



23rd
ANNUAL REPORT
2015-16



SHREE PUSHKAR CHEMICALS & FERTILISERS LTD.

(A GOVT. OF INDIA RECOGNIZED EXPORT HOUSE)

CIN: U24100MH1993PLC071376

{ An ISO 9001 - 2008 Certified Company }
{ An ISO 14001 - 2004 Certified Company }



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ANNUAL GENERAL MEETING

Date: 10th August, 2016 at 3.00 p.m. Venue: Brijwasi Palace Hall, Sonawala Road, Goregaon (East), Mumbai - 400063.

CORPORATE INFORMATION

CIN: U24100MH1993PLC071376

BOARD OF DIRECTORS

Mr. Punit Makharia- Chairman & Managing Director
Mr. Gautam Makharia- Joint Managing Director
Mr. Nirmal Kedia – Independent Director
Mr. Ramakant Nayak – Independent Director
Mr. Dinesh Modi – Independent Director
Ms. Poonam Garg - Nominee Director of IFCI Venture Capital Funds Ltd

CHIEF FINANCIAL OFFICER

CA Ratan Jha

COMPANY SECRETARY

CS Satish Chavan
(w.e.f. 11th July, 2016)
CS Kishan Bhargav
(up to 1st June, 2016)

INTERNAL AUDITOR

M/s. AIMV & Associates,
Chartered Accountants.

STATUTORY AUDITORS

M/s. S. K. Patodia & Associates,
Chartered Accountants.

COST AUDITOR

Mr. Dilip Bathija
Cost Accountant

SECRETARIAL AUDITOR

M/s. DSM & Associates,
Company Secretaries.

REGISTERED OFFICE:

202/A, Building No.-03,
Rahul Mittal Industrial Estate,
Sir. M.V. Road,
Andheri (East),
Mumbai-400 059.

BANKERS:

- 1.State Bank of India
- 2.State Bank of Travancore
- 3.IDBI Bank Ltd

FACTORY

B-97, B-102/103, D-18 & D-25, M.I.D.C.
E-2 & 3, Ansa Industrial Estate,
Tal-Khed, Dist-Ratnagiri,
Lote Parshuram, Maharashtra-405 722

REGISTRARS & TRANSFER AGENTS

Bigshare Services Pvt. Ltd.
Saki-Vihar Road, Sakinaka.
Andheri (E), Mumbai - 400 072.

Tel: 91-22-40430200

E-mail: investor@bigshareonline.com

The Annual Report Copy will be available on Company's website address at <http://www.shreepushkar.com/investor.html> to download and information purpose.

From the Chairman's Desk ...



Dear Shareholders,

It is my pleasure to welcome you all on behalf of the Board of Directors, to the 23rd Annual General Meeting of your Company. Your Company's annual report and accounts are with you and with your permission I shall take them as read.

Viewing back from here today, we can see that it has been a year of great transition for Shree Pushkar. We are proud to be a listed company and we welcome our 6000 odd new members to our family. It was because of your confidence in us that we have reached this coveted position and we look forward to your continued support and confidence to take the company to better heights.

Our growth story, to my mind has been largely due to our Unique Business Model of cutting costs by backward integration, which have opened up new vistas and have been proving to be our Growth Drivers towards a unique model of Zero effluent. The plan has provided great mileage not only in terms of lower production costs but also, providing newer avenues of expansion which we had never thought of in the past. The fertiliser Division is a glowing example on this count. Having started with a single product we now have

a fairly pronounced division having 4 different products namely SSP, SC, NPK and now SOP. The division has proved to be a significant contributor to both the Top & the Bottom Lines. And now with the commissioning of the Dyes plant, the future looks brighter, more so on account of a marked shift of global supplies of intermediates from China to India.

Coming to our 'Industry Scenario', the so called 'China Factor' has been doing the rounds with most of us. In this regard you may recall that the extra large capacities of units in China, which till a few years back posed a perennial threat to us has now transformed to be a boon. In this regard the pollution control factors have played a major role.

Severe scarcity and water contamination in China have compounded land deterioration. Environmental degradation threatens to undermine the country's growth and exhausts public patience with the pace of reform. It has also bruised China's international standing and endangered domestic stability as the ruling party faces increasing scrutiny and public discontent. According to 2013 UN figures, life expectancy in China is 75.3, and the life expectancy north of the Huai River is 5.5 years lower than in the south due to air pollution owing to an increased incidence of cardio respiratory mortality. More recently, amid waning economic growth, leaders in Beijing appear more determined to institute changes to stem further degradation.

With this backdrop wherein Chinese authorities are enforcing stricter controls on air & water pollution, whereby we have been observing some large names of manufacturers in China facing repeated shutdowns and even closures. We have been observing that the Chinese shares in the supply of these chemicals are slowly coming down, with the benefit accruing to Indian manufacturers in the organised sector. We are thus poised for a quantum leap in the years to come.

I also feel it my duty to mention here the likely fall out of 'Brexit' to our industry. India's net exports of dyes and intermediates is in the range of Rs.24,000 Crs to Rs 26,000 Crs, with the passage of the Brexit referendum, Global currency market have been witnessing huge swings with some of the Asian currencies like the Chinese Yuan have sharply fallen. This fall in Yuan would make Chinese products more competitive. Thus Indian companies who are competing with Chinese firms globally are likely to be affected.

However if Indian rupee also becomes competitive, then it may help to protect Indian companies to safeguard their export markets.

However as far as our company is concerned since we are in the manufacture of Reactive Dyes, in which segment China comparatively has a very limited presence, besides the fact that we are having the advantage of Backward integration wherein we manufacture most of the Intermediates required, we feel that we may not face any major competition on this front.

As regards the implementation of our expansion project through the proceeds of the IPO, I may mention here that the same has been progressing satisfactorily. To update you on the current position I wish to say that the reactive dyes plant has been commissioned in January 2016 and after successfully completing trial runs and stabilizing the operational and quality parameters, we have effected the first sale of Dyes manufactured in our own plant in May 2016. I am also happy to mention here that our products are being well accepted in the market and we look forward to a steady improvement in the flow of orders. The expansion of the VS plant has also been commissioned in May 2016 and is operating satisfactorily. The H-Acid plant is currently in the advanced stage of implementation and we expect the same to be commissioned by the beginning of Q3 - 2016.

As regards our SOP project which is outside the purview of the IPO, I may state that though we had been sanctioned a term loan

of Rs.12.50 Crs by the SBI, looking to our internal accruals, we have restrained from availing the said term loan and the project has been funded entirely through internal accruals. The plant has been successfully commissioned in end June 2016.

I may also mention here that our efforts for seeking a license for manufacture of NPK mixed fertiliser over the last nearly 2 years, have fetched positive results and we have been successful in receiving the license from Govt. of Maharashtra. As we had sufficient idle capacity in our Soil Conditioner granulation plant, we have established a capacity of 20,000 MTA for manufacture of mixed NPK fertiliser without any capital cost. The production on this item has commenced from January 2016. This project has also been outside the purview of the IPO.

As regards our existing activities, barring the fertiliser division which experienced another year of inadequate monsoon, our full-year performance has recorded a fair growth over last year. After an unprecedented volatility in the prices of some of our Dye-intermediate products which, beginning July 2014, prevailed over a period of nearly a year & a half. This volatility and uncertainty in the prices of the finished products had resulted in the compression of order quantities from our valued customers. I may say that during the year 2015-16, we have experienced a steady reduction in this price volatility and to my mind it has been a period of stabilization. Though this has had a dampening effect on our top line which recorded a fall by nearly 6.5%, the capacity utilisation has been better, resulting in improved EBITDA margins and consequential improvement in the bottom line.

Today, I am happy to say, that those trying times are behind us and we are back on the path of a steady growth. I am proud to say that with our net sales at Rs.248.70 Crs during the FY 2015-16 we have achieved an EBITDA level of 14.04% at Rs. 34.91Crs, and a PAT of Rs.22.30 Crs which works out to 9%. We have also in March declared an interim Dividend of 10%, which has been the first ever dividend declared by the company.

Standing at this point of time, with both our Dyes plant & the SOP plant commissioned, I am confident that the current year should usher us into a different league not only in terms of sales but also in terms of profits.

We have faced a few administrative glitches wherein our earlier Statutory Auditor could not devote sufficient time and was indisposed. The Board has however taken timely action and has appointed M/s. S. K. Patodia & Associates, Chartered Accountants, as our Statutory Auditor. Similarly our Company secretary has resigned from the services of the company for better prospects and we have a new Company Secretary and Compliance officer. These changes have however not brought any pressure on our business or our performance.

I would also like to reiterate that our desire for future expansions through synergistic alliances, to improve the depth of our business to provide the desired growth strategy still prevails and we are constantly surveying the horizon in this regard.

I would like to conclude with a sense of confidence and strong optimism that we are striving and will continue to strive for a sustained and enduring growth across our various product divisions.

I take this opportunity to express my sincere thanks to all the shareholders for their continued trust in the Board of Directors and the Management of the Company. On behalf of the Company, I would also like to thank all our stakeholders - customers, dealers, suppliers, other business associates the Government and regulatory agencies and employees for their invaluable support and co-operation in the year gone by and expect similar support in the years to come.

Thank you.

Punit Makharia

Chairman & Managing Director



Brief Profile of our Board Of Directors, Key Managerial Personnel:

Mr. Punit Makharia,

(Chairman & Managing Director)

aged 46 years, a resident Indian national, is the Chairman and Managing Director of our Company. He is one of the Promoters of our Company and has been a Director in our Company since its incorporation. He holds a Bachelor's degree in Commerce from Mumbai University. He has more than two decades of experience in the chemical industry and specialises in the sector of dyes, dye intermediates and fertilizers. He is the guiding force behind the strategic decisions of our Company and has been instrumental in planning and formulating the overall business strategy and developing business relations for our Company.



Mr. Gautam Makharia,

(Joint Managing Director)

Aged 43 years, a resident Indian national, is the Joint Managing Director of our Company. He is one of the Promoters of our Company and has been a Director in our Company since its incorporation. He holds a Bachelor's degree in Electronics and Telecommunications from Mumbai University and Master's degree in Business Administration from Manchester Business School, University of Manchester, United Kingdom. He has more than 15 years of experience in the chemical industry and specialises in the sector of dyes, dye intermediates and fertilizers. He is responsible for the production and quality control maintained by our Company at our manufacturing facilities situated in Lote Parshuram, Rathnagiri, Maharashtra. He also assists in formulation of corporate policy and strategies for our Company.



Mr. Ramakant Nayak,

(Independent Director)

Aged 71 years, a resident Indian national, is a Non-Executive and Independent Director on the Board of our Company. He holds a Bachelor's degree in Science from Karnataka University, a Bachelor's degree in Law from University of Mumbai and a Diploma in Marketing and Advertising from Rajendra Prasad College of Mass Communications & Media. He is an associate member of The Indian Institute of Bankers. He has more than four decades of experience in the financial services industry particularly commercial banking, manufacturing industry and realty industry.



Mr. Dinesh Modi,

(Independent Director)

Aged 65 years, is a Non-Executive and Independent Director on the Board of our Company. He holds a Bachelor's degree in Commerce from University of Bombay. He is also a law graduate from the University of Bombay. He is a member of the Institute of Company Secretaries of India. He has about four decades of experience in the field of corporate compliance and secretarial practice.

Ms. Poonam Garg (Nominee Director of IFCI Venture Capital Funds Ltd) - Aged 48 years, is a Non-Executive and Nominee Director of IFCI Venture Capital Funds Limited on the Board of our Company. She holds a Bachelor's degree in Commerce The Institute of Cost and Works Accountants of India. She has more than 18 years of experience in the field of private from University of Delhi and Master's degree in Business Administration from Sikkim Manipal University. She is also a member of equity, venture capital, management etc.

**Mr. Nirmal Kedia.****(Independent Director)**

Aged 46 years, a resident Indian national, is a Non-Executive and Independent Director on the Board of our Company. He holds a Bachelor's degree in Commerce from University of Bombay. He has more than two decades of experience in the field of Management, Finance and Legal industry such as Castings, Engineering, Construction and Software Industry.

**Mr. Soumendra Nath Sengupta.****(Associate Director)**

aged 71 years is Associate Director - (Corporate Planning, Financial Planning, Project Implementation) of our Company. He holds a Bachelor's degree in Science from University of Bombay. He has also done Post Graduation Diploma Course in Business Management from Marathwada University. He is an Associate Member of the Indian Institute of Chemical Engineers since 1986. He has an experience of around 33 years in project financing and techno economic feasibility studies of industrial projects, and has also played a major role in setting up a merchant banking division in Maharashtra State Financial Corporation. He joined our Company as a consultant on August 1, 2007. Prior to joining our Company, he was working with Maharashtra State Financial Corporation and held various senior positions in the organizations like Regional Manager and also officiated as Zonal Manager and Chief of technical wing until his retirement from MSFC.

**Mr. Ratan Jha.****(Chief Financial Officer)**

Aged 31 years is the Chief Financial Officer of our Company. He holds a master's degree in commerce from University of Mumbai. He is also a qualified Chartered Accountant. He joined our Company on April 10, 2012 as Chief Accountant. He was reappointed as Chief Financial Officer of our Company on June 20, 2013. He has an experience of 6 years in accountancy and taxation. Prior to joining our Company, he was working with one of the reputed Merchant Bankers in Mumbai, where he gained experience in various corporate and strategic business activities along with handling his core domain of accounts, audit and assurance.

**Mr. Satish Chavan.****(Company Secretary (W.e.f. 11.07.2016))**

Aged 28 years is the Company Secretary and Compliance Officer of our Company. He holds a Bachelor's degree in Commerce from Shivaji University, Kolhapur. He has also obtained Bachelor's degree in Law from Pune University. He is a qualified Company Secretary. He has joined our Company on July 11th, 2016. He has an experience of around 2 years in corporate compliance and secretarial matters. Prior to joining our Company, he has served as company secretary in a listed company and has held senior positions in various reputed organizations.

