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PRIYA INTERNATIONAL LIMITED

33rd
ANNUAL
REPORT
2015-2016

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33RD Annual General Meeting

Day	:	Tuesday
Date	:	30 th August, 2016
Time	:	10.30 A.M.
Place	:	“Hall of Quest”, Nehru Planetarium, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018

BOARD OF DIRECTORS

SHRI A. K. BHUWANIA	:	Chairman
SHRI R. K. SARASWAT	:	Director
SHRI M. K. ARORA	:	Director
SHRI ADITYA BHUWANIA	:	Director
SHRI ANUJ BHARGAVA	:	Director
SHRI P. V. HARIHARAN	:	Whole Time Director
SMT SAROJ BHUWANIA	:	Director
SHRI GHANSHYAM VYAS	:	Chief Financial Officer
SHRI AMIT SURASE	:	Company Secretary

BANKERS	:	Indian Bank
	:	Vijaya Bank

AUDITORS	:	M/s. M. L. Bhuwania & Co. Chartered Accountants, Mumbai.
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REGISTERED OFFICE	:	4 th Floor, Kimatrai Building, 77-79, Maharshi Karve Marg, Marine Lines (E), Mumbai-400002.
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REGISTRAR AND SHARE TRANSFER AGENT	:	Bigshare Services Pvt. Ltd., E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai-400 072. Tel: 022-4043 0200, 2847 0652
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CIN	:	L99999MH1983PLC086840
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EQUITY SHARES ARE LISTED AT	:	Metropolitan Stock Exchange of India Ltd. (MSEI) The Calcutta Stock Exchange Ltd. (CSE)
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WEBSITE	:	www.priyagroup.com
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NOTICE

NOTICE is hereby given that the **Thirty-Third Annual General Meeting** of the members of **PRIYA INTERNATIONAL LIMITED** (CIN:L99999MH1983PLC086840) will be held at "Hall of Quest", Nehru Planetarium, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018 on Tuesday, the 30th Day of August, 2016 at 10.30 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited financial statements of the Company for the year ended 31st March, 2016, the Director's Report and Auditor's Report thereon.
2. To declare dividend on Equity Shares for the financial year ended 31st March, 2016.
3. To appoint a Director in place of Mr. A. K. Bhuwania (DIN:00387445), who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider & if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:-

"RESOLVED that pursuant to the provisions of Sections 139 and other applicable provisions, if any, of the Companies Act, 2013, M/s. M. L. Bhuwania & Co., Chartered Accountants having Registration No.101484W issued by the Institute of Chartered Accountants of India, be and are hereby appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting of the Company, on a remuneration to be fixed by the Board of Directors of the Company, based on the recommendation of the Audit Committee, in addition to reimbursement of all out-of-pocket expenses in connection with the audit of the accounts of the Company for the year ending March 31, 2017."

SPECIAL BUSINESS:

5. Revision in remuneration of Mr. P. V. Hariharan, Whole Time Director.

To consider and, if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to sections 2(78), 196, 197, 203 and all other applicable provisions of the Companies Act, 2013, read with Schedule V to the said Act, and

subject to other approvals as are necessary, remuneration of Mr. P. V. Hariharan (DIN :03196975), Whole-time Director of the Company be and is hereby revised w.e.f. 1st August, 2016 for the remaining period of his tenure i.e. upto 31st May, 2018 (i.e. from 01.08.2016 to 31.05.2018) on a minimum monthly remuneration Rs.3,60,000/- (Rs.43,20,000/- per annum) which board or committee of board can modify in such a manner but which shall not exceed Rs.5,00,000/- per month (Rs.60,00,000/- per annum) which inclusive of perquisites and allowances in accordance with the rules of company or as may be agreed to by the Board of Directors of the Company."

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

For and on behalf of the Board
For **Priya International Limited**

Place: Mumbai
Dated: 26th May, 2016

Aditya Bhuwania
Director

Registered Office:

4th Floor, Kimatrai Building, 77-79,
Maharshi Karve Marg, Marine Lines (E),
Mumbai-400002

NOTES:

1. **MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE MEMBER OF THE COMPANY.**
2. The proxy form, in order to be effective, must be duly completed and deposited at the registered office of the Company not less than 48 hours before the commencement of the Meeting.
3. The register of members and the share transfer books of the Company will remain closed from **23rd August, 2016 to 30th August, 2016** (both days inclusive).
4. Dividend recommended for the year ended 31st March, 2016 if approved by the members will be paid to those eligible members whose names appear:

- I. As Beneficial Owners, as on 23rd August, 2016, as per the list to be furnished by National Securities Depository Ltd. and Central Depository Services (India) Ltd., in respect of shares held in electronic form; and
 - II. As Members in the Register of Members of the Company as on 23rd August, 2016.
5. Members, who have not given the Bank Account Details earlier, are requested to send the same immediately to enable the Company to pay dividend accordingly.
 6. Members are requested to bring their copy of the Annual Report to the Meeting.
 7. Members/proxies attending the Meeting should bring the Attendance Slip, duly filled, for handing over at the venue of the meeting.
 8. Corporate members intending to send their authorized representatives are requested to send a duly certified copy of the Board resolution authorizing their representatives to attend.
 9. (a) Members holding shares in physical form are requested to advise immediately change in their address, if any, quoting their folio number(s) to the Registrar & Share Transfer Agent of the Company.
(b) Members holding shares in the electronic form are requested to advise immediately change in their address, if any, quoting their Client ID no., to their respective Depository Participants.
 10. Unclaimed dividend for the year(s) 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14 and 2014-15 are held in separate Bank accounts and shareholders who have not received the dividend / encashed the demand drafts are advised to write to the Company with complete details.
 11. Members may avail dematerialisation facility by opening Demat Accounts with the Depository Participants of either National Securities Depository Limited or Central Depository Services (India) Limited and get the equity share certificates held by them dematerialised. The ISIN No. of the Company is **INE557E01013**.
 12. Members desirous of getting any information in respect of accounts of the Company and proposed resolutions, are requested to send their queries in writing to the Company at its registered office atleast 7 days before the date of the meeting, so that the required information

can be made available at the meeting.

13. Members, who have not registered their e-mail addresses, are requested to register their e-mail address in respect of electronic holdings with the depository through their concerned Depository Participants and members who hold shares in physical form are requested to send their details to Bigshare Services Pvt. Ltd (Registrar & Transfer agent) in order to enable the company to serve the notice/Documents including Annual Report through e-mail as an initiative in consonance with circular issued by Ministry of Corporate Affairs allowing paperless compliances by the companies.
14. The Route map to the Venue of AGM is provided in the Annual Report for easy location.

15. Voting through electronic means

- I. In compliance with provision of Regulation 44 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 read with provision of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management & Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Rules, 2015, the Company is providing the shareholders facility to exercise their right to vote on Resolutions proposed to be considered at the forthcoming Annual General Meeting by electronic means and the business may be transacted through e-voting platform provided by Central Depository Services (India) Limited (CDSL).

The instructions for shareholders voting electronically are as under:-

- (i) The voting period begins on **27th August, 2016 at 9.00 a.m. and ends on 29th August, 2016 at 5.00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **23rd August, 2016** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,

- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/mail) in the PAN field.
	<ul style="list-style-type: none"> • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.

- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <PRIYA INTERNATIONAL LIMITED> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users**

can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or you may contact on Helpdesk: 18002005533.

- II. That the facility for voting, through Ballot Paper shall also be made available at the Meeting & Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting through Ballot Paper.
- III. That the Members who have cast their vote by remote e-voting prior to the Meeting may also attend the meeting but shall not be entitled to cast their vote again.

- IV. The Voting Rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company as on *cut-off date* i.e. **23rd August, 2016**.
- V. 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* only shall be entitled to avail the facility of remote e-voting as well as voting in the Annual General Meeting through ballot paper.
- VI. Mr. Sanjay Parab, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VII. The Chairman shall, at the Annual General Meeting, at the end of discussion on the Resolutions on which voting is to be held, allow voting, with the assistance of Scrutinizer, by use of “ballot paper” or “polling paper” for all those Members who are present at the annual general meeting but have not cast their votes by availing the remote e-voting facility.
- VIII. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses, not in the employment of the Company and shall make not later than three days of conclusion of the AGM, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same and declare the result of voting forthwith.
- IX. The Results along with the Scrutinizer’s Report shall be placed on the Company’s website www.priyagroup.com and on the website of CDSL immediately after declaration of results and communicated to the Stock Exchanges.

For and on behalf of the Board
For Priya International Limited

Place: Mumbai
Dated: 26th May, 2016

Aditya Bhuwania
Director

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) of COMPANIES ACT, 2013
Item No. 5

The re-appointment and remuneration payable to Mr. P. V. Hariharan was approved by the shareholders through special resolution passed on 20th August, 2015 with effect from June 01, 2015. It is proposed to revise the remuneration of Mr. P. V. Hariharan, Whole-time Director as under, taking into account the Company's growth, increase in business complexities, competitive situation and increase in responsibilities. The Nomination and Remuneration committee and Board of Directors in their meeting held on 26th May, 2016 has revised his remuneration w.e.f. 1st August, 2016 for the remaining period of his tenure i.e. upto 31st May, 2018 (i.e. from 01.08.2016 to 31.05.2018). The remuneration payable to Mr. P.V. Hariharan has been revised as under:-

Remuneration	Rs.3,60,000/- per month (Rs.43,20,000/- per annum) with an annual increment as may be decided by the Board or committee of board from time to time, but not exceeding of Rs.5,00,000/- per month (Rs.60,00,000/- per annum) inclusive of perquisites specified herein below:-
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Perquisites:

He shall also be entitled to perquisites and allowances in accordance with the rules of company or as may be agreed to by the Board of Directors of the Company.

