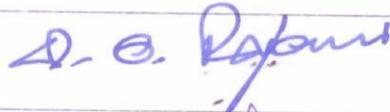


August 14, 2015

**Form A**  
(Pursuant to amended clause 31 (a) of the Listing agreement)



1. Name of the Company	Seya Industries Ltd
2. Annual financial statements for the year ended	March 31, 2015
3. Type of Audit observation	Un-qualified
4. Frequency of qualification	Not Applicable
5. Mr. Ashok G Rajani – (Chairman & Managing Director)	
Mr. Anand Taggarsari – (Chairman of the Audit Committee)	
<b>Statutory Auditors</b>  M/s. JAGIWALA AND CO. Chartered Accountants ICAI FRN: 1311184W	For JAGIWALA AND CO. Chartered Accountants   Mr. Yogesh R Jagiwala Partner Membership No. 016864



Celebrating  
**25**  
YEARS



**SEYA INDUSTRIES LTD**  
**ANNUAL REPORT 2014-15**

## BOARD OF DIRECTORS

**Mr. Ashok G Rajani**  
Chairman & Managing Director

**Mr. Asit Kumar Bhowmik**  
Executive Director

**Mr. Virendra Singh Khurana**  
Independent Director (upto January 5, 2015)

**Mr. Anand Taggarsi**  
Independent Director

**Ms. Kalpana Tirpude**  
Independent Director

**COMPANY SECRETARY**  
CS Manisha Solanki

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

**COST AUDITOR**  
Hemant Shah & Associates  
Cost Accountants

**SECRETARIAL AUDITOR**  
Mr. Rakesh Sanghani  
Practicing Company Secretary

**PRIMARY BANKERS**  
Bank of Baroda  
Central Bank of India

**SOLICITORS**  
S. K. Srivastava & Co.  
Mr. Ashok M Saraogi

**REGISTERED OFFICE**  
T-14, MIDC, Tarapur, Boisar,  
Dist. Palghar – 401 506

**CORPORATE OFFICE**  
B-12, Ghanshyam Chamber,  
Link Road, Andheri (West), Mumbai – 400053  
☎022-26732894 | 📠: 022-26732666  
✉ : info@seya.in, 🌐: www.seya.in

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

## CORPORATE OVERVIEW

Chairman's Statement .....	1
Seya at a Glance .....	3

## STATUTORY REPORTS

Management Discussion & Analysis .....	4
Director's Report .....	12
Corporate Governance Report .....	29

## FINANCIAL STATEMENTS

Independent Auditor's Report .....	35
Balance Sheet .....	37
Statement of Profit and Loss .....	38
Cash Flow Statement .....	39
Notes forming part of Financial Statements .....	40
Notice of AGM .....	54
Attendance / Proxy Slip .....	58

## AGM

**Monday, September 28, 2015 at 11:00 a.m.**

## VENUE

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

## BOOK CLOSURE

**September 22, 2015 to September 28, 2015** (both days inclusive)

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

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



SEYA understands the need of eco-friendly environment for our future generation. SEYA has taken a minor step along with its shareholders to contribute its little bit to save environment by giving an opportunity to its shareholders to receive documents and notices in electronic form. We feel proud that like SEYA, its members are also actively participating in this initiative. Those members who have still not register their e-mail Ids are requested to do so by writing to RTA at info@unisec.in or to the Company at corporate@seya.in. For a healthy and Greener life.....



## CHAIRMAN'S STATEMENT

*My Dear Valued Stakeholders,*



Warm Greetings to All of you!

It gives me immense pleasure to welcome you in our Silver Jubilee Year and share the same sense of excitement, a sense of having achieved a major milestone in our journey towards a great future. Looking back with pride and satisfaction, while there is a feeling of contentment at the performance of the Company, it's thrilling to have geared ourselves visualising the huge potential and challenges the future holds for us.

Your Company is year on year breaking its own records and moving towards success progressively. Just like the Icing on a Cake, we are delighted to share that the BSE Ltd has finally accorded in-principle approval to revoke the suspension of Trading of shares of your Company. This couldn't have been at any other righter time than now, complementing our Silver Jubilee celebrations.

### **Global Chemical Industry**

The \$5 trillion Global Chemicals Industry's recovery remains on track amid a still fragile macro environment. But the Industry is not without its challenges, such as soft agriculture market fundamentals, depressed demand in energy markets, sluggishness in China and headwinds from a stronger dollar, which shall weigh on the performance of Chemical manufacturers during 2015.

### **Indian Economic Environment**

As one of the emerging economies, of Asia, India has long enjoyed rapid growth. The new government leadership under Hon'ble Prime Minister Mr. Narendra Modi has promised a pro-business approach to address the issues relating to business growth. With Hon'ble Prime Minister's **MAKE IN INDIA** campaign

And the winds of change blowing in India's favour I think there's never been a better time for making in India. With Government giving thrust on some of the key business parameters like setting up of Single-Window Clearance System, Reforming labour laws and Easing the Land Acquisition rules, India has the potential to become a Global Chemical manufacturing hub.

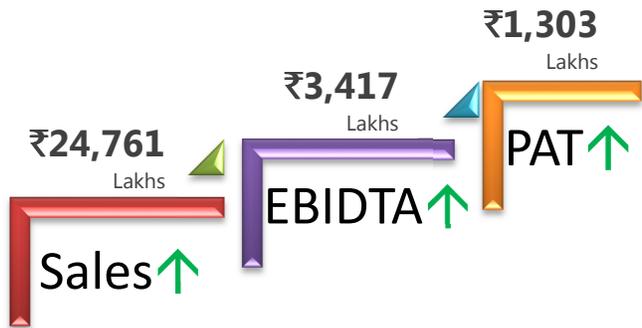
### **Indian Chemical Industry**

Union budget 2014-15 initiated various programs and provided financial support for Chemical Sector in the form of various Tax benefit / exemptions to the Manufacturer / Exporters complemented with 100% Foreign Direct (FDI) being allowed in the Chemicals sector. Policies have been initiated to set up integrated PCPIR (Petroleum, Chemicals and Petrochemicals Investment Regions) spread across 250 sq.kms. for manufacturing of domestic and export-related Petroleum, Chemicals and Petrochemicals related products. At the same time, a number of Indian chemical companies are making move to increase their capacities and market share. Together, these developments promise significant changes for the chemical industry serving markets in the world's largest democracy.

On the surface, India has all the requisite ingredients for a Robust, High-growth Chemical Industry – the same ingredients that continue to drive Chemical Industry growth in China, which include a large and growing population, Mass urbanization and a rapidly expanding middle class supporting numerous consumer markets. With the new government comes new hope and the early signs are positive. If the new government can follow through on its commitments to foster a more business-friendly environment, the chemical industry can help serve as the foundation for further development of the country's Industrial manufacturing value chain. Indeed, we may start to see the Indian chemical industry re-establishing its position as an engine of growth for the global chemical industry

### Silver Jubilee Performance

FY 2014-15, yet another year of excitement and achievements for SEYA, exhibited exhilarating performance and endorsed its Silver Jubilee Celebrations. Our actions are bearing fruit and I am delighted to announce that in FY 2014-15 Revenue from Operation grew by almost 89% to ₹24,761 Lakhs while EBIDTA margin was 13.80% (₹3,417 Lakhs) underscoring an extra-ordinary growth of 114% (PY ₹1,598 Lakhs). The Profit After Tax(PAT) stood at ₹1,303 Lakhs up by a whopping 288.28% as compared to ₹336 Lakhs in previous year. The loftier numbers also abridged the Net Debt to EBIDTA to 2.61 (PY 3.06).



It feels great to see your offspring grow up, and achieve more than what you ever thought was possible and SEYA is one such offspring, who is making all of us feel proud.

### Growth in Fine & Speciality Chemical Sector

Your company continues to focus on consistent, competitive, profitable and responsible growth and as committed last year, your company has successfully commissioned its forward integration products in the Fine and speciality Chemicals segment. This is witnessed by Revenue from the segment contributing to almost 91% of the total revenue and those from the new products comprising 81% of Net Sales.

The Speciality chemical segment having a significant market size and growth in end-user industries has supported demand for high value, Speciality and Pharma chemicals. India's Speciality chemical market currently valued at USD 23 billion and is expected to grow at CAGR of 14% per annum.

### Building the Right Organisation

SEYA has a professional management team in place which is well embedded across all functions and levels, and this team will continue to lead and drive SEYA. As we look to expand beyond our horizons, we have created a structure to ensure we have the right balance and focus on delivering day-to-day performance as well as driving the overall strategic agenda for the business. This structure is designed to be flexible as we continue to grow and helps to deliver, capitalise on synergies, and ensure lean and focused governance. Through the last year, we continued to exert ever greater demands on our operational backbone which elicited in securing higher capacity.

### Strategies for Growth

Your Company has already initiated work for its upcoming projects integral to our existing business operations by embarking on a backward & forward integration project and capacity expansion of captive products. Once implemented it will further strengthen your Company's sustainability and resilience. SEYA has envisaged its growth path, by a clear and defined vision to:

- Invest locally with Scale and Size matching global norms and adopt cutting edge technology (developed or acquired)
- Secure Feedstock and Technology
- Become a coveted employer - Attract and Retain talent
- Establish a targeted innovation platform, Invest more in R&D
- Create a positive, consumer & environment friendly image

### Looking Ahead

Your Company operates in the following segments:

- Fine & Speciality Chemicals
- Pharmaceutical Intermediates
- Organic Chemical Intermediates
- Agrochemical Intermediates and
- In-organic Chemical Intermediates

The demand for Specialty Chemicals industry is driven by a wide range of end use industries. The domestic market for Specialty Chemicals is expected to grow strongly, buoyed also by the increased adoption of Specialty Chemicals and their increased usage in different products categories. Compared to developed markets, current usage of Specialty Chemicals in India is very low. With an increased focus on improving products and usage intensity of Specialty Chemicals, the industry is poised for strong growth in future. The Indian middle-class household is expected to grow five times by 2030, leading to a huge demand for Agrochemicals, Specialty Chemicals in Automotives, Water Treatment and construction, Paints Coating and Construction chemicals, Colorants, Active Pharmaceutical Ingredients (APIs), Personal & Health Care Chemicals and Flavors & Fragrances. Besides, a number of new applications in each of these sectors will also contribute to growth. The huge potential of domestic demand and low per capita consumption in each of its industry segments compared to world average provide a strong potential for overall performance.

### Winning Team

I must take this opportunity to congratulate and express my appreciation to the human assets of Seya. I am proud that they have proved that a plausible impossibility is better than a convincing possibility. Their dreams, their aspirations, and their hard work would have all come to naught if it were not for a set of extraordinary people with equally high aspirations, courage, dreams and perhaps even nobler objective than we had when we founded SEYA.

My dear friends, being shareholders your support gave SEYA Incredible strength which can't be explained in words. Your belief and confidence in the company and its management helped SEYA to achieve what it has achieved today. I would also like to thank our bankers who have continued to repose their faith in the company and we are encouraged by their unstinting support.

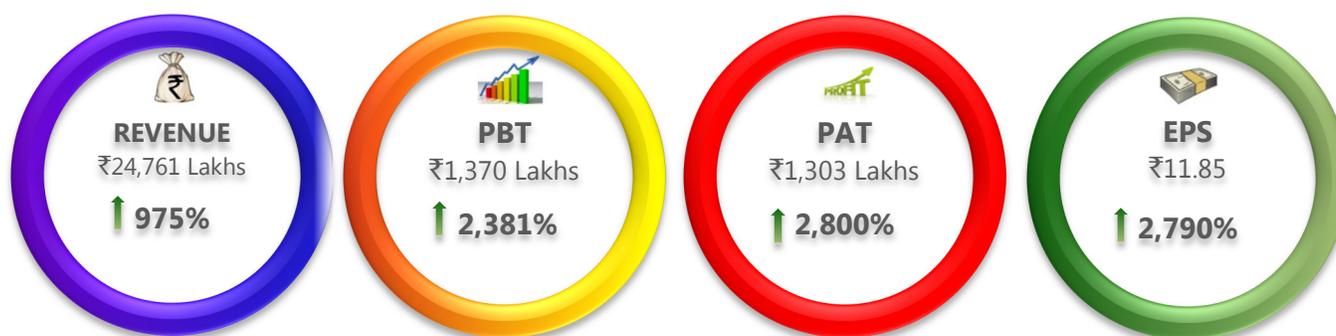
My fellow board members, customers, vendors and other stakeholders without their support and encouragement SEYA's growth story is incomplete.

I will complete with words of exhortation by Swami Vivekananda, "Arise, Awake and Stop Not until the Goal is reached". That is the clarion call for Team SEYA, To raise the bar and expand our horizons, to win the goals that we have set for ourselves in terms of Performance, Excellence, Quality and Innovation.

**ASHOK G RAJANI**  
Chairman & Managing Director

## SEYA AT A GLANCE

### ACHIEVEMENTS OF FIVE YEARS



₹ in Lakhs

Statement of Profit & Loss	2014-15	2013-14	2012-13	2011-12	2010-11
Net Revenue	24,761.11	13,130.89	5,421.66	2,839.14	2,068.71
Other Income	70.30	153.66	48.37	33.57	1.79
Finance Cost	991.05	122.27	5.58	3.00	0.19
Profit Before Taxation	1,370.97	587.94	224.54	107.62	55.27
Profit After Taxation	1,303.07	335.60	181.73	87.59	45.02
Earnings per share (₹)	11.85	3.05	1.65	0.8	0.41

Balance Sheet	2015	2014	2013	2012	2011
Reserves & Surplus	5,414.40	4,111.34	3,775.74	3,594.01	3,506.42
Net-Worth	6,514.40	5,211.34	4,875.74	4,694.01	4,606.42
Net Fixed Assets	35,513.32	35,796.56	29,113.70	28,330.81	9,329.23
Current Assets	10,917.09	5,538.01	3,035.79	3,262.13	3,037.82
Current Liabilities	6,466.29	3,861.25	1,560.98	1,873.88	789.63

Segment Wise	2015	2014	2013	2012	2011
Speciality Chemical Intermediates	22,559.84	9,394.40	1,127.44	1,173.47	1,134.03
Organic Chemical Intermediates	1,499.98	2,632.32	2,302.86	1,394.63	702.73
Inorganic Chemical Intermediates	34.23	45.27	27.02	43.30	53.96
Pharmaceutical Intermediates	658.57	744.60	680.07	204.51	74.74
Agrochemical Intermediates	8.49	267.30	1,092.63	22.97	93.74
Others	-	0.45	191.65	28.97	9.52

Key Ratios	2015	2014	2013	2012	2011
PBIDTA (% of Net Revenue)	13.80	12.17	10.78	8.97	25.93
PBT / Net Sales (%)	5.54	4.48	4.14	3.79	2.97
PAT / Net Sales (%)	5.26	2.56	3.35	3.09	2.18
Return on Net Worth (%)	37.24	28.31	11.87	11.99	11.64
Return on Capital Employed (%)	17.72	8.55	5.33	2.42	5.89

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS ENVIRONMENT

### Global

The Global economy continued to exude an uneven performance in FY 2014-15 with volatility and uncertainty being defining themes across the international economic landscape. Despite the efforts of various governments and multilateral agencies, most of the major economies were in the middle of a balancing act during the year as they attempted to revive growth in a sustainable manner while simultaneously addressing fiscal concerns. A welcoming relief to oil importing economies especially emerging economies like India was the sharp fall in crude oil prices globally towards the second half of the Financial Year though volatile commodity prices, continued low interest rates and slowing world trade have been pulling these economies in different direction.

Emerging economies disappointed as a result of a less favourable investment climate and weak external demand with number of country specific challenges looming over them like infrastructure bottlenecks, increased financial risks and political tensions, though contributing about two-thirds of global growth. In the Euro area, a massive monetary expansion is being undertaken to reverse the deteriorating economic conditions and deflationary pressures. With lower oil prices, lower interest rates and Euro depreciation, the outlook for growth is moderate, along with subdued inflation. Though the legacies of financial crisis continued to linger over the developed economies of America and Asia as the potential growth rate remained lower than the early 2000s as a result of the aftermath of the financial crisis, these economies gathered positive momentum simultaneously for the first time since 2011 in spite of still being confronted by a number of challenges like high unemployment rates and structural bottlenecks. The United States is on an improving growth trajectory, with lower inflation and declining unemployment, which is expected to more than offset reduced net exports caused by dollar appreciation catalysed by accommodative monetary policy and lower oil prices boosting domestic consumption demand.

China's growth in the Financial Year (FY) 2015-16 will be affected by slower growth of exports and shift in the focus of domestic growth from an investment to a consumption oriented economy. As a result China, which grew at 7.4% in 2014 (its slowest rate in 24 years), has set its GDP growth for 2015 at about 7%. China's slower growth will have repercussions on growth prospects of emerging Asian countries. China's flooding of Asian markets, including that of India with metals (steel), Chemicals and electronic items is an area of concern.

Overall, it is believed that the global economy has bottomed out after the global financial crisis of 2008 and may now consolidate before a sustained recovery takes place. All major advanced economies are expected to show improved growth in 2015 and 2016 though growth in major emerging and developing economies (except India) is projected to be lower, primarily reflecting weaker prospects for some large emerging market economies and oil-exporting countries. However, there is a view that many of these emerging economies including India have put the worst behind them.

### Domestic

India witnessed the largest single party political mandate at the Centre since 1984 in FY 2014-15 auguring a stable government with opportunity to return the economy to its strong growth

trajectory of the previous decade with a new perspective, renewed vigour and expectations of a new pace of rolling out of reforms and strong policies. The Indian economy grew by 7.3% in FY 2014-15 led by strong growth in the industrial and service sectors, despite slowdown in the agricultural sector due to poor monsoons, and is expected to further improve to 7.4% in FY 2015-16 and 7.5% in FY 2016-17 surpassing China, making India the fastest growing major economy in the world by 2016.

The Government through policy reforms is not only aiming for short term objectives like control over inflation and external sector imbalances but is also focussing on medium to long term objectives for transformation and development by stimulating civil and social infrastructure projects across the Country. Measures for de-bottlenecking the economy are being carried out like land acquisition for development, ensuring availability of energy along with the rationalization of fuel prices and ending subsidy in the case of fuel with majority of measures already been executed, indicating the seriousness of the Government about the long-term economic goals of the Country. The 'Make in India' initiative of the Government to revive manufacturing in India with an object to lift the economy through job creation and skill enhancement by localisation of manufacturing across 25 identified key sectors complemented with removal and relaxation of foreign equity caps in various sectors and liberalisation of foreign direct investment in railways, insurance and defence, will give a major boost in this direction.

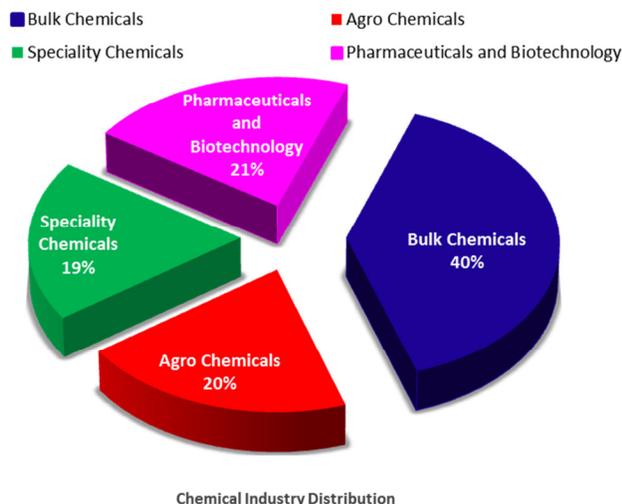
The road ahead for India is encouraging with refreshing changes in foreign policy, tax certainty, efforts to attract FDI and in the auction of natural resources. The Government has taken necessary steps to revive growth resulting in reduction in the Current Account Deficit (CAD) and pick-up in net exports with lower net outflows under primary income supported by lower oil prices reducing the Import bill.

The Union Budget FY 2015-16 has focused on increasing expenditure towards capital formation, which would have a multiplier effect on the economy. It has recognised the need to revive growth in infrastructure sectors and manufacturing in line with the 'Make in India' initiative. The increase in public investment would encourage private sector investment. Recognising that agricultural incomes are under stress, the Finance Minister has taken measures to increase agricultural productivity through higher investment in rural infrastructure, thus ensuring that rural people get employment, which will help fuel demand to that extent. Micro-irrigation, watershed programmes and the Pradhan Mantri Gram Sinchai Yojana (PMGSY), which aims to ensure irrigation for every field and improve water usage efficiency to provide "more crops per drop", will lead to a higher demand for fertilisers and pesticides.