DIRECTORS' REPORT AND MANAGEMENT DISCUSSION & ANALYSIS REPORT

To,

The Members,

Shree Pushkar Chemicals & Fertilisers Limited

Your Directors have pleasure of presenting before you the 23rd Annual Report of your Company along with the Audited Accounts of the Company for the financial year ended 31st March 2016. The Management Discussion and Analysis is also included in this report.

1. SUMMARY OF FINANCIAL RESULTS:

The Company's financial performance, for the year ended 31st March, 2016 is summarized below:

(Rupees in Lacs)

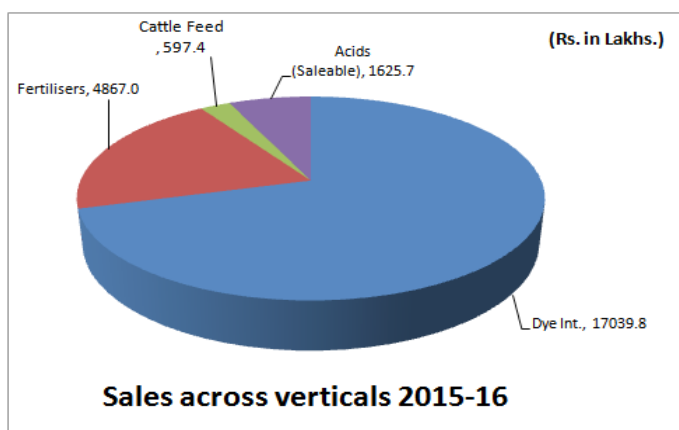
PARTICULARS	YEAR ENDED 31/03/2016	YEAR ENDED 31/03/2015
Total Revenue	24870.23	26652.00
Profit Before Interest, Depreciation & Tax	3389.17	3009.37
Depreciation for the year	380.16	362.47
Interest Cost	95.76	367.16
Profit Before Taxation	2913.25	2279.74
Provision for Income Tax	(622.50)	(477.84)
Provision for Deferred Tax	(161.96)	63.12
MAT Credit Entitlement availed	100.70	-
Profit After Taxation	2229.49	1865.02
Add: Profit Brought Forward from Previous Year	5750.05	3885.03
Less: Dividend Including Dividend Distribution Tax	(363.71)	0
Balance carried to Balance Sheet	7615.83	5750.05

2. OPERATIONS:

During the year under review, the Revenue from operations of your company has been at Rs.24,870.23 lacs an apparent reduction from last year's revenue of Rs.26,652.00 Lacs. The exports during the year has been at Rs.2093.20 Lacs, considering our current imports, in terms of Rock Phosphate and Sulphur which are basic raw material for SSP & Sulphuric Acid, we still continue to be a net importer.

The reduction in sales during FY 2015-16 has been of the order of 6.69% over last year. This has mainly been on account of the Dye-intermediate division, which experienced a steady stabilization of the prices during the year. It may be recalled that some items of Dye-intermediates like H-Acid & VS have been experiencing an unprecedented volatility during the last over a year and a half. Wherein the average annual prices of these items have been fluctuating in the range of 26% to as high as 82% in most of the core items. However with the stabilization of prices the production in terms of volumes has improved by about 25%. This has resulted in better profitability as compared to that of the preceding year.

As regards the Fertiliser division, the sale of fertiliser during Kharif season in the first half of the year under reference was subdued due to delay in the monsoons. We could however partially mitigate the same during the Rabi season and the overall sale of fertilisers have been to the extent of about 55,600 MT having a capacity utilisation of about 48% contributing Rs.48.46 Crs to the overall revenue.



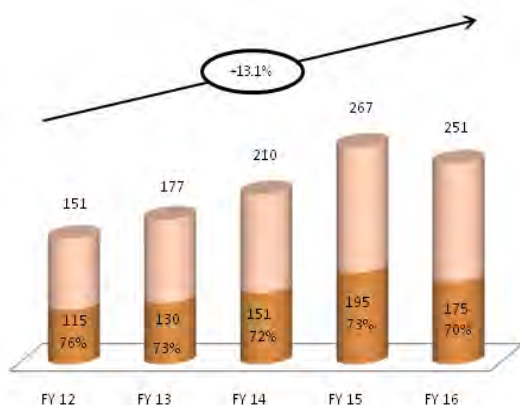
A good news is that the Company having struggled for the past about 2 years has been successful in receiving license from the Govt. of Maharashtra, for manufacture of mixed NPK fertilisers, an item extensively used across cash crops throughout the country. Accordingly a capacity of 20,000 MTA has been established for this product, in the Soil Conditioner granulation plant, without any significant capital cost, as there was sufficient idle capacity in this department. The manufacture of this item commenced in January 2016.

The Capacity utilisation in the Cattle feed division which is used only to the extent of utilising the spent acid generations from the Dye-intermediates division, has recorded, an increase of 13% in volumetric terms.

As regards the Acid division, in view of the increase in captive consumption on account of better capacity utilisation of the Dye-Intermediate division, there has been a corresponding reduction in sales volume (saleable acid), never the less on account of improved pricing and sale of a special quality of Sulphuric acid required by a few customers, which commands a premium price, the sales realisation in this division has recorded an increase by about 58%.

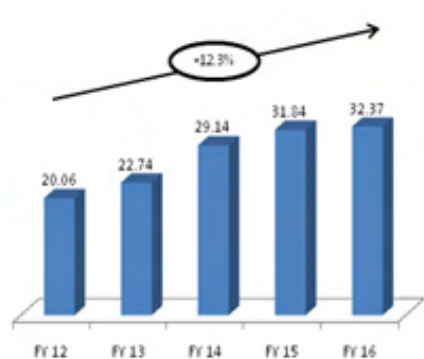
The segmental sales across the 4 product verticals as compared to last year have been as under:

Division	15-16		14-15		Growth %		% share of Revenue
	Qty MT	Rs. Crs	Qty MT	Rs. Crs	Volume	Revenue	
Dye Int.	4,944	170.40	3,957	201.24	25%	-15%	70.6%
Cattle Feed	2203	5.97	1949	5.34	13%	12%	2.5%
Fertilisers	55606	48.67	49317	48.19	13%	1%	20.2%
Acids (Saleable)	16137	16.26	19124	10.32	-16%	58%	6.7%



Total Revenue & RM cost

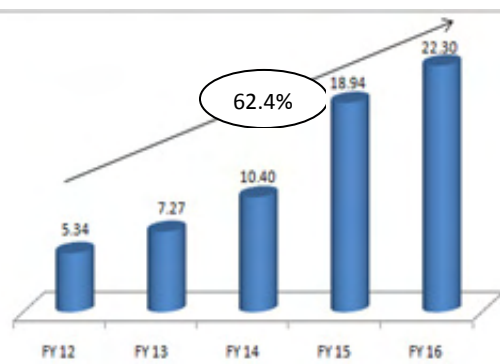
Revenue
RM Cost



EBITDA

Rs. In Crs

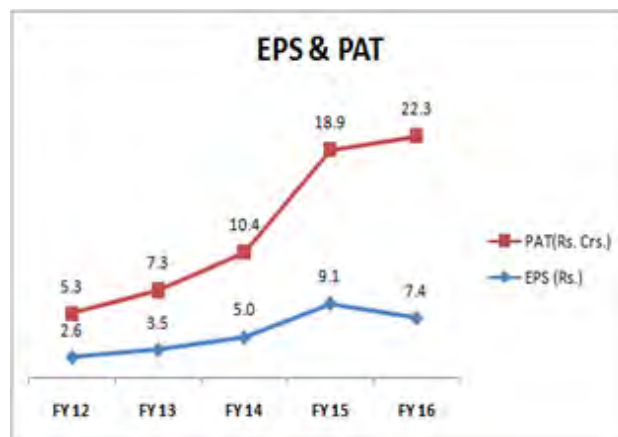
Viewing the operational performance of the company which made a modest beginning of manufacturing activities in the year 2001 with a single plant for manufacturing Gamma Acid, has been expanding both by way of Backward and forward integration and currently has 7 dye-intermediate plants, A plant for manufacture of Sulphuric and its derivative Acids – like Oleums & Chloro sulphonic Acid (CSA) with a captive power plant based on waste heat generated in the manufacture of Acids, A plant for manufacture of Di-Calcium Phosphate-DCP (A cattle feed supplement) based on spent acid generated in the manufacture of Die-intermediates, as also fertilisers like SSP manufacture based on 70 % acid generated in the manufacture of CSA, and “Dharti Ratna” our branded Soil Conditioner based on Gypsum generated in the manufacture of DCP. This unique model of the company of utilising the waste generated into value added by products has helped the company to tackle the pollution problem so critical in our type of industry, and has won for itself the distinction of “Zero Waste” company. The company has successfully maintained steady progress over the years in terms of sales and profits. During the last 5 years the company's revenue receipts has been growing at an average rate of 13.5%



PAT

Rs. In Crs

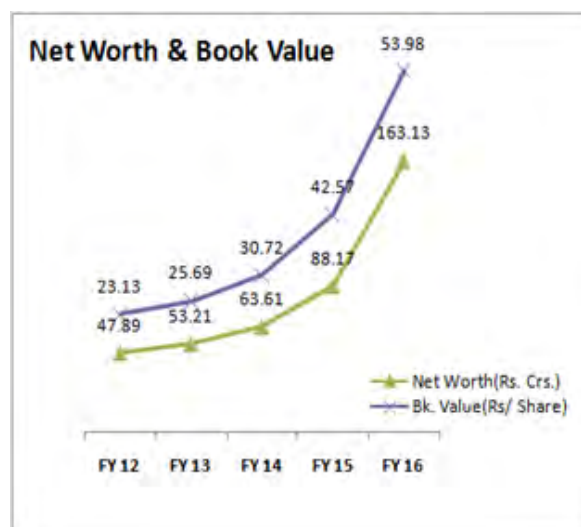
With our continues efforts on improvement in process yields, better cost control by conservation on other fronts including better inventory management has reflected in terms of lower raw material cost from 76% in FY2012 to around 70% during the year under reference. The Earning per share has also improved from Rs.2.60 to Rs.9.10 during 2012 to 2015. The EPS for FY2016 has been at Rs7.40 on the expanded capital.



The Operating profit as also the Profit after taxes have grown at the rate of 12.3% and 62.4% respectively during the corresponding period.

This reflects in terms of rise in the net worth of the Company which grew from Rs.23.13 Crs as at FY 2012 to Rs. 163.13 Crs as on 31.03.2016, registering a compounded annual growth rate of 27.8%, The said figure is partially influenced on account of the share premium account, nevertheless the growth in the intrinsic value during the last 5 years has been commendable.

The book value of the shares as on 31.03.2016 has been at Rs.53.98 per share, this as you will appreciate is without the benefits of the additional capital raised through the IPO, which will start being visible from the current year once the proceeds of the expansion starts flowing in.



3. EXPANSION THROUGH IPO - CURRENT STATUS (MATERIAL CHANGES):

The raising of funds through the IPO was completed in the end of August 2015, wherein the Company has raised a total of Rs.61.83 Crs, by issue of 95,11,846 shares at a price of Rs.65/-per share including a pre IPO placement of 7,69,235 shares.

The Utilisation of Funds was for the following purpose:

Amt in Cr. Rs

Sr. No.	Item	Estimated Amount
1.	Purchase of Factory Premises including Existing Factory Building.	2.29
2.	Additional Civil Construction	9.15
3.	Purchase of Plant & Machinery	32.65
4.	Contingency	4.41
5.	Misc. Fixed Assets	1.84
6.	Pre & Pre-Op. Expenses	7.00
7.	Other Corporate Purposes	4.00
	Total	62.14

You may recall that the proposed dye Complex comprises in addition to the main 3000 TPA Reactive Dye plant, 2 supporting plants for manufacture of 1000 TPA of VS and 750 TPA of H-acid respectively for captive consumption in the manufacture of Dyes.

As regards implementation of the project, after having acquired the Plot no.B-97 along with certain existing construction for a total cost of Rs.2.29 Crs, The current status of implementation is as under:

A. Dye complex:

- The 3000 TPA reactive Dyes plant has been commissioned in end January 2016 and after carrying out various trial and sample batches of about 11 different colour variants, we have received approval of the same from some of the prestigious clients in the market. The commercial production of the Dyes plant has started from May 2016. I am happy to announce that our products are receiving very good response.
- The 1000 TPA VS plant has been commissioned in May 2016 and is operating satisfactorily.
- The 750 TPA H-Acid Plant is in the advanced stage of Erection , wherein:
 - The Building has been completed to the extent of 60% and the balance would be completed after Erection of the entire plant.
 - All the equipments have been ordered out and are currently in the stage of Erection. The plant is expected to be commissioned by Early Q3 FY 16-17.
- The other civil construction in the Dyes Complex like administrative office, godowns, QC laboratory, etc. have also been completed.

The Reactive Dyes plant comprises of 2 broad sections. The synthesis section and the Drying section. The plant has been designed with a capacity of 6000TPA whereas the drying has a capacity of 3000 TPA. Looking to the current response for our products, we have proposed to add one more Drying plant of the estimated cost of Rs.4.50 Crs. This would take the overall capacity of the Dyes plant to 6000 TPA. The order for the said drying plant has already been placed which is likely to be commissioned by last quarter of the year taking the overall capacity of the Reactive Dye plant to 6000 TPA

B. Additional Storage Godowns At D-25:

The additional storage godown at plot NoD-25 in the fertiliser Division has been completed and put to use.

C. Additional Pollution Control Equipments at B-102/103:

The Equipments have been ordered out and the same are proposed to be installed and commissioned by Q4 FY 16-17.

SOP EXPANSION: In addition to the expansion through IPO as brought out above, The Company has taken further expansion in the Fertiliser Division by way of expanding into manufacture of Sulphate of Potash (SOP) which is a potassic fertiliser. SOP has a total global market size of approximately 5.5 million tons. The product is currently being imported, of late the market of which has started picking up within the country. The product also has a large export potential and is particularly effective in the cultivation of fruits, vegetables, potatoes, and tobacco and tree nutsRT.

The plant with a capacity of 10,000 TPA, is put up on a separate plot of land within the same MIDC area on Plot No.D-18 admeasuring 20,134 Sq. Mts The plant has been imported on turnkey basis from China. The Project has been commissioned in early July 2016 and has recently started commercial production. The project is entirely funded through internal accruals.