The list containing the detail of the Director seeking appointment/re-appointment at the Annual General Meeting is given below:-

Particulars	Mr. A. K. Bhuwania (DIN: 00387445)
Date of Birth	30.08.1947
Date of Appointment	01.01.1993
Qualification	B.Sc. from University of Calcutta in Maths (Presidency College, Calcutta)
Expertise	Hardware Industry
Number of shares held	92,750
List of other public limited companies (in India) in which outside directorship held	i) Priya Ltd. ii) VXL Instruments Ltd.
Member of the committee/s of Board of Directors of other companies in which he is a Director	Priya Ltd:- a) Member of Audit Committee b) Member of Nomination & Remuneration Committee c) Member of Stakeholders relationship Committee VXL Instruments Ltd.:- a) Member of Nomination & Remuneration Committee
Relationship with other Director	Father of Aditya Bhuwania and Husband of Saroj Bhuwania

DIRECTORS' REPORT

Dear Members,

Priya International Limited

Your Directors take great pleasure in presenting the **33rd Annual Report** and Audited Accounts of your Company for the financial year ended 31st March, 2016.

FINANCIAL PERFORMANCE

The financial performance of the Company for the Financial Year 2015-16 in comparison to the previous financial year 2014-15 are summarised as below:

	(Rs. in Lacs)	
	Year Ended 31/03/2016	Year Ended 31/03/2015
Revenue from operation	1042.29	926.96
Other Income	39.31	40.99
	1081.60	967.95
Profit/ (Loss) before Tax	20.78	67.92
Provision for taxation- Current Tax	14.31	29.37
Taxation of earlier years	0.07	(2.48)
Deferred Tax	(8.90)	(3.92)
Profit/(Loss) After Tax	15.30	44.95
Add: Balance brought forward	464.54	437.57
Profit available for appropriation	479.84	482.52
Appropriations		
Proposed Dividend	9.96	14.94
Corporate Dividend Tax	2.02	3.04
Balance carried to Balance Sheet	467.86	464.54

DIVIDEND

Your Directors are pleased to recommend a dividend of Rs.1.00 per share (i.e.@ 10%) on 9,96,000 Equity shares of Rs.10/- each for the financial year ended 31st March, 2016 amounting to Rs.9,96,000/- (exclusive of Tax of Rs.2.02 Lacs).

TRANSFER TO RESERVES

The Company has transferred Rs.Nil to Reserves for the financial year ended 31st March, 2016.

SHARE CAPITAL

The paid up equity capital as on 31st March, 2016 was Rs.99,60,000. During the year under review, the Company has not issued any form/types of securities.

OPERATIONS

During the year under review the aggregate turnover of your Company was Rs.1042.29 Lacs as compared to Rs.926.96 Lacs in the previous year. The Company has earned profit after tax and exceptional item of Rs.15.30 Lacs in 2015-16 as

compared to Rs.44.95 Lacs in the previous year. Your Directors are hopeful of improving upon the last financial year's results for the Company during the current year.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. A. K. Bhuwania, Director, retires by rotation and being eligible has offered himself for re-appointment. All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the key managerial personnel of the Company are- Mr. P. V. Hariharan, Whole Time Director, Mr. Ghanshyam Vyas, Chief Financial Officer and Mr. Amit Surase, Company Secretary. There has been no change in the key managerial personnel during the year.

AUDITORS:

1) Statutory Auditors :

The Auditors, M/s. M. L. Bhuwania & Co., Chartered Accountants, Mumbai retire at this Annual General Meeting and being eligible, offer themselves for reappointment.

Auditors' observations are suitably explained in notes to the Accounts and are self-explanatory. The Auditors' Report does not contain any qualification, reservation or adverse remark.

2) Secretarial Auditors:

According to the provision of section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Sonal Kothari & Associates, Company Secretaries to undertake the secretarial audit of the company. The Secretarial Audit Report is annexed herewith as **Annexure A**.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

CHANGE IN NATURE OF BUSINESS

There being no change in the nature of business of the company during the year.

CORPORATE GOVERNANCE

In pursuant to Regulation 15 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, Provision of Corporate Governance is not applicable to your Company.

CORPORATE SOCIAL RESPONSIBILITY

In pursuant to the provisions of section 135 of the Companies Act, 2013, Corporate Social Responsibility is not applicable to your company.

DEMATERIALIZATION

Your Company has tied up with National Securities

Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) to enable the shareholders to trade and hold shares in an electronic/dematerialized form. The shareholders' are advised to take benefits of dematerialization.

BOARD EVALUATION

Pursuant to the provisions of companies Act, 2013, the Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the working of its Audit Committee and Nomination & Remuneration committee.

NOMINATION & 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.

MATERIAL CHANGES & COMMITMENTS

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of the report.

SUBSIDIARY COMPANIES

The Company does not have any subsidiary Company.

LISTING OF SHARES

The Company's equity shares continue to be listed on The Calcutta Stock Exchange Ltd.(CSE). During the year, the Company's equity shares listed on Metropolitan Stock Exchange of India Limited (MSEI) w.e.f. 19th June, 2015. The listing fee for the financial year 2015-2016 was duly paid to CSE and MSEI.

MEETINGS

4 (Four) Board Meetings were held during the financial year 2015-2016 on the following dates: 26th May, 2015, 11th August, 2015, 4th November, 2015 and 1st February, 2016.

AUDIT COMMITTEE

The company is having an audit committee comprising of the following directors:

Name	Designation	Category
Mr. R.K. Saraswat	Chairman	Independent / Non- Executive Director
Mr. M. K. Arora	Member	Independent / Non-Executive Director
Mr. A. K. Bhuwania	Member	Non Executive Chairman

NOMINATION AND REMUNERATION COMMITTEE

The company is having a Nomination and Remuneration Committee comprising of the following directors:

Name	Designation	Category
Mr. M. K. Arora	Chairman	Independent / Non- Executive Director
Mr. R.K. Saraswat	Member	Independent / Non-Executive Director
Mr. A. K. Bhuwania	Member	Non Executive Chairman
Mr. Anuj Bhargava	Member	Independent / Non- Executive Director

EXTRACT OF ANNUAL RETURN :

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as **Annexure-B.**

PUBLIC DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company. Even through this non-production period the Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

RELATED PARTY TRANSACTIONS

All material related party transactions that were entered into during the financial year were on an 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. Your Directors draw attention of the members to Note No.30 to the financial statement which sets out related party disclosures.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company.

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

The Company has been addressing various risks impacting the Company and the policy of the Company on risk management is already adopted. The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:-

- a) in the preparation of the annual accounts for the year ended 31st March, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the same period;
- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls in the company that are adequate and were operating effectively.
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators or Courts that would

impact the going concern status of the Company and its future operations.

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

CONSERVATION OF ENERGY:

The scope for conservation of energy is limited in the type of industry in which your Company is engaged. However, the Company continues to accord high priority to conservation of energy by opting for more power effective replacements of equipments and electrical installations. No specific investment proposals are envisaged.

TECHNOLOGY ABSORPTION:

Your Company continues to utilize the R & D facilities available with it. The Company has not imported any technology during year under review.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

The relevant information in respect of the foreign exchange earnings and outgo has been given in the Notes forming part of the Accounts for the year ended on 31st March, 2016.

PARTICULARS OF EMPLOYEES:

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

APPRECIATION & ACKNOWLEDGEMENTS

Your Directors take place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The Directors also take this opportunity to thank all Investors, Customers, Bankers, Regulatory bodies, Stakeholders including financial Institutions and other business associates who have extended their valuable sustained support and encouragement during the year under review.

For and on behalf of the Board
For **Priya International Limited**

P. V. Hariharan
Whole Time Director

Aditya Bhuwania
Director

Place: Mumbai
Date: 26th May, 2016

ANNEXURE-A
SECRETARIAL AUDIT REPORT

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

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2016

To,
The Members,
Priya International Limited
4th Floor, Kimatrai Building,
77-79, Maharshi Karve Marg,
Marine Lines (E), Mumbai - 400002.

Dear Sirs,

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **M/s. Priya International 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 my opinion thereon.

Based on my verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the financial year ended 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minutes book, forms and returns filed and other records maintained by Priya International Limited ("the Company") as given in **Annexure I**, for the financial year ended on 31st March, 2016, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder for specified sections notified and came into effect from 12th September, 2013 and sections and Rules notified and came into effect from 1st April, 2014;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder ;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment ,Overseas Direct Investment and External Commercial Borrowings (not applicable to the Company during the Audit Period as the Company has not availed any Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Regulations, 2009, and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 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 (Registrar to an Issue and Share Transfer Agents) Regulations, 1993
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, and; (not applicable to the Company during the Audit period)
 - h. The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;(Not applicable to the Company during Audit period as the Company has not brought back / proposed to Buy back any Securities)

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

- a. Secretarial Standards issued by The Institute of Company Secretaries of India. (came into effect from 01st July, 2015 & hence applicable to the Company during the Audit Period); and
- b. Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 (came into effect from 01st December, 2015 & hence applicable to the Company during the Audit Period)
- c. The Listing Agreement entered into by the Company with Metropolitan Stock Exchange Limited & The Calcutta Stock Exchange Ltd. The Company has entered into new Listing Agreement with Metropolitan Stock Exchange & The Calcutta Stock Exchange Ltd. Limited under Regulation 109 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 on 2nd February, 2016

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in **Annexure II**.

I further report that:

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

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

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

I further report that during the audit period, the Company has:-

- (i) Listed its 9,96,000 (Nine Lakh Ninety Six Thousand) Equity Shares on Metropolitan Stock Exchange of India Limited
- (ii) Carried out offer of sale of Equity Shares wherein Mr. Arunkumar Bhuwania offered 1,46,550 (One Lakh Forty Six Thousand Five Hundred & Fifty) Equity Shares for sale through a separate window provided by BSE Limited.

For **Sonal Kothari & Associates**

Date:- 26th May, 2016
Place :- Mumbai

Sonal Kothari
Proprietor
ACS No.:-24216 CP No.8769

ANNEXURE - I**List of documents verified:**

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the financial year ended 31st March, 2015.
3. Minutes of the meetings of the Board of Directors, Audit Committee along with Attendance Register held during the financial year under report.
4. Minutes of General Body Meetings held during the financial year under report.
5. All Statutory Registers
6. Agenda papers submitted to all the Directors / Members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to the provisions of 184 of the Companies Act, 2013.
8. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 1956 and Companies Act, 2013 and attachments thereof during the financial year under report.
9. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement during the financial year under report.