## CHEMICAL INDUSTRY OVERVIEW, STRUCTURE AND RECENT DEVELOPMENTS

Chemical industry is a knowledge as well as capital intensive industry. It plays a significant role in the global economic and social development. It is also a human resource intensive industry and hence employs a large number of people. Globally, more than 20 million people are expected to be employed in this industry. The diversification within the chemical industry is large and covers more than eighty thousand commercial products. With a large talent pool available, the focus has also been towards investments in R&D. India's competence in this

knowledge intensive industry is increasing; however the tapped potential is very limited. The current low per capita consumption suggests that the demand potential is also yet to be realized. Moreover India has a very strong outlook for the key end user industries hence, going ahead the demand of chemical products is expected to surge. The Chemical Industry is divided in the following segments:



The chemical industry is dependent on the progress of its key customers, i.e. the manufacturing sector for growth. FY 2014-15 was a soft year for chemical companies as the global manufacturing sector was affected by slowdown in China and other emerging economies. Recovery in the United States along with growing demand for higher value and innovative products were the key driving factors for growth in FY 2014-15. As we move into FY 2015-16, there are indications of an upturn in the global industrial cycle with the United States continuing to witness growth momentum. In fact, due to the competitive advantage of shell gas extraction, North America will continue to witness sustained growth. However, the most promising prospects were found in emerging economies of Asia, Africa and Middle East. Sustained recovery in the manufacturing sector and shift in competitiveness will result in driving the global economic growth. As a result, the size of the global chemical industry will become \$4.7 trillion by 2018 and \$5.8 trillion by 2021.

Despite the slowdown in export markets and lacklustre growth in domestic markets, the Indian chemical industry expanded and constituted about 3.5% of the global chemical industry. The chemical industry contributed about 19% of the manufacturing sectors' GDP and about 11% of total exports. Of the total size of the chemical industry, bulk chemicals form about 39% of the market share while agro chemicals is about 20% and speciality chemicals is at about 19% of the market share. The balance 21% is held by Pharmaceuticals and Biotechnology.

Bulk chemicals which comprise of organic and inorganic chemicals are projected to grow by 7.3% CAGR over the next five years taking it to \$25.7 billion by 2018. Organic chemicals, which form 34% of the bulk chemicals market are expected to grow at 9%, driven by strong demand in the end-user market. As a result, plants manufacturing organic chemicals are expected to achieve full capacity utilisation by 2018. Inorganic chemicals are expected

to grow by about 6-7% CAGR over the next five years driven by strong demand from the end user industries like alumina, textiles, paper and detergents. Utilization rate will touch 92% by 2018.

### Specialty Chemicals

Specialty chemicals are defined as a "group of relatively high value, low volume chemicals known for their end use applications and/or performance enhancing properties." In contrast to base or commodity chemicals, specialty chemicals are recognized for 'what they do' and not 'what they are'. Specialty chemicals provide the required 'solution' to meet the customer application needs. It is a highly knowledge driven industry. The key specialty segments in India are:



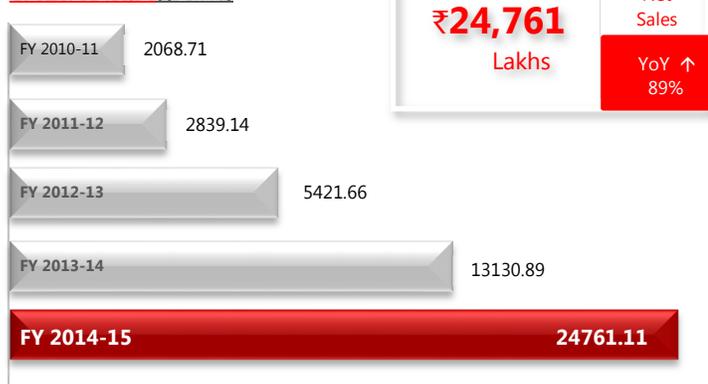
The Indian Specialty chemicals are the fastest growing segment with strong demand from end user industries and have gathered enough momentum with expectation to do about \$42 billion by 2018 owing to strong domestic demand. Exports are estimated to drive specialty chemicals growth owing to its competitive scale and low cost of production compared to other economies. The past growth has been due to growth in end user industries, which has resulted in increased consumption for specialty chemicals and is expected to grow around 2 times the GDP in coming years.

India exports specialty chemicals to nearby Asia-Pacific countries which do not have competitive scale of production and to developed countries of Europe and USA where it leverages its low cost of production and quality talent pool complemented with compliance to global regulations.

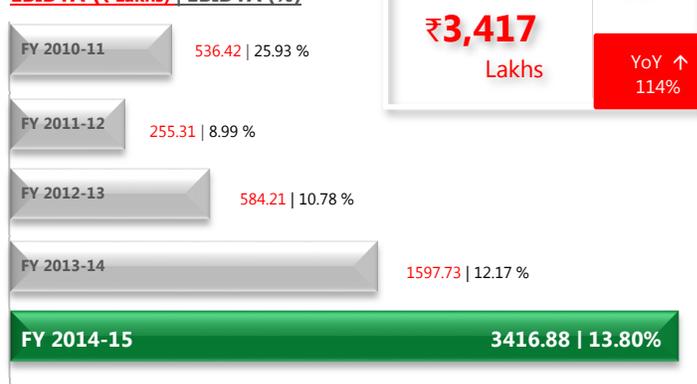
Looking forward, the Indian chemical industry is expected to deliver healthy gain from strong production volumes that will be consumed domestically as well as exported. India is also at the starting point of a new capital spending cycle as the 'Make in India' initiative kicks off which will not only expand production but also generate significant employment once the projects go online. The Indian chemical sector has the potential to become a global manufacturing hub similar to the Indian pharmaceutical industry. As the global economy recovers and external demand becomes more robust, chemical exports will further accelerate.

## FINANCIAL HIGHLIGHTS

### NET REVENUE (₹ Lakhs)



### EBIDTA (₹ Lakhs) | EBIDTA (%)



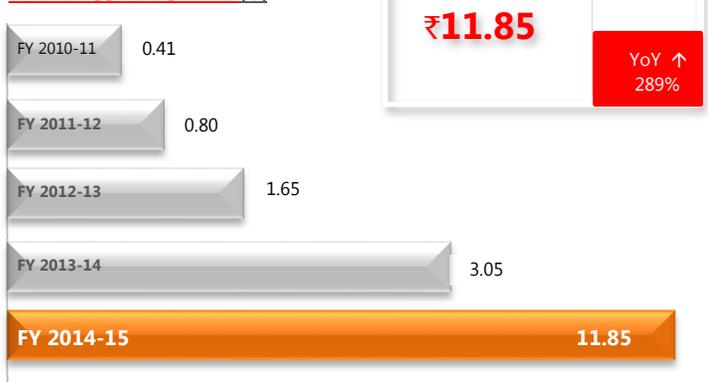
### PBT (₹ Lakhs) | PBT (%)



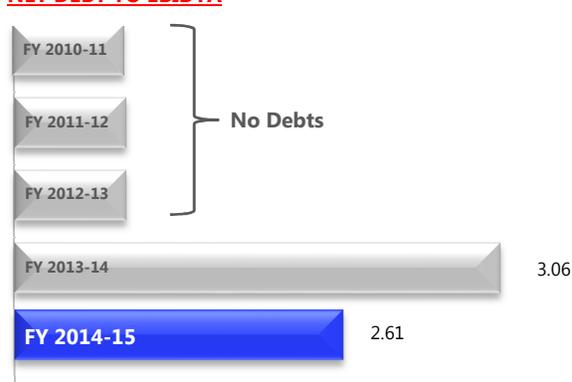
### PAT (₹ Lakhs) | PAT (%)



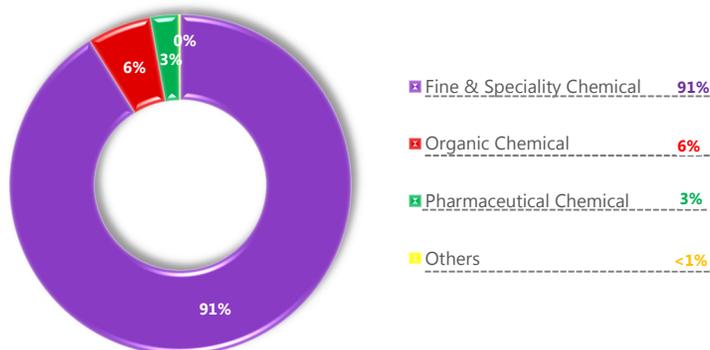
### EARNINGS PER SHARE (₹)



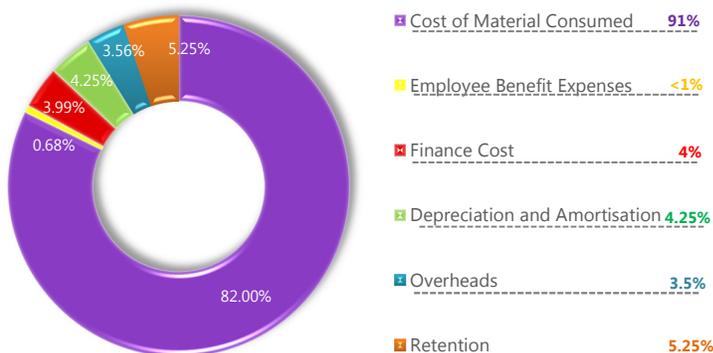
### NET DEBT TO EBIDTA



### SEGMENT REVENUE 2014-15



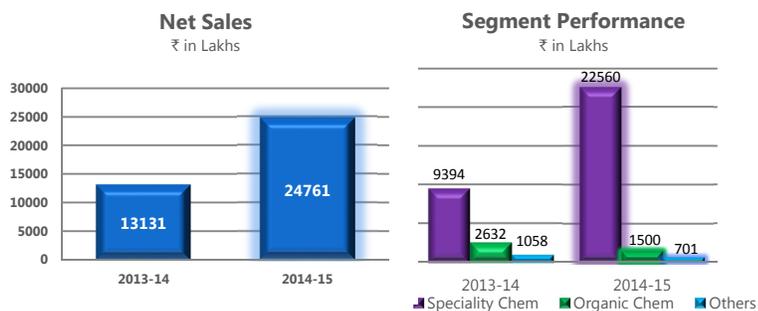
### DISTRIBUTION OF INCOME



## FINANCIAL PERFORMANCE

The Company's continued focus in expanding business in newer horizon's resulted significant growth in operations during the year. The Company has added another year of achievements in its success book. During the year, business delivered a record revenue performance near to **₹25,000 lakhs** marks for the first time.

### Revenues



**Net Sales** during the year was ₹24,761.11 lakhs compared to ₹13,131 Lakhs in PY, reporting an increase by 89%. Your Company launched 5 new products and almost 91% Revenue was generated from Fine & Speciality Chemical Intermediates, followed Organic Chemical Intermediates contributing 6% & the Pharmaceuticals and Agrochemicals/Inorganic Chemicals finishing the top-line at 3% & 1% respectively. The new products launched continued to deliver double digit growth. Q3 witnessed marginally lower revenues due to sharp decline in International Crude Oil prices resulting in disruption of volume off-take by some customers, however the same was set-off as Global prices of crude oil stabilised at albeit lower levels

### Segment Revenue

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

#### Fine & Speciality Chemicals

Revenues from this segment were ₹22,559.84 Lakhs in FY 2014-15, compared to ₹9,394.40 Lakhs in FY 2012-13, contributing 91% to total revenue during the year and demonstrating highest momentum in performance as several end-user segments continued to benefit from increased demand thereby professing bright future prospectus for this segment.

#### Organic Intermediates

Revenues from this segment end-user were at ₹1,499.98 Lakhs for the year(PY ₹2,632.32 Lakhs) thereby contributing 6% to total revenue during the current year. The lower revenues are due to conscious decision taken by your Company to leverage higher operating capacities for Fine & Speciality Chemicals segment however consolidation in prices of some key raw materials, improved realisations.

#### Pharmaceuticals Intermediates

Revenues from this segment end-users stood at ₹658.57 Lakhs compared to ₹744.60 Lakhs in PY contributing 3% to total revenue.

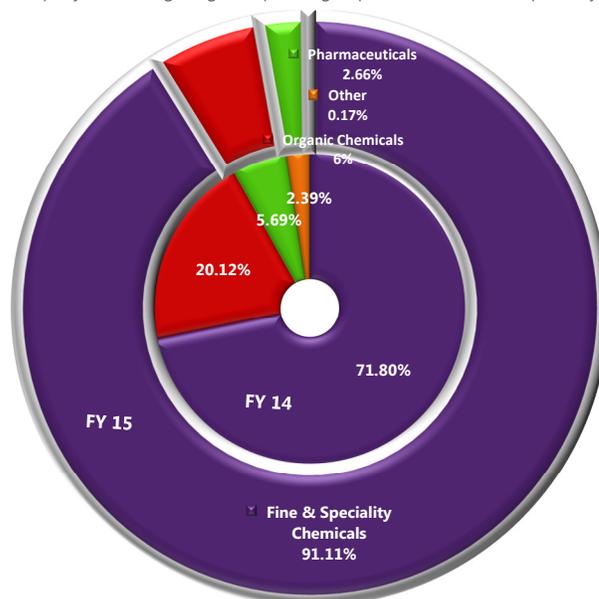
#### Inorganic Intermediates

Revenues from this segment end-user stood at ₹34.23 Lakhs for FY15 compared to ₹45.27 Lakhs in PY. The lower revenues from this segment were due to fall in the prices due to over-supply in the market, however the revenue contributed to only 0.14% in the Topline

#### Agrochemical Intermediates

Revenues from this segment end-users were low at ₹8.49 Lakhs in FY15 compared to ₹ 267.30 Lakhs in PY witnessing further shrink in revenues due to conscious view of limiting credit exposure to this segment end-user, taken by your Company since it warrants high credit cycle leading to higher working capital and related costs.

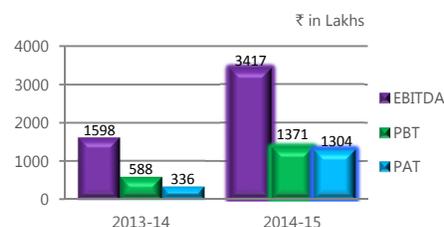
Your Company demonstrated its versatility, adaptability and dynamism by focusing on Fine & Specialty Chemical segment end-users with higher profitability, higher volumes, stable and increasing demand thereby remarkably increasing the Top line and Bottom line growth of your Company



	2014-15	2013-14	Change	% Change
<b>Fine &amp; Speciality Chemical Segment</b>	<b>22,559.84</b>	9,394.40	13,165.44	140.14
<b>Organic Chemical Intermediate Segment</b>	<b>1,499.98</b>	2,632.32	(1,132.34)	(43.02)
<b>Other intermediates Segments</b>	<b>701.29</b>	1,052.62	(351.33)	(33.38)
<b>Revenue from Operations</b>	<b>24,761.11</b>	13,130.89	11,630.22	88.57

### Profitability

**EBITDA** for FY 2014-15 was higher by 114% at ₹3417 lakhs compared to ₹ 1596 lakhs in PY. The growth in EBITDA was driven by high value led growth from new products introduced in the Fine & Specialty Chemical segments with improved cost efficiencies and positive impact as a result of de-bottlenecking initiatives. **Profit Before Tax(PBT)** was up 133% at ₹ 1371 lakhs compared to ₹ 588 lakhs in PY. **Profit After Tax(PAT)** was higher by 288% at ₹ 1303 lakhs in FY 2014-15 compared to ₹ 336 lakhs in PY 2013-14. This growth has come about despite significant increase in Interest and Depreciation cost on account of full commissioning of the forward Integrated new products.



	2014-15	2013-14	Change	% Change
<b>Earnings before Interest, Depreciation &amp; Tax</b>	<b>3,416.88</b>	1,597.73	1,819.15	113.86
<b>Profit Before Tax</b>	<b>1,370.96</b>	587.94	783.02	133.18
<b>Profit After Tax</b>	<b>1,303.07</b>	335.61	967.46	288.27

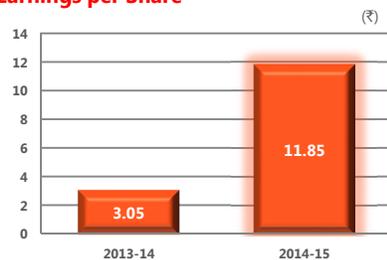
### Reserves & Surplus



There has been no transfer to the general reserve account during the period under review. Total reserves and surplus increase by 31.69% to reach the level of ₹5,414 Lakhs as compared to previous year of ₹4,111 Lakhs.

	2014-15	2013-14	Change	% Change
<b>General Reserves</b>	<b>2,013.53</b>	2,013.53	-	-
<b>Profit &amp; Loss account</b>	<b>3,400.87</b>	2,097.81	1,303.06	62.12
<b>Reserves &amp; Surplus</b>	<b>5,414.40</b>	4,111.34	1,303.06	31.69

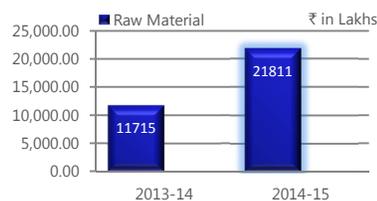
### Earnings per Share



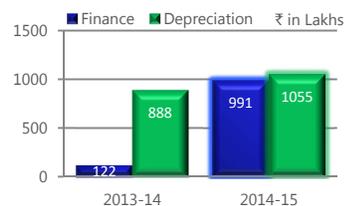
**Earnings per Share (EPS)** increased to ₹11.85 in FY 2014-15 as compared to ₹3.05 in FY 2013-14. It has showed 289% growth on YoY.

	2014-15	2013-14	Change	% Change
<b>Earnings Per Share (₹)</b>	<b>11.85</b>	3.05	8.80	288.52

### Expenses



**Raw material cost** stood at ₹ 10,509 Lakhs compared to ₹ 4026 Lakhs in PY, an increase of 161.03%, mainly due to increased volumes. Raw material prices nosedived sharply in the Q3 due to fall in International Crude Oil prices, however there were no Inventory losses due efficient Inventory Management and Price correction forecast by your Company.



**Employee Benefit Expenses** increased to ₹ 145 Lakhs from ₹ 117 Lakhs (YOY) due to induction of new employees for Forward Integration Products Production Plants which were commissioned during previous year.



**Finance cost** was higher at ₹ 122 Lakhs due to post commissioning interest cost against Long Term Loan and Short Term Working Capital Loan availed from Banks & Institutions for Forward Integration Products Production Plants which were commissioned during the year under review.

**Depreciation and Amortisation Expenses** increased to ₹ 888 Lakhs from ₹ 354 Lakhs (YOY) due to post commissioning Depreciation expense of Forward Integration Products Production Plants which was commissioned during the year.

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

	2014-15	2013-14	Change	% Change
<b>Raw Material Cost</b>	<b>21,810.81</b>	11,714.72	10,096.09	86.18
<b>Employee Benefit Expenses</b>	<b>168.44</b>	145.14	23.30	16.05
<b>Finance Cost</b>	<b>991.04</b>	122.27	868.77	710.53
<b>Depreciation &amp; Amortisation Expenses</b>	<b>1,054.87</b>	887.52	167.35	18.86
<b>Other Expenses</b>	<b>884.87</b>	1,032.51	(147.64)	(14.30)

**STRATEGIES FOR GROWTH**

Your Company has already initiated work for its upcoming projects integral to our existing business operations by embarking on a backward & forward integration project and capacity expansion of captive products. Once implemented, it will further strengthen your Company’s sustainability and resilience. SEYA has envisaged its growth path, by a clear and defined vision to:

- Invest locally with Scale and Size matching global norms and adopt cutting edge technology (developed or acquired)
- Secure Feedstock and Technology
- Become a coveted employer - Attract and Retain talent
- Establish a targeted innovation platform, Invest more in R&D
- Create a positive, consumer & environment friendly image

Your Company is addressing cost issues of raw materials and its price volatility and high energy costs which shall result in reduction in energy and fixed costs, yield better cash flows and aid in debt reduction, all of which will result in long-term value creation for its stakeholders. Cash generation through operational excellence and to realize the synergies of being a fully integrated facility shall drive efficiencies and effectiveness in transitioning to value-added products.