The process generates Hydro Chloric Acid, which is being used to generate a byproduct namely Calcium Chloride granules. The plant at its rated capacity would fetch additional revenue of Rs.55.00 Crs wherein the Raw Material cost at current prices is at 55% of the sales.

4. FUTURE OUTLOOK:

As was indicated last year, with the consistent shift in the manufacturing base of Dyes and Dye-intermediates from the western countries to the Asian countries, the market has been witnessing accelerated demand more so with the Indian Products having an edge over those of China on account of various socio economic and environmental factors.

To keep pace with the aforesaid situation we have already expanded into manufacture of Reactive dyes, and now with the commissioning of the plant, the products are receiving encouraging response. It may be recalled that the plant has a capacity of 3000 MTA expandable to 6000MTA by installation of an additional spray drying plant.

Capacity Expansion: With the encouraging response being received, the order for the additional spray drying plant has been placed and the delivery of the same is expected by October- November 2016. It can therefore be safely assumed that by the next FY 2017-18 we would have an enhanced capacity of the Dyes plant at 6000MTA.

Textile processing Chemicals: It is also proposed to venture into other auxiliary Textile processing chemicals shortly. The demand for these chemicals is also in tandem with that of Dyes, and we propose to shortly venture into the same. The process for manufacture of these processing chemicals is comparatively simple and does not require major capital cost. This division is being planned on Plot No.D-18 where we have sufficient open space and we propose to finalise the plans shortly.

Credit Rating: The external credit rating of your company has further improved from the earlier "BBB+" on long term scale and "A3+" on short term scale, to "A (-)" and "A2+" respectively by CARE, which has been as a result of our performance and financial discipline.

The aforesaid steps for expansion in the near future would pave the way for accelerated growth in the future. We also propose to further strengthening our administrative machinery to augment our future plans.

5. RISKS & CONCERNS:

After fall in the price volatility of the dye-intermediates market bringing about price stabilization, delay in the onset of monsoon resulting in lower off take of fertilisers during the first half of the year, we had a satisfactory performance last year by way of better capacity utilisation vis-à-vis improved EBIDTA and PAT margins. Never the less we will still continue with factors such as the vagaries of unpredictable Monsoons, the impact of a volatile FE market more so on account of the Brexit Referendum, the dependence on Government policies and decisions all of which ultimately impact the overall performance of the industry. These are all factors which are beyond the control of the private enterprise and would continue to be a challenge.

6. DIVIDEND:

During the year Company has announced the Interim dividend @ 10% i.e. Rs.1/- per equity share on 30,219,435 Equity shares of Rs.10/- each of the Company on 15th March, 2016. This is treated as the Final dividend for the financial year 2015-2016.

7. TRANSFER TO RESERVES:

During the year under review you company has transferred a sum of Rs.5231.52 lacs to the Securities Premium Account which was received as premium on shares which were issued in IPO during the year.

During the year under review, no amount from Profit was transferred to General Reserve.

8. SHARE CAPITAL:

The paid up Equity Share Capital of the Company as on March 31, 2016 stood up Rs.3021.94 Lacs. As members must be aware that during the financial year the Company had allotted 769,235 Equity Shares on a private placement basis, before coming out with an Initial Public Offer.

The Company also came out with its Initial Public Offer of equity shares during the year, whereby 8,742,611 Equity Shares were allotted through Initial Public Offer and 20,26,589 Equity Shares as Offer for sale which were offer by investor members of the Company.

9. ACCEPTANCE OF DEPOSIT:

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

10. DIRECTORS:

The Board of Directors of the Company, at present, comprises in all 6 Directors, who have wide and varied experience in different disciplines of corporate functioning. The present composition of the Board includes one Managing Director, one Joint Managing Director, one Nominee Director and three Independent Non Executive Directors.

The details are as below:-

Sr. No.	Name of the Director & DIN No.	Designation
1.	Mr. Punit Makharia DIN No. 01430764	Chairman & Managing Director
2.	Mr. Gautam Makharia DIN No. 01354843	Joint Managing Director
3.	Mr. Ramakant Nayak DIN No. 00129854	Independent Director
4.	Mr. Nirmal Kedia DIN No. 00050769	Independent Director
5.	Mr. Dinesh Modi DIN No. 00004556	Independent Director
6.	Mrs. Poonam Garg DIN No. 00049894	Nominee Director (Nominated by IVCF)

Directors Mr. Punit Makharia & Mr. Gautam Makharia retire by rotation and, being eligible, offer themselves for re appointment. The Directors recommend Mr. Punit Makharia & Mr. Gautam Makharia for re-appointment.

All independent directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013.

None of the Directors resigned during the financial year 2015 - 2016.

11. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT:

There are no significant events affecting the financial position between the end of the financial year and date of the Report, except the following:

- Appointment of M/s. S. K. Patodia & Associates., Chartered Accountants as a Statutory Auditors of the Company to fill up the casual vacancy caused by Resignation of M/s. Jajodia & Company., Chartered Accountants, existing Auditors:
- Resignation of CS Kishan Bhargav as a Company Secretary and Compliance Officer of the Company and appointment of CS Satish Chavan as a Company Secretary and Compliance Officer.

12. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to provisions of section 134(3)(c) of the Companies Act, 2013, the Directors confirm that, to the best of their knowledge and belief:

- In the preparation of Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The director had prepared the annual accounts on going concern basis; and
- The director had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- The director had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

13. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

As part of its initiatives under "Corporate Social Responsibility" (CSR), the company has formed a CSR Committee comprising of Mr. Punit Makharia Managing Director (Chairman), Mr. Dinesh Modi independent Director (Member) and Mr. Gautam

Makharia Joint Managing Director (Member).

The Company is undertaking its CSR activities under several ways and has spent amount of Fertilisers Rs.19.04 lacs during the year. Since, the Company is in initial phase of CSR activities and yet to decide many ways to promote and contribute in education, health, culture etc which are applicable under the Companies Act, 2013 and its rules made thereunder.

Details of the policy and implementation of the CSR activities during the year are provided under Annexure "1".

14. DISCLOSURE AS PER THE SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014:

a) Extract of Annual Report:

The extract of Annual Report in the Form MGT-9 is annexed to this report as Annexure "2"

b) Declaration by Independent Directors:

The Board has received the declaration from all the Independent Directors as per the Section 149(7) of the Companies Act, 2013 and the Board is satisfied that all the Independent Directors meet the criteria of independence as mentioned in Section 149(6) of the Companies Act, 2013.

c) Company's Policy on Directors appointment and Remuneration:

The Nomination Remuneration and Compensation Committee has put in a place the policy on board diversity for appointment of directors taking into consideration qualification and wide experience of the directors in the fields of banking, finance, regulatory, administration, legal, commercial vehicle segment apart from compliance of legal requirements of the Company.

The remuneration policy of the Company has been so structured in order to match the market trends of the Chemical and Fertilisers industry. The Board in consultation with the Nomination and Remuneration & Compensation Committee decides the remuneration policy for Directors. The Company has made adequate disclosures to the members on the remuneration paid to Directors from time to time. Remuneration/ Commission payable to Directors is determined by the contributions made by the respective Directors for the growth of the Company.

The Policy of the Company on Director's appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a Director and other matters as required under Section 178 sub-section 3 of the Companies Act, 2013 is available. We affirm that the remuneration paid to the Directors is as per the terms laid out in the nomination and remuneration policy of the Company.

d) Board Evaluation:

As required under the provisions of Section 134(3)(p) and Regulation 27 of the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, and the manner in which such performance evaluation was carried out is as under:

The performance evaluation framework is in place and has been circulated to all the directors to seek their response on the evaluation of the entire Board and independent directors. The Nomination and Remuneration Committee has carried out evaluation of director's performance. The criteria of evaluation is exercise of responsibilities in a bona fide manner in the interest of the Company, striving to attend meetings of the Board of Directors/ Committees of which he/ she is a member/ general meetings, participating constructively and actively in the meetings of the Board /committees of the Board etc.

e) Particulars of Contracts or Arrangements with Related Parties:

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

f) Risk Management Policy:

During the year, Management of the Company evaluated the existing Risk Management Policy of the Company to make it more focused in identifying and prioritizing the risks, role of various executives in monitoring & mitigation of risk and reporting process. Its aim is to enhance shareholders value and provide an optimum risk-reward tradeoff. The Risk Management Policy has been reviewed and found adequate to the requirements of the Company, and approved by the Board.

The Management evaluated various risks and that there is no element of risk identified that may threaten the existence of the Company.

g) Whistle Blower Policy / Vigil Mechanism:

The Company has established a whistle-blower policy and also established a mechanism for directors and employees to report their concerns. The details of the same are explained in the Corporate Governance Report.

h) Financial Summary/ Highlights:

The details are spread over in the Annual Report as well as are provided in the beginning of this report.

i) Internal Financial Control System and their Adequacy:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit reports are reviewed by Audit Committee.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

j) Conservation Of Energy, Technology Absorption & Foreign Exchange Earning And Outgo:

Particulars, as prescribed under section 134 (3) (m) of the Companies Act, 2013, read with the Companies (Disclosure of particulars in report of Board of Directors) Rules 1988 or any other law as may be applicable are given in Annexure "3" enclosed.

k) Particulars Of Loans, Guarantees And Investments U/S 186:

There are no instances of loans, guarantees or investments under section 186 of the Companies Act, 2013. The details of the investments made by company are given in the notes to the financial statements.

15. BOARD MEETINGS, BOARD OF DIRECTORS, KEY MANAGERIAL PERSONNEL & COMMITTEES OF DIRECTORS**a) Board of Directors:**

As members must be aware that at present the Board of Directors is consists of 6 Directors namely Mr. Punit Makharia as Chairman and Managing Director, Mr. Gautam Makharia as Joint Managing Director, both from Promoter group, Mr. Ramakant Nayak, Mr. Dinesh Modi and Mr. Nitin Kedia as Non Executive Independent and Ms. Poonam Garg – Woman Director who was initially appointed as a Nominee Director.

b) Board Meetings:

The Board of Directors of the Company met 9 times during the year 2015- 2016. The details of various Board Meetings are provided in the Corporate Governance Report. The gap intervening between two meetings of the board is as prescribed in the Companies Act, 2013.

c) Changes in Directors & Key Managerial Personnel

There have been no changes in the Directors and Key Managerial Personnel during the Financial Year 2015-2016 except that CS Kishan Bhargav, Company Secretary and Compliance Officer, has expressed his inability to continue as Company Secretary of the Company and has tendered his resignation with effect from 1st June, 2016.

Accordingly Board of Directors has shortlisted CS Satish Chavan and has appointed him as a Company Secretary and Compliance Officer of the Company vide Board Resolution dated 11th July, 2016.

d) Re-Appointment

As per Sec. 152 of the Companies Act, 2013 and Articles of Association of the Company the Executive non-independent Directors are liable to be retire by rotation as per prescribed ratio given in the said provision at the Annual General Meeting of the Company. Accordingly Mr. Punit Makharia, Chairman and Managing Director, Mr. Gautam Makharia, Joint Managing Director are liable to retire by rotation and being eligible offer themselves for reappointment.

e) Independent Directors

The following independent directors are on the Board of Directors.

1. Mr. Dinesh Modi
2. Mr. Nirmal Kedia
3. Mr. Ramakant Nayak

The Company has received necessary declarations from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013.

It is further brought to the notice of the members of the Company that Mr. Ramakant Nayak, Mr. Dinesh Modi and Mr.

Nirmal Kedia, Independent Directors of the Company were appointed as Independent Directors of the Company for initial period of 2 years with effect from 28th July, 2014. Hence their term of appointment was about to expiry on 27th July, 2016. Accordingly the Board of Directors in their meeting held on 11th July, 2016 have re appointed the Independent Directors and accordingly recommended their appointment to the members in the forthcoming annual general meeting.

f) Details of remuneration to Directors:

The information relating to remuneration of directors as required under Section 197(12) of the Companies Act, 2013, is given in Annexure "4".

g) Board Committees

The Company has the following Committees of the Board along with details of its compositions

Sr. No.	Name of the Committee	Members of the Committee
1.	Audit Committee	Mr. Ramakant Nayak – Chairman Mr. Dinesh Modi – Member Mr. Punit Makharia – Member
2.	Nomination and Remuneration Committee	Mr. Nirmal Kedia– Chairman Mr. Ramakant Nayak - Member Mr. Dinesh Modi – Member
3.	Stakeholders' Relationship Committee	Mr. Dinesh Modi – Chairman Mr. Nirmal Kedia – Member Mr. Ramakant Nayak - Member
4.	Corporate Social Responsibility Committee	Mr. Punit Makharia – Chairman Mr. Gautam Makharia – Member Mr. Dinesh Modi – Member
5.	IPO Committee	Mr. Dinesh Modi – Chairman Mr. Nirmal Kedia – Member Mr. Ramakant Nayak - Member

The further details as to number of meetings of the committees, their dates etc are provided in the Corporate Governance Report.

16. MEETINGS OF BOARD OF DIRECTORS:

There were nine meetings of the Board of directors during the year. The details of various Board Meetings are provided in the Corporate Governance Report. The gap intervening between two meetings of the board is as prescribed in the Companies Act, 2013.

17. AUDIT COMMITTEE OF THE BOARD OF DIRECTORS:

The Audit committee comprises of Mr. Ramakant Nayak (Chairman), Mr. Dinesh Modi (Member) both independent Directors and Mr. Punit Makharia (Member), Managing Director of the Company. There were four meetings of the Audit Committee held during the year. The details of various Audit Committee meetings are provided in the Corporate Governance Report.

18. AUDIT COMMITTEE RECOMMENDATION:

During the year all the recommendations of the Audit Committee were accepted by the Board. The Composition of the Audit Committee is as described in the Corporate Governance Report.

19. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises of Mr. Nirmal Kedia (Chairman), Mr. Ramakant Nayak (Member) and Mr. Dinesh Modi (Member) all Independent Directors of the Company. There was no meeting of Nomination and Remuneration Committee during the year 2015-16 as there were no appointments, change in designation or policy was framed by the Committee. The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The policy relating to the remuneration for the directors, key managerial personnel and other employees is disclosed as Annexure "5".

20. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee comprises of Mr. Dinesh Modi (Chairman), Mr. Ramakant Nayak (Member) and Mr. Nirmal Kedia (Member) all Independent Directors of the Company. The Committee met four times during the year, details of which are reproduced in the appropriate section of Corporate Governance Report.

21. CORPORATE GOVERNANCE:

At Shree Pushkar Chemicals & Fertilisers Ltd, we ensure that we evolve and follow the good Corporate Governance

practices. As a listed Company we take the Quarterly Corporate Governance Certificate from Practicing Company Secretary confirming all compliances with necessary laws applicable to us. Pursuant to compliances of Listing Regulations of Securities Exchange Board of India (SEBI) the Management Discussion and Analysis, The Corporate Governance Report and the Auditor's Certificate regarding Compliance of Conditions of Corporate Governance are made part of the Directors' Report.

22. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND ("IEPF").

As required under the provisions of Section 205A and 205C and other applicable provisions of Companies Act, 1956 (the corresponding provisions in the Companies Act, 2013 have not been notified, and hence the earlier law is still applicable in respect of these provisions), dividends that remain unpaid/unclaimed for a period of seven years, are to be transferred to the account administered by the Central Government viz: "Investor Protection and Education Fund".

During the year there were no transfer made on account of IEPF, also there were no any unclaimed dividend remained in the bank account so far.

23. PARTICULARS OF EMPLOYEES:

The Disclosure as required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure "6" and forms a part of this report.

Information relating to remuneration of Directors under Section 197 read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been given Annexure "6" to the Director's Report

24. SOCIAL CONNECT:

During the year your Company connected to socially through CSR activities only.

25. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the year there were no significant and material orders passed by the Regulators or Courts. The Company's Shares got listed on BSE Ltd and National Stock Exchange Limited on 10th of September, 2015 followed by Initial Public Offer to the Public.

26. FINANCE:

Cash and cash equivalents as at March 31, 2016 was Rs.4176.70 lacs (in earlier it was Rs.325.74 lacs). The company continues to focus on judicious management of its working capital. Receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

27. DISCLOSURE AS REQUIRED UNDER SECTION 22 OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

As requirement of Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Company has already maintained internal policy to prevent women's harassment at work place and covered all employees so they could directly make complaints to the committee, if such situation arises. The management and Committee together with confirm total number of complaints received and resolved during the year is as follows:

- a) No. of complaints received: NIL
- b) No. of complaints disposed: NIL

28. LISTING:

During the year under review your company has listed its Equity Shares on National Stock Exchange Ltd and Bombay Stock Exchange Ltd through IPO and it will remain listed on it. The Company has paid the listing fees towards listing their Equity Shares and complied with listing regulations.

29. INDUSTRIAL RELATIONS:

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

30. DIRECTORS' DISQUALIFICATION:

None of the directors of the Company is disqualified as per the provision of section 164(2) of the Companies Act, 2013 or any other law as may be applicable, as on 31st March 2016.

31. HUMAN RESOURCES:

None of the employees of the Company had drawn remuneration in excess of the limits prescribed In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 or any other law as may be applicable.

The relation between employees and management are cordial during the year.

32. SUBSIDIARY COMPANIES:

The Company does not have any subsidiary during the year.

33. AUDITORS:

The existing Statutory Auditors M/s. Jajodia and Company, Chartered Accountants, have expressed their inability to continue as Auditors of the Company and hence tendered their resignation on 5th May, 2016. Accordingly the Board had approached M/s. S. K. Patodia & Associates, Chartered Accountants to fill up the casual vacancy caused by resignation of existing auditors. M/s. S. K. Patodia & Associates, Chartered Accountants, signified their willingness to be appointed and declared their eligibility to be appointed as a Statutory Auditor of the Company.

Hence the Board of Directors, vide its resolution passed on 12th May, 2016 had appointed M/s. S. K. Patodia & Associates, Chartered Accountants as Statutory Auditors of the Company to fill up the casual vacancy caused by resignation of M/s. Jajodia & Company, Chartered Accountants, the existing auditors.

As per provisions of section 139(8) of the Companies Act, 2013 the appointment of Statutory Auditors to fill up the casual vacancy caused by resignation of existing auditors, needs to be approved by the members of the Company at a general meeting convened within a period of three months. Hence appointment of M/s. S. K. Patodia & Associates, Chartered Accountants, as a statutory auditor to fill up the casual vacancy caused by resignation of existing auditors, has been recommended.

It is further proposed to re-appoint M/s. S. K. Patodia & Associates, Chartered Accountants, as a Statutory Auditors of the Company to hold the office up to the conclusion of next annual general meeting.

M/s. S. K. Patodia & Company, Chartered Accountants, have signified their willingness to be appointed and declared that they are eligible for re appointment.

34. AUDITORS' REPORT:

The observation made in the Auditors' Report read together with relevant notes thereon are self explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013.

35. SECRETARIAL AUDIT:

The Board has appointed M/s. DSM & Associates, Company Secretaries, to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, for the financial year 2015-16. The Secretarial Audit Report is annexed to this report as Annexure "7". The Secretarial Audit Report does not contain any qualification or adverse remarks.

36. COST AUDITOR:

Pursuant to provisions of section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, your Company has appointed M/s. Dilip Bathija, Practicing Cost Accountants, to carry out the Audit of Cost Records for the financial year 2016-17.

37. ACKNOWLEDGEMENT:

Your Directors take this opportunity to express their gratitude to all Shareholders, Investors, clients, vendors, bankers, Regulatory and Government authorities, Stock Exchanges and business associates for their cooperation, encouragement and continued support extended to the Company. Your Directors also wish to place on record their appreciation to the Associates for their continuing support and unstinting efforts in ensuring an excellent all round operational performance at all levels.

**For and on behalf of the Board of Directors of;
Shree Pushkar Chemicals & Fertilisers Limited**

Sd/-

Punit Makharia
Chairman & Managing Director
DIN: 01430764

Date: 11th July, 2016

Place: Mumbai

CAUTIONARY STATEMENT

Statements in this Directors' Report and Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include raw material availability and its prices, cyclical demand and pricing in the Company's principle markets, changes in Government regulations, Tax regimes, economic developments within India and the countries in which the Company conducts business and other ancillary factors.

ANNEXURE “1”

ANNUAL REPORT DETAILS OF THE CSR ACTIVITIES

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The CSR Policy is available on the Company's website. The web link of the same is <http://www.shreepushkar.com/pdf/CSR%20POLICY%20.pdf>. A gist of the programs that the Company can undertake under the CSR policy is mentioned below.

A brief outline of the Company Policy – Our Company's CSR Committee's philosophy on CSR is simple as nothing but to give back to our society as our responsibility from we have earned & learned. Our aim is to be one of the most respected Companies in India delivering superior and sustainable value to all our customers, business partners, shareholders, employees and host communities.

During the year CSR Committee had taken initiatives into promote Education, life, Environment, culture and some proposed projects as follows:

- Improving the quality of life in needed children;
- Eradicating hunger, poverty and malnutrition;
- Employment enhancing vocational skills;
- Promoting healthcare including preventive healthcare;
- Employment enhancing vocational skills;
- Ensuring environmental sustainability including measures for reducing inequalities affected by socially and economically backward groups;
- Contributing to the Prime Minister's National Relief Fund or any other fund setup by the Central Government for development and relief; and
- Other areas approved by the CSR Committee that are covered in the CSR Rules as amended from time-to-time.

The activities and funding are monitored internally by the Company.

2. The Composition of the CSR Committee.

Mr. Punit Makharia, Chairman (Chairman & Managing Director);

Mr. Gautam Makharia (Joint Managing Director);

Mr. Dinesh Modi (Independent Director);

3. Average net profit of the Company for last three Financial Years.

The average Net Profit for the last three years is Rs. 1210.29 lakh.

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above).

The Company is required to spend Rs. 24.21 lack towards CSR for the Financial Year 2015-16.

5. Details of CSR spent during the Financial Year.

a. Total amount to be spent for the financial year: Rs. 24.21 lacs

b. Amount unspent, if any: Rs. 5.16 lacs

c. Manner in which the amount spent during the financial year detailed below:

In accordance with the Company's CSR policy and in compliance with the Companies (Corporate Social Responsibility Policy) Rules, 2014, Shree Pushkar Chemicals & Fertilisers Limited has collaborated with the other Trusts and have spent fund by donation in their projects. During the year under review the CSR Committee identified a project with Non-Profit Organisation which is registered as Public Charitable Trust with the Charity Commissioner, Chennai and Pune.

The Company had proposed to undertake activities relating to Protects Forests and Wild life

Preserves Ecology, Sustains Environment, Inculcates Family and Human Values, Fosters Women's Honour, Promotes Patriotism by donating funds to *Hindu Spiritual and Service Foundation, Chennai*. Even Company had promoted the history of *The Chatrapati Shivaji Maharaj's* life stories, learning's, wars, with the society and to refreshing discovery of Maratha History and the Culture etc. through by donating to Maharaja Shivchhatrapati Pratishthan (Trust), *Pune* and also Company had spent amount for needed children's for their education as helping hand etc. during the Financial Year 2015-16.

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub - heads : 1) Direct expenditure on projects 2) Overheads:	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1.	Donation to Hindu Spiritual and Service Foundation, Chennai	Protects Forests and Wild life Preserves Ecology, Sustains Environment, Inculcates Family and Human Values, Fosters Women's Honour, Promotes Patriotism	Jaipur (Rajsthan), Chennai (Tamilnadu)	100,000	100,000	100,000	100,000
2.	Maharaja Shivchhatrapati Pratishthan (Trust), Pune	Promoting culture, environment, Education	Pune, Satara (Maharashtra)	18,00,000	18,00,000	18,00,000	18,00,000
3.	Books Distribution	Promotion of Education	Mumbai	-	4,680	4,680	4,680
	TOTAL	-	-	19,00,000	19,04,680	19,04,680	19,04,680

6. **In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.**

Company couldn't spent remaining Rs. 5.06 Lacs as prescribed by the calculation of Act, due to Committee was in seeking new area to take CSR initiatives for spending money and also looking for make independently CSR projects so that it had been unpaid said amount.

7. **Pursuant to the Companies (Corporate Social Responsibility Policy) Rules, 2014, we hereby confirm that the CSR Committee has implemented and monitored the CSR initiatives of Shree Pushkar Chemicals & Fertilisers Limited in line with CSR Objectives and Policy of the Company.**

**For and on behalf of the Board of Directors of;
Shree Pushkar Chemicals & Fertilisers Limited**

**Sd/-
Punit Makharia
Chairman & Managing Director
Chairman of CSR Committee
DIN: 01430764**

**Sd/-
Dinesh Modi
Independent Director
Committee Member
DIN:00004556**

Date: 11th July, 2016

Place: Mumbai

ANNEXURE “2”

Annual Return Extracts in MGT 9

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2016

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

I. REGISTRATION & OTHER DETAILS:		
1	CIN	U24100MH1993PLC071376
2	Registration Date	29/03/1993
3	Name of the Company	Shree Pushkar Chemicals & Fertilisers Limited
4	Category/Sub-category of the Company	Company Limited by shares
5	Address of the Registered office & contact details	202, A Wing, Bldg. No.3, Rahul Mittal Industrial Estate, Sir M.V.Rd., Andheri East, Mumbai – 400059. Contact No -022 42702525
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Bigshare Services Pvt. Ltd., E-2/3, Ansa Industrial Estate Saki Vihar Road, Saki Naka Andheri (East) Mumbai 400 072. Conatact No - 022 4043 0200

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)			
S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Dyes Intermediates	2022	70.6%
2	Fertilizer & Allied Products	20122	20.5%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
SN	Name and address of the Company	CIN/GLN	Holding/ Associate	Subsidiary/ % of shares held	Applicable Section
-	-	-	-	-	-

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholder		No. of Shares held at the beginning of the year: 01/04/2015 00:0				No. of Shares held at the end of the year :31/03/2016				% Change During the Year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoter										
Indian										
(a)	INDIVIDUAL / HUF	18214170	0	18214170	87.96	18214170	0	18214170	60.27	(27.69)
(b)	Central / State government(s)	0	0	0	0	0	0	0	0.00	0.00
(c)	BODIES CORPORATE	0	0	0	0	0	0	0	0.00	0.00
(d)	FINANCIAL INSTITUTIONS / BANKS	0	0	0	0	0	0	0	0.00	0.00
(e)	ANY OTHERS (Specify)			0						
(i)	GROUP COMPANIES	0	0	0	0	0	0	0	0.00	0.00
(ii)	TRUSTS	0	0	0		0	0	0	0.00	0.00
(iii)	DIRECTORS RELATIVES	0	0	0	0	0	0	0	0.00	0.00
	SUB TOTAL (A)(1) :	18214170	0	18214170	87.96	18214170	0	18214170	60.27	(27.69)
Foreign										
(a)	BODIES CORPORATE	0	0	0	0	0	0	0	0	0
(b)	INDIVIDUAL	0	0	0	0	0	0	0	0	0
(c)	INSTITUTIONS									
(d)	QUALIFIED FOREIGN INVESTOR	0	0	0	0	0	0	0	0	0
(e)	ANY OTHERS (Specify)	0	0	0	0	0	0	0	0	0
	SUB TOTAL (A)(2) :	0	0	0	0	0	0	0	0	0
Total holding for promoters										
	(A)=(A)(1) + (A)(2)	18214170	0	18214170	87.96	18214170	0	18214170	60.27	(27.69)
(B) Public shareholding										
Institutions										
(a)	Central / State government(s)	0	0	0	0	0	0	0	0	0
(b)	FINANCIAL INSTITUTIONS / BANKS	0	470632	470632	2.27	8030	0	8030	0.03	(2.25)
(c)	MUTUAL FUNDS / UTI	0	0	0	0.00	2752703	0	2752703	9.11	9.11
(d)	VENTURE CAPITAL FUNDS	0	0	0	0	0	0	0	0	0
(e)	INSURANCE COMPANIES	0	0	0	0	0	0	0	0	0
(f)	FII'S	0	0	0	0	1320058	0	1320058	4.37	4.37
(g)	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0	0	0	0	0	0
(h)	QUALIFIED FOREIGN INVESTOR	0	0	0	0	0	0	0	0	0
(i)	ANY OTHERS (Specify)	0	0	0	0	0	0	0	0	0
	SUB TOTAL (B)(1) :	0	470632	470632	2.27	4080791	0	4080791	13.50	11.23
Non-institutions										
(a)	BODIES CORPORATE	1955957	0	1955957	9.45	2335892	0	2335892	7.73	(1.72)
(b)	INDIVIDUAL									