ANNEXURE - II**List of applicable laws to the Company under the Major Group and Head:**

1. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
2. Acts prescribed under Environmental protection;
3. Acts as prescribed under Direct Tax and Indirect Tax
4. Labour Welfare Act of respective States;

For **Sonal Kothari & Associates**

Date:- 26th May, 2016
Place :- Mumbai

Sonal Kothari
Proprietor
ACS No.:-24216 CP No.8769

**ANNEXURE -B
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2016

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS

1	CIN	L99999MH1983PLC086840
2	Registration Date	05/05/1983
3	Name of the Company	PRIYA INTERNATIONAL LIMITED
4	Category/Sub-category of the Company	Company Limited by shares
5	Address of the Registered office & contact details	4 th Floor, Kimatrai Building, 77-79, Maharshi Karve Marg, Marine Lines (E) Mumbai 400002. Tel. 91-22-4220 3100, Fax- 91-22-4220 3197
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Bigshare Services Pvt. Ltd., E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai-400 072. Tel. 91-22- 4043 0200, Fax- 91-22- 2847 5207

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Chemical	996117	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name and Address of the Company	CIN/ GLN	Holding / Subsidiary/ Associate	% of shares held	Applicable Section
1	Not Applicable				

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	8,93,550	0	8,93,550	89.71	3,96,050	0	3,96,050	39.76	(49.95)
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A)	8,93,550	0	8,93,550	89.71	3,96,050	0	3,96,050	39.76	(49.95)
(1):-									
(2) Foreign									
a) NRIs- Individuals	0	0	0	0.00	3,50,950	0	3,50,950	35.24	35.24
b) Other- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (2):-	0	0	0	0.00	3,50,950	0	3,50,950	35.24	35.24
Total shareholding of Promoter (A)= (A)(1)+(A)(2)	8,93,550	0	8,93,550	89.71	7,47,000	0	7,47,000	75.00	(14.71)
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B) (1):-	0	0	0	0.00	0	0	0	0.00	0.00
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	350	0	350	0.04	350	0	350	0.04	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	9,900	77,200	87,100	8.74	109081	62,250	1,71,331	17.20	8.46
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	15,000	0	15,000	1.51	62,779	0	62,779	6.30	4.79
c) Others (specify)									
Clearing Member	0	0	0	0.00	140	0	140	0.01	0.01
Directors Relatives	0	0	0	0.00	0	14,400	14,400	1.45	1.45
Sub-total (B) (2):-	25,250	77,200	1,02,450	10.29	1,72,350	76,650	2,49,000	25.00	14.71
Total Public Shareholding (B)=(B)(1)+(B)(2)	25,250	77,200	1,02,450	10.29	1,72,350	76,650	2,49,000	25.00	14.71
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	9,18,800	77,200	9,96,000	100.00	9,19,350	76,650	9,96,000	100.00	0.00

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Ashish Bhuwania	1,36,100	13.66	0.00	1,36,100	13.66	0.00	0.00
2	Aditya Bhuwania	1,06,350	10.68	0.00	1,06,350	10.68	0.00	0.00
3	Arun Kumar Bhuwania	2,39,300	24.02	0.00	92,750	9.31	0.00	(14.71)
4	Mini Bhuwania	66,200	6.65	0.00	66,200	6.65	0.00	0.00
5	Shruti Bhuwania	60,600	6.08	0.00	60,600	6.08	0.00	0.00
6	Saroj Bhuwania	2,58,200	25.93	0.00	2,58,200	25.93	0.00	0.00
7	Arunkumar Bhuwania(HUF)	26,800	2.69	0.00	26,800	2.69	0.00	0.00
	TOTAL	8,93,550	89.71	0.00	7,47,000	75.00	0.00	(14.71)

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

Sr. No.	Name	Shareholding at the beginning of the year		Date	Reason	Increase/ Decrease in shareholding	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
1.	Arun Kumar Bhuwania	2,39,300	24.02				2,39,300	24.02
				16.12.2015	Offer for sale through Secondary Market	(1,46,550)	92,750	9.31
	At the end of the year						92,750	9.31

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

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Niteshkumar S Gupta HUF	0	0.00	35,000	3.51
2	Rina Poddar	0	0.00	27,779	2.78
3	Rajratan Babulal Agarwal	15,000	1.50	15,000	1.50
4	Mridula Vishnukumar Poddar	0	0.00	14,097	1.41
5	Swapna Anuj Poddar	0	0.00	14,097	1.41
6	Lalit Kumar Daga	0	0.00	8,126	0.81
7	Shailesh Daga	0	0.00	7,463	0.74
8	Rashmi Daga	0	0.00	7,048	0.70
9	Indu Osatwal	0	0.00	6,500	0.65
10	Sheela Daga	0	0.00	6,385	0.64

(v) *Shareholding of Directors and Key Managerial Personnel:*

Sr. No	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
A. DIRECTORS					
1	Arunkumar Bhuwania - Chairman	2,39,300	24.02	92,750	9.31
2	Aditya Bhuwania	1,06,350	10.68	1,06,350	10.68
3	Saroj Bhuwania	2,58,200	25.93	2,58,200	25.93
4	P. V. Hariharan- Whole Time Director	10,000	1.00	10,000	1.00
5	R. K. Saraswat	0	0.00	0	0.00
6	M. K. Arora	0	0.00	0	0.00
7	Anuj Bhargava	0	0.00	0	0.00
B. KEY MANAGERIAL PERSONNEL					
1	Ghanshyam Vyas - Chief Financial Officer	0	0.00	0	0.00
2	Amit Surase - Company Secretary	0	0.00	0	0.00

V. INDEBTEDNESS

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

(Rs. in lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	17.86	0	0	17.86
ii) Interest due but not paid	0.11	0	0	0.11
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	17.97	0	0	17.97
Change in Indebtedness during the financial year				
* Addition	0	0	0	0
* Reduction	7.26	0	0	7.26
Net Change	7.26	0	0	7.26
Indebtedness at the end of the financial year				
i) Principal Amount	10.60	0	0	10.60
ii) Interest due but not paid	0.07	0	0	0.07
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	10.67	0	0	10.67

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		P. V. Hariharan- WTD	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	32,62,299	32,62,299
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission - as % of profit - others, specify...	0	0
5	Others, please specify	0	0
	Total (A)	32,62,299	32,62,299
	Ceiling as per the Act		

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		R. K. Saraswat	M. K. Arora	Anuj Bhargava	
1	Independent Directors				
	Fee for attending board committee meetings	50,000	50,000	25,000	1,25,000
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	Total (1)	50,000	50,000	25,000	1,25,000
2	Other Non-Executive Directors	A. K. Bhuwania	Saroj Bhuwania	-	
	Fee for attending board committee meetings	0	0	-	0
	Commission	0	0	-	0
	Others, please specify	0	0	-	0
	Total (2)	0	0	-	0
	Total (B)=(1+2)	50,000	50,000	25,000	1,25,000
	Total Managerial Remuneration				33,87,299
	Overall Ceiling as per the Act				

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

(Rs. in lacs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	Not Applicable			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		1.86	8.62	10.48
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		0	0.51	0.51
2	Stock Option		0	0	0
3	Sweat Equity		0	0	0
4	Commission				
	- as % of profit		0	0	0
	others, specify...		0	0	0
5	Others, please specify		0	0	0
	Total		1.86	9.13	10.99

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

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

INDEPENDENT AUDITOR'S REPORT

To the Members of PRIYA INTERNATIONAL LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **Priya International Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of 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 and presentation 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.

Auditors' 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 Board of 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, 2016 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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, a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as 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 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B", and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 17(a) to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

For and on behalf of

M. L. Bhuwania & Co.

Chartered Accountants

Firm's Registration No. 101484W

Sd/-

J P Bairagra

Partner

Place: Mumbai

Date: 26th May, 2016

Membership No.12839

Annexure- A referred to in paragraph titled as "Report on other Legal and Regulatory Requirements" of Auditor's report to the members Priya International Limited for the year ended 31st March 2016.

On the basis of the records produced to us for our verification / perusal, such checks as we considered appropriate, and in terms of information and explanation given to us on our enquiries, we state that:

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the Company are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and discrepancies noticed between the book records and the physical inventories were not material and have been properly dealt with in the accounts.
- (c) According to information and explanations gives to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) During the year, the inventories have been physically verified by the management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification of inventories as compared to the book records were not material and have been properly dealt with in the books of account.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause 3 (iii) of the Order is not applicable to the Company.
- (iv) The company has complied with provisions of sections 186 of the Companies Act, 2013 in respect of investments made and section 185 of the Companies Act, 2013 is not applicable as there were no loans, securities and guarantees given during the year.
- (v) The Company has not accepted any deposits from the public. Accordingly, clause 3 (v) of the Order is not applicable to the Company.

- (vi) The Central Government has not prescribed maintenance of cost records for the company under sub section (1) of section 148 of the Companies Act, 2013. Accordingly, clause 3 (vi) of the Order is not applicable to the Company.
- (vii) (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, Service Tax, Excise Duty, Customs Duty, Value Added Tax, Cess and other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.
- (b) According to the records of the Company, there are no dues of Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited on account of any dispute.

