.90 14.26	2.40 -
	Mr. Devansh Agarwal	Son of Sri J.K. Agarwal	Rent Unsecured Loan	6.90 6.45	2.40 -
	Jeetender Kumar Agarwal (HUF)	Key Management	Unsecured Loan	9.82	-
	<b>Associates</b>				
	M/s.Fortune Eagle (Hk) Trading Limited	Enterprise in which the Key management personnel and relatives are interested	Sale of garments	4093.34	4618.81
	M/s. Suryajyoti Spinning Mills Ltd	Enterprise in which the Key management personnel and relatives are interested	Sale of Raw material	-	22.68
	M/s. Suryavanshi Spinning Mills Limited	Enterprise in which the Key management personnel and relatives are interested	Sale of Fibre	218.83	56.27
	M/s. Aananda Lakshmi Spinning Mills Limited	Enterprise in which the Key management personnel and relatives are interested	Purchase of Yarn Sale of Raw Material Purchase of Raw Material	40.82 114.24 -	- - 538.82
	M/s. Suryalakshmi Cotton Mills Limited	Enterprise in which the Key management personnel and relatives are interested	Unsecured Loan	16.67	-
	M/s.Venkateshwara Apparels	Enterprise in which the Key management personnel and relatives are interested	Job work	96.46	112.69
	M/s.Aadya Garments	Enterprise in which the Key management personnel and relatives are interested	Job work	96.89	-





**Notes forming part of the financial statement** as at 31st March, 2015

(Figures in ₹ Lakhs)

	Name of the Party	Relationship	Name of Transaction	Current Year	Previous Year
<b>b.</b>	<b>Payable as at 31.03.2015</b>				
	M/s. Suryalakshmi Cotton Mills Limited	Enterprise in which the Key management personnel and relatives are interested	Unsecured Loan	18.62	16.67
	M/s.Aadya Garments	Enterprise in which the Key management personnel and relatives are interested	Job work	8.55	-
	Sri J.K.Agarwal Managing Director	Key Management	Unsecured Loan	69.47	-
	Mrs. Meenal Agarwal	Wife of Sri J.K. Agarwal	Unsecured Loan	14.26	-
	Mr. Devansh Agarwal	Son of Sri J.K. Agarwal	Unsecured Loan	6.45	-
	Jeetender Kumar Agarwal (HUF)	Key Management	Unsecured Loan	9.82	-
<b>c.</b>	<b>Receivable as at 31.03.2015</b>				
	M/s.Fortune Eagle (Hk) Trading Limited	Enterprise in which the Key management personnel and relatives are interested	Sale of garments	351.85	197.57
	M/s.Venkateshwara Appearals	Enterprise in which the Key management personnel and relatives are interested	Advance against Job work	13.24	-
	Sheshadri Power And Infrastructure Private Limited	Enterprise in which the Key management personnel and relatives are interested	Advance for Investment	-	59.50
	Sheshadri Power And Infrastructure Private Limited	Enterprise in which the Key management personnel and relatives are interested	Investment	58.90	-



**Notes forming part of the financial statement** as at 31st March, 2015

(Figures in ₹ Lakhs)

**32. EMPLOYEE BENEFITS:**

The Company has provided for Gratuity and leave encashment based on actuarial valuation on the basis of projected unit credit method.

The following table summarise the components of the net benefit recognized in the statement of profit and loss and amounts recognized in the balance sheet for Gratuity.

	Year ended 31.03.2015		Year ended 31.03.2014	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
<b>Profit and Loss account:</b>				
Current service cost	4.34	0.02	3.50	0.50
Interest cost	5.93	0.26	5.73	0.37
Actuarial Gain / loss	5.60	1.15	(9.28)	1.82
Net benefit expense	15.87	1.43	(0.05)	2.69
<b>Balance Sheet:</b>				
Opening balance of benefit obligations	74.06	3.24	78.16	4.92
Current service cost	4.34	0.02	3.50	0.50
Interest cost	5.93	0.26	5.73	0.37
Actuarial Gain / loss	5.60	1.15	(9.28)	1.82
Benefits paid	(5.78)	(1.36)	(4.04)	(4.38)
Closing balance of benefit obligations	84.15	3.30	74.06	3.24
The principal assumptions used in determining the Gratuity benefits obligation for the Company's plan are as under:				
Discount rate	8%	8%	8%	8%
Attrition Rate	8%	8%	8%	8%
Further salary raise	7.5%	7.5%	7.5%	7.5%