(i)	(CAPITAL UPTO TO Rs. 1 Lakh)	9415	0	9415	0.05	3029139	5	3029144	10.02	9.98
(ii)	(CAPITAL GREATER THAN Rs. 1 Lakh)	57415	0	57415	0.28	1455790	0	1455790	4.82	4.54
(c)	TRUSTS	0	0	0	0.00	487679	0	487679	1.61	1.61
(d)	ANY OTHERS (Specify)									
(i)	CLEARING MEMBER	0	0	0	0.00	396789	0	396789	1.31	1.31
(ii)	NON RESIDENT INDIANS (NRI)	0	0	0	0.00	183017	0	183017	0.61	0.61
(iii)	DIRECTORS RELATIVES	0	0	0	0.00	0	0	0	0.00	0.00
(iv)	EMPLOYEE	0	0	0	0.00	0	0	0	0.00	0.00
(v)	OVERSEAS BODIES CORPORATES	0	0	0	0.00	36163	0	36163	0.12	0.12
(vi)	UNCLAIMED SUSPENSE ACCOUNT	0	0	0	0.00	0	0	0	0.00	0.00
(e)	QUALIFIED FOREIGN INVESTOR	0	0	0	0	0	0	0	0	0
	SUB TOTAL (B)(2) :	2022787	0	2022787	9.77	7924469	5	7924474	26.22	16.45
	Total Public Shareholding									
	(B)=(B)(1) + (B)(2)	2022787	470632	2493419	12.04	12005260	5	12005265	39.73	27.69
	(C) Shares held by Custodians for GDRs & ADRs									
(a)	SHARES HELD BY CUSTODIANS	0	0	0	0	0	0	0	0	0
(i)	Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
(ii)	Public	0	0	0	0	0	0	0	0	0
	SUB TOTAL (C)(1) :	0	0	0	0	0	0	0	0	0
	(C)=(C)(1)		0		0	0	0	0	0	0
	Grand Total (A) + (B) + (C)	20236957	470632	20707589	100.00	30219430	5	30219435	100.00	0.00

NOTES :

1) NAME, NUMBER OF SHARES HELD & PERCENTAGE OF ENTITIES / PERSONS HOLDING MORE THAN 1% OF THE TOTAL SHARES OF THE COMPANY IS AS PER ANNEXURE

(ii) Shareholding of Promoter

Sr. No	NAME	Shareholding at the beginning of the year 01/04/2015			Shareholding at the end of the year 31/03/2016			% Change in shareholding during the year
		Number of Shares	% Shares of the Company	% of Shares Pledged/encumbered to total shares	Number of Shares	% Shares of the Company	% of Shares Pledged/encumbered to total shares	
1	ARADHANA MAKHARIA	353446	1.7068	0	353446	1.1696	0	-0.5372
2	GOPI KRISHAN MAKHARIA	356831	1.7232	0	356831	1.1808	0	-0.5424
3	RANJANA PUNIT MAKHARIA	375692	1.8143	0	375692	1.2432	0	-0.5711
4	BHANU GOPI MAKHARIA	432307	2.0877	0	432307	1.4306	0	-0.6571
5	GAUTAM GOPIKISHAN MAKHARIA	4328301	20.9020	0	4328301	14.3229	0	-6.5791
6	PUNIT GOPIKISHAN MAKHARIA	12367593	59.7249	3575896.0000	12367593	40.9260	0	18.7989
Total		18214170	87.9589	3575896.0000	18214170	60.2731	0	27.6858

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

Particulars	Share holding at the beginning of the year 01/04/2015		Share holding at the end of the year 31/03/2016	
	Number of Shares	% of total shares of the company	Number of Shares	% of total shares of the company
At the beginning of the year	18214170	87.96	18214170	
SAME 31/03/2015				
SAME 03/04/2015	0	0.00	18214170	60.27
SAME 31/03/2016	0	0.00	18214170	60.27
At the end of the year			18214170	60.27

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	NAME	No. of Shares at the begining/ End of the year	Date	I n c r e a s e / Decrease in share-holding	Reason	N u m b e r of Shares	Percentage of total shares of the company
1	INDIA ENTERPRISE DEVELOPMENT FUND	1,955,957	31-Mar-15	0	Transfer	1,955,957	6.47
			15-May-15	470632	Transfer	2,426,589	8.03
			28-Aug-15	-2026589	Transfer	400,000	1.32
			18-Sep-15	-51800	Transfer	348,200	1.15
			25-Sep-15	-30000	Transfer	318,200	1.05
			30-Sep-15	-35000	Transfer	283,200	0.94
			9-Oct-15	-26699	Transfer	256,501	0.85
			16-Oct-15	-157840	Transfer	98,661	0.33
			23-Oct-15	-42993	Transfer	55,668	0.18
			30-Oct-15	-37801	Transfer	17,867	0.06
			13-Nov-15	-4000	Transfer	13,867	0.05
			20-Nov-15	-13867	Transfer	0	0.00
			31-Mar-16	0	Transfer	0	0.00
2	RELIANCE CAPITAL TRUSTEE CO. LTD-A/C RELIANCE SMALL CAP FUND	0	31-Mar-15		Transfer	0	0.00
			11-Sep-15	1488426	Transfer	1,488,426	4.93
		1,488,426	31-Mar-16	0	Transfer	1,488,426	4.93

3	INDIA INVESTMENT LIMITED	MAX FUND	0	31-Mar-15		Transfer	0	0.00
				11-Sep-15	1482939	Transfer	1,482,939	4.91
				4-Dec-15	-75000	Transfer	1,407,939	4.66
				15-Jan-16	-10272	Transfer	1,397,667	4.63
				22-Jan-16	-4109	Transfer	1,393,558	4.61
				29-Jan-16	-25000	Transfer	1,368,558	4.53
				5-Feb-16	-50000	Transfer	1,318,558	4.36
				4-Mar-16	7383	Transfer	1,325,941	4.39
				18-Mar-16	-3383	Transfer	1,322,558	4.38
			1,320,058	31-Mar-16	0	Transfer	1,320,058	4.37
				31-Mar-16	-2500	Transfer	1,320,058	4.37
4	L AND T MUTUAL FUND TRUSTEE LTD-L AND T EQUITY SAVINGS FUND		0	31-Mar-15		Transfer	0	0.00
				27-Nov-15	102731	Transfer	102,731	0.34
				4-Dec-15	264970	Transfer	367,701	1.22
				11-Dec-15	150000	Transfer	517,701	1.71
				23-Mar-16	2744	Transfer	520,445	1.72
			532,186	31-Mar-16	0	Transfer	532,186	1.76
				31-Mar-16	11741	Transfer	532,186	1.76
5	M/SINDIAENTERPRISE DEVELOPMENT FUND		470,632	31-Mar-15	0	Transfer	470,632	1.56
				15-May-15	-470632	Transfer	0	0.00
				31-Mar-16	0	Transfer	0	0.00
6	BARBARIK DISTRIBUTORS PVT LTD		0	31-Mar-15		Transfer	0	0.00
				11-Sep-15	457149	Transfer	457,149	1.51
			457,149	31-Mar-16	0	Transfer	457,149	1.51
7	LADAM FINANCE LIMITED		0	31-Mar-15		Transfer	0	0.00
				11-Sep-15	351639	Transfer	351,639	1.16
			351,639	31-Mar-16	0	Transfer	351,639	1.16

8	NITIN CASTINGS LIMITED	0	31-Mar-15		Transfer	0	0.00
			11-Sep-15	246129	Transfer	246,129	0.81
		246,129	31-Mar-16	0	Transfer	246,129	0.81
9	VEC AIF VEC STRATEGIC ADVANTAGE SCHEME	0	31-Mar-15		Transfer	0	0.00
			11-Sep-15	340808	Transfer	340,808	1.13
			18-Sep-15	12000	Transfer	352,808	1.17
			29-Jan-16	-49300	Transfer	303,508	1.00
			5-Feb-16	-676	Transfer	302,832	1.00
			23-Mar-16	-40000	Transfer	262,832	0.87
			31-Mar-16	-39000	Transfer	223,832	0.74
		223,832	31-Mar-16	0	Transfer	223,832	0.74
10	SUNDARAM MUTUAL FUND A/C SUNDARAM SELECT MICRO CAP SERIES III	0	31-Mar-15		Transfer	0	0.00
			11-Sep-15	309605	Transfer	309,605	1.02
			8-Jan-16	-17963	Transfer	291,642	0.97
			15-Jan-16	-38510	Transfer	253,132	0.84
			22-Jan-16	-9799	Transfer	243,333	0.81
			29-Jan-16	-4031	Transfer	239,302	0.79
			26-Feb-16	-16212	Transfer	223,090	0.74
			4-Mar-16	-269	Transfer	222,821	0.74
			31-Mar-16	-18922	Transfer	203,899	0.67
		203,899	31-Mar-16	0	Transfer	203,899	0.67
11	ANYA REDDY .	0	31-Mar-15		Transfer	0	0.00
			21-Aug-15	153847	Transfer	153,847	0.51
		153,847	31-Mar-16	0	Transfer	153,847	0.51
12	NET RESOURCES INVESTMENTS PVT LTD	0	31-Mar-15		Transfer	0	0.00
			21-Aug-15	153847	Transfer	153,847	0.51
		153,847	31-Mar-16	0	Transfer	153,847	0.51
13	UNIFI AIF	0	31-Mar-15		Transfer	0	0.00
			21-Aug-15	153847	Transfer	153,847	0.51
		153,847	31-Mar-16	0	Transfer	153,847	0.51

14	UNIFI FINANCIAL PVT LTD	0	31-Mar-15		Transfer	0	0.00
			21-Aug-15	153847	Transfer	153,847	0.51
		153,847	31-Mar-16	0	Transfer	153,847	0.51
15	SUDHIR RAVINDRANATH KANGUTKAR	57,415	31-Mar-15	0	Transfer	57,415	0.19
			28-Aug-15	-35700	Transfer	21,715	0.07
		21,715	31-Mar-16	0	Transfer	21,715	0.07
16	SANJAY KUMAR PAHARIA	9,415	31-Mar-15	0	Transfer	9,415	0.03
		9,415	31-Mar-16	0	Transfer	9,415	0.03

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Punit Makharia						
	At the beginning of the year	1/4/2015	Opening Balance	12367593	59.72%	12367593	59.72%
	Changes during the year			-	-	-	-
	At the end of the year	31/3/2016	Closing Balance	12367593	40.93%	12367593	40.93%
2	Gautam Makharia						
	At the beginning of the year	1/4/2015	Opening Balance	4328301	20.90%	4328301	20.90%
	Changes during the year				-	-	-
	At the end of the year	31/3/2016	Closing Balance	4328301	14.32%	4328301	14.32%
3	Ramakant Nayak						
	At the beginning of the year	-	-	0	0	0	0
	Changes during the year	24.08.2015	Buy from Market	1000	0	1000	0.003%
	At the end of the year	31.3.2016	Closing Balance	1000	0	1000	0.003%
4	Kishan Bhargav						
	At the beginning of the year	-	-	0	0	0	0
	Changes during the year	6.8.2015	Transfer	500	0	500	0.0017%
	At the end of the year	31.3.2016	Closing Balance	500	0	500	0.0017%

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2506.23	16.85	0	2523.08
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0.28	0	0	0.28
Total (i+ii+iii)	2506.51	16.85	0	2523.36
Change in Indebtedness during the financial year				
Addition	0	0	0	0
Reduction	743.23	9.34	0	752.57
Net Change	-743.23	-9.34	0	-752.57
Indebtedness at the end of the financial year				
i) Principal Amount	1763.26	7.51	0	1770.77
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0.02	0	0	0.02
Total (i+ii+iii)	1763.28	7.51	0	1770.79

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

Sl. no.	Particulars of Remuneration	Name of Directors		Total Amount (Rs. In Lacs)
		Punit Makharia	Gautam Makharia	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	30.00	30.00	60.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5.	Others, please specify			
	Total (A)	30.00	30.00	60.00
	Under the Ceiling as per the Act	YES	Yes	

B. Remuneration to other Directors

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount (Rs.In Lacs)
		Mr. Ramakant Nayak	Mr. Dinesh Modi	Mr. Nirmal Kedia	Mrs. Poona Garg (Nominee of IVCF)	
	Independent Directors					
	Fee for attending board /committee meetings	0.25	0.29	0	0.04	0.58
	Commission	0	0	0	0	0
	Others, please specify					
	Total (1)	0.25	0.29	0	0.04	0.58
	Other Non-Executive Directors					
	Fee for attending board/committee meetings	0	0	0	0	0
	Commission	0	0	0	0	0
	Others, please specify	0	0	0	0	0
	Total (2)	0	0	0	0	0
	Total (B)=(1+2)	0.25	0.29	0	0.04	0.58
	Whether Total Managerial Remuneration Under the Ceiling as per the Act	Yes	Yes	Yes	Yes	

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTB

In Lacs.

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total (Rs. In Lacs)
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	3.50	12.30	15.80
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	3.50	12.30	15.80

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

*For and on behalf of the Board of Directors of
Shree Pushkar Chemicals & Fertilisers Limited*

Sd/-

Punit Makharia

Chairman & Managing Director

DIN: 01430764

Date: 11th July, 2016

Place: Mumbai

ANNEXURE “3”**Conservation of Energy:**

The Company is focusing to adopt appropriate measures for conservation of energy, which is reflected by very low consumption of power during the year.