Your Company has adopted the multi-quadrant model for market penetration of its Products



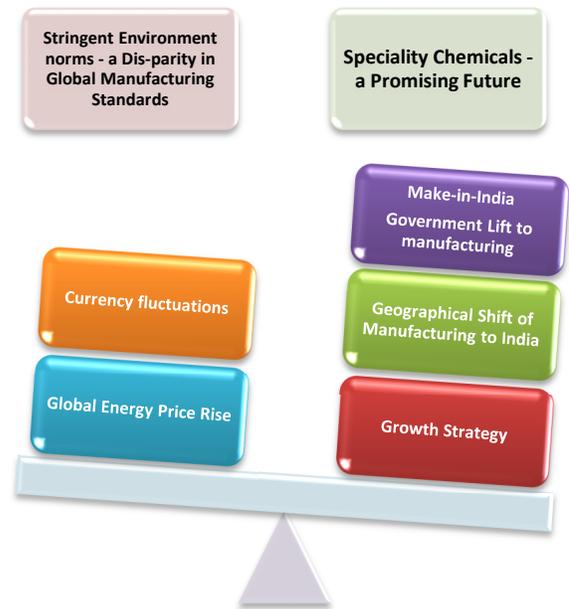
Your Company aims to further strengthen consumer connect and trust through its initiatives in digital and social media

**SWOT ANALYSIS**

The Chemical industry is critical for the economic development of any country, providing products and enabling technical solutions in virtually all sectors of the economy. Specialty chemicals, which is a focus area of your company, provide the ‘solution’ to meet the customer application needs and is a highly knowledge driven industry with raw materials cost much lower than for commodity chemicals. Industries are cautiously optimistic about future growth prospects and working towards new products, innovative services, application developments, facilities expansion and most importantly, understanding the changing customer preferences and demands and fostering long term profitable relationship with customers. Going forward, innovation and sustainability initiatives

are expected to be major factors for competitiveness while Development of processes/ products which eliminate or reduce the use of hazardous substances could become the key priority of producers. Consumers would be expected to pay premium for green chemistry and environmental preservation initiatives since stringent regulatory norms could further push the need to innovate cost effective industrial green chemicals.

Your Company has re-assessed its SWOT for clutching the Opportunities and extenuating the Threats:



**INTERNAL CONTROL SYSTEMS & ITS ADEQUACY**

The Company has robust systems for internal audit, risk assessment and mitigation and well-established internal control and risk management processes both at the business and operational levels. The Internal Auditor reports directly to the Chairman of the Audit & Risk Management Committee of the Board of Directors, which ensures process independence. Internal audit function plays a key role in providing to both the operating management and to the Audit & Risk management Committee of the Board, an objective is to view and reassurance of the overall control systems and effectiveness of the risk management processes across the Company. Internal Audit also assesses opportunities for improvement in business processes, systems

and controls and provides recommendations designed to add value to the operations.

The scope and authority of the Internal Audit Department is derived from the Audit Charter approved by the Audit Committee. Internal Audits with respect to financial and compliance matters are performed by an internal Auditor and operational level internal audit is performed by the in house team of managers, engineers and project and production team. The internal audit department which operates on a decentralised basis continuously monitors the adequacy and effectiveness of the internal control environment across the Company and the status of compliance with operating systems, internal policies and regulatory requirements.

The Audit & Risk Management Committee meets on a quarterly basis to review and discuss the reports submitted by the Internal Auditor and also review closure of all agreed actions. The Audit & Risk Management Committee also meets the Statutory Auditors separately to ascertain their views on the adequacy and efficiency of the internal control systems.

**RISK MANAGEMENT**

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

The overall approach to Risk Management at Seya is based on the following principles:

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

**Risk Categories & Mitigants**

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

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

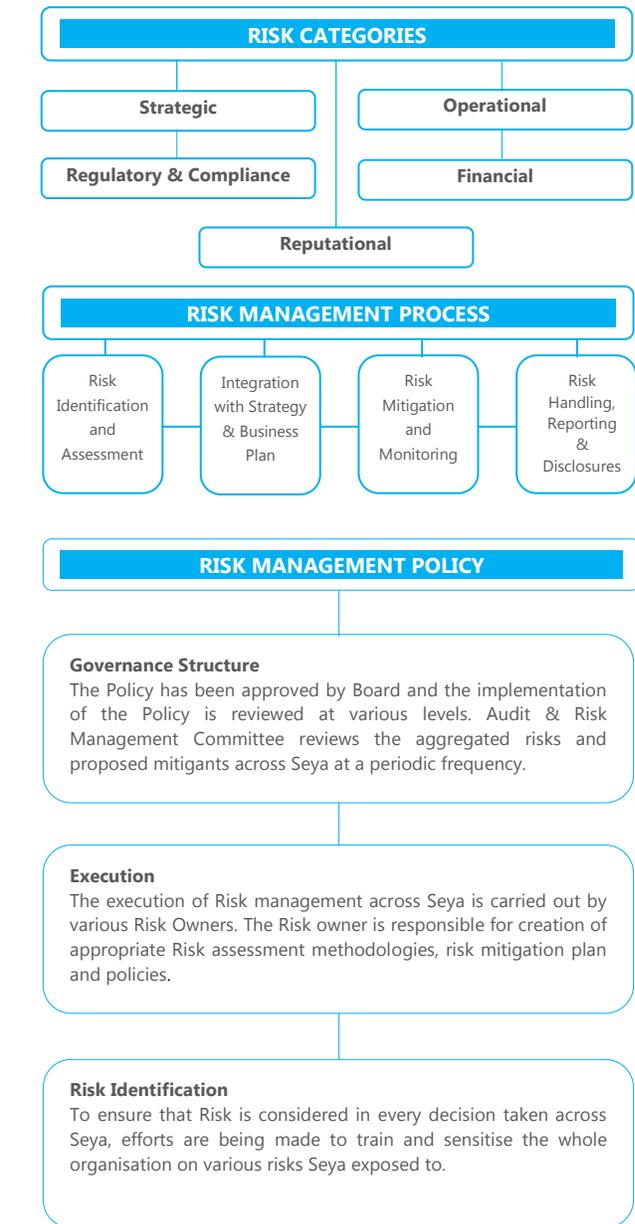
**Mitigant**

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

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

**Mitigant**

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



- **Financial Risk**  
This covers financial risk facing the organisation in terms of internal systems, planning funding etc.

**Mitigant**

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

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

**Mitigant**

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

## HUMAN RESOURCES

Seya's talent base, as on March 31, 2015 stands at 136.

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

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

A productive and innovative workplace has been and will continue to remain a key requirement for successful business performance in the Company's perspective. Therefore, there is huge emphasis on Senior Leadership commitment for Human Resource Development practices that seek and nurture employee participation and involvement in managing the shop floor by strengthening the employee engagement initiatives. Innovation is at the core of our business and at the very heart of everything that we do, be it in research, operations and this is true for HR as well. It is in the DNA of SEYA where employees are empowered with the ability to bring new ideas to the table. The Company believes in the conduct of affairs of the Company in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. With this aim, the Company has introduced the "Whistle Blower Policy/Vigil Mechanism" for Directors and Associates to report genuine concerns or grievances of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The main objective of the policy is to build and strengthen a culture of transparency and trust within the organisation. As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act'), the Company has constituted Internal Complaints Committees (ICC) across all the locations which are responsible for redressal of complaints related to sexual harassment at respective locations. The objective of the Policy is to create and provide a work environment that is safer, civilized, free from any sort of hostility, supportive to the diversity & dignity of all Associates, where Associates feel secure at the workplace on the basis of natural justice and confidentiality.

## COMPANY OUTLOOK

Your Company operates in the following segments:

- Fine & Speciality Chemicals
- Pharmaceutical Intermediates
- Organic Chemical Intermediates
- Agrochemical Intermediates and
- In-organic Chemical Intermediates

The demand for Specialty Chemicals industry is driven by a wide range of end use industries and the domestic market for Specialty Chemicals is expected to grow strongly, buoyed by the increased adoption of Specialty Chemicals and their increased usage in different products categories which results in almost ~2X GDP growth rate. Compared to developed markets, current usage of Specialty Chemicals in India is very low. With an increased focus on improving products and usage intensity of Specialty Chemicals, the industry is poised for strong growth in future. The Indian middle-class household is expected to grow five times by 2030, leading to a huge demand for Agrochemicals, Specialty Chemicals in Automotives, Water Treatment and construction, Paints Coating and Construction chemicals, Colorants, Active Pharmaceutical Ingredients (APIs), Personal & Health Care Chemicals and Flavors & Fragrances. The huge potential of domestic demand and low per capita consumption in each of its industry segments compared to world average provide a strong potential for overall performance. Accelerated trends of urbanization, infrastructure development, increasing economic wealth, technology enhancement etc. will lead to rise in demand for high performance products/ processes

The Company's long term outlook continues to be promising given the:

- Overall growth in the chemical Intermediate industry
- Continued focus on R&D in regards to improve quality of the Products and increase in production
- Company's reach in regulated market and continued efforts to enhance its presence in emerging markets.

To meet the increasing demand either the local production will have to ramp up or it will be met by imports. In the past decade, India didn't tap its manufacturing potential to the fullest which led to a surge in the chemical imports. Net imports have grown at ~20% between FY09 and FY13 where in the same period the domestic output has grown by ~4%. However, going forward, 'Made in India' could become the next big manufacturing growth story. The Government has set an ambitious plan of increasing the share of manufacturing in GDP from 16% to 25% by 2022.

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

### Cautionary Statement

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

## DIRECTOR'S REPORT

### Dear Shareholders,

We are delighted to present the 25<sup>th</sup> Annual Report and the Audited Financial statements for the financial Year Ended March 31, 2015

### Financial Performance

Financial Results	Change (%)	₹ in Lakhs	
		Year Ended 31-Mar-15	Year Ended 31-Mar-14
<b>Net Revenue</b>	<b>88.57</b>	<b>24,761.11</b>	<b>13,130.89</b>
Income from non-operational activities	(54.25)	70.30	153.66
Other Expenses	83.24	21,414.53	11,686.81
<b>Profit / (Loss) before Interest, Depreciation, Tax &amp; Amortization</b>	<b>113.86</b>	<b>3,416.88</b>	<b>1,597.74</b>
Depreciation and Amortization	18.86	1,054.87	887.52
Finance Cost	710.54	991.05	122.27
<b>Profit / (Loss) Before Tax</b>	<b>133.18</b>	<b>1,370.97</b>	<b>587.94</b>
Tax	(73.09)	67.90	252.34
<b>Profit / (Loss) After Tax</b>	<b>288.27</b>	<b>1,303.07</b>	<b>335.60</b>

The Company has recorded highest performance in its history. This is mainly because of contribution of Company's newly introduced products in Fine & Speciality Chemicals intermediates segment which have contributed maximum to the total revenue of the Company. The Profit before Tax (before Interest & Un-allocable expenses) from this segment stood at ₹4,009 lakhs.

Though the economic environment was highly volatile with prices of crude falling to six-year low in F.Y. 2014-15, your Company has demonstrated highest performance in its history by achieving record growth in Revenue and Profit after Tax (PAT) of 88.57% and 288.27% respectively.

### The Highlights of the Company's performance is as follows

- Revenue from Operation increased by **89%** (YOY) to ₹24,761.11 Lakhs
- Earnings(Profit) Before Interest, Depreciation, Tax & Amortisation (EBIDTA) increased by **114%** (YOY) to ₹3,416.88 Lakhs
- Profit before Tax was at ₹1,370.97 Lakhs whereas Profit after Tax was at ₹1,303.07 Lakhs, up **133.18%** and **288.27%** respectively (YOY).

### Management Discussion and Analysis

As required under Clause 49 of the listing agreement Management Discussion and Analysis report during the period under review, is attached and form part of this report.

### Dividend

Considering that it was the very first full year of commercial operations for the newly introduced forward integrated products in the Fine and Speciality Chemicals segment and immediate future Expansion and Development program of the Company, your Directors do not recommend any dividend and plan to retain the profit in Business.

### Capacity Expansion, New Projects & Diversification

Your Company has embarked on its mission to be self-reliant for most of its Raw materials, Reduce Cost of Energy, Diversify into Specialised High Value & High Margin products, Value addition to By-Products by reusing the same for manufacturing of high margin products and expansion in capacity of its captive use products. This phase of expansion shall phoenix up the Bottom-

line and Top-line of the Company and shall make it achieve leading and dominant position globally for all its products.

### Credit Rating

Credit Rating agencies have upgraded the ratings to BBB (triple B) ratings for the long term loan facilities availed by the company and A3+ short-term facilities enjoyed by the Company.

### Reserves & Surplus

The Reserves, at the beginning of the year were ₹4,111 Lakhs and the Reserves at the end of the year are ₹5,414Lakhs

### Deposits

The Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013

### IT Initiatives

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

### Directors and Key Managerial Personnel

#### Directors

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

Due to Mr. Virendra Singh Khurana's professional Commitments abroad, he had to resign from the office of the Independent Director. The Board acknowledges and appreciates the valuable contribution made by him during his tenure as Director of the Company.

Ms. Kalpana Nasikrao Tirpude is appointed by the Board of Directors on April 23, 2015 as an additional Director (Independent).

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Section 149(6) of the Act and Clause 49 of the Listing Agreement with the Stock Exchange. In the opinion of the Board, they fulfil the conditions of independence as specified in the Act, and the Rules framed there under and are independent of the management.

The brief resume and other details relating to the Director who is proposed to be appointed / re-appointed as required to be disclosed under clause 49 of the listing agreement is mentioned in the explanatory Statement annexed to the Notice of 25<sup>th</sup> Annual General Meeting.

**Key Managerial Personnel (KMP)**

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

**Governance Guidelines**

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

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

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

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

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

**Familiarization Programme for Independent Directors**

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

The Details of programmes for familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company and related matters are put up on the website of the Company under the Investor section

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

Based on the recommendation of Nomination and Remuneration Committee (NRC) the Board has adopted the nomination and remuneration policy for Directors, KMP and other employees. NRC has formulated the criteria for determining qualifications, positive attributes and independence of an Independent Director and also criteria for evaluation of Individual Directors and the Board / Committees. The Nomination and Remuneration policy is given by way of Annexure – I to this report

**Meetings of the Board**

The details of the number of meetings of the Board of Directors held during the Financial Year 2014-15 forms part of the Corporate Governance Report.

**Employee Stock Option**

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

**Directors' Responsibility Statement**

Based on framework of the internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost and secretarial auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the Opinion that the Company's internal financial controls were adequate and effective during the financial year 2014-15. Accordingly, pursuant to Section 134 (5) of the Companies Act, 2013, the Board of Directors, based on the representations received from the Operating Management and to the best of their knowledge and ability, confirms that:

- a. in the preparation of the Annual accounts for the financial year ended March 31, 2015, the applicable accounting standards have been followed and that there are no material departures;
- b. they have, in selection of the accounting policies, consulted the Statutory Auditors and have applied their recommendations consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the profit of the Company for the year ended on that date;
- c. they have taken proper and sufficient care to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared annual accounts on a 'going concern basis.'
- e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f. proper system has been devised to ensure compliance with provisions of all applicable laws and that such systems are adequate and operating effectively.

**Contracts & Arrangements with Related Parties**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in ordinary course of business and on arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on company's website.

**Promoter Group**

As required by the Clause 35 of the listing Agreement entered into with Stock Exchanges, Your Company periodically discloses its promoter group and persons acting in concert in the shareholding pattern and other filings with the Stock exchanges.

**Corporate Social Responsibility (CSR)**

During any financial year preceding the FY 2014-15 the Company was not falling under any of the criteria which mandate the Company to comply with the Section 135 of the Companies Act, 2013 in FY 2014-15. However, the Company is required to comply with the provision from the financial year 2015-16.

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

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

### **Significant and material orders passed by the Regulators or Courts**

During the year under review, no material Orders were passed by the Regulators / Courts / Tribunals, impacting the Company's going concern status and future Operations.

### **Auditors**

#### **Statutory Auditors**

M/s. Jagiwala and Co., Chartered Accountants, Mumbai, Statutory Auditor of the Company, holds office till the conclusion of the ensuing Annual General Meeting and being eligible, are recommended for re-appointment on the terms and conditions recommended by the Audit and Risk management Committee to the Board of Directors. Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules framed thereunder, it is proposed to appoint M/s. Jagiwala And Co. as the statutory auditors of the Company from the conclusion of forthcoming AGM till the conclusion of 26<sup>th</sup> AGM to examine and audit the accounts of the Company for the financial year 2015-16. The Auditor's report does not contain any qualification, reservation or adverse remark.

#### **Cost Auditors**

The Board has appointed M/s. Hemant Shah & Associates, Cost Accountants as the Cost Auditor for the Financial Year 2014-15. M/s. Hemant Shah & Associates, have been appointed as Cost Auditor of the Company for the Financial Year 2015-16 and approval of members is being sought for ratification of their remuneration.

#### **Secretarial auditor**

Section 204 of the Companies Act, 2013 inter alia requires every listed company to annex with its Board's report, a Secretarial Audit Report given by a Company Secretary in practice, in prescribed form.

The Board of Directors appointed Mr. Rakesh Sanghani, Practising Company Secretary as Secretarial Auditor to Conduct Secretarial Audit of the Company for the Financial Year 2014-15. Their Secretarial Audit report, is annexed to the Directors Report as Annexure – II.

### **Audit & Risk Management Committee**

The Company has an Audit & Risk Management committee comprising Mr. Anand Taggarsi, Mr. Ashok G Rajani, and Ms. Kalpana Tirpude. Mr. Virendra Singh Khurana ceased to be the member of the Committee on January 5, 2015 due to his resignation as a Director of the Company. The Board has accepted the recommendations made by the Audit & Risk Management Committee from time to time.

### **Risk Management**

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

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

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

### **Internal Financial Control**

Internal financial control systems of the Company are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable accounting standards and relevant statutes, safeguarding assets from unauthorised use, executing transactions with proper authorisation and ensuring compliance of corporate policies. The Company has a well-defined delegation of authority limits for approving revenue as well as expenditures. Processes for formulating and reviewing annual and long term business plans have been laid down. The Company uses an established ERP system to record day to day transactions for accounting and financial reporting.

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

The Internal Financial Controls and its adequacy are included in the Management Discussion and Analysis, which forms part of this Report.

### **Vigil Mechanism**

In accordance with the provisions of Section 177 (9) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, your Company has a vigil mechanism which has been adopted in the form of Whistle Blower Policy. The policy has been formulated with a view to provide a mechanism for Directors and employees of the Company to report genuine concerns. The Whistle Blower Policy also provides for adequate safeguards against victimization of persons who use vigil mechanism and for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. The Whistle Blower Policy is uploaded on the website of your Company.

### **Share Registrar and Transfer Agents**

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

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

particulars of which are contained in the Report of Corporate Governance.

### **Consolidated Financial Statements**

There being no subsidiaries and associates companies, disclosure requirement pursuant to the provisions of Clause 32 of the Listing Agreement entered into with Stock Exchanges, is not applicable.

### **Subsidiaries / Joint Ventures / Associate Companies**

As on March 31, 2015, the Company did not have any subsidiary, joint venture or associate company. Since the Company doesn't have any subsidiary, a policy on material subsidiary has not been formulated.

### **Particulars of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013, during FY 2014-15**

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

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

Information pursuant to Section 134 (3) (m) of the Companies act, 2013, relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo is given as Annexure III to this report

### **Research and Development**

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

### **Human Resources Management**

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

### **Particulars of Employees**

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

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

### **Corporate Governance**

The Company is committed to maintain the highest standards of corporate governance & follow the corporate governance requirements set out by SEBI.

Pursuant to clause 49 of the listing agreement, the Report on Corporate Governance forms an integral part of this report. The requisite certificate from the Auditors of the Company certifying the compliance with the conditions of corporate Governance is attached to the Corporate Governance Report.

A declaration signed by the Managing Director in regards to the Compliance with the Code of Conduct by the Board Member and senior Management Personnel also forms part of the annual report.

### **Statement of Company's Affairs**

The state of Company's affairs is given under the heading 'Seya at a Glance' and various other headings in this Report and in the Management Discussion and Analysis Report annexed to the Directors' Report.

### **Environment, Health and Safety**

The Company's Management believes that environment and safety of all its stakeholders including those who associated with the projects sites and manufacturing facilities is of prime importance. We believe that it's our responsibility to protect its employees, property and environment in which it operates. As your Company deals in Chemicals, it has to make sure that the highest degree of safety measures is maintained in order to avoid any risk at the workplace.

The employees are continuously educated and trained to improve their awareness and skills. Environment, Health and Safety (EHS) targets assigned to each division to reduce resource consumption and are regularly monitored through an EHS scorecard which is reviewed at monthly business review meetings. EHS initiatives have been strengthened further due to formation of a core group for exchange of knowledge and standardising of systems and procedures. This core group also assess the Plants' Safety and Environment protection improvement activities. Periodic audits were conducted by the core group to ensure compliance with the statutory requirements.

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

### **Green Initiatives**

Electronic copies of the Annual Report and Notice of the 25<sup>th</sup> Annual General Meeting are sent to all the Members whose email addresses are registered with the Company for communication purposes. For members who have not registered their email addresses, physical copies of the Notice and Annual Report are sent in the permitted mode. Members requiring physical copies can send a request to the Company.

### **Prevention of Sexual Harassment at Workplace**

You company has zero tolerance towards any act which may fall under the ambit of Sexual Harassment at work place. Policy framed by the Company in this regards, provides for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints.