The disputed amounts that have not been deposited in respect of Income Tax is as under:

Name of Statute	Nature of Dues	Financial Year	Amount (Rs.)	Forum where dispute is pending
Income Tax Act, 1961	Demand for Tax Liability	2007-08	4,470	Deputy Commissioner of Income Tax
Income Tax Act, 1961	Demand for Tax Liability	2011-12	3,15,050	Assisstant Commissioner of Income Tax

- (viii) According to the records of the Company examined by us and the information and explanation given to us, the Company has not taken any loan or borrowing from banks, government, financial institutions and has not issued debentures during the period. Accordingly, clause 3 (viii) of the Order is not applicable to the Company.
- (ix) On the basis of our examination of the documents and records and according to the information and explanations given to us, we are of the opinion that term loans have been applied for the purposes for which they are obtained. The company has not raised moneys by way of Initial Public Offer or further public offer (including debt instruments) during the year.
- (x) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Sec 197 read with Schedule V to the Companies Act.
- (xii) In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to Nidhi Company. Accordingly, clause 3 (xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanation given to us, and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sec 177 and 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) In our opinion and according to the information and explanations given to us, and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3 (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, clause 3 (xv) of the Order is not applicable to the Company.
- (xvi) The company is not required to be registered under Sec 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3 (xvi) of the Order is not applicable to the Company.

For and on behalf of

M. L. Bhuwania & Co.

Chartered Accountants

Firm's Registration No. 101484W

Sd/-

J P Bairagra

Partner

Place: Mumbai

Date: 26th May, 2016

Membership No.12839

Annexure- B referred to in paragraph titled as “Report on the Internal Financial Controls under clause (i) of Sub- section 3 of Section 143 of the Companies Act, 2013” (“the Act”)

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

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For and on behalf of
M. L. Bhuwania & Co.
Chartered Accountants
Firm’s Registration No. 101484W

Sd/-
J P Bairagra
Partner

Place: Mumbai
Date: 26th May, 2016

Membership No.12839

BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Note No.	March 31, 2016 Rs.	March 31, 2015 Rs.
I EQUITY AND LIABILITIES			
(1) Shareholder's funds			
(a) Share capital	1	9,960,000	9,960,000
(b) Reserves & surplus	2	57,148,733	56,817,315
(2) Non - current liabilities			
(a) Long - term borrowings	3	328,554	1,127,821
(b) Long - term provisions	4	8,485,845	7,107,278
(3) Current liabilities			
(a) Trade payables	5	12,995,683	12,705,747
(b) Other current liabilities	6	2,293,076	2,223,208
(c) Short - term provisions	7	9,458,187	8,781,231
TOTAL		100,670,078	98,722,600
II ASSETS			
(1) Non - current assets			
(a) <u>Fixed assets</u>			
(i) Tangible assets	8	2,211,978	3,244,405
(b) Non - current investment	9	4,601,500	4,601,500
(c) Deferred tax assets	10	5,719,283	4,828,722
(d) Long - term loans and advances	11	38,967,027	39,932,344
(2) Current assets			
(a) Inventories	12	24,337,423	22,551,981
(b) Trade receivables	13	17,329,473	16,181,613
(c) Cash & bank balances	14	1,677,723	6,020,010
(d) Short - term loans and advances	15	2,787,869	1,362,025
(e) Other current assets	16	3,037,802	-
TOTAL		100,670,078	98,722,600
Contingent Liabilities and Commitments	17		
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS	1 TO 38		

The notes referred above form an integral part of the Balance Sheet.

As per our report attached of even date

FOR M. L. BHUWANIA & CO.
CHARTERED ACCOUNTANTS
 Firm Registration Number : 101484W

FOR AND ON BEHALF OF THE BOARD

Sd/-
J.P. BAIRAGRA
 PARTNER
 MEMBERSHIP NO. 12839

Sd/-
P.V.HARIHARAN
 WHOLE TIME DIRECTOR
 DIN: 03196975

Sd/-
ADITYA BHUWANIA
 DIRECTOR
 DIN: 00018911

PLACE : MUMBAI
 DATED : 26TH MAY, 2016

Sd/-
GHANSHYAM VYAS
 CHIEF FINANCIAL OFFICER

Sd/-
AMIT SURASE
 COMPANY SECRETARY

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016

Particulars	Note No.	2015-16 Rs.	2014-15 Rs.
Revenue from operations	18	104,229,249	92,696,364
Other income	19	3,931,520	4,098,988
Total Revenue		<u>108,160,769</u>	<u>96,795,352</u>
Expenses:			
Purchases of stock - in - trade	20	67,285,741	50,114,638
Changes in inventories of stock - in - trade	21	(1,785,442)	5,122,145
Employee benefit expenses	22	17,935,512	15,671,964
Finance costs	23	147,229	398,217
Depreciation & amortization expense	8	964,446	912,632
Other expenses	24	21,535,131	17,782,894
Total Expenses		<u>106,082,617</u>	<u>90,002,490</u>
Profit before tax		2,078,152	6,792,862
Less: Tax expense			
(1) <u>Current tax</u>			
of Current year		1,431,000	2,937,000
of Earlier years		7,533	(247,648)
(2) Deferred tax		(890,561)	(391,848)
Profit for the year		<u>1,530,180</u>	<u>4,495,358</u>
Basic & Diluted Earning Per Share	25	1.54	4.51
Face Value Per Equity Share		10.00	10.00
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS	1 TO 38		

The notes referred above form an integral part of the Balance Sheet.

As per our report attached of even date

FOR M. L. BHUWANIA & CO.
CHARTERED ACCOUNTANTS
Firm Registration Number : 101484W

FOR AND ON BEHALF OF THE BOARD

Sd/-
J.P. BAIRAGRA
PARTNER
MEMBERSHIP NO. 12839

Sd/-
P.V.HARIHARAN
WHOLE TIME DIRECTOR
DIN: 03196975

Sd/-
ADITYA BHUWANIA
DIRECTOR
DIN: 00018911

PLACE : MUMBAI
DATED : 26TH MAY, 2016

Sd/-
GHANSHYAM VYAS
CHIEF FINANCIAL OFFICER

Sd/-
AMIT SURASE
COMPANY SECRETARY

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	2015-16 Rs.	2014-15 Rs.
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax & Extraordinary Items	2,078,152	6,792,862
Adjustment for :		
Dividend Received	(385,800)	(295,800)
Depreciation	964,446	912,632
Bad Debts Written Off/Allowance for Bad and Doubtful Debts	6,612	649
Interest income	(3,511,602)	(3,464,976)
Interest expense	147,229	219,307
(Profit)/Loss on Sale of Fixed Assets (Net)	-	(20,882)
Obsolescence /Loss of Assets written off	17,545	-
Sundry balance written off (Net)	(2,085)	(317,330)
Exchange Rate Fluctuation (Net)	(21,170)	33,902
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(2,784,825)	(2,932,498)
ADJUSTMENTS FOR WORKING CAPITAL CHANGES :	(706,673)	3,860,364
Inventories	(1,785,442)	5,122,145
Trade receivables	(1,170,504)	(2,864,754)
Short-term Loans and Advances	(1,199,298)	2,837,095
Long -term Loans and Advances	1,127,715	(469,134)
Trade Payable	326,100	(62,563)
Short- term Provision	1,276,337	(328,715)
Long- term Provision	1,378,567	1,912,162
Other Current Liabilities	(5,199)	1,016,015
Cash Generated from Operations	(758,397)	11,022,615
Direct Taxes paid (Net of Refund)	1,837,501	4,309,953
NET CASH FROM OPERATING ACTIVITIES	(2,595,898)	6,712,662
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(6,180)	(2,893,127)
Sale of Fixed Assets	56,616	373,778
Inter Corporate Deposit	-	(6,667,417)
Interest Received	473,800	6,050,957
Dividend Received	385,800	295,800
NET CASH USED IN INVESTING ACTIVITIES	910,036	(2,840,009)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	(151,371)	(96,894)
Dividend Paid (Including Dividend Tax)	(1,789,368)	(1,737,556)
Proceeds from Borrowings	-	1,786,078
Repayment of Borrowings	(725,710)	-
NET CASH USED IN FINANCING ACTIVITIES	(2,666,449)	(48,372)
NET CHANGES IN CASH & CASH EQUIVALENTS(A+B+C)	(4,352,311)	3,824,281
OPENING BALANCE OF CASH & CASH EQUIVALENTS	5,876,654	2,052,373
CLOSING BALANCE OF CASH & CASH EQUIVALENTS	1,524,343	5,876,654

Notes

1 CASH & CASH EQUIVALENTS INCLUDES (Refer Note No. 14) :

Cash in Hand	16,199	18,774
Balance with Scheduled Banks		
In current account	1,508,144	5,857,880
	1,524,343	5,876,654

2 Previous year figures have been regrouped and rearranged wherever considered necessary to make them comparable with those of the current year.

As per our report attached of even date

FOR M. L. BHUWANIA & CO.

CHARTERED ACCOUNTANTS

Firm Registration Number : 101484W

FOR AND ON BEHALF OF THE BOARD

Sd/-
J.P. BAIRAGRA
PARTNER
MEMBERSHIP NO. 12839

Sd/-
P.V.HARIHARAN
WHOLE TIME DIRECTOR
DIN: 03196975

Sd/-
ADITYA BHUWANIA
DIRECTOR
DIN: 00018911

PLACE : MUMBAI
DATED : 26TH MAY, 2016

Sd/-
GHANSHYAM VYAS
CHIEF FINANCIAL OFFICER

Sd/-
AMIT SURASE
COMPANY SECRETARY

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016
1 SHARE CAPITAL

Particulars	As at	
	March 31, 2016	March 31, 2015
Authorized Shares		
1,000,000 Equity shares, Rs. 10 /-par value (Previous year : 1,000,000 Equity shares, Rs. 10 /-par value)	10,000,000	10,000,000
	10,000,000	10,000,000
Issued, Subscribed and Fully Paid Up Shares		
996,000 Equity shares, Rs. 10 /- par value (Previous year : 996,000 Equity shares, Rs. 10 /-par value)	9,960,000	9,960,000
Total Issued, Subscribed and Fully Paid Up Share Capital	9,960,000	9,960,000

Note No. 1.1 The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31-03-2016

Particulars	As at March 31, 2016		As at March 31, 2015	
	No. of shares	Amount (Rs.)	No. of shares	Amount (Rs.)
Number of shares at the beginning	996,000	9,960,000	996,000	9,960,000
Add: Shares issued during the year	-	-	-	-
Less : Shares Bought back	-	-	-	-
Number of shares at the end	996,000	9,960,000	996,000	9,960,000