**33. Earning Per Share as per accounting standard No. 20:**

Net profit available for Equity Share Holders	26.80	78.27
Weighted average Number of Equity Shares	4959577	4959577
Basic and Diluted Earnings per Share	0.54	1.58

- 34.** During the year 2005-06, the company recognized an income of ₹ 361.26 lakhs being export incentive under the Target Plus Scheme in terms of the then prevailing Foreign Trade Policy. The Govt., of India, Ministry of Commerce vide their Notification No.8 (RE-2006)/ 2004-09 dated 12.06.06 retrospectively reduced the benefit of entitlement from 15% to 5% on the exports effected since 01.04.2005. The company has since received duty free credit entitlement for ₹ 121.86 lakhs @ 5% and for the balance 10%, the Company has contested before the Hon'ble High Court at Mumbai for the retrospective reduction of the export incentive by the Government of India. The High Court has granted an interim stay of the notification and the matter is pending for final orders.



**Notes forming part of the financial statement** as at 31st March, 2015

35. Company has provided depreciation on Straight line method as per use ful lives prescribed for various assets in Schedule II to the Companies Act, 2013. Management has reassessed used ful lives in order to comply with the useful lives prescribed in the Schedule. Depreciation charge has been determined for the year on the existing assets in such a way that the carrying amount of the assets at the beginning of the year shall be charged over the remaining use ful life of the asset after retaining the residual value of the asset. Where the life of the asset is 'nil', the carrying amount of such asset is recognised in the opening balance of retained earnings.
36. Consequent to the approval of the scheme of arrangement of demerger by Hon'ble High Court at Hyderabad, demerged company (Suryavanshi Spinning Mills Ltd.), resulting company 1 (Aananda Lakshmi Spinning Mills Ltd.) and resulting company 2 (Sheshadri Industries Ltd.) have made application to the working capital bankers for allocation of working capital limits. The working capital bankers i.e Andhra bank and State Bank of Hyderabad under working capital consortium arrangement have sanctioned allocating the working capital limits to the respective companies. The banking operations of the respective companies have started on release of such limits to each company at the end of the year.
37. Segment reporting is not applicable since the Company operates in single segment i.e., Textile product.
38. Previous year's figures have been regrouped wherever necessary to conform to this year's classification.
39. **Significant Accounting Policies:**

**1 Accounting Convention**

The financial statements are prepared under historical cost convention and on an accrual basis in accordance with the generally accepted accounting principles.

**2. Fixed Assets**

Fixed Assets are stated at cost net of depreciation provided in the statements. Cost of acquisition of Fixed Assets is inclusive of all direct and indirect expenditure up to the date of commercial use.

Depreciation is provided on straight line method in accordance with the use ful lives prescribed in Schedule-II to the companies Act, 2013

**3 Inventories**

Raw material and Stores and Spares valued at cost on weighted average basis. Stock-in-process and Finished Goods are valued at lower of cost or net realisable value.

**4 Borrowing Cost**

Borrowing costs that are directly attributable to the acquisition of fixed assets are capitalised as part of cost of the asset till the date the asset is ready for commercial use. All other borrowing cost are charge to revenue.

**5 Investments**

Investments are stated at cost and diminution in the value, which is permanent in nature, is provided for.

**6 Contingent Liabilities And Provisions**

All Contingent liabilities are indicated by way of a note and will be paid / provided on crystallisation.

**7 Retirement Benefits**

Provident fund contributions is charged to the Statement of Profit and Loss as and when the contributions are due. Gratuity and leave encashment provision is made as per actuarial valuation on the basis of projected unit credit method.



**Notes forming part of the financial statement** as at 31st March, 2015

**8 Foreign Exchange Transactions**

Foreign currency transactions are recorded at the rates prevailing on the date of the transaction. Assets and liabilities arising out of foreign exchange transactions are translated at the rate of exchange ruling on the date of balance sheet and are suitably adjusted to the appropriate revenue/ capital account.