The following is the summary of the Complaints received and disposed-off during the financial year 2014-15:

No. of Complaints received:	<b>NIL</b>
No. of Complaints Disposed-off:	<b>NIL</b>

### **Extract of the Annual Return**

Pursuant to Section 92(3) and 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 the extract of Annual Return in prescribed Form No. MGT-9 is given as Annexure V to this report.

**General**

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

**Future Outlook**

Financial year 2014-15 has been a successful year for the Company. In the very first succeeding financial year of commissioning of its forward integrated products, the performance of the Company has increased considerably. Future of Fine and Specialty chemicals segment on domestic as well as International level is very bright.

Specialty chemical industry is a knowledge driven industry. In India it has been growing rapidly at 1.2-1.3x of GDP growth rate. Domestic demand of specialty chemicals is expected to follow an accelerated growth path. This demand is mostly driven by the strong growth outlook for end use industries. This along with increased adoption of specialty chemicals and newer usages can propel the growth further.

Looking at the present scenario and future outlook of Fine and Specialty Chemicals Industry, your director sees ample of opportunities, also it has started exploiting the said opportunities which is evident from the contribution of 91% of the said segment to the total revenue of the Company.

**Acknowledgement**

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

It is our strong belief that caring for our Business constituents has ensured our success in the past and will do so in future. Your Directors acknowledge with sincere gratitude the co-operation and assistance extended by the Banks, Suppliers, Vendors, Customers and all the Central and State Government authorities and all other Business associates.

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

With your support and encouragement your Directors are confident that this journey of our success shall continue till infinity.

**For & on behalf of the Board of Directors****ASHOK G RAJANI**

Chairman & Managing Director  
Mumbai, August 14, 2015

**ANNEXURE – I**

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

**Criteria for determining qualifications, positive attributes and independence of Directors**

The Nomination and Remuneration Committee (NRC) has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178(3) of the Act and Clause 49 of the Listing Agreement.

**Independence:** A Director will be considered as an 'Independent Director' if he / she meet with the criteria for 'Independent Director' as laid down in the Act and Clause 49 of the Listing Agreement.

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

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

**A. Nomination, Remuneration and Evaluation Policy for Directors, Key Managerial Personnel and Others****1. Objective:**

The Nomination, Remuneration and Evaluation policy (the Policy) is in compliance with Section 178 of the Companies Act,

2013 read along with the applicable rules thereto and clause 49 under the Listing Agreement.

**The Main objectives of the policy are as follows:**

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

**2. Scope:**

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

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

**3. Definition:**

- 3.1. "Director"** means a Director appointed to the Board of the Company.

- 3.2. "Key Managerial Personnel"**
- 3.2.1.** The Chief Executive Officer or the Chairman or the Managing Director or the Manager
- 3.2.2.** The Company Secretary
- 3.2.3.** The Whole Time Director
- 3.2.4.** The Chief Financial Officer and
- 3.2.5.** Such other officer as may be prescribed under the Companies Act, 2013
- 3.3. "Nomination and Remuneration Committee"** means the committee constituted by the Company's Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and clause 49 of the Equity Listing Agreement.
- 3.4. "Senior Management"** mean personnel of the Company who are members of its core management team excluding the Board of Directors. This would also include all members of management one level below the executive directors including all functional heads.
- 4. Accountability:**
- 4.1.** The Board is ultimately responsible for the appointment of Directors and Key Managerial Personnel.
- 4.2.** The Board has delegated responsibility for assessing and selecting the candidates for the role of Directors, Key Managerial Personnel and the Senior Management of the Company to the Nomination and Remuneration committee which makes recommendations & nominations to the Board.
- 5. Role of Nomination and Remuneration committee:**
- 5.1.** reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board on regular intervals and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy, with the objective to diversify the Board;
- 5.2.** Identifying individuals suitably qualified to be appointed as the KMPs or in the senior management of the Company;
- 5.3.** To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- 5.4.** To carry out evaluation of Director's performance and recommend to the Board appointment / removal based on his / her performance.
- 5.5.** making recommendations to the Board on the remuneration payable to the Directors/ KMPs/Senior Officials so appointed/reappointed;
- 5.6.** to make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- 5.7.** ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks,
- 5.8.** To devise a policy on Board Diversity;
- 5.9.** to develop a succession plan for the Board and to regularly review the plan;
- 6. Membership:**
- 6.1.** The Committee shall consist of minimum three (3) non-executive directors, majority of them being independent.
- 6.2.** Minimum two (2) members shall constitute a quorum for the committee meeting.
- 6.3.** Membership of the Committee shall be disclosed in the Annual Report.
- 6.4.** Terms of Committee shall be continued unless terminated by the Board of Directors.
- 7. Chairmanship:**
- 7.1.** Chairman of the Committee shall be Independent Director.
- 7.2.** Chairman of the Company shall be appointed as a member of the Committee but shall not be a chairman of the Committee.
- 7.3.** In the absence of the chairman, the members of the committee present at the meeting shall choose one amongst them to act as chairman.
- 7.4.** Chairman of the Committee meeting could be present at the Annual general meeting of the Company or may nominate some other member to answer the shareholders queries.
- 8. Frequency of the Meetings:**  
The meeting of the committee shall be held at such regular intervals as may be required.
- 9. Committee Member's interests:**
- 9.1.** A member of the committee is not entitled to be present at the meeting when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- 9.2.** The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.
- 10. Secretary:**  
The Company Secretary of the Company shall act as a Secretary to the committee
- 11. Voting:**
- 11.1.** Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- 11.2.** In case of equality of votes, the chairman of the meeting will have a casting vote.
- 12. Term / Tenure:**
- 12.1. Managing Director / Whole time Director**  
The Company shall appoint or re-appoint any person as its Managing Director or whole time director for a term of not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- 12.2. Independent Director:**
- 12.2.1.** An Independent Director shall hold office for a term upto five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in Board's Report shall be made.

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

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

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

### **13. Retirement:**

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

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

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

- 14.1** assessing the appointee against a range of criteria which includes but not be limited to qualifications, skills, regional and industry experience, background and other qualities required to operate successfully in the position, with due regard for the benefits from diversifying the Board;
- 14.2** the extent to which the appointee is likely to contribute to the overall effectiveness of the Board, work constructively with the existing directors and enhance the efficiencies of the Company
- 14.3** the skills and experience that the appointee brings to the role of KMP/Senior Official and how an appointee will enhance the skill sets and experience of the Board as a whole;
- 14.4** the nature of existing positions held by the appointee including directorships or other relationships and the impact they may have on the appointee's ability to exercise independent judgment;
- 14.5** Personal Specification:
  - Degree holder in relevant disciplines;
  - Experience of Management in diverse organization;
  - Excellent interpersonal, Communication and representational skills;
  - Demonstrable leadership skills;
  - Commitment to high standards of ethics, personal integrity and probity;

- Commitment to the promotion of equal opportunities, community cohesion and health and safety in the workplace;
- Having continuous professional development to refresh knowledge and skills.

### **15. Duties:**

- 15.1** Ensure that there is an appropriate induction & training program in place for new Directors and reviewing its effectiveness;
- 15.2** Ensure that on appointment to the Board, Non-executive Directors receive a formal letter of appointment in accordance with the guidelines provided under the Companies Act, 2013;
- 15.3** Identify and recommend Directors who are to be put forward for retirement by rotation.
- 15.4** Determine the appropriate Size, diversity and composition of the Board;
- 15.5** Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- 15.6** Evaluate the performance of the Board members and Senior Management in the context of the Company's Performance from business and Compliance prospective;
- 15.7** Make recommendation to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- 15.8** Recommend any necessary changes to the Board.
- 15.9** Considering any other matters as may be requested by the Board;
- 15.10** to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- 15.11** to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.

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

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

The Committee consults with the Chairman of the Board as and when it deems appropriate.

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

#### **16.1. Remuneration to Executive Directors:**

##### **Basic Compensation (Fixed Salaries)**

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

##### **Variable Salary:**

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

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

#### **16.2. Remuneration to Non-Executive Directors:**

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

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

#### **16.3. Remuneration to other Employees:**

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

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

- 17.1.** The evaluation/assessment of the Directors, KMPs and the senior officials of the Company is to be conducted yearly or at such intervals as may be considered

necessary and to satisfy the requirements of the Listing Agreement.

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

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

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

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

#### **17.5. Positive Attributes:**

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

### **18. Amendment to the Policy:**

- 18.1.** The Board of Directors on its own and / or as per the recommendation of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit.
- 18.2.** In case of any amendment(s), clarification(s), circular(s) etc issued by the relevant authorities, not being consistent with the provisions laid down under this policy, then the such amendment(s), clarification(s) or circular(s) etc. shall prevail upon the provisions hereunder and this policy shall stand amended accordingly from the effective date as laid down under the amendment(s), clarification(s) or circular(s) etc.

**ANNEXURE – II****FORM NO. MR - 3****Secretarial Audit Report for the Financial Year ended March 31, 2015**

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014]

To  
The Members,  
**Seya Industries Ltd**

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby Report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- iv. 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; - Not applicable to the Company during the period under review
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - Not applicable to the Company during the period under review
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – There are no events occurred during the period which attracts provisions of these guidelines, hence not applicable;

- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; - Not applicable
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - Not applicable during the period under review.
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; -Not applicable during the period under review.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India (Not notified hence not applicable to the Company during the Audit Period);
- ii. The Listing Agreements entered into by the Company with Stock Exchanges where the shares of the Company are listed.

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

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

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

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. Further in respect of Independent Directors, the Company has complied with the requirement of proper constitution of Independent Directors in accordance to the provisions of Section 149 of the Act and the Clause 49 of the Listing Agreement. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and the Listing agreement

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

All decisions at the Board Meetings were taken unanimously as recorded in the minutes of the meetings of the Board of Directors.

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 Period under review the Company has approved:

- i. At the Annual General Meeting held on September 27, 2014 approved and authorised Board of Directors to:
  - a. Borrow an amount not exceeding ₹2,500 crores over and above the aggregate of the paid up capital and free reserves of the Company, as prevailing from time to time, pursuant to Section 180(1)(c) of the Act.
  - b. Mortgage, create charge or hypothecate the assets of the Company pursuant to Section 180(1)(a) of the Companies Act, 2013.
- ii. At the Extra-ordinary General Meeting held on February 13, 2015 approved
  - a. increase in Authorised Share capital from ₹110 Crores to ₹171 Crores, by re-classifying 90,300,000 unissued equity shares of Rs.10/- into 90,300,000 Preference Shares of Rs.10/- each and by creation of additional 61,000,000 Preference shares of Rs.10/-;
  - b. new set of Articles of Association pursuant to the provisions of the Section 14 of the Act and the Companies (Incorporation) Rules, 2014;
  - c. issue of 151,261,714 Non-Convertible Redeemable Preference shares of face value of Rs.10/- each on Private Placement basis.

I further report that trading of securities of the Company on BSE Limited was suspended w.e.f September 10, 2001 and the Company have received an in-principal from BSE Limited for revocation of trading on March 4, 2015; however trading is yet to be re-instated.

I further report that during the period under review there were no instances of: (i) public issue / issue of debentures / sweat equity issue (ii) Buy-Back of Securities (iii) Merger / amalgamation / reconstruction, etc. (iv) Foreign technical collaboration.

**Rakesh Sanghani**  
Practising Company Secretary

FCS No.: 7647  
CP No.: 6302

Place: Mumbai  
Date: August 14, 2015

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

### **Annexure "A"**

[To the Secretarial Audit Report of Seya Industries Ltd]

To,  
The Members  
Seya Industries Ltd

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

1. The Company's Management is responsible for preparation and maintenance of secretarial records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations
2. My responsibility is to express an opinion on secretarial records, standards and procedures followed by the Company with respect to secretarial compliances. I believe that audit evidence and information obtained from the Company's management is adequate and appropriate for me to provide a basis for my opinion
3. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The Verification was done on test basis to ensure that the correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
4. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, I have obtained the Management representation about the Compliance of Laws, rules and Regulations and happening of events etc.
6. The Compliance of the provisions of Corporate and other applicable Laws, Rules, regulations, Standards is the responsibility of the Management. Our examination was limited to verification of procedures on test basis.
7. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Rakesh Sanghani  
Practising Company Secretary

FCS No.: 7647  
CP No.: 6302

Place: Mumbai  
Date: August 14, 2015

## ANNEXURE – III

### Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under the Companies (Accounts), Rules, 2014 for the year ended March 31, 2015

#### A. CONSERVATION OF ENERGY:

##### a) Energy Conservation Measures taken

- Installation of Automatic Power Factor Controllers (APFC)
- Installation of Automatic Harmonics Controller (AHC)
- Installation of Variable Frequency Drives (VFD)
- Energy Audit and implementation of recommendations therein
- 100% condensate recycle from the process to the specialized boiler
- Complete utilization of Flash steam
- Installation of state-of-art Energy Management Systems(EMS) to optimize and efficiently manage the generation and utilization of energy
- Installation of Five Star rated Energy Efficient Transformer
- Installation of Energy Efficient Vapour Absorption Machine to generate Chilling Water through unconventional methods using low grade steam
- Installation of state-of-art Air compressors for increased output and reduced energy consumption.

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

- Up-gradation of Batch Nitration system to Continuous Nitration system
- Replacement of incandescent lamps in Plant Lighting to LED lamps
- Solar Lighting
- Power trading Open Access Mechanism
- Change of Utility pumps and drives to High Energy Efficient systems
- Installation of Continuous systems replacing Batch systems, wherever possible
- Replacement of existing utility systems with Highly Energy Efficient systems
- Installation of Energy Efficient Plate Heat Exchangers as replacement of conventional Heat Exchangers, wherever possible
- System Audit at specific Intervals to identify system leakages in Utilities.

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

- The measures described under (a) have been successfully implemented and there has been reduction in the Utility consumption and reduction in usage of conventional fossil fuels.
- With the implementation of measures under (b), there would be further reduction in energy footprint
- The adoption of Energy conservation measures indicated above result in savings in the cost of production

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

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

#### B. TECHNOLOGY ABSORPTION:

##### a) Effort made towards Technology absorption

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

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

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

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

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

##### d) Expenditure incurred on Research and Development:

Particulars	2014-15	2014-15
-Capital Expenditure	620.71	144.34
-Revenue Expenditure	-	-
-Total R&D Expenditure (% of Net Sales)	2.51%	1.10%

#### C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The foreign exchange earnings and outgo were ₹20.72 Lakhs and ₹2.32 Lakhs respectively during the year

**ANNEXURE – IV****Disclosure under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel), Rule 2014.**

- (a) **The ratio of the Remuneration of each Executive director to the median remuneration of the Employees of the Company for the Financial year 2014-15, the percentage increase in remuneration of Key Managerial personnel:**

Name of the Directors / KMP	Remuneration (₹ in Lakhs)	Ratio to Median Remuneration of employee	% increase in Remuneration	Comparison of the remuneration of the KMP against the performance of the Company
Mr. Ashok G Rajani	17.60	10.07	--	Profit Before Tax increased by 133% and Profit After Tax increased by 289%
Mr. Asit Kumar Bhowmik	9.47	5.49	41.59%	
Ms. Manisha Solanki (Company Secretary)	4.92	Not Applicable	17.03%	

- (b) **The percentage increase in the median remuneration of the Employee in the financial year:** 21%

- (c) **Number of permanent employees on the rolls of the Company:** 137 Employees

- (d) **Explanation on the relationship between average increase in remuneration and company performance:**

Profit Before Tax for FY 2014-15 has grown from ₹588 Lakhs to ₹1,370.97 Lakhs, an increase of 133% against which, increase in median remuneration is 21%. The average increase in median remuneration is in line with the remuneration policy of the Company.

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

Net worth of the Company increased to ₹6,514.40 Lakhs in FY 2014-15 from ₹5,211.34 Lakhs in FY 2013-14, depicting 25% growth in the same. The disclosure pertaining to the variation in the market capitalisation of the Company, price earnings ratio as at closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotation of the shares of the Company, in comparison to the rate at which the Company came out with last public offer cannot be made since the trading of the shares has not been re-instated at the stock exchange.

- (f) Average Percentile increase in Remuneration of employees other than Managerial Personnel was 19.04% and average increase in remuneration of Managerial Personnel was 12.27%.

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

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

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

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

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

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

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

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

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

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

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

**ANNEXURE V****Form No. MGT - 9****EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED MARCH 31, 2015**

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

**I. REGISTRATION AND OTHER DETAILS**

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

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

<b>Sr. No.</b>	<b>Name and Description of main Product / Services</b>	<b>NIC Code of the Product / Services</b>	<b>% to total Turnover of the Company</b>
1.	Di-Nitro Chloro Benzene	24114	11.58%
2.	Di-Chloro Benzidines	24114	58.92%
3.	Nitro Anilines	24114	11.18%

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

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

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

## i. Category-wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the Year (1-Apr-2014)				No. of Shares held at the end of the Year (31-Mar-15)				% Change During the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
(a) Individual / HUF	0	7817300	7817300	71.07	9000	7808300	7817300	71.07	0
(b) Central / State Govt.	0	0	0	0	0	0	0	0	0
(c) Bodies Corporates	0	50000	50000	0.45	0	50000	50000	0.45	0
(d) Banks / FIs	0	0	0	0	0	0	0	0	0
(e) Any other	0	0	0	0	0	0	0	0	0
<b>Sub-Total (A) (1)</b>	<b>0</b>	<b>7867300</b>	<b>7867300</b>	<b>71.52</b>	<b>9000</b>	<b>7858300</b>	<b>7867300</b>	<b>71.52</b>	<b>0</b>
<b>(2) Foreign</b>									
(a) NRIs – Individuals	0	0	0	0	0	0	0	0	0
(b) Other Individuals	0	0	0	0	0	0	0	0	0
(c) Bodies Corporate	0	0	0	0	0	0	0	0	0
(d) Banks / FIs	0	0	0	0	0	0	0	0	0
(e) Any other	0	0	0	0	0	0	0	0	0
<b>Total Shareholding of Promoter (A)= (A)(1) + (A)(2)</b>	<b>0</b>	<b>7867300</b>	<b>7867300</b>	<b>71.52</b>	<b>9000</b>	<b>7858300</b>	<b>7867300</b>	<b>71.52</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
i. Mutual Funds	0	0	0	0	0	0	0	0	0
ii. Banks / FI	0	2000	2000	0.02	0	2000	2000	0.02	0
iii. Central Govt.	0	0	0	0	0	0	0	0	0
iv. State Govt.	0	0	0	0	0	0	0	0	0
v. Venture Capital Funds	0	0	0	0	0	0	0	0	0
vi. Insurance Companies	0	0	0	0	0	0	0	0	0
vii. FIs	0	0	0	0	0	0	0	0	0
viii. FPIs	0	0	0	0	0	0	0	0	0
ix. Others (Specify)	0	0	0	0	0	0	0	0	0
<b>Sub-Total (B) (1)</b>	<b>0</b>	<b>2000</b>	<b>2000</b>	<b>0.02</b>	<b>0</b>	<b>2000</b>	<b>2000</b>	<b>0.02</b>	<b>0</b>
<b>(2) Non-Institutions</b>									
<b>(a) Bodies Corporate</b>									
i. Indian	0	302900	302900	2.75	0	302900	302900	2.75	0
ii. Overseas	0	0	0	0	0	0	0	0	0
<b>(b) Individuals</b>									
i. Individual Shareholders holding nominal share capital upto ₹1 lakh	0	2030500	2030500	18.46	308700	1721800	2030500	18.46	0
ii. Individual Shareholders holding nominal share capital in excess of ₹1 lakh	0	380600	380600	3.46	0	380600	380600	3.46	0
<b>(c) Others (Specify)</b>									
i. Trust	0	0	0	0	0	0	0	0	0
ii. Directors & Relatives	0	0	0	0	0	0	0	0	0
iii. NRIs	0	0	0	0	0	0	0	0	0
iv. Qualified Foreign Investors	0	416700	416700	3.79	0	416700	416700	3.79	0
v. Foreign Nationals	0	0	0	0	0	0	0	0	0
<b>Sub Total (B) (2)</b>	<b>0</b>	<b>3130700</b>	<b>3130700</b>	<b>28.46</b>	<b>308700</b>	<b>2822000</b>	<b>3130700</b>	<b>28.46</b>	<b>0</b>
<b>Total Public Shareholding (B) = (B) (1) + (B) (2)</b>	<b>0</b>	<b>3132700</b>	<b>3132700</b>	<b>28.48</b>	<b>308700</b>	<b>2824000</b>	<b>3132700</b>	<b>28.48</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Total (A+B+C)</b>	<b>0</b>	<b>11000000</b>	<b>11000000</b>	<b>100</b>	<b>317700</b>	<b>10682300</b>	<b>11000000</b>	<b>100</b>	<b>0</b>