		F.Y. 2015-16	F.Y. 2014-15
Total unit of power consumption	: Nos.	8651158	7541840
Total amount of Electricity	: Rs.	69672138	55824910
Cost of power per unit	: Rs.	8.05	7.40

Absorption of Technology:

As the Company has installed state of the art plant to manufacture Dyes Intermediates, Sulphuric and its derivative Acids, Fertilisers and Cattle feed supplement. It has already used the best technology available. Further, it is continuously upgrading the process technology for better yield and efficiency to meet the international standard.

Foreign Exchange earnings and outgo:

	Amount (Rs. Lacs)	
	F.Y. 2015-16	F.Y. 2014-15
a) Foreign Exchange earnings:		
FOB Value of export	2093.24	2420.66
b) Foreign Earning outgo:		
CIF Value of Import	2846.54	3788.54
Traveling Expenses	3.34	10.49

**For and on behalf of the Board of Directors of
Shree Pushkar Chemicals & Fertilisers Limited**

Sd/-

Punit Makharia

Chairman & Managing Director

DIN: 01430764

Date: 11th July, 2016

Place: Mumbai

ANNEXURE “4”**ADDITIONAL INFORMATION AS PER SECTION 197 OF THE COMPANIES ACT, 2013, RULE 5(1) and (2) OF CHAPTER XIII, COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

Name of the Employees	Designation	Remuneration (subject to Income-tax)	% increase in Remuneration in the F.Y 2015-2016	Ratio of remuneration of each Director /to median remuneration of employees	Qualifications	Age (years)	Experience (years)	Date of Commencement of employment	Last employment and Designation
Mr. Punit Makharia	Managing Director	30.00 LPA	-	15.63x	B.com		23	29.3.1993	Managing Director
Mr. Gautam Makharia	Joint MD	30.00 LPA	-	15.63x	B.E		23	29.3.1993	Joint Managing Director
Mr. Ratan Jha	CFO	12.30 LPA	10.81%	6.41x	M. COM, CA	32	6	17.7.2014	CFO
Mr. Kishan Bhargav	Company Secretary	3.50 LPA	-	1.82x	LLB , CS	29	3	23.1.2014	Company Secretary

Notes:

1. The median remuneration of the employees of the company during the financial year was Rs. 1.92 Lacs
2. Nature of employment of MD/CEO is contractual, subject to termination by 3 months notice from either side.
3. For other employee's nature of employment is contractual, subject to termination by one or three month notice from either side or salary in lieu of notice period.
4. Except, Mr. Gautam Makharia and Punit Makharia are real brothers, none of the above employee is related to any Director of the Company.
5. Except Mr. Punit Makharia and Mr. Gautam Makharia, None of the above employee holds by himself/herself or along with his/her spouse and dependent children, 2% or more of the equity shares of the Company.
6. Employment terms and conditions are as per Company's Rules.
7. Remuneration received as shown in the statement above includes basic salary and all other allowances/perquisites as applicable.
8. There were 132 Number of permanent employees on the rolls of Company as on March, 31st, 2016.
9. The average percentile increase in the salaries of employees other than managerial personnel during financial year in comparison to managerial remuneration was 12.92% (Approx) and Percentile of Managerial remuneration increased was 2.87% in comparison to last financial year.

**For and on behalf of the Board of Directors of
Shree Pushkar Chemicals & Fertilisers Limited**

Sd/-

Punit Makharia

Chairman & Managing Director

DIN: 01430764

Date: 11th July, 2016

Place: Mumbai

ANNEXURE “5”**POLICY ON REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL & SENIOR EMPLOYEES****BACKGROUND**

Shree Pushkar Chemicals & Fertilisers Limited (hereinafter referred as the 'Company') practices a corporate culture that is based on the tenets of trusteeship, empowerment, accountability, control and ethical practices with transparency at its core for creation of maximum value for the stakeholders.

BRIEF OVERVIEW UNDER COMPANIES ACT 2013

{Section 178 & Companies [Meetings of Board and its Powers] Rules 2014}

- Constitution of the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent directors
- The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and senior management personnel i.e. employees at one level below the Board including functional heads.
- The Nomination and Remuneration Committee shall, while formulating the policy ensure that:
 - ✓ the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - ✓ relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - ✓ remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- Such policy shall be disclosed in the Board's report.

BRIEF OVERVIEW OF THE REVISED CLAUSE 49 OF LISTING AGREEMENT**IV. Nomination and Remuneration Committee**

- A. The company shall set up a Nomination and Remuneration committee which shall comprise at least three directors, all of whom shall be non-executive directors and at least half shall be independent. Chairman of the committee shall be an independent director.
- B. The role of the committee shall, inter-alia, include the following:
 - ✓ Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
 - ✓ Formulation of criteria for evaluation of Independent Directors and the Board;
 - ✓ Devising a policy on Board diversity;
 - ✓ Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

PRESENT POSITION OF DIRECTORS & KMP OF THE COMPANY:

- The Company has constituted a Nomination and Remuneration Committee of the Board of Directors (Board) at the meeting of board of directors held on September 24, 2012
- At present there are total Six directors on the Board of which Three (3) are Non- Executive and Independent, One is a nominee Director of IFCI, and the remaining two (2) are Executive Directors. The Executive Chairman & Managing Director and Joint Managing Director draw a remuneration from the Company.
- Key Managerial Personnel (KMP) consists Chairman & Managing Director, Joint Managing Director all executive directors and Chief Financial Officer and Company Secretary who are employees.

TERMS OF REFERENCE OF NOMINATION AND REMUNERATION COMMITTEE

- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the

Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

- Act as Selection and Compensation Committee to evaluate suitability of candidates for various senior positions and determine appropriate compensation package for them. Selection of related persons whether or not holding place of profit in the Company to be carried out strictly on merit and where applicable, be subjected to review by the Audit Committee of and/or the Board with approval at each stage being obtained by disinterested Independent Directors only.
- 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.
- Removal should be strictly in terms of the applicable law/s and in compliance of principles of natural justice.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on the Board diversity.
- Recommend to the Board, remuneration including salary, perquisite and commission to be paid to the Company's Executive Directors on an annual basis or as may be permissible by laws applicable.
- Recommend to the Board, the Sitting Fees payable for attending the meetings of the Board/Committee thereof, and, any other benefits such as Commission, if any, payable to the Non- Executive Directors.
- Setting the overall Remuneration Policy and other terms of employment of Directors, wherever required.

CRITERIA FOR DETERMINING THE FOLLOWING:-

Qualifications for appointment of Directors (including Independent Directors):

- Persons of eminence, standing and knowledge with significant achievements in business, professions and/or public service.
- Their financial or business literacy/skills.
- Their Dye/ Dye-Intermediate, Fertiliser, Heavy Chemical manufacturing industry experience.
- Appropriate other qualification/experience to meet the objectives of the Company.
- As per the applicable provisions of Companies Act 2013, Rules made there under and Clause 49 of Listing Agreement. The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

Positive attributes of Directors (including Independent Directors):

- Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively, and the willingness to address issues proactively.
- Actively update their knowledge and skills with the latest developments in the Dye/ Dye-Intermediate, Fertiliser, Heavy Chemical manufacturing industry, market conditions and applicable legal provisions.
- Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities.
- To assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.
- Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company.
- To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees.
- Independent Directors to meet the requirements of the Companies Act, 2013 read with the Rules made there under and Clause 49 of the Listing Agreement as amended from time to time.

Criteria for appointment of KMP/Senior Management:

- To possess the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities.
- To practice and encourage professionalism and transparent working environment.
- To build teams and carry the team members along for achieving the goals/objectives and corporate mission.
- To adhere strictly to code of conduct.

POLICY RELATING TO REMUNERATION OF DIRECTORS, KMP & SENIOR MANAGEMENT PERSONNEL:

- To ensure that the level and components of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and other employees of the quality required to run the Company successfully.
- No director/KMP/ other employee is involved in deciding his or her own remuneration.
- The trend prevalent in the similar industry, nature and size of business is kept in view and given due weight age to arrive at a competitive quantum of remuneration.

- It is to be ensured that relationship of remuneration to the performance is clear & meets appropriate performance benchmarks which are unambiguously laid down and communicated.
- Improved performance should be rewarded by increase in remuneration and suitable authority for value addition in future.
- Remuneration packages should strike a balance between fixed and incentive pay, where applicable, reflecting short and long term performance objectives appropriate to the Company's working and goals.
- Following criteria are also to be considered:-
 - ✓ Responsibilities and duties ;
 - ✓ Time & efforts devoted;
 - ✓ Value addition;
 - ✓ Profitability of the Company & growth of its business;
 - ✓ Analyzing each and every position and skills for fixing the remuneration yardstick ;
 - ✓ Standards for certain functions where there is a scarcity of qualified resources.
 - ✓ Ensuring tax efficient remuneration structures.
 - ✓ Ensuring that remuneration structure is simple and that the cost to the Company (CTC) is not shown inflated and the effective take home remuneration is not low.
 - ✓ Other criteria as may be applicable.
- Consistent application of remuneration parameters across the organization.
- Provisions of law with regard making payment of remuneration, as may be applicable, are complied.
- Whenever, there is any deviation from the Policy, the justification /reasons should also be indicated / disclosed adequately.

REVIEW

The policy shall be reviewed by the Nomination & Remuneration Committee and the Board, from time to time as may be necessary.

***For and on behalf of the Board of Directors of
Shree Pushkar Chemicals & Fertilisers Limited***

Sd/-

Punit Makharia

Chairman & Managing Director

DIN: 01430764

Date: 11th July, 2016

Place: Mumbai

ANNEXURE “6”**TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2016****FORM AOC-2****(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

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

Details of Contracts or arrangement or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered into during the year end 31st March, 2016, which were not at arm's length basis.

Details of Contracts or arrangement or transactions at arm's length basis:

Name of the parties	Nature of Relationship	Silent Terms of Transactions	Nature of Transaction	During of Transactions	Amount (Rs. in Lacs)
Mr. Punit Makharia	Managing Director	NA	Salary	01/04/2015 to 31/03/2016	30.00
Mr. Punit Makharia	Managing Director	NA	Loan Taken	01/04/2015 to 31/03/2016	85.66
Mr. Punit Makharia	Managing Director	NA	Loan Repaid	01/04/2015 to 31/03/2016	88.72
Mr. Gautam Makharia	Joint Managing Director	NA	Salary	01/04/2015 to 31/03/2016	30.00
Mr. Gautam Makharia	Joint Managing Director	NA	Loan Taken	01/04/2015 to 31/03/2016	5.05
Mr. Gautam Makharia	Joint Managing Director	NA	Loan Repaid	01/04/2015 to 31/03/2016	11.33
Mr. Ratan Jha	CFO	NA	Salary	01/04/2015 to 31/03/2016	12.30
Mr. Kishan Bhargav	CS	NA	Salary	01/04/2015 to 31/03/2016	3.50
Mrs. Ranjana Makharia	Wife of MD	NA	Salary	01/04/2015 to 31/03/2016	5.28
Mrs. Aradhana Makharia	Wife of JMD	NA	Salary	01/04/2015 to 31/03/2016	5.16
Mrs. Bhanu Makharia	Mother of MD/JMD	Rent Agreement	Rent	01/04/2015 to 31/03/2016	1.80

**For and on behalf of the Board of Directors of
Shree Pushkar Chemicals & Fertilisers Limited**

Sd/-

Punit Makharia

Chairman & Managing Director

DIN: 01430764

Date: 11th July, 2016

Place: Mumbai

ANNEXURE "7"

SECRETARIAL AUDIT REPORT

For the Financial year ended 31st March, 2016*(Pursuant to section 204(1) of the Companies Act, 2013 and the Rule No.9 of the Companies**(Appointment And Remuneration of Managerial Personnel) Rules, 2014)*

To,

The Members of

Shree Pushkar Chemicals & Fertilisers Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Shree Pushkar Chemicals & Fertilisers Limited** (hereinafter called "The Company"). We have conducted Secretarial Audit in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the **Shree Pushkar Chemicals & Fertilisers Limited** (hereinafter called "The Company") books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering for the financial year ended 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extend, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the **Shree Pushkar Chemicals & Fertilisers Limited** (hereinafter called "The Company") for the period covering for the financial year ended 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under
- (iii) The Securities Contracts (Regulation)(Stock Exchanges and Clearing Corporations) Regulations, 2012 and Circular dated December 13, 2012 (CIR/MRD/DSA/33/2012) and other Circulars
- (iv) Listing Regulations, 2015
- (v) The Depositories Act, 1996 and the regulations and bye laws framed there under
- (vi) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Director Investment and External Commercial Borrowings, as applicable;
- (vii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act)
 - a) SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) SEBI (Prohibition of Insider Trading) Regulations, 1992;
 - c) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (vii) Other specifically applicable laws to the Company during the period under review;
 - (i) Income Tax Act, 1961;
 - (ii) Chapter V of the Finance Act, 1994 (Service Tax);
 - (iii) Indian Stamp Act, 1899;
 - (iv) Indian Contract Act, 1872;
 - (v) Negotiable Instrument Act, 1881;
 - (vi) Information Technology Act, 2000;
 - (vii) The Factories Act, 1948;
 - (viii) Payment of Wages Act, 1936;
 - (ix) Employees' State Insurance Act, 1948;

- (x) Employees (Provident Funds and Miscellaneous Provisions) Act, 1952;
- (xi) Payment of Bonus Act, 1965;
- (xii) Payment of Gratuity Act, 1972;
- (xiii) Contract Labour (Regulation & Abolition) Act, 1970;
- (xiv) The Employees' Compensation Act, 1923 (Earlier known as Workmen's Compensation Act, 1923);
- (xv) Equal Remuneration Act, 1976;
- (xvi) The Employment Exchange (Company Notification of Vacancies) Act, 1956;
- (xvii) The Industrial Employment (Standing Orders) Act, 1946;
- (xviii) The Maternity Benefit Act, 1961;
- (xix) Environment Protection Act, 1986;
- (xx) Water (Prevention and Control of Pollution) Act, 1974;
- (xxi) Water (Prevention and Control of Pollution) Cess Act, 1977;
- (xxii) Air (Prevention and Control of Pollution) Act, 1981;
- (xxiii) Hazardous Waste (Management and Handling) Rules, 1999;
- (xxiv) The Explosive Act, 1884;
- (xxv) The Indian Boilers Act, 1923;
- (xxvi) Service Tax;
- (xxvii) Provident Fund;
- (xxviii) Professional Tax;
- (xxix) Tax Deducted at Source;
- (xxx) Securities Transaction Tax;
- (xxxi) Maharashtra Labour Welfare Fund;
- (xxxii) Value Added Tax(VAT) & Central Sales Tax(CST);
- (xxxiii) Employee State Insurance Act;
- (xxxiv) Limitation Act, 1963;
- (xxxv) Transfer of Property Act, 1882;
- (xxxvi) Energy Conservation Act, 2001;
- (xxxvii) Right to Information Act, 2005;
- (xxxviii) Trade Marks Act, 1999;
- (xxxix) Patents Act, 1970;
- (xl) Copyright Act, 1957;
- (xli) Design Act, 2000;
- (xlii) Insurance Act, 1938;
- (xliii) Foreign Trade And Regulation Act, 1992;
- (xliv) Legal Metrology Act, 2009;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Listing Regulations, 2015 issued by SEBI.