**9 Impairment Of Assets**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to statement of profit and loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods, is reversed if there has been a change in the estimate of recoverable amount.

**10 Provision For Taxation**

Provision for taxation for the year is based on tax liability computed in accordance with relevant tax rates and tax laws as at the Balance Sheet date. Provision for deferred tax is made for all timing differences arising between taxable income and accounting income at rates that have been enacted or substantively enacted as at the Balance Sheet date. Deferred tax assets are recognised only if there is a reasonable certainty that they will be realised and are reviewed for the appropriateness of their respective carrying value at each Balance Sheet date.

**11 Revenue recognition**

Sales represents the amount receivable for goods sold. Incentives on export sales are recognised as income on accrual basis

**12 Earning Per Share**

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

**13 Use Of Estimates**

Preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognised in the period in which the results are known/materialised

per our report of even date

For **Brahmayya & Co.**

Chartered Accountants

Firms' Registration Number: 0005135

**J.K. Agarwal**

Managing Director & CFO

For and on behalf of Board of Directors

**B.N. Agarwal**

Chairman

**K.S.Rao**

Partner

Membership Number: 015850

Place : Hyderabad

Date : 16th May, 2015

**B.R.S. Reddy**

Vice president (Corp.Affairs)  
& Company Secretary

**Surender kumar Agarwal**

Director



## Cash Flow statement for the year ended 31st March, 2015

(Figures in ₹ Lakhs)

Particulars	for the year ended 31.03.2015		for the year ended 31.03.2014	
	₹	₹	₹	₹
<b>A. Cash Flow From Operating Activities</b>				
Net Profit/ (loss) before tax and extraordinary items		26.80		78.27
<b>Adjustments for:</b>				
Finance Charges	577.38		588.30	
Depreciation	128.80		193.17	
Excess Provision & Credit Balance Written Back	(41.37)		(3.26)	
Interest Earned	(17.31)		(12.20)	
Profit on Sale of Fixed Assets (net)	0.25	647.75	9.62	775.63
<b>Operating profit before working capital changes</b>		674.55		853.90
<b>Adjustments for</b>				
(Increase)/Decrease in Inventories	(545.06)		565.18	
(Increase)/Decrease in Trade Receivables	47.25		(459.33)	
(Increase)/Decrease in Long-term loans and advances	44.99		(19.60)	
(Increase)/Decrease in Short-term loans and advances	(25.62)		53.69	
(Increase)/Decrease in Other current assets	(80.97)		(181.60)	
Increase/(Decrease) in Trade payables	(365.27)		(114.63)	
Increase/(Decrease) in Other current liabilities	136.52		(51.55)	
Increase/(Decrease) in Short-term provisions	1.30		(48.18)	
Increase/(Decrease) in Long-term provisions	8.81	(778.05)	45.30	(210.72)
Cash generated from Operations		(103.50)		643.18
Direct taxes paid (Including TDS receivable)		(19.45)		(0.57)
Liabilities		(122.95)		642.61
<b>B. Cash Flow From Investing Activities</b>				
Acquisition of Fixed Assets (Including Capital Work in progress)		(227.69)		(386.37)
Proceeds from sale of Assets		3.14		8.50
Cost of Investments		(58.90)		-
Interest Received		17.31		12.20
<b>Net cash used in investing Activities (B)</b>		(266.14)		(365.67)



## Cash Flow statement for the year ended 31st March, 2015

(Figures in ₹ Lakhs)