## ii. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the Year (as on 1-Apr-14)			Shareholding at the end of the Year (as on 31-Mar-15)			% change in shareholding during the Year
		No. of Shares	% of total shares of the Company	% of shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares Pledged / encumbered to total shares	
1.	Ashok G Rajani	2304214	20.95	0	2304214	20.95	0	0
2.	Shalini A Rajani	2761930	25.11	0	2761930	25.11	0	0
3.	Ghanshyamdas Rajani	1390370	12.64	0	1390370	12.64	0	0
4.	Gopi Rajani	978486	8.89	0	978486	8.89	0	0
5.	Prakash M Jaisingh	140100	1.27	0	140100	1.27	0	0
6.	Deepa P Jaisingh	125500	1.14	0	125500	1.14	0	0
7.	C M Jaisingh	3000	0.03	0	3000	0.03	0	0
8.	Heena C Jaisingh	6700	0.06	0	6700	0.06	0	0
9.	Parmanand M Jaisingh	12600	0.11	0	12600	0.11	0	0
10.	Mangala P Jaisingh	3300	0.03	0	3300	0.03	0	0
11.	Lalchand M Jaisingh	300	0.00	0	300	0.00	0	0
12.	Shyam M Jaisingh	11700	0.11	0	11700	0.11	0	0
13.	Vrinda S Jaisingh	11700	0.11	0	11700	0.11	0	0
14.	Savitri M Jaisingh	10100	0.09	0	10100	0.09	0	0
15.	Deepak M Jaisingh	100	0.00	0	100	0.00	0	0
16.	Heera I Ahuja	9000	0.08	0	9000	0.08	0	0
17.	Inder K Ahuja	1600	0.01	0	1600	0.01	0	0
18.	Aarti G Ahuja	1200	0.01	0	1200	0.01	0	0
19.	Gopal Ahuja	2300	0.02	0	2300	0.02	0	0
20.	Aarti Jumani	2500	0.02	0	2500	0.02	0	0
21.	Avinash Jumani	4300	0.04	0	4300	0.04	0	0
22.	Rita Jumani	5000	0.04	0	5000	0.04	0	0
23.	Ramesh Jumani	600	0.00	0	600	0.00	0	0
24.	Kishore Khatri	1100	0.01	0	1100	0.01	0	0
25.	Mohini Khatri	19900	0.18	0	19900	0.18	0	0
26.	Manish Khatri	600	0.00	0	600	0.00	0	0
27.	Mithoomal Khatri	1100	0.01	0	1100	0.01	0	0
28.	Nitin Khatri	500	0.00	0	500	0.00	0	0
29.	Premkumar Khatri	5000	0.04	0	5000	0.04	0	0
30.	Sushila Khatri	2500	0.02	0	2500	0.02	0	0
31.	Big Apple Exports	50000	0.5	0	50000	0.5	0	0
	<b>Total</b>	<b>7867300</b>	<b>71.52</b>	<b>0</b>	<b>7867300</b>	<b>71.52</b>	<b>0</b>	<b>0</b>

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

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	At the beginning of the year (as on 1-Apr-14)	7867300	71.52	7867300	71.52
2	Date wise Increase / Decrease in promoter's shareholding during the year specifying the reason for increase / decrease (eg. Allotment / transfer / bonus / sweat equity etc):	No change in Promoter's Shareholding			
3	At the end of the year (as on 31-Mar-15)	7867300	71.52	7867300	71.52

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

Sr. No.	Name	Shareholding		Date	Increase / Decrease in shareholding	Reason	Cumulative shareholding during the year	
		No. of shares at 1-04-14/ 31-03-15	% of total shares of the Company				No. of Shares	% of Total Shares of the Company
1.	Veena M Khatri	198300	1.80	-	-	-	198300	1.80
2.	Govindshree Securities Fiscal Ltd	163700	1.49	1-Apr-14	-	-	163700	1.49
		200000	1.82	27-Mar-15	36300	Transfer	200000	1.82
		200000	1.82	31-Mar-15	-	-	200000	1.82
3.	Satyanarayan Kabra	26000	0.24	-	-	-	26000	0.24
4.	G Ramchand	21800	0.20	-	-	-	21800	0.20
5.	Mohan Financial Services Ltd	18600	0.17	-	-	-	18600	0.17
6.	Shrikant G Mantri	17900	0.16	-	-	-	17900	0.16
7.	Rathadevi Tahilramani	17000	0.15	-	-	-	17000	0.15
8.	D G Chowdary	15000	0.14	-	-	-	15000	0.14
9.	Dudani	10000	0.09	-	-	-	10000	0.09
10.	Kailash C Jain	10000	0.09	-	-	-	10000	0.09

## v. Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the Year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Mr. Ashok G Rajani	2304214	20.95	2304214	20.95
2.	Mr. Asit Kumar Bhowmik	100	0.00	100	0.00
3.	Mr. Anand Taggarsi	0	0	0	0
4.	Mr. Virendra Singh Khurana	0	0	0	0
5.	Ms. Manisha Solanki (CS) - KMP	0	0	0	0
<b>Date wise Increase/ decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)</b>		NIL			
<b>As at the end of the year (as on 31<sup>st</sup> March, 2015)</b>					
1.	Mr. Ashok G Rajani	2304214	20.95	2304214	20.95
2.	Mr. Asit Kumar Bhowmik	100	0.00	100	0.00
3.	Mr. Anand Taggarsi	0	0	0	0
4.	Mr. Virendra Singh Khurana	0	0	0	0
5.	Ms. Manisha Solanki (CS) - KMP	0	0	0	0

## V. INDEBTEDNESS:

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

				₹ in Lakhs	
		Secured Loan excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the Financial year (as on 1-Apr-14)</b>					
i.	Principal amount	6,517.11	8,641.48	--	15,158.59
ii.	Interest due but not paid	--	--	--	--
iii.	Interest accrued but not due	38.75	--	--	38.75
<b>Total (i. + ii. + iii.)</b>		<b>6,555.86</b>	<b>8,641.48</b>	<b>--</b>	<b>15,197.34</b>
Change in indebtedness during the financial year					
i.	Addition	3,046.13	1,583.17	--	4,629.30
ii.	Reduction	(398.15)	--	--	(398.15)
<b>Net Change</b>		<b>2,647.98</b>	<b>1,583.17</b>	<b>--</b>	<b>4,231.15</b>
<b>Indebtedness at the end of the financial year (as on 31-Mar-15)</b>					
i.	Principal Amount	9,108.54	10,224.65	--	19,333.19
ii.	Interest due but not paid	--	--	--	--
iii.	Interest accrued but not due	95.30	--	--	95.30
<b>Total (i + ii + iii)</b>		<b>9,203.84</b>	<b>10,224.65</b>	<b>--</b>	<b>19,428.49</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

				₹ in Lakhs	
Sr. No.	Particulars of Remuneration	Mr. Ashok G Rajani Managing Director	Mr. Asit Kumar Bhowmik Executive Director	Total Amount	
1.	<b>Gross Salary</b>				
a.	Salary As per provisions contained in Section 17(1) of the Income-Tax Act, 1961	17.60	9.48	27.08	
b.	Value of perquisites u/s. 17(2) of the Income-Tax Act, 1961	-	-	-	
c.	Profits in lieu of salary under section 17(3) of the Income-Tax Act, 1961	-	-	-	
2.	Stock Option	-	-	-	
3.	Sweat Equity	-	-	-	
4.	Commission	-	-	-	
	- As % of Profit	-	-	-	
	- Others (Specify)	-	-	-	
5.	Others (PF, Insurance, Bonus etc.)	-	-	-	
<b>Total (A)</b>		<b>17.60</b>	<b>9.48</b>	<b>27.08</b>	
<b>Ceiling as per the Act (@ 10% of net profits calculated under Section 198 of the Companies Act, 2013)</b>					137.10

**B. Remuneration to Other Directors:**

₹ in Lakhs

Sr. No.	Particulars of Remuneration	Mr. Anand Taggarsi	Mr. Virendra Singh Khurana	Total Amount
<b>1.</b>	<b>Independent Directors</b>			
	a. Fees for attending Board / Committee Meetings	0.30	0.29	0.59
	b. Commission	-	-	-
	c. Others, please specify	-	-	-
	<b>Total (B1)</b>	0.30	0.29	0.59
<b>2.</b>	<b>Other Non-Executive Directors</b>			
	a. Fees for attending Board / Committee Meetings	-	-	-
	b. Commission	-	-	-
	c. Others, please specify	-	-	-
	<b>Total (B2)</b>	-	-	-
	<b>Total (B) = (B1) + (B2)</b>	0.30	0.29	0.59
<b>Over all ceiling as per the Act (11% of the net profits of the Company calculated as per Section 198 of the Act. Sitting fees paid is within the limit of INR 100,000 per meeting as prescribed under the Act)</b>				<b>150.71</b>

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

₹ in Lakhs

Sr. No.	Particulars of Remuneration	Ms. Manisha Solanki Company Secretary
<b>1.</b>	<b>Gross Salary</b>	
	a. Salary As per provisions contained in Section 17(1) of the Income-Tax Act, 1961	4.51
	b. Value of perquisites u/s. 17(2) of the Income-Tax Act, 1961	-
	c. Profits in lieu of salary under section 17(3) of the Income-Tax Act, 1961	-
<b>2.</b>	Stock Option	--
<b>3.</b>	Sweat Equity	--
<b>4.</b>	Commission	--
	- As % of Profit	
	- Others (Specify)	
<b>5.</b>	Others (PF, Insurance, Bonus etc.)	0.41
	<b>Total</b>	<b>4.92</b>

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

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

For &amp; on behalf of the Board of Directors

**ASHOK G RAJANI**  
**Chairman & Managing Director**  
Mumbai, August 14, 2015

# REPORT ON CORPORATE GOVERNANCE

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

All the Corporate Governance at **SEYA** is based on some principles like business with all integrity and fairness, being transparent about all transactions, making timely disclosures and declarations, to comply with all laws applicable to the Company, commitment to conduct the business in ethical manner and accountability and responsibility towards all stakeholders of **SEYA** and towards society.

## Company's Philosophy on Corporate Governance

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

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

## Board of Directors ("The Board")

### Composition

As on date of this Report Board Comprises 4 members: 2 Non-Executive Independent Director (NEID) including a Woman Director and 2 Executive Directors. The Company has Executive Chairman and the number of Independent Directors is 50% of the total number of Directors. Managing Director and Independent Directors are not liable to retire by Rotation.

All Directors possess the requisite qualifications and experience in general corporate management, finance, banking and other allied fields, which enable them to contribute effectively to the Company in their capacity as Directors of the Company.

None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees (as per Clause 49(II)(D)(2) of the Listing Agreement) across all the companies in which he/she is a Director. All the Directors have made the requisite disclosures regarding committee positions held by them in other companies. None of the Directors of the Company is related to each other.

## Independent Director

All the Independent Directors of the Company have confirmed that they satisfy the criteria of Independence as indicated in the Companies Act, 2013 ("the Act") and Listing Agreement. None of the Independent Director of the Company is whole time director of any listed Company and does not serve as an Independent Director in more than 7 listed Companies. The Independent Directors are appointed for a term of five years or up to the age of retirement, whichever is earlier. The Company has issued letter of appointment to the Independent Directors in the manner as provided in the Act. The terms and conditions of their appointment have been disclosed on the website of the Company.

The Company followed the process for evaluation of the Directors and Board as a whole and evaluation of the respective committees based on the certain criteria and questionnaires filled in by the Directors. The Nomination and Remuneration Committee has laid down the evaluation criteria for performance evaluation of Individual Directors (Including Independent Directors) which also includes the attendance of Directors, contribution at Board / Committee Meetings and guidance / support to Management outside Board / Committee Meetings.

During FY 2014-15, a separate Meeting of Independent Directors of the Company was held on December 1, 2014 for Performance evaluation of Directors, Board, and Committees including assessment of Quality, Content, and Timeliness of flow of information between the Management and the Board.

## Familiarisation Programme for Independent Director

The Independent Directors are made familiarised with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. through various programmes. These include orientation programme upon induction of new Directors, as well as other initiatives to update the Directors on a continuing basis. The familiarisation programme for Directors is disclosed on the website of the Company [www.seya.in](http://www.seya.in) and the web link is [http://www.seya.in/wp-content/uploads/2011/06/Familiarization-Program\\_for-Independent-Directors-Seya.pdf](http://www.seya.in/wp-content/uploads/2011/06/Familiarization-Program_for-Independent-Directors-Seya.pdf)

## Appointment and Re-appointment

Details of the Directors seeking appointment / re-appointment at the AGM, pursuant to Clause 49 of the Listing Agreement, have been in the explanatory statement annexed to the Notice of AGM.

## Board and Director Evaluation and Criteria for evaluation

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

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

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

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

Criteria for evaluation of the Committees of the Board include degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of meetings. The procedure followed for the performance evaluation of the Board, Committees and Individual Directors is detailed in the Board's Report.

#### Non-Executive Director's compensation and disclosures

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

#### Board Meetings

The Board of Directors provides guidance and strategic direction to the management and evaluates effectiveness of management policies in achieving the set goals. Board meeting dates are finalized in consultation with all the directors and agenda papers backed up by comprehensive notes and detailed background information are circulated well in advance before the date of the meeting thereby enabling the Board members to take informed decisions. Board members are free to bring any matter to the Board. Agenda for the Board meeting are finalised by the

half-yearly / annual results, transactions pertaining to purchase / disposal of property, major accounting provisions and write-offs / write backs, corporate restructuring, minutes of the meetings of the Audit and other Committees of the Board. In addition to the information required under Annexure X to Clause 49 of the Listing Agreement, the Board is also kept informed of major events and approvals are taken wherever necessary.

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

#### Meetings held

The Board met seven times on the following dates during the Financial Year (FY) 2014-15 and the gap between two meetings did not exceed 120 days:

30-May-2014; 14-Aug-2014; 24-Sep-2014; 14-Nov-2014; 1-Dec-2014, 9-Dec-2014; 14-Feb-2015.

#### Category and Attendance of Directors

The names and categories of the Directors on the Board, their attendance at the Board Meetings held during the FY 2014-15 and at the AGM are given in below:

Name of the Director	No. of Meetings during the Year		Attended Last AGM	No. of Directorship in other Public Companies	Member / Chairman of Committees other Public Companies
	Held	Attended			
Mr. Ashok G Rajani – Managing Director	7	7	Yes	-	-
Mr. Asit Kumar Bhowmik – Executive Director	7	7	Yes	-	-
Mr. Virendra Singh Khurana – Independent Director (till 4-Jan-2015)	7	7	Yes	-	-
Mr. Anand Taggarasi – Independent Director (from 27-Aug-2015)	7	5	Yes	-	-

Chairman of the Board and Company secretary in consultation with other concerned Members of the senior management. Minutes of the Board meeting are circulated to all Directors and it is confirmed in the subsequent Board meeting.

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

#### Board Procedure

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

The Agenda is circulated well in advance to the Board members. The items in the Agenda are backed by comprehensive background information to enable the Board to take appropriate decisions and to discharge its responsibilities effectively. The Managing Director appraises the Board on the overall performance of the Company. The Managing Director's report is also circulated to the Board. The Board also, *inter alia*, reviews the strategy, annual business plan and capital expenditure budgets, compliance reports of the laws applicable to the Company, review of major legal issues, minutes of the Board Meetings of the Company's unlisted subsidiary companies, adoption of quarterly /

#### Code of Conduct

The Board has prescribed the Code of Conduct for Board Members and Senior Management. The code has been circulated to Directors and Management. The Code of Conduct has been posted on Company's website [www.seya.in](http://www.seya.in). All the Board members and Senior Management of the Company as on 31st March, 2015 have affirmed compliance with their respective Codes of Conduct. A Declaration to this effect, duly signed by the Managing Director, forms part of this report.

Apart from reimbursement of expenses incurred in the discharge of their duties and the remuneration that these Directors would be entitled under the Companies Act, 2013 as Non-Executive Directors, none of the Directors has any other material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management or its Subsidiaries and Associates.

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

**Shareholding of Directors as on 31st March, 2015 is as under:**

Name of the Directors	No. of shares held
Mr. Ashok G Rajani	2304214
Mr. Asitkumar Bhowmik	100
Mr. Anand Taggarsi	NIL
Mr. Virendra Singh Khurana	NIL

**Audit & Risk Management Committee**

The Audit & Risk Management Committee ("the Committee") comprises of Mr. Ashok G Rajani, Mr. Anand Taggarsi and Ms. Kalpana Tirpude. Mr. Virendra Singh Khurana ceased to be Chairman of the Committee due his resignation from the Board of the Company. At present, Mr. Anand Taggarsi is acting as the Chairman of the Committee. Company Secretary of the Company acts as the Secretary to the Committee. Internal Auditor, Statutory Auditor attends the Meetings as Invitees. The Cost Auditor attends the Meetings at which Cost Audit related matters are discussed.

**Composition and Attendance**

Name of the Member	No. of Meetings during the year	
	Held	Attended
Mr. Virendra Singh Khurana*–NEID	4	4
Mr. Anand Taggarsi** - NEID	4	2
Mr. Ashok G Rajani – ED	4	4

\*Cessation due to Resignation on January 5, 2015

\*\* Appointed on 27-Aug-2014

NEID - Non-Executive Independent Director

ED – Executive Director

**Terms of Reference**

The terms of reference, powers and role of Audit Committee are in accordance with Clause 49 III of the Listing Agreement with the Stock Exchanges read with Section 177(4) of the Companies Act, 2013. The Audit Committee has been granted powers as prescribed under clause 49 III (C). The Audit Committee functions according to its Charter that defines its composition, authority, responsibilities, and reporting functions. The broad terms of reference of the Audit Committee, inter-alia, are:

- Oversight of the Company's financial reporting process and disclosure of its financial information
- Discuss and review, with the management and auditors, the annual / quarterly financial statements before submission to the Board
- Review of the Company's accounting policies internal accounting controls, financial and such other matters
- Hold timely discussions with external auditors regarding critical accounting policies and practices, significant reporting issues and judgements made, nature and scope of audit, etc
- Evaluate auditors' performance, qualification, independence and effectiveness of Audit process
- Recommend to the Board, the appointment, reappointment, removal of the external auditors, fixation of audit fees and also approval for payment for audit and non-audit services
- Review the adequacy of internal audit and risk management function
- Review the adequacy of internal control systems and ensure adherence thereto

- Review the Company's compliance with the legal and regulatory requirements, Code of Conduct and effectiveness of the system for monitoring the same
- Review the functioning of Whistle Blower Mechanism of the Company which include the Vigil Mechanism for Directors and employees to report genuine concerns in the prescribed manner
- Review the significant related party transactions.

During the period under review the Committee has recommended to the Board the re-appointment statutory auditors and Cost Auditors. The Committee also reviewed key audit findings covering operational, financial and compliance areas and the risk mitigation plans were presented to the Board.

**Meetings held**

The Committee met Four times on the following dates during the Financial Year (FY) 2014-15

May 30, 2014	August 14, 2014
November 14, 2014	February 14, 2015

**Subsidiary Companies**

The Company does not have any subsidiary; hence, disclosure under clause 49 of the listing agreement with respect to "material non-listed Indian subsidiaries" is not applicable.

**Risk Management**

The Company has a well-defined risk management framework in place. The risk management framework adopted by the Company is discussed in detail in the Management Discussion and Analysis Chapter of this Annual Report. The Company has in place Audit and Risk Management Committee, which has established procedures to periodically place before the Audit & Risk Management Committee and the Board, the risk assessment and minimisation procedures being followed by the Company and steps taken by it to mitigate these risks.

**Related Party Transaction**

The Company has formulated a Policy on Materiality of Related Party transactions and on dealing with Related Party Transaction (RPTs). During the year under review, besides the transactions reported in the Notes to accounts under AS-18, there were no other related party transactions with promoters, directors, management. During FY 2014-15, all the transactions with related parties were in normal course of business. The Interest of Directors, if any, in transactions are disclosed at the Board Meetings and the interested Director does not participate in the discussion or vote on such transactions. The Policy on RPTs is uploaded on the Company's Website and the web link is <http://www.seya.in/wp-content/uploads/2011/06/Related-Party-Transactions-Policy-Seya.pdf>

**Stakeholders Relationship Committee (SRC)****Composition**

As on March 31, 2015, the Stakeholders Relationship Committee Comprised of Three Members, viz., Mr. Anand Taggarsi (Non-Executive Independent), Mr. Virendra Singh Khurana (Till 5-Jan-2015) Mr. Asitkumar Bhowmik (From 14-Feb-15) and Mr. Ashok G Rajani (Executive). The Composition of this Committee is in compliance with the requirements of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

**Terms of Reference**

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

**Meetings**

During the period under review, one meeting was held on September 24, 2015 and all the members of the Committee were present in the meeting.