Note No. 1.2 Terms/rights attached to equity shares

- (A) The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- (B) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note No. 1.3 The details of shareholders holding more than 5% shares in the company :

Name of the shareholders	As at March 31, 2016		As at March 31, 2015	
	No. of shares held	% held as at	No. of shares held	% held as at
Saroj Bhuwania	258,200	25.92	258,200	25.92
Ashish Bhuwania	136,100	13.66	136,100	13.66
Aditya Bhuwania	106,350	10.68	106,350	10.68
Arun Kumar Bhuwnia	92,750	9.31	239,300	24.03
Mini Bhuwania	66,200	6.65	66,200	6.65
Shruti Bhuwania	60,600	6.08	60,600	6.08

2 RESERVES & SURPLUS

Particulars	As at March 31, 2016		As at March 31, 2015	
General reserve				
Opening Balance		10,362,555		10,399,512
Less: Adjustment of carrying amount (Net of Deferred tax) as per Schedule II of Companies Act 2013 (Refer Note No. 8.1)				
Carrying Amount (Net of residual value)	-		54,707	
Less : Adjustment of Deferred Tax	-	10,362,555	17,750	10,362,555
Surplus - Opening balance		46,454,760		43,757,545
Add: Net profit after tax transferred from statement of profit & loss		1,530,180		4,495,358
Amount available for appropriation		47,984,940		48,252,903
Less : Appropriations				
Proposed Dividend		996,000		1,494,000
Corporate Dividend Tax		202,762		304,143
Surplus Closing Balance		46,786,178		46,454,760
Total of Reserves & Surplus		57,148,733		56,817,315

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)
3 LONG TERM BORROWINGS

Particulars	As at March 31, 2016	As at March 31, 2015
<u>Term Loan</u>		
Secured Loans		
<u>Term Loan from others</u>		
Loans from Finance Companies (Refer Note No. 3.1)	328,554	1,127,821
	328,554	1,127,821

Note No 3.1

1. Secured by Hypothecation of Vehicle.
2. The above vehicle loan was originally payable in 35 Installments and carries rate of interest @ 10.64% and no default in repayment of Principal & Interest has been made by company as on the balance sheet date.

4 LONG TERM PROVISIONS

Particulars	As at March 31, 2016	As at March 31, 2015
<u>Provisions for Employee Benefits</u>		
Gratuity (Refer Note No. 29)	7,504,102	6,133,218
Leave Encashment (Refer Note No. 29)	981,743	974,060
	8,485,845	7,107,278

5 TRADE PAYABLES

Particulars	As at March 31, 2016	As at March 31, 2015
Sundry Creditors For Goods (Refer Note No. 5.1)	11,298,642	10,743,569
Sundry Creditors For Expenses (Refer Note No. 5.1)	1,697,041	1,962,178
	12,995,683	12,705,747

Note No. 5.1

The company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amounts unpaid as at the year end together with interest paid / payable under this Act, have not been given.

6 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2016	As at March 31, 2015
Current Maturities of Long Term Debt (Refer Note No 3.1)	731,814	658,257
Interest Accrued but not due on borrowings	6,672	10,814
Unpaid Dividends	141,450	132,675
<u>Other Liabilities</u>		
Advance From Customers	881,356	681,667
Statutory Dues Payable	531,784	739,795
	2,293,076	2,223,208

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)
7 SHORT TERM PROVISIONS

Particulars	As at March 31, 2016	As at March 31, 2015
<u>Provision for Employee Benefits</u>		
Gratuity (Refer Note No. 29)	6,677,702	5,572,640
Leave Encashment (Refer Note No. 29)	881,723	910,448
<u>Others</u>		
Proposed Dividends (Refer Note No. 7.1)	996,000	1,494,000
Corporate Dividend Tax (Refer Note No. 7.1)	202,762	304,143
Others Provision (Refer Note No. 31)	700,000	500,000
	9,458,187	8,781,231

Note No. 7.1

The amount of per share dividend of Rs.1/- (Previous year Rs. 1.50/-) has been proposed to be distributed to equity shareholders for the year ended 31/03/2016. The total amount of dividend shall be Rs.1,198,762/- (Including Dividend Distribution Tax Rs.202,762/-). (Previous year Rs. 1,798,143/- (Including Dividend Distribution Tax Rs. 304,143/-)

8 FIXED ASSETS

SL. NO.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		AS AT 1/4/2015	ADDITIONS	DEDUCTIONS / ADJUSTMENTS	AS AT 31/3/2016	AS AT 1/4/2015	FOR THE YEAR	DEDUCTIONS / ADJUSTMENTS	AS AT 31/3/2016	AS AT 31/3/2016	AS AT 31/3/2015
		(Rs)	(Rs)	(Rs)	(Rs)	(Rs)	(Rs)	(Rs)	(Rs)	(Rs)	(Rs)
1	OFFICE PREMISES	1,036,034	-	-	1,036,034	722,102	15,079	-	737,181	298,853	313,932
2	FURNITURE & FIXTURES	22,993	-	-	22,993	18,138	1,091	-	19,229	3,764	4,855
3	VEHICLES	5,054,676	-	67,469	4,987,207	2,278,564	870,881	10,853	3,138,592	1,848,615	2,776,112
4	OFFICE EQUIPMENT	324,841	6,180	166,062	164,959	268,746	27,144	155,365	140,525	24,434	56,095
5	COMPUTERS	496,352	-	122,601	373,751	402,941	50,251	115,753	337,439	36,312	93,411
	TOTALS (Rs.)	6,934,896	6,180	356,132	6,584,944	3,690,491	964,446	281,971	4,372,966	2,211,978	3,244,405
	PREVIOUS YEAR (Rs.)	5,501,116	2,893,127	1,459,347	6,934,896	3,829,603	912,632	1,051,744	3,690,491	3,244,405	

Note No. 8.1

Pursuant to Companies Act, 2013 ('the Act') being effective from April 1, 2014, the Company had revised depreciation rates on tangible fixed assets as per useful life specified in Part 'C' of Schedule II of the Act. Accordingly, the Company has re-worked depreciation with reference to the estimated economic lives of Fixed Assets prescribed by Schedule II of the Act. In case of any asset whose life is completed as at 1st April 2014, the carrying value (Net of residual value) amounting to Rs. NIL (Previous year Rs.0.37 Lakhs) has been adjusted to the Retained Earnings (net of deferred tax impact of Rs.NIL (Previous year Rs.0.18 Lakhs)).

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

9 NON CURRENT INVESTMENT

Particulars	As at		As at		
	Face Value	Qty	March 31, 2016 Amount (Rs.)	March 31, 2015 Qty	Amount (Rs.)
NON TRADE INVESTMENTS (At Cost)					
<u>Quoted</u> (Refer Note No.9.1)					
<u>In Equity Instruments</u>					
Dhanuka Agritech Ltd.	2	10,000	20,000	10,000	20,000
Priya Limited	10	275,800	4,481,500	275,800	4,481,500
Total Value of Quoted Investments (A)			4,501,500		4,501,500
<u>Unquoted</u>					
In Equity Instruments					
Gaurav Electrochem Pvt. Ltd.	100	500	100,000	500	100,000
Total Value of Unquoted Investments (B)			100,000		100,000
Total Value of Long Term Investments (A+B)			4,601,500		4,601,500

Note No. 9.1

Aggregate market value of Quoted Investments Rs. 16,192,500/- (Previous year Rs. 16,122,200/-)

10 DEFERRED TAX ASSETS

Particulars	As at	
	March 31, 2016	March 31, 2015
<u>Deferred Tax Assets</u>		
on account of Expenses allowable under income tax on payment basis	5,218,776	4,439,488
on account of Provision for doubtful debts	10,352	8,823
on account of difference in depreciation as per books and income tax	490,155	380,411
	5,719,283	4,828,722

11 LONG TERM LOANS & ADVANCES

Particulars	As at	
	March 31, 2016	March 31, 2015
(Unsecured, Considered Good, unless specified otherwise)		
<u>Loans and Advance to Related Parties</u>		
Deposits - Securities (Refer Note No. 11.1)	-	100,000
<u>Other Loans and Advances</u>		
Advance Recoverable in Cash or Kind or for Value to be Received	7,200	-
Advances to Staff	562,506	1,468,385
Inter Corporate Deposits (Refer Note No. 11.2)	37,500,000	37,500,000
Deposits - Securities	-	129,036
Advance Income Tax And Tax Deducted At Source	897,321	734,923
	38,967,027	39,932,344

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)
Note No. 11.1
Loan and Advances due by directors or other officers, etc.

	March 31, 2016	March 31, 2015
<u>Deposits- Rental</u>		
Company in which directors are interested	-	100,000
	<u>-</u>	<u>100,000</u>

Note No. 11.2

The company had idle funds and hence given inter corporate deposits to M/s VXL Instruments Ltd (VXL) a listed company, for the period of three years. The VXL is engage in manufacturing of electronics / computers and has taken loan for their working capital requirements. The rate of interest charged is 9% which is higher than the rate of interest for Govt securities for the same tenur.