Particulars	for the year ended 31.03.2015		for the year ended 31.03.2014	
	₹	₹	₹	₹
<b>C. Cash Flow From Financing Activities:</b>				
Proceeds from Term loans		1291.34		454.58
Repayment of Term loans		(134.44)		(73.58)
Proceeds from working capital loans		-		-
Repayment of working capital loans		(266.16)		(18.83)
Proceeds from Issue of Equity Share Capital		-		4.10
Proceeds from Vehicle Loans		4.92		4.14
Repayment of Vehicle loans		(8.41)		(19.26)
Proceeds from unsecured loans		121.61		(1.44)
Interest paid		(577.39)		(593.57)
<b>Net Cash used in Financing Activities (C)</b>		<b>431.47</b>		<b>(243.86)</b>
<b>Net Increase/(Decrease) in cash and cash equivalents (A+B+C)</b>		<b>42.38</b>		<b>33.08</b>
<b>Cash/Cash Equivalents at the beginning of the year</b>	<b>116.02</b>		<b>82.94</b>	
<b>Cash/Cash Equivalents at the end of the year</b>	<b>158.40</b>	<b>(42.38)</b>	<b>116.02</b>	<b>(33.08)</b>

per our report of even date

For **Brahmayya & Co.**

Chartered Accountants

Firms' Registration Number: 000513S

**J.K. Agarwal**

Managing Director & CFO

For and on behalf of Board of Directors

**B.N. Agarwal**

Chairman

**K.S.Rao**

Partner

Membership Number: 015850

Place : Hyderabad

Date : 16th May, 2015

**B.R.S. Reddy**

Vice president (Corp.Affairs)

& Company Secretary

**Surender kumar Agarwal**

Director

**6th Annual General Meeting  
SHESHADRI INDUSTRIES LIMITED**

Registered Office: 6th Floor, Surya Towers, 105,  
S.P.Road, Secunderabad – 500003  
Phone: 91-40-30512700, Fax: 91-40-30512725/27815135  
Website: www.sheshadri.in, Email: info@sheshadri.in  
CIN: L17291TG2009PLC064849

**PLEASE COMPLETE THE ATTENDANCE SLIP AND HAND OVER AT THE ENTRANCE OF THE MEETING HALL.**

**ATTENDANCE SLIP**

I / We hereby record my / our presence at the 6th Annual General Meeting of the Sheshadri Industries Ltd held on Tuesday, 29th September, 2015 at 11.00 a.m. at Gayatri Gardens, Survey No.26, Sikh Village, Near Diamond Point Hotel, Secunderabad - 500003.

For Physical Holding	For Electronic Form (Demat) NSDL / CDSL		No. of shares
Folio No.	DP ID	CLIENT ID	
NAME OF THE MEMBER / JOINT MEMBER(S) (IN BLOCK CAPITALS):			

Signature of the member/ Joint member(s) / proxy

-----

**6th Annual General Meeting  
SHESHADRI INDUSTRIES LIMITED**

Registered Office: 6th Floor, Surya Towers, 105,  
S.P.Road, Secunderabad – 500003  
Phone: 91-40-30512700, Fax: 91-40-30512725/27815135  
Website: www.sheshadri.in, Email: info@sheshadri.in  
**CIN: L17291TG2009PLC064849**

**PROXY FORM**

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

Name of the member(s)	
Registered Address	
Email ID	
Folio No./ Client ID	
DP ID	

I/We, being the member(s) of shares of the above named company, hereby appoint

1. Name :  
Address :  
Email ID :  
Signature : or failing him
2. Name :  
Address :  
Email ID :  
Signature : or failing him
3. Name :  
Address :  
Email ID :  
Signature :



as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the Annual General Meeting of the company, to be held on Tuesday, 29th September, 2015 at 11.00 a.m. at **Gayatri Gardens, Survey No. 26, Sikh Village, Near Diamond Point Hotel, Secunderabad – 500003** or at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Particulars	FOR	AGAINST
	<b>Ordinary Business</b>		
1	To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2015 and the Reports of the Directors and Auditors thereon		
2	To appoint a director in place of Sri Jeetender Kumar Agarwal, who retires by rotation and, being eligible offers himself for reappointment		
3	To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting		
	<b>Special Business</b>		
4	To appoint Smt Sushma Gupta as Independent Director for a period of 5 years		
5	To maintain register of members and related books at a place other than the registered office of the Company		
6	To create mortgage and charge over Company's movable and immovable properties in favor of Banks and Institutions.		
7	To ratify remuneration of cost auditor for FY 2015-16		
8	To approve related party transaction with M/s Ishayu Garments		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