**Status of Investor Complaints**

Complaints as on April 1, 2014:	NIL
Received during the year:	NIL
Resolved During the year:	NIL
Pending as on March 31, 2015	NIL

**Name, Designation & Address of Compliance Officer**

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

**Nomination and Remuneration Committee (NRC)****Composition**

As on March 31, 2015, the Nomination and Remuneration Committee comprised of four members viz, Mr. Anand Taggarsi (Non-Executive Independent - Chairman), Mr. Asitkumar Bhowmik (Executive Director - from 14-Feb-2015), Mr. Virendra Singh Khurana (Non-Executive Independent - till 5-Jan-2015) and Mr. Ashok G Rajani (Executive, Promoter).

**Terms of Reference**

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal
- To evaluate the performance of Directors including independent directors.
- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel (KMP) and other employees
- To recommend remuneration of Managing Director and whole time directors of the Company
- To carry out any other function as is mandated by the Board from time to time.

**Meetings**

During the period under review, one meeting was held on September 24, 2015 and all the members of the Committee were present in the meeting.

**Remuneration Policy**

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

Company's Remuneration Policy is provided in the Board's Report.

**a. Managing Director and Executive Director**

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

The Company pays remuneration by way of salary, perquisites and allowances (fixed component), to its Managing / Executive Director.

**b. Non-Executive Directors**

Non-Executive Directors are paid sitting fees of ₹5000 each for every Meeting of the Board or committee attended.

**Details of Remuneration Paid (FY- 2014-15)**

₹ in lakhs

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

\* Includes perquisites and other allowances

**Disclosures****a. Accounting Treatment in preparation of Financial Statements**

The Company has followed the Accounting Standards laid down by The Companies (Accounting Standards) Rules, 2006 in preparation of its financial statements.

**b. Statutory Compliance, Penalties and Strictures**

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

**c. CEO / CFO Certification**

The Managing Director (CEO) have certified to the Board in accordance with Clause 49(IX) of the Listing Agreement pertaining to CEO / CFO certification for the financial year ended March 31, 2015.

**d. Management Discussion and Analysis**

Management Discussion and Analysis report forms part of the Annual Report.

**e. Vigil Mechanism / Whistle blower Policy**

The Company has adopted a Whistle Blower policy to provide a formal mechanism to the employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Conduct or Ethics policy. The policy provides for adequate safeguards against victimisation of employees who avail of the mechanism and provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

The Company did not raised funds through public / rights / preferential issues during the financial year 2014-15.

## Compliances

### I) Mandatory requirements

The Company has fully complied with all the applicable mandatory requirements of Clause 49 of the listing agreement executed with the Stock Exchanges relating to Corporate Governance.

### II) Non-Mandatory requirements

The Company has not adopted the Non-mandatory requirements in regard to maintenance of Non-Executive Chairman's office and sending half-yearly financial results to the shareholders at their residence.

### III) Auditor's Qualification of Financial Statement

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

## Means of Communication

### i. Quarterly results

The quarterly, half-yearly and annual results are published within 48 hours of the meeting for that quarter. Quarterly results are published in Navshakti (Marathi) and Free Press Journal (English) and are displayed on 'www.seya.in' after its submission to the Stock Exchanges.

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

### iii. Website

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

## Shareholder Information

### Company Registration Details

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

### General Meeting Details

The 25<sup>th</sup> Annual General Meeting (AGM) of the Company will be held on Monday, September 28, 2015 at 11:00 a.m. at registered office of the Company. The Company convenes the AGM generally within six months of the close of the financial year. The details of the AGM held in last three years are given below

Year	Date	Time	Special resolution passed
2011-12	26-Sep-12	3:00 p.m.	Two
2012-13	18-Sep-13	11:00 a.m.	One
2013-14	27-Sep-14	11:00 a.m.	Two

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

### Book Closure Period

The register of members and share transfer books of the Company shall remain closed from Tuesday, September 22 2015 to Monday, September 28, 2015 both days inclusive.

## Financial calendar for the year 2015-16

Financial Year	:	The next financial year of the Company will end on March 31, 2016
Board Meeting to be held in year 2015-16	:	May 28, 2015, August 14, 2015, November 2015* and February 2016*

\* Tentative

### Listing

At present, the Equity Shares of the Company are listed on the BSE Ltd. Ahmedabad Stock Exchange Ltd, and Calcutta Stock Exchange Ltd. The Annual Listing fees for the year 2015-16 have been paid to the BSE Limited.

### Stock Codes

Bombay SE Code	524324
Ahmedabad SE Code	56490
Calcutta SE Code	29151

### Stock Market Data

As on date of this report, trading of shares of the Company has not resumed yet. However, the Company has received an In-principal approval from the BSE Ltd for trading and trading will resume soon.

### Distribution of Shareholding as on March 31, 2015

Distribution Range of shares	No. of shares	% of shares	No. of shareholders	% of shareholders
< 500	1633130	14.85	10264	94.87
501-1000	250800	2.28	302	2.79
1001-2000	180570	1.64	120	1.11
2001-3000	115700	1.05	45	0.42
3001-4000	56600	0.51	16	0.15
4001-5000	121900	1.11	25	0.23
5001-10000	159600	1.45	21	0.19
> 10001	8481700	77.11	26	0.24

### Category of Shareholding as on March 31, 2015

Category	No. of Shares	Percentage
Promoter & Promoter Group	7867300	71.52
Individual Shareholders	2411100	21.92
Qualified Foreign Investor	416700	3.79
Bodies Corporate	302900	2.75
Financial Institutions	2000	0.02

### Plant Location

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

### Address for Correspondence

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

### Registrar & Transfer Agent

The Company has appointed M/s Universal Capital Securities Pvt. Ltd as its Registrar & Transfer Agent. Members are requested to correspond with the company's Registrar & Transfer Agent quoting their folio no. / DP ID and client ID at the following address:

M/s Universal Capital Securities Pvt. Ltd  
21, Shakil Niwas, Opp. Satya Saibaba Temple,  
Mahakali Caves Road, Andheri (East), Mumbai – 400093.  
☎022-28207203-05 📠: 022-28207207

✉info@unisec.in

**Share Transfer Process**

Shares in physical form are processed by the Registrar and Share transfer agent within maximum of 30 days from the date of receipt, if the documents are complete in all respects. The Managing Director, Executive Director and the Company Secretary have been severally empowered to approve transfers.

**Secretarial Audit**

- Pursuant to Clause 47 (c) of the Listing Agreement with the Stock Exchanges, certificates have been issued, on a half-yearly basis, by a Company Secretary in Practice, certifying due compliance of share transfer formalities by the Company.
- A Company Secretary in practice carries out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The audit confirms that the total issued / paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with CDSL)
- Mr. Rakesh Sanghani, Practicing Company Secretary has conducted a Secretarial Audit of the Company for FY 2014-15. Their Audit report confirms that the Company has complied with applicable provisions of the Companies Act, and the Rules made thereunder, its Memorandum and Articles of Association, Listing Agreements with the Stock Exchanges and the Applicable SEBI Regulations. The Secretarial Audit Report forms the Part of the Board's Report.

**Dematerialization of Shares**

As on March 31, 2015, 317,700 Equity shares representing 2.89% of the Company's paid up equity share capital were held in dematerialised mode. The International Securities Identification Number (ISIN) assigned to Company's equity shares is INE73R01012.

**Receipt of Financial Statement / other Documents through Electronic Mode**

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

**Nomination Facility**

Shareholders should register their nominations in case of physical shares with Company's Registrar & Transfer Agent. In case of dematerialized shares, the shareholders with their DP should register Nomination. Nomination would help the nominees to get the shares transmitted in their favour in smooth manner without much documentation / legal requirements.

**DECLARATION BY MANAGING DIRECTOR ON COMPLIANCE WITH THE CODE OF CONDUCT**

I, Ashok G Rajani, Managing Director of Seya Industries Ltd, hereby declare that all the members of the Board of Directors and the Senior Management Personnel have affirmed the Compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Clause 49 (II)(E)(2) of the Listing Agreement entered into with The Stock Exchanges for the year ended March 31, 2015

For **Seya Industries Ltd**

**Ashok G Rajani**

Managing Director

Mumbai, August 14, 2015

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members of  
**SEYA INDUSTRIES LTD**

We have examined the compliance of conditions of Corporate Governance by SEYA INDUSTRIES LTD (the Company), for the financial year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchange(s).

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

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

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

For **JAGIWALA AND CO**

Chartered Accountants

Firm Registration No.: 131184W

**Yogesh R Jagiwala**

Partner

Membership no.: 016864

Mumbai, August 14, 2015

# INDEPENDENT AUDITOR'S REPORT

To the Members of Seya Industries Ltd

## Report on the Financial Statements

We have audited the accompanying Financial Statements of **SEYA INDUSTRIES LTD** ('The Company') which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

## Management Responsibility for the Financial Statements

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

## Auditor's Responsibility

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

We have taken into account the provisions of the Act, 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 sub-section 10 of Section 143 of the Act. Those standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected 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 controls 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system cover financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors as well as evaluating the overall presentation of the financial statements.

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the

information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015 and its profit and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2015 ("the Order") issued by the Central Government, in exercise of power conferred by sub-section 11 of Section 143 of the Act, we enclose in Annexure a statement on the matters specified in paragraph 3 and 4 of the Order.
2. As required by sub-section 3 of Section 143 of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, Statement of Profit & Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
  - e. On the basis of written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2015 from being appointed as a director in terms of sub-section 2 of Section 164 of the Act.
  - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigation which would impact its financial position
    - ii. The Company did not have any long-term contracts including derivatives contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
    - iii. There has not been an occasion in case of the Company during the year under report to transfer any sum to the investor Education and protection Fund. The question of delay in transferring such sums does not arise.

**For JAGIWALA AND CO**  
Chartered Accountants  
ICAI FRN: 1311184W

**Yogesh R Jagiwala**  
Partner  
**M. No. 016864**  
Mumbai, May 28, 2015

## ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

[Referred to in our report of even date]

### i. Fixed Assets

- a. The Company has maintained proper records showing full particulars including quantitative details and situation of the fixed assets;
- b. The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of two years. In accordance with this programme, portion of the fixed assets have been physically verified by the Management at during the year and no material discrepancies have been noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

### ii. Inventories

- a. The inventory except goods-in-transit has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of such verification is reasonable.
- b. The procedures for the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. The Company is maintaining proper records of inventories. The discrepancies noticed on verification between the physical stock and the books records were not material.

### iii. Loans and Advances

The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act.

### iv. Internal Control System

In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventories and fixed assets and sale of goods and services. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weakness in internal control system.

### v. Deposits

The Company has not accepted any deposits from the public in accordance with the provisions of Sections 73 to 76 of the Act and the Rules framed thereunder.

### vi. Cost Records

We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under sub-section 1 of section 148 of the Act and are of the Opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

### vii. Statutory Dues

- a. According to information and explanation given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty, Cess and other material statutory dues applicable to it.
- b. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, investor education and Protection Fund, Employees' State Insurance, Income-tax, Wealth-tax, Service tax, Sales-tax, Customs duty, Excise duty, Cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- c. In our opinion and according to the information and explanation given to us, during the year, no amount was pending to be transferred to Investor Education and Protection Fund.

### viii. Accumulated Losses

The Company does not have accumulated loss as at the end of the year and has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.

### ix. Dues to Financial Institutions and Banks

In our opinion and information and explanations given to us, the Company has not defaulted in the repayment of dues to Financial Institutions and Banks.

### x. Guarantees given

According to the information and explanations given to us, as the Company has not given any guarantee for loans taken by others from banks or financial institutions, the requirement of Clause 3(x) of the Order to comment on whether the terms and conditions whereof are prejudicial to the interest of the Company is not applicable.

### xi. Term Loans

Based on the information and explanations given to us and documents provided to us, term loans were, prima facie, applied for the purpose for which the loans were obtained.

### xii. Frauds Noticed

According to the information and explanations given to us, no instances of material fraud on or by Company has been noticed or reported during the course of our Audit.

### For JAGIWALA AND CO

#### Chartered Accountants

ICAI FRN: 1311184W

#### Yogesh R Jagiwala

Partner

M. No. 016864

Mumbai, May 28, 2015

**BALANCE SHEET**

As at March 31, 2015

	Note	₹ in Lakhs	
		As at March 31, 2015	As at March 31, 2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Fund</b>			
Share Capital	3	1,100.00	1,100.00
Reserves and Surplus	4	5,414.40	4,111.34
		<b>6,514.40</b>	5,211.34
<b>Share Application Money Pending Allotment</b>	3	<b>15,126.17</b>	15,126.17
<b>Non-Current Liabilities</b>			
Long Term Borrowings	5	13,936.18	12,899.24
Deferred Tax Liability	6	1,357.11	957.97
Other Long Term Liabilities	7	18,571.27	13,248.32
Long Term Provisions	8	8.13	-
		<b>33,872.69</b>	27,105.53
<b>Current Liabilities</b>			
Short Term Borrowings	9	4,706.69	1,717.11
Trade Payables	10	633.00	257.81
Other Current Liabilities	11	829.30	1,730.36
Short Term Provisions	12	297.30	155.97
		<b>6,466.29</b>	3,861.25
<b>TOTAL</b>		<b>61,979.55</b>	51,304.29
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	13	35,513.31	35,976.56
Capital Work in Progress		14,565.00	674.12
		<b>50,078.31</b>	36,650.68
Deferred Tax (Assets)	6	913.02	705.63
Long Term Loans and Advances	14	62.79	8,409.97
Other Non-Current Assets	15	8.34	-
		<b>51,062.46</b>	45,766.28
<b>Current Assets</b>			
Inventories	16	4,172.61	2,645.24
Trade Receivables	17	5,241.95	752.73
Cash and Cash Equivalents	18	184.64	1,649.75
Short Term Loans and Advances	19	1,217.78	490.19
Other current assets	20	100.11	0.10
		<b>10,917.09</b>	5,538.01
<b>TOTAL</b>		<b>61,979.55</b>	51,304.29
Significant Accounting Policies & Notes on Financial Statements	1 & 2		

As per our report attached  
For **JAGIWALA AND CO**  
**Chartered Accountants**  
Firm Registration No.: 1311184W

For and on behalf of Board of Directors

**Yogesh R Jagiwala**  
Partner  
Membership No. 016864

**Manisha Solanki**  
Company Secretary

**Ashok G Rajani**  
Chairman & Managing Director  
**DIN:** 01839535

**Anand Taggarsi**  
Director  
**DIN:** 06959365

**Place:** Mumbai  
**Date:** May 28, 2015

## STATEMENT OF PROFIT & LOSS

For the period ended March 31, 2015

	Note	₹ in Lakhs	
		2014-15	2013-14
<b>INCOME</b>			
Revenue from Operations	21	25,317.45	13,764.15
Less: Excise Duty		556.34	633.26
<b>Revenue From Operations (Net)</b>		<b>24,761.11</b>	13,130.89
Other Income	22	70.30	153.65
<b>Total Revenue</b>		<b>24,831.41</b>	13,284.54
<b>EXPENDITURE</b>			
Cost of Material Consumed	23	21,810.81	11,714.72
Change in Inventories of Finished Goods, Stock in Process & Stock in Trade	24	(1,449.59)	(1,205.56)
Employee Benefit Expenses	25	168.44	145.14
Finance Cost	26	991.04	122.27
Depreciation and Amortisation Expenses	13	1,054.87	887.52
Other Expenses	27	884.87	1,032.51
<b>Total Expenses</b>		<b>23,460.44</b>	12,696.60
<b>Profit Before Tax</b>		<b>1,370.97</b>	587.94
Tax Expenses			
Current Tax		242.21	113.72
MAT Credit Entitlement		(366.06)	(113.72)
Tax for earlier years		-	-
Deferred Tax (Net)		191.75	252.34
		67.90	252.34
<b>Net Profit for the period</b>		<b>1,303.07</b>	335.60
<b>Earnings per Equity Share of face value of ₹ 10 each</b>			
Basic ₹		11.85	3.05
Diluted ₹		11.85	3.05
Significant Accounting Policies and Notes on Financial Statements	1 & 2		

As per our report attached  
For **JAGIWALA AND CO**  
**Chartered Accountants**  
Firm Registration No.: 1311184W

For and on behalf of Board of Directors

**Yogesh R Jagiwala**  
Partner  
Membership No. 016864

**Manisha Solanki**  
Company Secretary

**Ashok G Rajani**  
Chairman & Managing Director  
DIN: 01839535

**Anand Taggarsi**  
Director  
DIN: 06959365

**Place:** Mumbai  
**Date:** May 28, 2015

# CASH FLOW STATEMENT

For the period ended March 31, 2015

	₹ in Lakhs	
	2014-15	2013-14
<b>A: CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>Net Profit before tax as per Statement of Profit and Loss</b>	<b>1,370.97</b>	587.94
<b>Adjustment for</b>		
Depreciation and Amortisation	1,054.87	887.52
Finance Cost	991.04	122.27
Interest Income	(68.42)	(112.21)
Other Non-Operating Income	(1.88)	(41.45)
	<b>1,975.61</b>	856.13
<b>Operating Profit before Working Capital changes</b>	<b>3,346.58</b>	1,444.07
<b>Changes in Working Capital</b>		
<b>Adjustment for (increase)/decrease in operating assets:</b>		
Trade Receivables	(4,489.22)	257.50
Inventories	(1,527.37)	(1,201.65)
Short Term Loans and Advances	(727.59)	(293.11)
Long Term Loans and Advances	(13.28)	(16.55)
Other Current Assets	(100.01)	(0.10)
<b>Adjustment for increase/(decrease) in operating liabilities:</b>		
Trade Payables	375.19	(50.01)
Other Current Liabilities	(901.06)	(34.27)
Other Long Term Liabilities	5,322.95	
Short Term Provisions	141.33	107.63
Other Long Term Provisions	8.13	(12.25)
	<b>(1,910.93)</b>	(1,242.81)
<b>Cash Generated from Operations</b>	<b>1,435.65</b>	201.26
<b>Taxes (Paid)/ Refund</b>	-	-
<b>Net Cash from / (used in) Operating Activities (A)</b>	<b>1,435.65</b>	201.26
<b>B: CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES:</b>		
Capital expenditure on fixed assets, including capital advances	(5998.20)	(4,862.10)
Other Non-Current Assets	(8.34)	-
Other Non-Operating Income	1.88	41.45
<b>Net Cash Flow from / (used in) Investing Activities (B)</b>	<b>(6,004.66)</b>	(4,820.65)
<b>C: CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES:</b>		
Finance Cost	(991.04)	(122.27)
Interest Income	68.42	112.21
Proceeds from Long Term Borrowings	1,036.94	4,483.32
Proceeds from Short Term Borrowings	2,989.58	1,410.99
<b>Net Cash Flow From / (used in) Financing Activities (C)</b>	<b>3,103.90</b>	5,884.24
<b>Net Increase / (Decrease) In Cash and Cash Equivalent (A + B + C)</b>	<b>(1,465.11)</b>	1,264.85
<b>Cash and Cash Equivalents at the Beginning of the Year</b>	<b>1,649.75</b>	384.90
<b>Cash and Cash Equivalents at the End of the Year (Refer Note No. 18)</b>	<b>184.64</b>	1,649.75

As per our report attached  
For **JAGIWALA AND CO**  
**Chartered Accountants**  
Firm Registration No.: 1311184W

For and on behalf of Board of Directors

**Yogesh R Jagiwala**  
Partner  
Membership No. 016864

**Manisha Solanki**  
Company Secretary

**Ashok G Rajani**  
Chairman & Managing Director  
**DIN:** 01839535

**Anand Taggarsi**  
Director  
**DIN:** 06959365

**Place:** Mumbai  
**Date:** May 28, 2015

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2015

### 1. CORPORATE INFORMATION:

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

### 2. SIGNIFICANT ACCOUNTING POLICIES:

#### 2.1. Basis for Preparation of Financial Statements:

- 2.1.1.** These financial statements have been prepared to comply in all material aspects with applicable accounting principles in India, the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and other generally accepted accounting principles in India (Indian GAAP), to the extent applicable..
- 2.1.2.** The financial statements have been prepared on accrual basis under the historical cost convention except for those with significant uncertainties. The accounting policies adopted in the preparation of financial statements are consistent with those of the previous year.
- 2.1.3.** All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the revised Schedule III to the Act. Based on the nature of business and its activities, the Company has ascertained its operating cycle as twelve months for the purpose of Current & Non-Current classification of Assets & Liabilities.

#### 2.2. Use of Estimates:

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

#### 2.3. Inventories:

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

#### 2.4. Cash and Cash equivalents (for purposes of Cash Flow Statement):

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

#### 2.5. Cash Flow Statement:

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

#### 2.6. Fixed Assets (Tangible) and Depreciation:

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

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

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

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

**Capital Work in Progress:**

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

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

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

**2.7. Leases:**

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

**2.8. Revenue Recognition:**

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

**Other Income:**

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

**2.9. Foreign Currency Transactions:**

**Initial Recognition**

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

**Measurement at the Balance Sheet date**

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

**Treatment of exchange differences**

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

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

**2.10. Employee benefits:**

Employee benefits include gratuity fund, compensated absences, long service awards.