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

We further report that

The Board of Directors of the Company consists of sufficient number of Independent Directors, Managing Director etc. as required under the Act and Regulations. There are no changes in the composition of the Board of Directors of the Company during the financial year under review.

Adequate notice is given to all directors to of schedule of the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the agenda

items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through majority members while the dissenting members' views were captured and recorded as part of the minutes.

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

We further report that during the year the Company has:

1. Issued 769,235 Equity Shares on a private placement basis, before coming out with an Initial Public Offer;
2. Issued 8,742,611 Equity Shares through Initial Public Offer and 20,26,589 Equity Shares as Offer for sale which were offer by investor members of the Company in IPO.

***For DSM & Associates,
Company Secretaries***

Sd/-

CS Sanam Umbargikar

Partner

M.No.26141.

COP No.9394.

Date: 11th July, 2016.

Place: Mumbai.

Annexure – I:

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

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

**For DSM & Associates,
Company Secretaries**

**Sd/-
CS Sanam Umbargikar
Partner
M.No.26141.
COP No.9394.**

Date: 11th July, 2016.

Place: Mumbai.

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2016, in terms of Regulation 34(3) read with schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation").

1. Company's Philosophy on Code of Governance:

Your Company is fully committed to the principles of transparency, integrity and accountability in all spheres of its operations and has been practicing the principles of good corporate governance over the years. In keeping with this commitment, your Company has been upholding fair and ethical business and corporate practices and transparency in its dealings and continuously endeavors to review strengthen and upgrade its systems and procedures so as to bring in transparency and efficiency in its various business segments.

The Company continues to focus its resources, strengths and strategies to achieve the vision of becoming a leader in Chemicals and Fertilisers while upholding the core values of Quality, Trust, Leadership and Excellence.

A Report on compliance with the principles of Corporate Governance as prescribed by The Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of Listing Regulation is given below:

2. Mechanism for evaluating Board Members:

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations the Board has carried out an annual evaluation of its own performance, all the Directors individually and the working of its committees.

The Nomination and Remuneration Committee (N & R Committee) has laid down the Criteria for Appointment of Non-Executive Directors & Independent Directors as follows:

- a. The Non-Executive Directors shall be of high integrity with relevant expertise and experience in their respective field.
- b. In case of appointment of Independent Directors, the Nomination and Remuneration committee shall satisfy itself with regard to the Independent nature of the Directors so as to enable the Board to discharge its function and duties effectively.
- c. The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under section 164 of the Companies Act 2013.
- d. The N&R Committee shall consider the following attributes/ criteria, whilst recommending to the Board the candidature for appointment as Non-Executive Director. i) Qualification, experience and expertise of the Non-Executive Directors in their respective fields; ii) Personal, professional or business ethics; iii) Diversity of the Board.

The Board and the N&R Committee reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of Independent Directors, performance of non-Independent Directors, performance of the Board as whole evaluated, taking into account the views of executive Directors and non-executive Directors. The same was discussed in the board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its committees and individual Directors was also discussed.

3. Board of Directors:

The Board is broad-based and consists of eminent individuals from industry, management, technical, financial, and banking background. The Company is managed by the Board of Directors in coordination with the Senior Management team. The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with statutory as well as business requirements.

The Company has a judicious mix of Executive and Non- Executive Directors. As on March 31, 2016, the Board comprised of 6 (Six) Directors out of which 2 (two) are Executive Directors, 3 (three) are Independent Directors and 1 (One) is Nominee Directors. During the year the board of directors met nine times as follows: 5th May, 2015, 24th July, 2015, 29th August, 2015, 7th August, 2015, 10th August, 2015, 5th September, 2015, 6th November, 2015, 29th January, 2016, and 15th March, 2016.

The Chairman of the Board is an Executive Director. The details of each member of the Board alongwith the number of Directorship/Committee Membership are as given below:

Sr. No	Name of Directors	Category of Directors	No. of Board Meetings attended during year	Whether attended last AGM	Number of other Directorship	No. of membership of Committees in other Public Ltd Companies
1	Mr. Punit Makharia	Executive Director	8	Yes	-	Nil
2	Mr. Gautam Makharia	Executive Director	9	Yes	-	Nil
3	Mr. Nirmal Kedia	Independent Director	8	No	2	Nil
4	Mr. Dinesh Modi	Independent Director	9	No	5	8
5	Mr. Ramakant Nayak	Independent Director	9	No	4	6
6	Ms. Poonam Garg	Nominee Director	5	No	4	Nil

Notes:

- Directorships exclude Private Limited Companies, Foreign Companies and Section 8 Companies.
- Chairmanship/Membership of Committee only includes Audit Committee and Stakeholders' Relationships Committee in Indian Public Limited companies other than Shree Pushkar Chemicals & Fertilisers Limited. Members of the Board of the Company do not have membership of more than ten Board-level Committees or Chairperson of more than five such Committees.
- None of the directors are related to each other except Mr. Punit Makharia and Mr. Gautam Makharia are related to each other.
- Details of Director(s) retiring or being re-appointed are given in notice to Annual General Meeting.
- Brief profile of each of the above Directors is available on the Company's website:

4. Particulars of appointed & re-appointed Directors:

In accordance with the requirements of the Companies Act, 2013 and Article of Association of the Company Mr. Punit Makharia and Mr. Gautam Makharia are liable to retire by rotation and being eligible for offer themselves for re-appointment. The Board of Directors recommends their re-appointment.

1. Name	Punit Makharia	Gautam Makharia
2. Brief Resume		
Age	46	43
Qualification	B.com	B.E. MBA
Experience	More than 22 years	More than 15 years
Date of appointment on the Board of the Company	29/03/1993	29/03/1993
3. Nature of expertise in specific functional Areas	He has vided expertise in the field of Finance & Accounts, Marketing, fertilisers and chemicals, Purchases, sales and administration.	He is an expert in the field of Accounts, Banking, Sales., project planning imple-mentation, production, management and control.
4. Name(s) of other Companies in which Directorship held	Nil	Nil
5. Name(s) of other companies in which he is Chairman / Member of the Committee(s)	NIL	Nil
6. No. of shares held of Rs.10/- each	1,23,67,593	43,28,301

5. Audit Committee:**i. Brief Description of Terms of Reference:**

The Audit Committee of the Company is constituted in line with the Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013.

The terms of reference, role and powers of the Audit Committee are as mentioned in Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013 and to review Internal Audit Reports, Statutory Auditors' Report on the financial statements, to generally interact with the Internal Auditors and Statutory Auditors, to review the adequacy of internal control systems, to select and establish accounting policies, to review financial statements before submission to the Board, to recommend the appointment and removal of external auditor and fixation of audit fees and other matters specified under Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

ii. Composition

The Audit Committee comprised of Mr. Ramakant Nayak, Chairman, Mr. Dinesh Modi, and Mr. Punit Makharia as Members. The composition of the Board of Directors is in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the Members of the Audit Committee are financially literate and possess sound knowledge of accounts, audit, finance etc.

iii. Meetings and Attendance during the Year:

During the year under review Audit Committee met by 4 times as follows: 5th May, 2015, 7th August, 2015, 6th November, 2015, and 29th January, 2016. The attendance of members is as follows:

Name	Category	Meeting held during the year	Meeting attended during the year
Mr. Ramakant Nayak	Independent Director	4	4
Mr. Dinesh Modi	Independent Director	4	4
Mr. Punit Makharia	Executive Director	4	3

A brief description of the terms of reference of the Audit Committee are as follows:

To review Internal Audit Reports, Statutory Auditors' Report on the financial statements, to generally interact with the Internal Auditors and Statutory Auditors, to review the adequacy of internal control systems, to select and establish accounting policies, to review financial statements before submission to the Board, to recommend the appointment and removal of external auditor and fixation of audit fees and other matters specified under Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

6. Stakeholder's Relationship Committee (Shareholders' / Investors' Grievance Committee):**(i) Terms of references**

- To scrutinize and approve registration of transfer of shares / debentures / warrants issued / to be issued by the Company.
- To exercise all power conferred on the Board of Directors under Article 43 of the Article of Association.
- To decide all questions and matters that may arise in regard to transmission of shares / debentures / warrants issued / to be issued by the Company.
- To approve and issue duplicate shares / debentures / warrants certificates in lieu of those reported lost,
- To refer to the Board any proposal of refusal of registration of transfer of shares / debentures / warrants for their consideration.
- To look into shareholders and investors complaints like transfer of shares, non-receipt of declared dividends, etc., and
- To delegate all or any of its power of Officers / Authorized Signatories of the Company.

(ii) Composition

The details of meetings of Stakeholders' Relationship Committee during the year are as follows:

Name	Category	Meeting held during the year	Meeting attended during the year
Mr. Dinesh Modi	Non-Executive Independent Director	4	4
Mr. Ramakant Nayak	Executive Director	4	4
Mr. Nirmal Kedia	Independent Director	4	4

The constitution and terms of reference of the Stakeholder's Relationship Committee is as per the agreement with the guidelines prescribed under Regulation 20 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This committee:

- approves and monitors transfers, transmission, splitting and consolidation of securities and issue of duplicate Certificates by the Company;
- looks into various issues relating to shareholders, including the redressal of shareholders' and investors' complaints like transfer of shares, non-receipt of Balance Sheet, dividend etc.; and
- carries out the functions envisaged under the Code of Conduct for Prevention of Insider Trading adopted in terms of SEBI (Prohibition of Insider Trading) Regulations, 2015.

During the year board was designated Mr. Kishan Bhargav, as the Compliance Officer. Then after Mr. Satish Chavan would replaced him as Compliance Officer.

The total number of complaints received and replied to the satisfaction of the shareholders during the year is as follows:-

No. of shareholders' complaints received during the year	:	Nil
No. of complaints not resolved to the satisfaction of shareholders	:	Nil
No. of pending share transfers	:	Nil
No. of Complaints Resolved	:	Nil

7. Nomination & Remuneration Committee

The Nomination & Remuneration Committee comprised of Mr. Nirmal Kedia, Mr. Ramakant Nayak and Mr. Dinesh Modi. The Committee didn't meet during the year. The constitution and terms of reference of the Nomination & Remuneration Committee is as per regulations of the SEBI (Listing Obligation Disclosure Requirements) Regulations, 2015.

This committee:

- Recommends to the board set up and composition of the board and its committees
- Recommends to the board the appointment or reappointment of Directors.
- Carry out evaluation of every Director's performance and support the board in evaluation of the performance of the board, its committees and Independent Directors and
- Provide guidelines for remuneration of Directors.

8. GENERAL BODY MEETINGS:**(i) Location and time where last three Annual General Meetings were held:**

Financial Year	Date	Time	Location
2014 – 2015	7/5/2015	4:30 p.m.	Hotel Suba Galaxy, N S Phadke Road, Off Western Express Highway, Andheri East, Mumbai 400069
2013 - 2014	28/7/2014	4.00 p.m.	202, A Wing, Bulding No.3, Rahul Mittal Industrial Estate, Sir M V Road, Andheri (E), Mumbai-400059
2012 – 2013	30/9/2013	4.00 p.m.	202, A Wing, Bulding No.3, Rahul Mittal Industrial Estate, Sir M V Road, Andheri (E), Mumbai-400059.

(ii) Special Resolution passed in previous three Annual General Meetings:

Sr. No.	Date of Annual General Meeting	Special Resolution
1.	28/07/2014	Increase in the Authorised Share Capital of the Company & Alteration of Clause V of the Memorandum of Association of the Company.
2.		Further Issue Capital
		Adoption of new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013
3.	30/09/2013	Further Issue Capital

(iii) Special Resolution proposed to be conducted through Postal Ballot: NIL**9. OTHER DISCLOSURES:****(a) Related Party Transactions:**

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

None of the transactions with any of the related parties were in conflict with the interest of the Company at large.

(b) Disclosure of Accounting Treatment:

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

(c) Disclosures on Risk Management:

During the year under review, a detailed exercise on Business Risk Management was carried out covering the entire spectrum of business operations by the Management Committee and the Executive Board has been informed about the risk assessment and minimization procedures as required under Listing Regulations. The Company has framed the Risk Assessment and Minimization- Procedure which will be periodically reviewed by the Board.

(d) Details of non-compliance:

Since the company has been listed from 10th of September, 2015, we confirm that Company has complied with all requirements specified under listing regulations as well as other regulations and guidance of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or Stock Exchanges or any Statutory Authority for non-compliance of any matter related to the capital markets during the last three years.

(e) Vigil Mechanism / Whistle Blower Policy:

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulation, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website viz. <http://www.shreepushkar.com>.

(f) Adoption of Non Mandatory Requirements:

Adoption of non-mandatory requirements of Listing Regulation is being reviewed by the Board from time-to time.

Note: web link <http://www.shreepushkar.com/investor.html> for policy on dealing with related party transactions.