12 INVENTORIES

Particulars	As at	As at
	March 31, 2016	March 31, 2015
<u>Stock - In - Trade</u>		
Chemicals	24,337,423	22,551,981
	<u>24,337,423</u>	<u>22,551,981</u>

13 TRADE RECEIVABLES

Particulars	As at	
	March 31, 2016	March 31, 2015
(Unsecured, Considered Good, unless specified otherwise)		
Outstanding For More Than Six Months from the date they are due for payment		
Considered Doubtful	33,503	28,555
Less : Allowance for bad and doubtful debts	<u>33,503</u>	<u>28,555</u>
	-	-
Considered Good	4,044	77,753
Others Debts	<u>17,325,429</u>	<u>16,103,860</u>
	<u>17,329,473</u>	<u>16,181,613</u>

14 CASH & BANK BALANCES

Particulars	As at	
	March 31, 2016	March 31, 2015
<u>Cash & Cash Equivalents</u>		
<u>Balance with banks in</u>		
Current Account	1,508,144	5,857,880
Cash on Hand	<u>16,199</u>	<u>18,774</u>
Other bank balances in		
Unpaid Dividend Account	141,450	132,675
Margin Money deposits (Refer Note No. 14.1)	<u>11,930</u>	<u>10,681</u>
	<u>1,677,723</u>	<u>6,020,010</u>

Note No. 14.1

In Margin Money deposits amounting to Rs. 11,930/- (Previous year Rs. 10,681/-) are lying with bank against Bank Guarantees.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)**15 SHORT TERM LOANS & ADVANCES**

Particulars	As at March 31, 2016	As at March 31, 2015
(Unsecured, Considered Good, unless specified otherwise)		
<u>Loans and Advance to Related Parties</u>		
Deposits - Securities (Refer Note No. 15.1)	100,000	-
<u>Other Loans and Advances</u>		
Advance Recoverable in Cash or Kind or for Value to be Received	928,202	344,228
Advance Tax & Tax Deducted at Source	495,967	259,397
Deposits - Securities	129,036	-
Advances to Staff	1,134,664	758,400
	<u>2,787,869</u>	<u>1,362,025</u>

Note No. 15.1**Loan and Advances due by directors or other officers, etc.**

Particulars	March 31, 2016	March 31, 2015
<u>Deposits- Rental</u>		
Company in which directors are interested	100,000	-
	<u>100,000</u>	<u>-</u>

16 OTHER CURRENT ASSETS

Particulars	As at March 31, 2016	As at March 31, 2015
Interest Receivable on Loans, Deposits	3,037,802	-
	<u>3,037,802</u>	<u>-</u>

17 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at March 31, 2016	As at March 31, 2015
a) Contingent Liabilities		
Disputed Income Tax Liability	442,556	138,530
b) Commitments		
	-	-
	<u>442,556</u>	<u>138,530</u>

18 REVENUE FROM OPERATIONS

Particulars	2015-16	2014-15
Sale of Products (Refer Note No. 18.1)	81,942,242	72,516,392
Sale of Services (Refer Note No. 18.2)	22,287,007	20,179,972
	<u>104,229,249</u>	<u>92,696,364</u>

Note No. 18.1 Sale of Products

Particulars	2015-16	2014-15
Chemical - Kathon	20,033,732	20,185,346
Chemical - Lanco	18,849,834	19,785,599
Chemical - Acetylacetone	11,393,666	7,096,644
Other Product	31,665,010	25,448,803
Total	<u>81,942,242</u>	<u>72,516,392</u>

Note No. 18.2 Sale of Services

Particulars	2015-16	2014-15
Indenting Commission	22,287,007	20,179,972
Total	<u>22,287,007</u>	<u>20,179,972</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)
19 OTHER INCOME

Particulars	2015-16	2014-15
Interest income (Refer Note No. 19.1)	3,511,602	3,464,976
Dividend Received on Long Term (Non Trade) Investment	385,800	295,800
Miscellaneous Income	34,118	-
Profit on Sale of Fixed Assets (Net)	-	20,882
Sundry Balance Written Back (Net)	-	317,330
	3,931,520	4,098,988

Note No. 19.1

Break-up of Interest income	2015-16	2014-15
Interest income on Inter Corporate Deposits	3,375,000	3,256,528
Interest income on Deposits with Banks	1,552	105,854
Interest income from party	-	358
Interest income on Staff Loans	135,050	102,236
	3,511,602	3,464,976

20 PURCHASES OF STOCK IN TRADE

Particulars	2015-16	2014-15
Traded Items		
Traded goods (Refer Note No. 20.1) **	67,285,741	50,114,638
	67,285,741	50,114,638

Note No. 20.1 Trade Goods

Particulars	2015-16	2014-15
Chemical - Kathon	13,315,202	9,658,318
Chemical - Lanco	11,603,076	12,377,588
Chemical - Acetylacetone	8,735,056	2,740,368
Other Product	21,670,322	17,861,098
Total	55,323,656	42,637,372

** Includes expenses like custom duty, clearing & forwarding etc. amounting to Rs. 11,962,085/- (Previous year Rs. 7,477,266/-)

21 CHANGES IN INVENTORIES OF STOCK IN TRADE

Particulars	2015-16	2014-15
Stock In Trade - Chemicals		
Opening Stock of Traded Goods	22,551,981	27,674,126
Closing Stock of Traded Goods	24,337,423	22,551,981
	(1,785,442)	5,122,145

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)
22 EMPLOYEE BENEFITS EXPENSES

Particulars	2015-16	2014-15
Salaries, Wages and Bonus	16,252,005	13,886,109
Contribution to Provident and other fund	1,003,664	940,737
Staff Welfare Expenses	679,843	845,118
	17,935,512	15,671,964

23 FINANCE COSTS

Particulars	2015-16	2014-15
Interest Expenses (Refer Note No. 23.1)	147,229	219,307
<u>Other Borrowing Cost</u>		
Other Financial Charges	-	178,910
	147,229	398,217

Note No. 23.1
Break-up of Interest Expenses

Interest Paid on Fixed Loans	147,229	107,706
Interest Paid on Income Tax	-	111,601
Total	147,229	219,307

24 OTHER EXPENSES

Particulars	2015-16	2014-15
Rent, Service & Warehousing Charges	4,559,308	4,747,781
Insurance Charges	313,508	277,647
Rates and Taxes	3,182,765	1,468,467
Payment to Statutory Auditors (Refer Note No. 24.1)	433,065	379,778
Legal & Professional Fees	4,248,190	2,028,533
Advertisement, Publicity & Sales Promotion	684,876	435,270
Commission & Brokerage	331,106	568,587
Repairs & Maintenance - Others	40,704	40,072
Directors Fees	125,000	-
Freight & Forwarding cost	413,180	370,990
Postage, Telephone, Telex & Fax Charges	917,839	945,589
Travelling & Conveyance	2,227,158	2,998,787
Electricity Charges	684,775	687,281
Loss on Exchange Rate Fluctuation (Net)	451,419	166,010
Bad Debts	1,664	649
Less: Allowance for Bad and doubtful debts written back	-	-
Allowance for Bad and doubtful debts	4,948	-
Loss on Sale/Obsolescence of Fixed Assets	17,545	-
Miscellaneous Expenses	2,898,081	2,667,453
	21,535,131	17,782,894

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

Note No. 24.1

Payment to Statutory Auditors

Particulars	2015-16		2014-15	
<u>As auditor :</u>				
Audit Fee	160,000		120,000	
Tax Audit Fee	65,000		45,000	
Limited review	60,000		45,000	
Vat Audit Fee	25,000		25,000	
Service Tax	45,545	355,545	29,046	264,046
<u>In other capacity :</u>				
Taxation Matters	53,000		93,000	
Other Services	15,000		10,000	
Service Tax	9,520	77,520	12,732	115,732
Total		433,065		379,778

25 EARNING PER SHARE

Particulars	2015-16	2014-15
(A) Profit attributable to Equity Shareholders (Rs.)	1,530,180	4,495,358
(B) No. of Equity Share outstanding during the year.	996,000	996,000
(C) Face Value of each Equity Share (Rs.)	10	10
(D) Basic & Diluted earning per Share (Rs.)	1.54	4.51

26 VALUE OF IMPORTS CALCULATED ON C.I.F. BASIS IN RESPECT OF

Particulars	2015-16	2014-15
Traded Goods	36,214,413	27,124,835
	36,214,413	27,124,835

27 EXPENDITURE IN FOREIGN CURRENCY

Particulars	2015-16	2014-15
Travelling Expenses	315,799	395,538
Sales Promotion Expenses	55,974	4,019
	371,773	399,557

28 EARNINGS IN FOREIGN CURRENCY

Particulars	2015-16	2014-15
Indenting Commission	22,287,007	20,179,972
	22,287,007	20,179,972

29 Employee Benefits :

The Company's defined benefit plan includes Gratuity/ Leave Encashment. The liability in respect of Gratuity/ Leave Encashment has been determined using Projected Unit Credit Method by an independent actuary. The company's defined contribution plan includes Provident Fund and Superannuation Fund. The related disclosure are as under:

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)
A. Defined Contribution Plan

Particulars	2015-16	2014-15
(i) Provident Fund	740,614	694,400
(ii) Contribution to Superannuation Fund	193,235	172,935