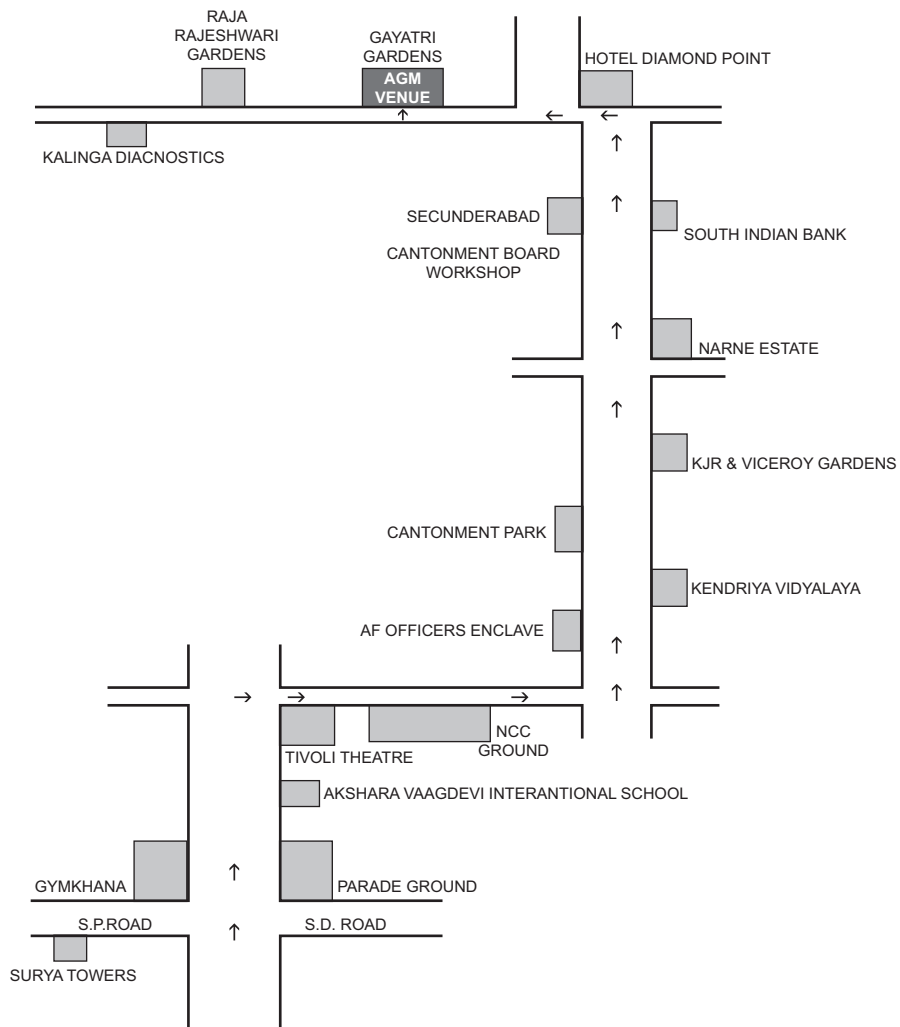
Signature of Shareholder

Signature of Proxyholder(s)



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

ROUTE MAP TO AGM VENUE







*A Product of Sheshadri*





*A Product of Sheshadri*

WOODSIDE



WOODSIDE



*A Product of Sheshadri*







*A Product of Sheshadri*







*A Product of Sheshadri*



# BOOK POST

Printed Matter



## WOODSIDE

A Product of Sheshadri

**Sheshadri Industries Ltd,**

a leading manufacturer and  
exporter of polo shirts in India,  
brings to you **Woodside**,  
an exclusive collection of **Polo Shirts**  
and **Crew Necks** for Men and Women

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Woodside products are currently sold online at



### SHESHADRI INDUSTRIES LIMITED

Surya Towers, 6th Floor, 105, S.P. Road,  
Secunderabad - 50003, Telangana. India.

Phone: 91-40-30512700,

Fax: 91-40-30512725/25/27815135/30512799

Email: [info@sheshadri.in](mailto:info@sheshadri.in), Website: [www.sheshadri.in](http://www.sheshadri.in)

CIN: L17291TG2009PLC064849