**Defined benefit plans**

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

by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

#### **Short-term Employee Benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under:

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

#### **Long-term Employee Benefits**

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

### **2.11. Finance Costs**

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

### **2.12. Segment Reporting:**

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

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

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

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

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

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

- i. India
- ii. Outside India

### **2.13. Earnings per share**

Basic earnings per share are computed by dividing the net profit for the year by the weighted average number of Ordinary equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit for the year by the weighted average number of Ordinary equity shares outstanding during the year plus the weighted average no of Ordinary equity shares that would be issued on conversion of all the dilutive potential ordinary equity shares in Ordinary equity shares.

### **2.14. Taxes on Income**

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

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

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

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisation. Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss

#### **2.15. Research and Development Expenses**

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

#### **2.16. Impairment of Assets**

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

#### **2.17. Provisions and Contingencies**

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

#### **2.18. Service tax input credit**

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

**3. SHARE CAPITAL****3.1. Authorised Capital**

₹ in Lakhs

Class of Shares	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares of ₹10 each	19,700,000	1,970	110,000,000	11,000
Non-Convertible Redeemable Preference Shares of ₹10 each	151,300,000	15,130	-	-
<b>Total</b>	<b>171,000,000</b>	<b>17,100</b>	<b>110,000,000</b>	<b>11,000</b>

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

₹ in Lakhs

Class of Shares	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares of ₹10 each fully paid up	11,000,000	1,100	11,000,000	1,100
<b>Total</b>	<b>11,000,000</b>	<b>1,100</b>	<b>11,000,000</b>	<b>1,100</b>

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

	As at March 31, 2015	As at March 31, 2014
Equity Shares at the beginning of the year	11,000,000	11,000,000
Movement during the year	-	-
<b>Equity Shares at the end of the year</b>	<b>11,000,000</b>	<b>11,000,000</b>

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

Name of the shareholders	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	%	No. of Shares	%
Mrs. Shalini A Rajani	2,761,930	25.11	2,761,930	25.11
Mr. Ashok G Rajani	2,304,214	20.95	2,304,214	20.95
Mr. Ghanshyamdas Rajani	1,390,370	12.64	1,390,370	12.64
Mrs. Gopi G Rajani	978,486	8.89	978,486	8.89

**3.5. Rights, preferences and restrictions attached to shares**

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

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

**3.7.** The Company has received share application money to allot 151,261,714 Non-Convertible Redeemable Preference Shares of ₹10/- each.

**4. RESERVES AND SURPLUS**

₹ in Lakhs

	As at March 31, 2015	As at March 31, 2014
<b>General Reserves</b>		
Opening Balance	2,013.53	2,013.53
Add Transferred from surplus in statement of Profit and Loss	-	-
Less: Utilised / transferred during the year	-	-
Closing Balance	2,013.53	2,013.53
<b>Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening Balance	2,097.81	1,762.21
Add: Profit / (Loss) during the year	1,303.07	335.60
Less: Transferred to General Reserves	-	-
Closing Balance	3,400.88	2,097.81
<b>TOTAL</b>	<b>5,414.40</b>	<b>4,111.34</b>

**5. LONG TERM BORROWINGS**

	₹ in Lakhs	
	As at March 31, 2015	As at March 31, 2014
<b>Term Loans</b>		
<b>From Banks</b>		
Secured	3,711.53	4,257.75
<b>Loans &amp; advances from related parties</b>		
Unsecured	137.02	115.10
<b>Other Loans and Advances</b>		
Unsecured	10,087.63	8,526.38
<b>TOTAL</b>	<b>13,936.18</b>	<b>12,899.24</b>

**5.1.** Rupee Term Loan from banks comprises of loan taken for expansion of project of ₹3,700.29 Lakhs and Car loan of ₹11.24 Lakhs.

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

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

**5.2.** Terms of Repayments of Secured / Unsecured Loans

Repayment Schedule		₹ in Lakhs
Period		Amount
2 to 4 Years		1,380.77
5 to 7 Years		2,330.76
<b>TOTAL</b>		<b>3,711.53</b>

**6. DEFERRED TAX (DISCLOSURES UNDER AS-22)**

	₹ in Lakhs	
	As at March 31, 2015	As at March 31, 2014
<b>Deferred Tax Liability</b>		
On difference between book balance and tax balance of Depreciation	625.01	255.96
On expenditure deferred in the books but allowable for tax purposes	699.75	702.01
Allowances Under 43B	32.35	-
	<b>1,357.11</b>	957.97
<b>Deferred Tax Assets</b>		
Provision for Compensated absences, gratuity and other employee benefits	7.99	3.09
Disallowances under 40A (7) of the Income Tax Act, 1961	2.88	2.88
Assets arising due to Provisions of Income Tax Act	902.15	699.66
	<b>913.02</b>	705.63
<b>Deferred Tax (Net)</b>	<b>444.09</b>	<b>252.34</b>

**7. OTHER LONG TERM LIABILITIES**

	₹ in Lakhs	
	As at March 31, 2015	As at March 31, 2014
<b>Trade Payables</b>		
Payable on purchase of Fixed Assets	18,529.07	13,248.32
Others	42.20	
<b>TOTAL</b>	<b>18,571.27</b>	13,248.32

**8. LONG TERM PROVISIONS**

	₹ in Lakhs	
	As at March 31, 2015	As at March 31, 2014
<b>Provisions for Employee Benefits</b>		
Provision for Gratuity	8.13	-
<b>TOTAL</b>	<b>8.13</b>	-

**9. SHORT TERM BORROWINGS**

₹ in Lakhs

	As at March 31, 2015	As at March 31, 2014
<b>Loans Repayable on Demand</b>		
From Banks		
Secured	4,706.69	1,717.11
<b>TOTAL</b>	<b>4,706.69</b>	<b>1,717.11</b>

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

**10. TRADE PAYABLES**

₹ in Lakhs

	As at March 31, 2015	As at March 31, 2014
Other than Acceptances	590.64	257.81
Acceptances	42.36	-
<b>TOTAL</b>	<b>633.00</b>	<b>257.81</b>

**11. OTHER CURRENT LIABILITIES**

₹ in Lakhs

	As at March 31, 2015	As at March 31, 2014
Current maturity of long term debt	690.32	563.34
Interest Accrued but not due on borrowings	-	17.66
<b>Other Payables</b>		
Advance from customers	12.37	18.35
Payables on purchase of Fixed Assets	-	789.54
Statutory Remittances	47.47	23.92
Contractually reimbursable expenses	29.12	57.94
Retention money against Capital Goods	-	259.63
Other trade payables for Goods and Services	50.02	-
<b>TOTAL</b>	<b>829.30</b>	<b>1,730.36</b>

**12. SHORT TERM PROVISIONS**

₹ in Lakhs

	As at March 31, 2015	As at March 31, 2014
<b>Provisions –For Employee Benefits</b>		
Provisions for Bonus	15.86	10.00
<b>Provisions – Other</b>		
Provisions for Tax	281.44	145.97
<b>TOTAL</b>	<b>297.30</b>	<b>155.97</b>

**13. FIXED ASSETS**

₹ in Lakhs

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 31-Mar-14	Additions	Deduction / Transfer	As at 31-Mar-15	Upto 31-Mar-14	For the Year	Deduction / Transfer	Upto 31-Mar-15	As at 31-Mar-15	As at 31-Mar-14
<b>Tangible Assets</b>										
Leasehold Land	21,924.58	6.43	-	21,931.01	-	-	-	-	21,931.01	21,924.58
Buildings	2,383.28	7.92	-	2,391.20	281.11	92.20	-	373.31	2,017.89	2,102.17
Plant & Machinery	16,249.54	573.63	-	16,823.17	4,345.12	958.16	-	5,303.28	11,519.89	11,904.42
Furniture & Fixtures*	22.73	3.65	-	26.38	10.71	2.09	-	12.80	13.58	12.02
Vehicles	41.26	-	-	41.26	7.90	2.42	-	10.32	30.94	33.36
<b>TOTAL</b>	<b>40,621.39</b>	<b>591.63</b>	<b>-</b>	<b>41,213.02</b>	<b>4,644.84</b>	<b>1,054.87</b>	<b>-</b>	<b>5,699.71</b>	<b>35,513.31</b>	<b>35,976.56</b>
<b>PREVIOUS YEAR</b>	<b>32,871.03</b>	<b>7,750.37</b>	<b>-</b>	<b>40,621.40</b>	<b>3,757.32</b>	<b>887.52</b>	<b>-</b>	<b>4,644.84</b>	<b>35,976.56</b>	<b>29,113.70</b>

\* Includes Office Equipments

**14. LONG TERM LOANS AND ADVANCES**

₹ in Lakhs

	As at March 31, 2015	As at March 31, 2014
<b>Capital Advances</b>		
Unsecured, Considered Good	-	8,360.46
<b>Security Deposits</b>		
Unsecured, Considered Good	55.87	42.21
<b>Loans and advances to employees</b>		
Unsecured, Considered Good	6.92	7.30
<b>TOTAL</b>	<b>62.79</b>	<b>8,409.97</b>

**15. OTHER NON-CURRENT ASSETS**

₹ in Lakhs

	As at March 31, 2015	As at March 31, 2014
Provisions for Employee Benefits	8.13	-
Preliminary Expenses	0.21	-
<b>TOTAL</b>	<b>8.34</b>	<b>-</b>

**16. INVENTORIES**

₹ in Lakhs

	As at March 31, 2015	As at March 31, 2014
Raw Materials	94.73	13.74
Goods in Transit	-	1.46
	<b>94.73</b>	15.20
Work in Progress	3,911.47	2,274.06
Manufactured Goods	144.96	332.78
Stores & Spares	20.61	22.29
Others	0.84	0.91
<b>TOTAL</b>	<b>4,172.61</b>	<b>2,645.24</b>

**17. TRADE RECEIVABLES**

₹ in Lakhs

	As at March 31, 2015	As at March 31, 2014
<b>Other Trade Receivable</b>		
Unsecured, considered good	5,227.11	748.14
<b>Outstanding for a period exceeding six months from the date they were due for payment</b>		
Unsecured, considered good	14.84	4.58
<b>TOTAL</b>	<b>5,241.95</b>	<b>752.73</b>

**18. CASH AND CASH EQUIVALENTS**

₹ in Lakhs

	As at March 31, 2014	As at March 31, 2013
<b>Cash on hand</b>	1.12	4.13
<b>Balances with Banks</b>		
In Current Accounts	44.04	1,217.03
In Deposit Accounts *	139.48	428.59
<b>TOTAL</b>	<b>184.64</b>	<b>1,649.75</b>

\* Deposits of ₹94.16 Lakhs (Previous year ₹428.59 Lakhs) are held as margin money against Short Term Borrowings.

**19. SHORT TERM LOANS AND ADVANCES**

₹ in Lakhs

	As at March 31, 2015	As at March 31, 2014
<b>Prepaid Expenses</b>	31.77	6.34
<b>Balances with Government Authorities</b>		
Unsecured, Considered Good	666.19	330.82
<b>Others</b>		
Unsecured Considered good		
Advance to supplier of Goods and Services	34.37	39.32
Loans and Advances to Employees	5.67	-
MAT Credit Entitlement	479.78	113.72
<b>TOTAL</b>	<b>1,217.78</b>	<b>490.19</b>

**20. OTHER CURRENT ASSETS**

₹ in Lakhs

	As at March 31, 2015	As at March 31, 2014
<b>Accruals</b>		
Interest Accrued on Deposit	4.81	0.10
Interest Accrued but not due on borrowings	95.30	-
<b>TOTAL</b>	<b>100.11</b>	<b>0.10</b>

**21. REVENUE FROM OPERATIONS**

₹ in Lakhs

	2014-15	2013-14
Sale of Products (Refer Note No. 21.1)	25,317.45	13,717.58
Other Operating Revenue (Refer Note No. 21.2)	-	46.57
<b>Revenue from Operations (Gross)</b>	<b>25,317.45</b>	<b>13,764.15</b>
Less: Excise Duty	556.34	633.26
<b>Revenue From Operations (Net)</b>	<b>24,761.11</b>	<b>13,130.89</b>

**21.1. Details of Product sold (net of excise duty)**

₹ in Lakhs

	2014-15	2013-14
<b>Sale of Finished Goods</b> (including Stock in trade)		
Inorganic intermediates	34.23	45.27
Organic intermediates	1,499.98	2,632.32
Fine and Speciality Chemical intermediates	22,559.84	9,394.40
Pharmaceutical intermediates	658.57	744.60
Agrochemical intermediates	8.49	267.30
Others	-	0.45
<b>TOTAL</b>	<b>24,761.11</b>	<b>13,084.34</b>

**21.2. Details of Other Operating Revenue**

₹ in Lakhs

	2014-15	2013-14
<b>Other Operating Revenue</b>		
Liability no longer required written back	-	46.57
<b>TOTAL</b>	<b>-</b>	<b>46.57</b>

**22. OTHER INCOME**

₹ in Lakhs

	2014-15	2013-14
<b>Interest Income Comprises</b>		
<b>Interest received from Banks on:</b>		
Deposits	58.02	111.34
<b>Other Interest</b>	<b>10.40</b>	<b>0.87</b>
<b>Other Non-Operating Income Comprises</b>		
Liability/Provisions no longer required written back	1.88	12.25
Net gain on foreign currency transaction and translation (other than considered as finance cost)	-	13.92
Miscellaneous Income	-	15.27
<b>TOTAL</b>	<b>70.30</b>	<b>153.65</b>

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

₹ in Lakhs

	2014-15	2013-14
Opening Stock	10.54	9.11
Add: Purchases	21,882.60	11,716.15
	21,893.14	11,725.26
Less: Closing Stock	82.33	10.54
<b>COST OF RAW MATERIAL CONSUMED</b>	<b>21,810.81</b>	<b>11,714.72</b>

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

₹ in Lakhs

	2014-15	2013-14
Aromatics	10,489.48	11,047.27
Acids	4,927.21	374.02
Others	6,394.12	293.43
<b>TOTAL</b>	<b>21,810.81</b>	<b>11,714.72</b>

24. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROCESS & STOCK IN TRADE	₹ in Lakhs	
	2014-15	2013-14
<b>(A) Inventories at the beginning of the year</b>		
Manufactured Goods	332.78	83.65
Work in Process	2,274.06	1,317.63
	<b>2,606.84</b>	<b>1,401.28</b>
<b>(B) Inventories at the end of the year</b>		
Manufactured Goods	144.96	332.78
Work in Process	3,911.47	2,274.06
	<b>4,056.43</b>	<b>2,606.84</b>
<b>NET (INCREASE) / DECREASE IN INVENTORIES (A – B)</b>	<b>(1,449.59)</b>	<b>(1,205.56)</b>

25. EMPLOYEE BENEFIT EXPENSES	₹ in Lakhs	
	2014-15	2013-14
Salaries, wages, bonus, compensated absences and all other amounts payable to employees in respect of services rendered as per their employment terms under their contract of service / employment	157.54	137.66
Contributions to Provident and other Fund	7.30	7.48
Staff Welfare Expenses	3.60	-
<b>TOTAL</b>	<b>168.44</b>	<b>145.14</b>

26. FINANCE COST	₹ in Lakhs	
	2014-15	2013-14
<b>Interest Expenses on</b>		
Borrowings	963.99	120.24
Trade Payables	12.54	-
Deferred payment of Tax	0.38	-
<b>Others</b>		
Bank Charges	14.13	2.03
<b>TOTAL</b>	<b>991.04</b>	<b>122.27</b>

27. OTHER EXPENSES	₹ in Lakhs	
	2014-15	2013-14
Consumption of Stores and Spares	2.12	0.87
Consumption of Packing Material	11.61	14.32
Donation	13.66	-
Increase/(decrease) of excise duty on inventory	(20.50)	36.61
Power & Fuel charges	515.02	541.39
Repairs and Maintenance - Machinery	11.06	8.29
Rent	-	1.97
Insurance	9.50	8.61
Sales Promotions, Discounts & other selling expenses	278.44	346.25
Payment to Auditors (Refer Note No. 27.1)	6.20	4.45
Miscellaneous Expenses	57.76	69.76
<b>TOTAL</b>	<b>884.87</b>	<b>1,032.51</b>

27.1. Payment to Auditors	₹ in Lakhs	
	2014-15	2013-14
As Auditor – Statutory Audit Fees	3.65	2.65
For Taxation Matters	1.25	1.00
For Company Law Matters	0.70	0.20
For other Services	0.60	0.60
<b>TOTAL</b>	<b>6.20</b>	<b>4.45</b>

**28. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS****28.1. Contingent liabilities and commitments to the extent not provided**

₹ in Lakhs

	As at March 31, 2015	As at March 31, 2014
<b>Contingent Liabilities</b>	-	-
<b>Commitments</b>		
<i>Estimated amount of contracts remaining to be executed on capital account and not provided for:</i>		
- Tangible Assets	25,081.11	3,600.51
<b>TOTAL</b>	<b>25,081.11</b>	<b>3,600.51</b>

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

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

**28.3. Financial Instruments**

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

**28.4. Value of imports calculated on CIF basis: NIL (Previous Year: NIL)****28.5. Expenditure in Foreign Currency**

₹ in Lakhs

	2014-15	2013-14
Interest	2.32	2.54
<b>TOTAL</b>	<b>2.32</b>	<b>2.54</b>

**28.6. Amounts remitted in foreign currency during the year on account of dividend: NIL (Previous year: NIL)****28.7. Earnings in Foreign Exchange: NIL (Previous Year: NIL).** The Company has made Foreign Exchange gain on account of currency fluctuation as on date of Balance Sheet by an amount of ₹20.72 Lakhs (Previous Year: ₹13.92 Lakhs), however the same has not been realised in Cash**28.8. Details of Consumption of Imported and Indigenous items**

	2014-15		2013-14	
	₹ in Lakhs	%	₹ in Lakhs	%
<b>Indigenous</b>				
Raw Material	21,810.81	100	11,714.72	100
Spare Parts	2.12	100	0.87	100
	<b>21,812.93</b>	<b>100</b>	11,715.59	100
<b>Imported</b>				
Raw Material	-	-	-	-
Spare Parts	-	-	-	-
<b>TOTAL</b>	<b>21,812.93</b>	<b>100</b>	11,715.59	100

**28.9. Disclosure under AS-15: Employee Benefits****28.9.1. Defined Benefit Plan**

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

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

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

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

- 28.9.3.** The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, Increments and other relevant factors.
- 28.9.4.** The expected return on plan assets is determined considering several applicable factors mainly the composition of plan assets held, assessed risk of assets management and historical result of the return on plan asset.
- 28.9.5.** In absence of specific details of plan assets from LIC, the details of plan assets have not been furnished. The details of experience adjustment relating to Plan assets are not readily available in valuation report and hence are not furnished.
- 28.9.6.** The following table set out the funded status and amounts recognised in Company's financial statements as at March 31, 2015 for Defined Benefit Plan. (Disclosure as per AS-15)

	₹ in Lakhs			
	2014-15		2013-14	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
<b>Changes in Present value of Obligation</b>				
At the beginning of the year	5.09	3.50	12.25	-
Current Service Cost	2.41	1.77	1.40	1.20
Interest Cost	0.40	0.32	1.13	-
Actuarial (Gain) / Loss on obligation	0.23	(1.25)	(9.69)	2.30
Benefit Paid	-	-	-	-
At the Close of the year	8.13	4.34	5.09	3.50
<b>Changes in fair value of Plan Assets</b>				
At the beginning of the year	7.47	-	-	-
Expected return on plan assets	0.69	-	0.33	-
Actuarial(Gain)/Loss	(0.00)	-	(0.34)	-
Employer Contribution	0.81	-	7.48	-
Benefit Paid	-	-	-	-
At the Close of the year	8.96	-	7.47	-
<b>Reconciliation of fair value of assets and funded obligations</b>				
Present Value of plan assets at the end of the year	8.96	-	7.47	-
Present Value of obligation at the end of the year	8.13	-	5.09	-
Net Assets / (Liability) recognised in the Balance Sheet	0.83	(4.34)	2.38	(3.50)
<b>Expenses Recognised in the Statement of Profit &amp; Loss</b>				
Current Service Cost	2.41	1.77	1.40	1.20
Interest Cost	0.40	0.32	1.13	-
Expected Return on Plan Assets	(0.69)	-	(0.33)	-
Actuarial (Gain)/Loss	0.24	(1.25)	(9.35)	2.30
Expenses recognized in the Statement of Profit & Loss	2.36	0.85	(7.15)	3.50
<b>Actuarial Assumptions</b>				
Mortality Table	IALM (2006-08) Ult.		IALM (2006-08) Ult.	
Discount Rate (per annum)	7.85%	7.85%	9.20%	9.20%
Expected return on plan assets (per annum)	8.75%	-	8.75%	-
Rate of escalation in salary (per annum)	4%	4%	4%	4%

**28.10. Disclosure under AS-16: Borrowing Cost capitalised**

	₹ in Lakhs	
	2014-15	2013-14
Borrowing Costs capitalised during the year as fixed assets / intangible assets / capital	62.97	376.59
<b>TOTAL</b>	<b>62.97</b>	<b>379.59</b>

**28.11. Disclosure under AS-17: Segment Information**

₹ in Lakhs

	2014-15	2013-14
<b>Revenue (Net of Excise)</b>		
Inorganic Intermediates	34.23	45.27
Organic Intermediates	1,499.98	2,632.32
Fine & Speciality Chemical Intermediates	22,559.84	9,394.40
Pharmaceutical Intermediates	658.57	744.60
Agrochemicals Intermediates	8.49	267.30
Others	-	0.45
<b>Total Revenue</b>	<b>24,761.11</b>	<b>13,084.34</b>
<b>Segment Results</b>		
Inorganic Intermediates	6.08	8.91
Organic Intermediates	266.54	518.07
Fine & Speciality Chemical Intermediates	4,008.74	1,848.93
Pharmaceutical Intermediates	117.02	146.55
Agrochemicals Intermediates	1.51	52.61
Others	-	0.09
<b>Total Results</b>	<b>4,399.89</b>	<b>2,575.16</b>
Less:		
i. Finance Cost	991.04	122.28
ii. Other Un allocable Expenditure (net of un-allocable income)	2,037.88	1,864.94
<b>Total Profit Before Tax</b>	<b>1,370.97</b>	<b>587.94</b>
Tax Expenses	67.90	252.34
<b>PROFIT AFTER TAX</b>	<b>1,303.07</b>	<b>335.60</b>

**28.11.1. Classification of Business Segments***Primary Segments*

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

*Secondary Segments*

The Company operates only in one geographical segment i.e. India, hence disclosures w.r.t. Secondary segments have not been provided.