B. Defined Benefit Plans

Particulars	2015-16	2014-15	2015-16	2014-15
	Gratuity	Gratuity	Leave Encashment	Leave Encashment
(i) Assumptions				
Mortality	IALM (2006-08) Ult.	IALM(2006-08)Ult	IALM (2006-08) Ult.	IALM(2006-08)Ult
Discount Rate	8.00%	7.85%	8.00%	7.85%
Rate of increase in compensation	6.00%	5.00%	6.00%	5.00%
Rate of return (expected) on plan assets				
Withdrawal rates	Up to Age 30 : 10% Age 31 to 40 : 5% 41 and above : 2%	Up to Age 30 : 10% 31 to 40 : 5% 41 and above : 2%	Up to Age 30 : 10% Age 31 to 40 : 5% 41 and above : 2%	Up to Age 30 : 10% 31 to 40 : 5% 41 and above : 2%
(ii) Changes in present value of obligations				
PVO at beginning of period	11,705,858	10,093,394	1,884,508	1,613,525
Interest cost	918,910	891,216	147,290	144,844
Current Service Cost	662,158	631,555	286,335	207,735
Liability Transferred In / (out) - Net	-	-	-	-
Benefits Paid	-	(727,918)	(16,400)	(64,509)
Actuarial (gain)/loss on obligation	894,878	817,611	(438,267)	(17,087)
PVO at end of period	14,181,804	11,705,858	1,863,466	1,884,508
(iii) Changes in fair value of Plan Assets				
Fair Value of Plan assets at beginning of period	-	-	-	-
Expected Return on Plan Assets	-	-	-	-
Contributions	-	727,918	16,400	64,509
Benefit Paid	-	(727,918)	(16,400)	(64,509)
Actuarial gain / (loss) on plan assets	-	-	-	-
Fair Value of Plan assets at end of period	-	-	-	-
(iv) Fair value of Plan Assets				
Fair Value of Plan assets at beginning of period	-	-	-	-
Actual Return on Plan Assets	-	-	-	-
Contributions	-	727,918	16,400	64,509
Benefit Paid	-	(727,918)	(16,400)	(64,509)
Fair Value of Plan assets at end of period	-	-	-	-
Funded Status	(14,181,804)	(11,705,858)	(1,863,466)	(1,884,508)
Excess of actual over estimated return on Plan Assets	-	-	-	-
(v) Actuarial Gain / (Loss) Recognized				
Actuarial Gain / (Loss) for the period (Obligation)	(894,878)	(817,611)	438,267	17,087
Actuarial Gain / (Loss) for the period (Plan Assets)	-	-	-	-
Total Gain / (Loss) for the period	(894,878)	(817,611)	438,267	17,087
Actuarial Gain / (Loss) recognized for the period	(894,878)	(817,611)	438,267	17,087
Unrecognized Actuarial Gain / (Loss) at end of period	-	-	-	-
(vi) Amounts to be recognized in the Balance Sheet and statement of Profit & Loss				
PVO at end of period	14,181,804	11,705,858	1,863,466	1,884,508
Fair Value of Plan assets at end of period	-	-	-	-
Funded Status	(14,181,804)	(11,705,858)	(1,863,466)	(1,884,508)
Unrecognized Actuarial Gain / (Loss)	-	-	-	-
Net Asset / (Liability) recognized in the Balance Sheet	(14,181,804)	(11,705,858)	(1,863,466)	(1,884,508)
(vii) Expenses recognized the the statement of Profit & Loss				

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

Particulars	2015-16	2014-15	2015-16	2014-15
	Gratuity	Gratuity	Leave Encashment	Leave Encashment
Current Service Cost	662,158	631,555	286,335	207,735
Interest Cost	918,910	891,216	147,290	144,844
Expected Return on Plan Assets	-	-	-	-
Net Actuarial (Gain) / Loss recognized for the period	894,878	817,611	(438,267)	(17,087)
Expense recognized in the statement of Profit & Loss	2,475,946	2,340,382	(4,642)	335,492
(viii) Movements in the Liability recognized in Balance Sheet				
Opening Net Liability	11,705,858	10,093,394	1,884,508	1,613,525
Expenses as above	2,475,946	2,340,382	(4,642)	335,492
Contribution paid	-	(727,918)	(16,400)	(64,509)
Liability Transferred In / (out) - Net	-	-	-	-
Closing Net Liability	14,181,804	11,705,858	1,863,466	1,884,508
(ix) Experience Analysis - Liabilities				
Actuarial (Gain)/Loss due to change in bases	413,469	586,514	60,384	96,259
Experience (Gain) / Loss due to Change in Experience	481,409	231,097	(498,651)	(113,346)
Total	894,878	817,611	(438,267)	(17,087)
Experience Analysis - Plan Assets				
Experience (Gain) / Loss due to Change in Plan Assets	-	-	-	-
(x) Schedule III Details				
Current Liability	6,677,702	5,572,640	881,723	910,448
Non-Current Liability	7,504,102	6,133,218	981,743	974,060

30 RELATED PARTY DISCLOSERS
A. Names of related parties and description of relationship:

Name of Party	Nature of Relationship
Mr. P. V. Hariharan	Key Management Personnel
Mrs. Shruti Bhuvania	Relative of Director
Priya Ltd.	Entities where individual having control/significant influence or key management personnel or their relatives are able to exercise significant influence
Gaurav Electrochem Pvt. Ltd.	

B. Transactions that have taken place during the year with related parties by the Company

Name of Related Parties	Nature of Transaction during the year	2015-2016	2014-2015
Priya Ltd.	Reimbursement of Services/ Expenses incurred on behalf of Priya Ltd.	-	57,175
	Reimbursement of Services/ Expenses incurred by Priya Ltd.	4,418,649	5,233,534
Gaurav Electrochem Pvt. Ltd.	Warehousing Charges	180,000	120,000
Mrs. Shruti Bhuvania	Salary paid during the Year	1,500,000	751,000
Mr. P. V. Hariharan	Director Remuneration	3,262,299	2,243,503
Priya Ltd.	Interest Received	-	2,654,884
Priya Ltd.	Inter Corporate deposit given	-	4,500,000
Priya Ltd.	Inter Corporate deposit given back	-	35,332,583

C. Balance at the year end.

Gaurav Electrochem Pvt. Ltd.	Deposit Warehouse	100,000	100,000
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NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)
31 Disclosure relating to provisions for Incentives to marketing employees :

Provision Related to	Opening Balance	Additions	Utilisation	Reversal	Closing Balance
Incentives to marketing employees	500000	700000	500000	-	700000

The company gives incentives to its sales employees based on their performance. A provision has been made for the expected liability based on the past experience.

32 Lease

The Company's leasing arrangements are in respect of office premises. These leasing arrangements, which is mostly cancelable, range between 11 months to 3 years and are usually renewable by mutual consent at mutually agreed terms & conditions. The lease payment of Rs. 3,757,797/- (Previous Year Rs.4,042,222/-) has been recognised as expenses in the statement of Profit & Loss under the Note No. 24 "other expenses"

33 Balances of Trade Receivables, Trade Payables and Loans and Advances are subject to confirmation and consequential adjustment, if any.
34 SEGMENT REPORTING
Segment Information for the year ended 31st March, 2016

(i) Information about primary business segment :

Particulars	2015-16				2014-15			
	Segments		Unallocated	Total	Segments		Unallocated	Total
	Indenting Commission	Chemicals Trading			Indenting Commission	Chemicals Trading		
Revenue								
External Customers	22,287,007	81,942,242	-	104,229,249	20,179,972	72,516,392	-	92,696,364
Total Revenue	22,287,007	81,942,242	-	104,229,249	20,179,972	72,516,392	-	92,696,364
Result								
Segment Results	8,756,739	12,271,601	-	21,028,340	9,756,448	14,114,536	-	23,870,984
Unallocated corporate expenses net of unallocated corporate income			(18,802,959)	(18,802,959)	-	-	(16,679,905)	(16,679,905)
Finance cost	-	-	(147,229)	(147,229)	-	-	(398,217)	(398,217)
Profit Before Tax	8,756,739	12,271,601	(18,950,188)	2,078,152	9,756,448	14,114,536	(17,078,122)	6,792,862
Less: Provision for Tax (Net of Deferred Tax)	-	-	540,439	540,439	-	-	2,545,152	2,545,152
Net Profit After Tax & Before Prior Period Adjustments	8,756,739	12,271,601	(19,490,627)	1,537,713	9,756,448	14,114,536	(19,623,274)	4,247,710
Add : Prior Period Tax Adjustments	-	-	(7,533)	(7,533)	-	-	247,648	247,648
Net Profit After Tax	8,756,739	12,271,601	(19,498,160)	1,530,180	9,756,448	14,114,536	(19,375,626)	4,495,358
Other Information								
Segment Assets	4,026,524	40,843,566	55,799,988	100,670,078	4,091,528	38,329,444	56,301,628	98,722,600
Segment Liabilities	13,543,317	11,628,252	8,389,776	33,561,345	11,935,952	12,128,399	7,880,934	31,945,285
Capital Expenditure	-	-	6,180	6,180	-	-	2,893,127	2,893,127

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

(ii) Information about secondary geographical business segment :

	2015 - 16			2014 - 15		
	Within India	Outside India	Total	Within India	Outside India	Total
Segment Revenue	81,942,242	22,287,007	104,229,249	72,516,392	20,179,972	92,696,364
Segment Assets	99,488,346	1,181,732	100,670,078	97,976,540	746,060	98,722,600
Capital Expenditure	6,180	-	6,180	2,893,127	-	2,893,127

Notes:-

(i) The company is into two main business segments, namely;

- (a) Indenting Business
- (b) Trading Business - Chemicals

Segments have been identified and reported, taking into account, the nature of products and services, the differing risks and returns, the organisation structure, and the internal financial reporting systems

(ii) Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

35 Derivatives:

UNHEDGED: The year end Foreign Currency exposures that have not been hedged by a derivative instrument as outstanding are as under:

a. Amount receivable in foreign currency on account of the following :

Particulars	As on 31.03.2016		As on 31.03.2015		
	Amount in		Amount in		
	Rs.	Foreign Currency	Rs.	Foreign Currency	Foreign Currency
Receivables	14,107	188	152,215	2,255	EURO
	1,134,122	17,108	111,353	1,779	USD
	-	-	47,682	91,520	YEN

b. Amount payable in foreign currency on account of the following :

Particulars	As on 31.03.2016		As on 31.03.2015		
	Amount in		Amount in		
	Rs.	Foreign Currency	Rs.	Foreign Currency	Foreign Currency
Creditors	1,964,229	29595	5,255,890	83,866	USD

36 Significant Accounting Policies :
(A) Basis of Preparation of financial statement

The financial statements have been prepared under the historical cost convention on an accrual basis and comply in all material aspects with the mandatory accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (accounts) Rules 2014.

(B) Use of Estimates

The presentation and preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of revenues and expenses during the reporting year. Difference between the actual result and the estimates are recognized in the year in which the results are known / materialized.

(C) Cash and Cash equivalents

Cash and Cash equivalents for the purpose of cash flow statements comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)**(D) Valuation of Inventories**

Inventories are valued at lower of Cost and Net Realisable Value. Cost of traded goods is arrived at on FIFO basis.

(E) Revenue Recognition

- (i) Sales are recognised when the significant risk and reward of ownership of the goods are passed to the customer. Sales are net of sales return, quantity discount and exclusive of value added tax collected. Indenting commission is accounted as and when it becomes due.
- (ii) Interest income is recorded on a time proportion basis taking into account the amounts invested and the rate of interest.
- (iii) Dividend income is recognised when the company's right to receive dividend is established by the reporting date.

(F) Fixed Assets & Depreciation

All Fixed Assets are stated at Cost less Accumulated Depreciation. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Computer software is capitalised where it is expected to provide future enduring economic benefits. Capitalisation costs include licence fees and costs of implementation / system integration services. The costs are capitalised in the year in which the relevant software is ready for use.

Up to March 31, 2014, the depreciation on Tangible Assets is provided using the Written Down Value method at rates prescribed under Schedule XIV to the Companies Act, 1956 and with effect from April 1, 2014, the depreciation is provided based on useful life prescribed under Schedule II of the Companies Act 2013. In respect of fixed assets purchased during the period, depreciation is provided on a pro-rata basis from the date on which such asset is ready to be put to use. Depreciation on Intangible assets – Software is amortised over a period of 3 years on straight line method.

(G) Foreign Currency Transactions

- (i) Foreign exchange transactions are accounted at the exchange rate prevailing on the date of transaction. Resulted exchange differences arising on payment or conversion of liabilities are recognised as income or expense in the year in which they arise.
- (ii) At the year end all Foreign currency assets & liabilities are recorded at the exchange rate prevailing on that date. All such exchange rate difference on account of such conversion is recognised in the Statement of Profit & Loss.
- (iii) All foreign currency liabilities / assets not covered by forward contracts, are restated at the rates prevailing at the year end and any exchange differences are debited / credited to the Statement of Profit & Loss.

(H) Investments

Long term Investments are stated at cost. Provision for diminution in value of long term investments is made only if such decline is other than temporary in the opinion of the management. Cost of Investment is arrived at on the basis of weighted average cost at the time of sale.

(I) Employee Benefit

- (i) Short term employee benefits are recognised as an expense at the undiscounted amounts in the Statement of Profit & Loss for the year in which the related service is rendered.
- (ii) Contribution payable to the Provident Fund and Superannuation Scheme which is Defined Contribution Scheme is charged to Statement of Profit & Loss as and when incurred.
- (iii) Liabilities in respect of defined benefit plans - Gratuity and Leave encashment are determined based on actuarial valuation made by an independent actuary as at the balance sheet date and expenses is recognised based on the actuarial valuation. The actuarial gains or losses are recognised immediately in the Statement of Profit & Loss.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)
(J) Provision for Current Tax

- (i) Provision for Income tax is made on the basis of the estimated taxable income for the current accounting period in accordance with the Income- tax Act, 1961.
- (ii) The deferred tax for timing differences between the book profits and tax profits for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is a virtual certainty that these would be realized in future and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

(K) Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the management estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the assets belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss . If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed ,and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

(L) Provision & Contingent Liability

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

(M) Earnings Per Share

Basic earnings per share is computed by dividing net profit or loss for the period attributable to equity shareholders by the weighted average number of shares outstanding during the year. Diluted earnings per share amounts are computed after adjusting the effects of all dilutive potential equity shares except where the results would be anti-dilutive. The numbers of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share, and also the weighted average number of equity shares, which could have been issued on the conversion of all dilutive potential equity shares.

- 37** In the opinion of the Board, Current Assets, Loans and Advances have value in the ordinary course of business at least equal to the amount at which they are stated.
- 38** The previous year figures have been regrouped/reclassified, wherever necessary to conform to the current presentation as per schedule III.

FOR **M. L .BHUVANIA & CO.**
 CHARTERED ACCOUNTANTS
 Firm Registration Number : 101484W

FOR AND ON BEHALF OF THE BOARD

Sd/-
J.P. BAIRAGRA
 PARTNER
 MEMBERSHIP NO. 12839

Sd/-
P.V.HARIHARAN
 WHOLE TIME DIRECTOR
 DIN: 03196975

Sd/-
ADITYA BHUVANIA
 DIRECTOR
 DIN: 00018911

PLACE : MUMBAI
 DATED : 26TH MAY, 2016

Sd/-
GHANSHYAM VYAS
 CHIEF FINANCIAL OFFICER

Sd/-
AMIT SURASE
 COMPANY SECRETARY

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PRIYA INTERNATIONAL LIMITED

CIN:L99999MH1983PLC086840

Regd. Office: 4th Floor, Kimatrai Building, 77-79, Maharshi Karve Marg,
Marine Lines (E), Mumbai-400002. www.priyagroup.com

ATTENDANCE SLIP

(To be presented at the entrance)

Regd. Folio No. /Client ID No. _____

No. of shares held _____ DP ID No. _____

I certify that I am a Member/Proxy for the member of the Company. I hereby record my presence at the **33RD ANNUAL GENERAL MEETING** of the Company to be held at "Hall of Quest", Nehru Planetarium, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai- 400 018 on **Tuesday, the 30th day of August, 2016 at 10.30 A.M.**

Member's/ Proxy's name in BLOCK Letters _____ Signature of Member/Proxy _____

NOTE:Please fill up this attendance slip and hand it over at the entrance of the venue for the meeting.

Members are requested to bring their copy of the Annual Report to the meeting.

— — — — — Tear Here — — — — —



PRIYA INTERNATIONAL LIMITED

CIN:L99999MH1983PLC086840

Regd. Office: 4th Floor, Kimatrai Building, 77-79, Maharshi Karve Marg,
Marine Lines (E), Mumbai-400002. www.priyagroup.com

PROXY FORM - MGT-11

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies
(Management and Administration) Rules, 2014)

Name of the Member (s) : _____

Registered address: _____

E-mail Id: _____

Folio No./ Client ID No.* _____

DP ID No.* _____

I / We, being the member(s) of _____ Equity Shares of Priya International Limited, hereby appoint

1. Name : _____ Address : _____

E-mail Id : _____ Signature : _____, or failing him / her

2. Name: _____

Address: _____

E-mail Id: _____

Signature: _____, or failing him / her

3. Name: _____

Address: _____

E-mail Id: _____

Signature: _____

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the **33rd Annual General Meeting** of the Company, to be held on **Tuesday, the 30th day of August, 2016 at 10.30 a.m.** at "Hall of Quest", Nehru Planetarium, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai - 400 018 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. Consider and adopt the Audited Financial Statement, Reports of the Board of Directors and Auditors, for the financial year ended 31st March, 2016.
2. Declaration of dividend on Equity Shares for the financial year ended 31st March, 2016.
3. Re-appointment of Mr. A. K. Bhuwania, who retires by rotation.
4. Appointment of Auditors and fixing their remuneration.
5. Revision in remuneration of Mr. P. V. Hariharan, Whole Time Director.

Signed this day of..... 2016.

Signature of Shareholder

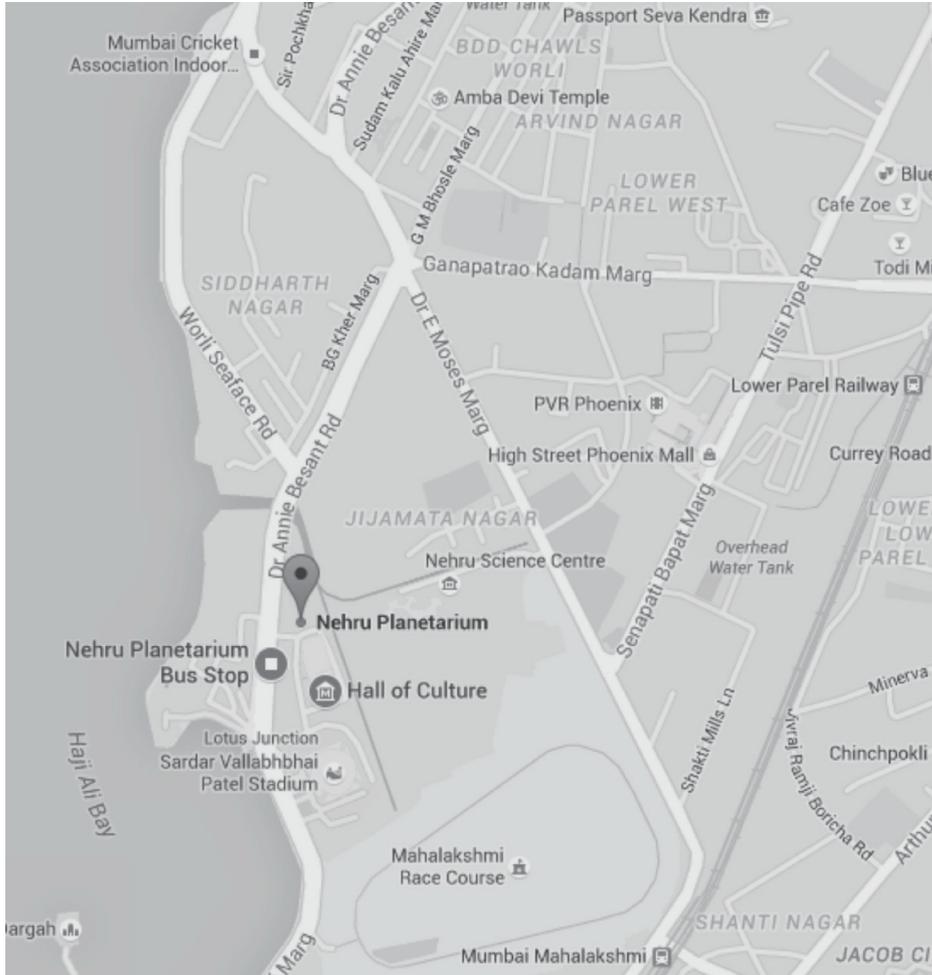
Signature of Proxy holder(s)

Affix
Rupee 1/-
Revenue
Stamp

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.

TEAR HERE

Route Map- Venue of AGM



If Undelivered Please return to:

PRIYA INTERNATIONAL LIMITED

4th Floor, Kimatrai Building 77-79, Maharshi Karve Marg,
Marine Lines (E), Mumbai - 400002