**28.11.2. Segment-wise Capital Employed**

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

**28.12. Disclosures under AS-18: Related Party Disclosures****Details of Related Parties:**

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

**Related Party Transactions details during the year ended March 31, 2015 and Balances Outstanding as at March 31, 2015**

Nature of Transaction	₹ in Lakhs			
	KMP		Entities in which KMP/ Relatives of KMP have significant influence	
	2014-15	2013-14	2014-15	2013-14
Remuneration to Directors	27.08	24.38	-	-
Directors Seating fees	-	0.21	-	-
Leasing arrangements	-	-	39.45	43.44
Unsecured Loans Taken / (Repaid)	21.91	1.00	-	-
<b>Balances outstanding at the end of the year:</b>				
Long Term Borrowings (unsecured)	137.02	115.10	-	-

**28.13. Disclosure under AS-19: Leases**

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

	₹ in Lakhs	
	2014-15	2013-14
<b>Future minimum lease payments</b>		
not later than one year	22.40	15.78
<b>Lease Payments Recognised In the Statement of Profit And Loss</b>	<b>22.40</b>	<b>1.97</b>

**28.14. Disclosure under AS-20: Earning Per Share**

	2014-15	2013-14
Nominal Value of Equity Shares (₹)	10/-	10/-
Net Profit available for equity shareholders (₹ in Lakhs)	1,303.97	335.60
Weighted average Number of shares outstanding during the year	11,000,000	11,000,000
Basic and Diluted Earnings Per Share (₹)	11.85	3.05

**28.15. Investor Education and Protection Fund:**

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

**28.16. Disclosure under Clause 32 of the Listing Agreement:**

The Company does not have any subsidiaries hence the Disclosures under Clause 32 of the Listing Agreement is not applicable.

**28.17. Previous Year's figures:**

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

As per our report attached  
For **JAGIWALA AND CO**  
**Chartered Accountants**  
Firm Registration No.: 1311184W

For and on Behalf of Board of Directors

**Yogesh R Jagiwala**  
Partner  
Membership No. 016864

**Manisha Solanki**  
Company Secretary

**Ashok G Rajani**  
Chairman & Managing Director  
DIN: 01839535

**Anand Taggarsi**  
Director  
DIN: 06959365

**Place:** Mumbai  
**Date:** May 28, 2015

## NOTICE

**NOTICE** IS HEREBY GIVEN THAT THE TWENTY-FIFTH ANNUAL GENERAL MEETING OF THE MEMBERS OF SEYA INDUSTRIES LTD ("THE COMPANY") WILL BE HELD AT THE REGISTERED OFFICE OF THE COMPANY AT T -14, MIDC, TARAPUR INDUSTRIAL AREA, BOISAR, DIST. PALGHAR - 401506 MAHARASHTRA, ON MONDAY, SEPTEMBER 28, 2015, AT 11:00 A.M. TO TRANSACT FOLLOWING BUSINESS:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2015 and the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date, together with Director's Report and the Auditor's thereon;
2. To appoint a Director in place of Mr. Asit Kumar Bhowmik (DIN: 03522132) who retires by rotation and being eligible, offers himself for re-appointment;
3. To appoint Auditors and fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** M/s. Jagiwala and Co., Chartered Accountants, Mumbai (ICAI Firm Registration No. 131184W), be and is hereby appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting (AGM), at such remuneration plus service tax, out of pocket expenses, etc., as may be mutually agreed between the Board of Directors and the Auditors".

### SPECIAL BUSINESS:

4. To appoint Ms. Kalpana Tirpude (DIN: 07166478) as an Independent Director and in this regards to consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Ms. Kalpana Tirpude (DIN: 07166478), who was appointed as an Additional Director on April 23, 2015 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term commencing with effect from April 23, 2015 to March 31, 2020.

**RESOLVED FURTHER THAT** the Company Secretary or any of the Directors of the Company be and is hereby fully authorised to do all such act(s), thing(s), and deed(s),

including but not limited to filling of necessary e-forms / documents with the registrar of Companies, Mumbai, Maharashtra or any other statutory / legal authority, as it may be necessary, proper or expedient to give effect to this resolution."

5. Ratification of remuneration Cost Auditor for F.Y.2015-16 and this regards, to consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

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

**RESOLVED FURTHER THAT** the Company Secretary or any of the directors of the Company be and are severally authorised to do all such act(s), thing(s), and deed(s) as may be necessary to give full effect to this resolution."

### NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The instrument appointing the proxy should, however, be deposited at the Registered Office of the company not less than forty-eight (48) hours before the commencement of the meeting.

2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. Person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. In case of joint holders attending the meeting. Only such joint holder who is higher in the order of names will be entitled to Vote.

5. The Business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instruction and other information relating to e-voting are given on this notice under Note No.14.
6. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the special Business to be transacted at the Meeting is annexed hereto.
7. Brief resume of Directors including those propose to be appointed / re-appointed, nature of their expertise in specific functional area, name of the Companies in which they hold Directorship and Membership / Chairmanships of Board Committees, shareholding and relationships between Directors inter-se as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in Annexure to this notice.
8. The register of members and share transfer books of the Company shall remain closed from Tuesday, September 22 2015 to Monday, September 28, 2015 both days inclusive.
9. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Universal Capital Securities Private Limited (RTA), for consolidation into one single folio.
10. Non-resident Indian Members are requested to inform RTA immediately of:
- Change in their residential status on return to India for permanent settlement
  - Particulars of their Bank accounts maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
11. The Security and Exchange Board of India (India) has mandated the submission of Permanent Account Number (PAN) by every participant in securities Market. Members holding shares in electronic mode are, therefore, requested to submit their PAN to their Depository Participants, with whom they are maintaining their Demat accounts. Members holding shares in Physical form can submit their PAN to the Company / RTA.
12. **Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically.**
13. Members are requested to bring their attendance slip along with their copy of annual report to the Meeting.
14. **Voting through electronic means:**  
In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 25<sup>th</sup> AGM by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Ltd (CDSL):
- The Instructions for members for voting electronically are as under:
- Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - Click on "Shareholders" tab
  - Enter your user ID:
    - ☉ For CDSL: 16 Digit beneficiary ID;
    - ☉ For NSDL: 8 character DP ID followed by 8 digits client ID;
    - ☉ For Members holding shares in physical form please entre Folio Number registered with the Company and then enter the Captcha Code as displayed on the screen;
 Then click on Log in.
  - If you are holding shares in electronic form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  - If you are a first time user or if you are holding shares in Physical form, please follow the steps given below:
    - Fill the details in the appropriate boxes (this is applicable to members holding shares in demat form or physical form)
      - Primary Level  
Enter your 10 digit alpha numeric PAN issued by Income Tax Department in the PAN Field. This must tally with the PAN registered by you with the Company / Depository Participant. Please note that Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. In case the sequence number is less than 8 digits entre the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters.
      - Secondary Level  
Enter the Date of Birth as recorded in your demat account or in the Company's Records for the said demat account or folio in dd/mm/yyyy format.  
OR  
Enter the Bank Account Number as registered by you in your demat account or in the Company's records for receiving dividend in respect of your shares in the said demat account or folio.  
OR  
In case neither your Date of Birth nor Bank Account details are recorded in your demat account or in the Company's records, as aforesaid, then please enter your demat account number (client id) or your folio number in the bank account field.
    - After entering the above details appropriately, click on "SUBMIT" tab.
  - Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the

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

- vii. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- viii. Click on the EVSN for the Seya Industries Ltd.
- ix. 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.
- x. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xi. 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.
- xii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiii. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xiv. If Demat account holder has forgotten the set password, then enter the User ID and the Image verification Code and click on 'Forgot password' option and enter the details as prompted by the System.
- xv. Institutional shareholders (i.e. other than Individuals, HUFs, NRIs etc.) and custodian are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
- xvi. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- xvii. 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.
- xviii. The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- xix. 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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

Please note that:

- i. The e-voting period commences on Friday, September 25, 2015, at 9.00 a.m. and ends on Sunday, September 27 2015, at 5 p.m. During this period, Members of the Company, holding shares either in physical form or in electronic form, as on cut-off date i.e. Monday, September 21, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5:00 p.m. on September 27, 2015. Once the vote on a resolution is cast and confirmed by the Member, he shall not be allowed to change it subsequently. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on cut-off date i.e. September 21, 2015.
- ii. The members who have cast their vote by e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again at the Meeting.
- iii. Mr. Marmik D Patel (Membership No. ACS 35755) of M/s. DMP & Associates, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- iv. The Scrutinizer shall immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than three days of conclusion of the meeting a consolidated scrutinizer's report of the votes cast in favour or against, to the Chairman or to any director or officer who may be authorised by the Chairman for this purpose.
- v. The Results shall be declared on or after the Annual General Meeting (AGM). The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.seya.in](http://www.seya.in) and on the website of CDSL and communicated to the Stock Exchanges.
- vi. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of Meeting i.e. Monday, September 28, 2015.

By Order of the Board of Directors

**Manisha Solanki**  
Company Secretary and Compliance Officer

**Date:** August 14, 2015

**Place:** Mumbai

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

✉ : [corporate@seya.in](mailto:corporate@seya.in) 🌐 : [www.seya.in](http://www.seya.in)

**CIN:** L99999MH1990PLC058499

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

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

**Item No. 4**

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has proposed that Ms. Kalpana Nasikrao Tirpude be appointed as an Independent Director of the Company.

Ms. Kalpana Tirpude was appointed as an additional Director of the Company on April 23, 2015 and in terms of the provisions of Section 161(1) of the Act, Ms. Tirpude would hold office up to the date of this Annual General Meeting.

The Company has received a notice in writing from a Member along with the required deposit of requisite Amount under Section 160 of the Act proposing the candidature of Ms. Tirpude for the Office of the Director of the Company.

Ms. Tirpude is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

The Company has received a declaration from her that she meets with criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board Ms. Kalpana Tirpude fulfils the conditions for her appointment as an Independent Director as specified in the Act and the Listing Agreement. Ms. Tirpude is independent of the management and possesses appropriate skills, experience and knowledge.

Copy of the draft letter for appointment setting out terms and conditions of Ms. Tirpude as an Independent Director is available for inspection by members on website of the Company.

Except Ms. Kalpana Tirpude to the extent of her shareholding in the Company (if any), none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolutions set out at item no. 4 of the Notice.

The Board recommends the **Ordinary Resolution** set out at item No. 4 of the Notice for approval by the shareholders.

**Item No. 5**

Pursuant to the provisions of Section 148 of the Companies act, 2013 read with Companies (Audit and Auditors) Rules, 2014 the remuneration payable to the Cost Auditor of the Company for doing audit of the Cost records of the Company, shall be required to be approved by the members of the Company.

Accordingly, consent of the Members of the Company is sought for ratifying the remuneration payable to the Cost Auditor of the Company for the financial year ending on March 31, 2016.

By Order of the Board of Directors

**Manisha Solanki**  
Company Secretary and Compliance Officer

**Date:** August 14, 2015

**Place:** Mumbai

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

✉ : [corporate@seya.in](mailto:corporate@seya.in) 🌐 : [www.seya.in](http://www.seya.in)

**CIN:** L99999MH1990PLC058499

**Details of Directors Seeking appointment / reappointment at the Annual General Meeting pursuant to Clause 49 of the Listing Agreement:**

Name of the Director	Ms. Kalpana Nasikrao Tirpude	Mr. Asitkumar Bhowmik
Date of Birth	March 13, 1954	February 1, 1954
Date of Appointment	April 23, 2015	April 2, 2011
Qualification	M.A. in Sociology	B. Tech (Chemical Engg.)
Expertise in specific functional areas	Administration and Education	Chemical Manufacturing Industries
Directorships in other public limited Companies held (excluding foreign Companies and Section 8 Companies)	None	None
Membership of Committees / Chairmanship in other public limited Companies (Includes only Audit and Stakeholders Relationship Committee)	None	None
No. of Shares held in the Company	NIL	100

**SEYA INDUSTRIES LTD**

**CIN:** L99999MH1990PLC058499

**Registered Office:** T-14, MIDC, Tarapur, Boisar, Dist. Palghar – 401506

☎022-26732894 | 📠: 022-26732666 ✉ : info@seya.in, 🌐: www.seya.in

**ATTENDANCE SLIP**

25<sup>th</sup> Annual General Meeting on Monday, September 28, 2015 at 11:00 a.m.  
at T-14, MIDC, Tarapur Industrial Area, Boisar (West), Palghar – 401506

**Folio No.** \_\_\_\_\_ **DP ID No.** \_\_\_\_\_ **Client ID No.** \_\_\_\_\_

I / We hereby record my/our presence at the TWENTY FIFTH ANNUAL GENERAL MEETING of the Company held on Monday, September 28, 2015 at 11:00 a.m. at T-14, MIDC, Tarapur Industrial Area, Boisar (West), Palghar – 401506.

Name of the Shareholder: \_\_\_\_\_ Signature \_\_\_\_\_

Name of the Proxy holder: \_\_\_\_\_ Signature \_\_\_\_\_

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



**SEYA INDUSTRIES LTD**

**CIN:** L99999MH1990PLC058499

**Registered Office:** T-14, MIDC, Tarapur, Boisar, Dist. Palghar – 401506

☎022-26732894 | 📠: 022-26732666 ✉ : info@seya.in, 🌐: www.seya.in

**PROXY FORM**

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

Name of the Member (s): \_\_\_\_\_

Registered Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_ Folio No./Client ID No.: \_\_\_\_\_ DP ID No. \_\_\_\_\_

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

1. Name: \_\_\_\_\_ E-mail ID: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_ Signature \_\_\_\_\_ or failing him

2. Name: \_\_\_\_\_ E-mail ID: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_ Signature \_\_\_\_\_ or failing him

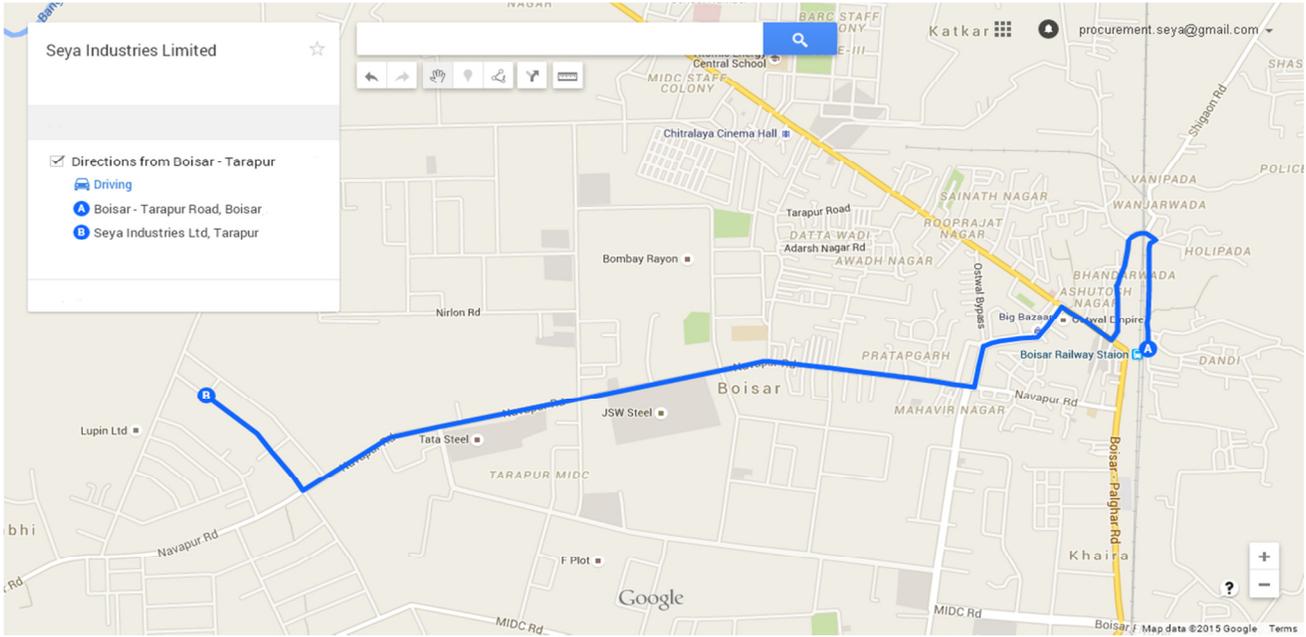
3. Name: \_\_\_\_\_ E-mail ID: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_ Signature \_\_\_\_\_ or failing him

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25<sup>th</sup> Annual General Meeting of the Company, to be held on Monday, September 28, 2015 at 11:00 a.m. at T-14, MIDC, Tarapur, Boisar, Palghar – 401506 and at any adjournment thereof in respect of such resolutions as indicated below:

**Route map to the venue of Annual General Meeting**



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

Resolutions	For *	Against *
1. To consider and adopt Audited Financial Statements, Reports of Board and Auditors		
2. Re-Appointment of Mr. Asitkumar Bhowmik (DIN: 03522132) who retires by rotation		
3. Appoint Auditors and fix their remuneration		
4. Appointment of Ms. Kalpana Tirpude (DIN: 07166478), as an Independent Director of the Company		
5. Ratification of Remuneration of Cost Auditors		

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

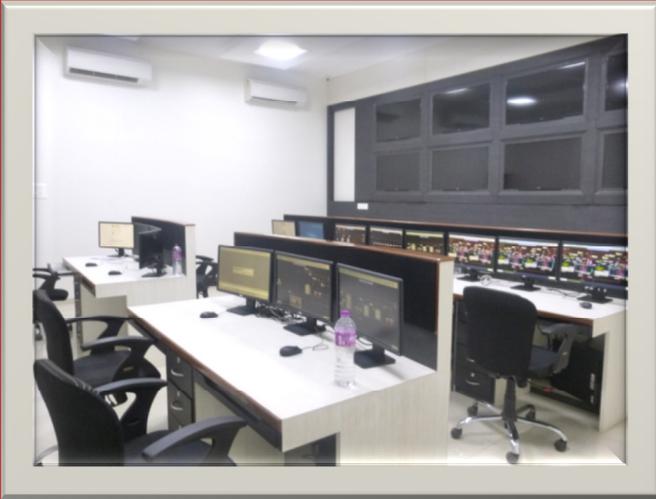
Signature of Shareholder: \_\_\_\_\_

Signature of Proxy holder: \_\_\_\_\_

Affix  
Revenue  
Stamp

**NOTES:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. A Proxy need not be a member of the company.
3. \* Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
5. In case of Joint holders, the signature of any one holder will be sufficient, but names of all the joint holders shall be stated.



If undelivered, please return to:

**Seya Industries Ltd**

Registered Office:T-14 MIDC Tarapur Boisar-401506 Palghar Maharashtra INDIA