10. REMUNERATION OF NON- EXECUTIVE DIRECTORS:

Details of remuneration paid to Non Executive Directors

Sr. No.	Name of the Director	Category	Remuneration/ Sitting Fees paid per annum
1.	Ramakant Nayak	Independent-Non Executive Director	Rs.25,000/-
2.	Dinesh Modi	Independent-Non Executive Director	Rs.29,000/-
3.	Nirmal Kedia	Independent-Non Executive Director	NIL

Note: Other than sitting fees company does not have any pecuniary transactions/relationship with non-executive directors during the year. There are no criteria fixed for payment.

11. MEANS OF COMMUNICATION:**I. Quarterly Results:**

The quarterly and yearly financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board.

II. Website:

Financial results, Annual Reports, other disclosure are updated on the website of the Company.

III. Official News Releases:

The Company displays official news releases as and when the situation arises.

IV. Presentations:

The Company makes Investor Presentation, Earning Call, presentation to institutional investors or the analysts when found appropriate.

12. GENERAL SHAREHOLDER INFORMATION:**(a) AGM DATE, TIME AND VENUE:**

Annual General Meeting will be held on Wednesday 10th August, 2016 at 3.00 p.m. at Brijwasi Palace Hall, Brijwasi Estate, Sonawala Road, Goregaon (East), Mumbai – 400063

(b) FINANCIAL YEAR:

The Financial Year is from 1st April 2015 to 31st March 2016.

Tentative Schedule

Unaudited Results for quarter ending June 30, 2016	Mid of August, 2016
Unaudited Results for quarter ending September 30, 2016	End of October 2016
Unaudited Results for quarter ending December 31, 2016	End of January 2017
Audited Results for year ending March 31, 2017	End of July 2017
AGM for year ending March 31, 2017	End of September 2017

(c) BOOK CLOSURE PERIOD: Wednesday, the 3rd August, 2016 to the Wednesday the 10th August, 2016 (both days are inclusive)

(d) DIVIDEND PAYMENT: The Company has not declared any dividend, except interim dividend which was announced on 15th March, 2016.

(e) STOCK EXCHANGES WHERE SECURITIES ARE LISTED:

Name of the Stock Exchange (Equity Shares)	Stock Code/Symbol	Address
BSE Limited	539008/SHREEPUSHK	Phiroze Jeejeebhoy Towers, Dalal Street Mumbai- 400001
National Stock Exchange of India Ltd	SHREEPUSHK	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051

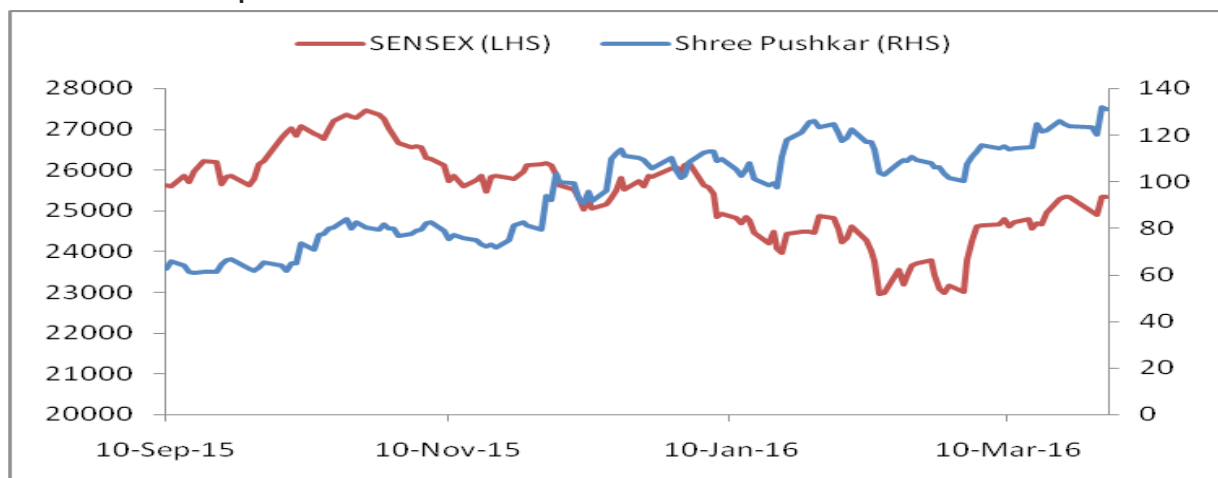
The Listing fees have been paid for the current financial year on time to both stock exchanges.

(f) STOCK MARKET DATA:

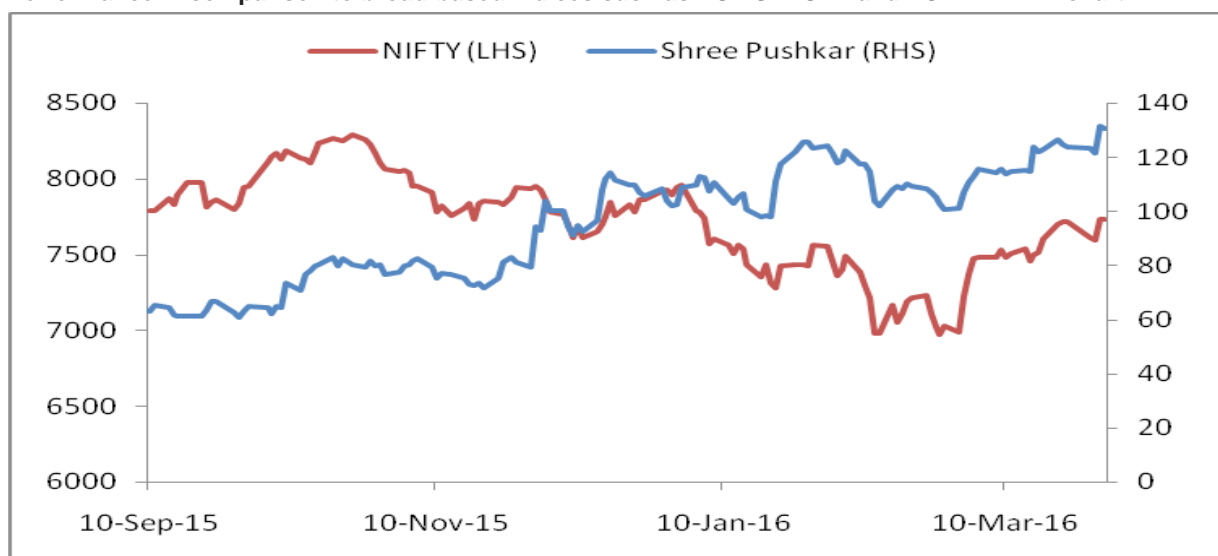
BSE			NSE		
Month	High	Low	Month	High	Low
Sep-15	67.65	59.00	Sep-15	67.50	58.60
Oct-15	84.80	60.50	Oct-15	84.70	61.60
Nov-15	87.50	71.40	Nov-15	87.30	71.60
Dec-15	119.00	79.00	Dec-15	118.90	79.00
Jan-16	129.40	92.90	Jan-16	129.40	93.00
Feb-16	129.50	97.10	Feb-16	129.90	96.45

Mar-16	137.20	99.30	Mar-16	136.8	100.25
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Performance in comparison to broad-based indices such as BSE SENSEX in chart:



Performance in comparison to broad-based indices such as BSE SENSEX and NSE NIFTY in chart:



(g) REGISTRAR AND TRANSFER AGENT:

Name of Registrar And Share Transfer Agent	:	Bigshare Services Private Limited
Address	:	E-2&3, Ansa Industrial Estate, Saki -Vihar Road, Sakinaka, Andheri East, Mumbai – 400 072
Tel. No.	:	91-22-40430200
Email Id	:	investor@bigshareonline.com

(h) SHARE TRANSFER SYSTEM WITH NUMBER OF SHARES TRANSFERRED:

The transfer of shares in physical form is processed and completed by Registrar & Transfer Agent within a period of seven days from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the Listing Regulation, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

(i) DEMATERIALIZATION OF SHARES AND LIQUIDITY: Yes

(j) OUTSTANDING GDRS/ WARRANTS, CONVERTIBLE BONDS, CONVERSION DATE AND ITS IMPACT ON EQUITY: Nil

(k) DISTRIBUTION OF SHAREHOLDING AND SHAREHOLDING PATTERN AS ON 31ST MARCH, 2016:**(i) Distribution of Shareholding as on 31st March, 2016:**

Share holding	No. of Shareholders	%	No of Shares	% of Shareholding
001 – 500	5136	80.2375	903884	2.9911
501 – 1000	492	7.6863	4018510	1.3298
1001 – 2000	228	3.5619	355802	1.1774
2001 – 3000	176	2.7496	438122	1.4498
3001 – 4000	84	1.3123	296826	0.9822
4001- 5000	63	0.9842	294572	0.9748
5001-10000	111	1.7341	779759	2.5803
10001 to Above	111	1.7341	26748619	88.5146

(ii) Shareholding pattern as at 31st March, 2016:

Category	No. of Shares held	% of Total Shares
(I) Promoter Group	18214170	60.27
(II) Public Shareholding Institutions		
Mutual Funds and UTI	2752703	9.11
Banks & Financial institution & Insurance Companies etc	8030	0.03
FII'S	1320058	4.37
Non-Institutions		
Corporate Bodies	2335892	7.73
Individual Public		
(Capital Upto To Rs. 1 lakh)	3029144	10.02
(Capital Greater Than Rs. 1 Lakh)	1455790	4.82
Trusts	487679	1.61
Clearing Member	396789	1.31
NRIs	183017	0.61
OVERSEAS BODIES CORPORATES	36163	0.12
Total Public Shareholding	12005265	39.73
(III) Shares held by Custodians and against which Depository Receipts have been issued	0	0
Grand Total	30219435	100

(l) PLANT LOCATIONS: FACTORY –

Sr. No.	Unit No.	Location
1.	Unit No. I	B -102/103, MIDC Lote Parshuram, Taluka Khed, Dist. Ratnagiri, Maharashtra, India.
2.	Unit No. II	D-25, MIDC Lote Parshuram, Taluka Khed, Dist. Ratnagiri, Maharashtra, India.
3.	Unit No. III	B-97, MIDC Lote Parshuram, Taluka Khed, Dist. Ratnagiri, Maharashtra, India.
4.	Unit No. IV	D-18, MIDC Lote Parshuram, Taluka Khed, Dist. Ratnagiri, Maharashtra, India.

(m) ADDRESS FOR CORRESPONDENCE:

The Company's Registered Office is situated at:

Regd off: 202, A Wing, Bldg. No. 3, Rahul Mittal Industrial Estate, Sir M. V. Road, Andheri (E), Mumbai - 400 059,

Email: info@shreepushkar.com

13. CODE OF CONDUCT:

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company which is posted on the website of the Company. All Board Members and Senior Management Personnel have affirmed compliance with the Code on an annual basis. A declaration to this effect signed by the Chairman Forms part of this Report.

14. WHISTLE BLOWER POLICY:

The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees wishing to raise a concern about serious irregularities within the Company. The policy neither releases employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.

The Executive Director of the Company has the right to amend or modify this Policy in whole or in part, at any time without assigning any reason, whatsoever.

DECLARATIONS

Compliance with the Code of Business Conduct and Ethics As provided under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Shree Pushkar Chemicals & Fertilisers Limited Code of Business Conduct and Ethics for the year ended March 31, 2016.

For Shree Pushkar Chemicals & Fertilisers Limited

Sd/-

Punit Makharia

Chairman and Managing Director

Date: 11th July, 2016.

Place: Mumbai.

CEO / CFO CERTIFICATION

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Shree Pushkar Chemicals & Fertilisers Limited ("the Company") to the best of our knowledge and belief certify that:

- a. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2016 and that to the best of our knowledge and belief, we state that:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violation of the Company's code of conduct.
- c. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee:
 - i. significant changes, if any, in internal control over financial reporting during the year;
 - ii. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

For Shree Pushkar Chemicals & Fertilisers Limited**Sd/-****Punit Makharia**

Chairman and Managing Director

Date: 11th July, 2016.

Place: Mumbai.

Sd/-**Ratan Jha**

Chief Financial Officer

PRACTICING COMPANY SECRETARY'S CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of Shree Pushkar Chemicals & Fertilisers Limited

We have examined the compliance of conditions of Corporate Governance by Shree Pushkar Chemicals & Fertilisers Limited, for the year ended March 31, 2016 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015).

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Company Secretaries of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of 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 SEBI Listing Regulations, 2015.

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

**For DSM & Associates,
Company Secretaries**

Sd/-

CS Sanam Umbargikar

Partner

M.No.: 26141.

COP No.9394.

Date: 11th July, 2016.

Place: Mumbai.

INDEPENDENT AUDITORS' REPORT

To the Members of Shree Pushkar Chemicals & Fertilisers Limited,

Report on the Financial Statements

1. We have audited the accompanying financial statements of Shree Pushkar Chemicals & Fertilisers Limited (the 'Company'), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made there under including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. 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

8. In our opinion, and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.

Other Matter

9. The financial statements of the Company for the year ended March 31, 2015, were audited by another firm of chartered accountants under the Companies Act, 2013 who, vide their report dated May 4, 2015, expressed an unmodified opinion on those financial statements. Our opinion is not qualified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

10. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164(2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statement - Refer Note 29.
 - (ii) The Company did not have any long-term contracts including derivative contracts as at March 31, 2016;
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2016.

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

Arun Poddar
Partner
Membership Number: 134572

Place: Mumbai

Date: May 27, 2016

Annexure A to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Shree Pushkar Chemicals and Fertilisers Limited on the financial statements for the year ended March 31, 2016.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Shree Pushkar Chemicals & Fertilisers Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

Arun Poddar
Partner
Membership Number: 134572

Place: Mumbai

Date: May 27, 2016

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Shree Pushkar Chemicals & Fertilisers Limited on the financial statements as of and for the yearended March 31, 2016

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, no physical verification was carried out by the Management during the year. Accordingly, the discrepancies, if any, could not be ascertained and therefore, we are unable to comment on whether the discrepancies, if any, have been properly dealt with in the books of account.
- (c) The title deeds of immovable properties, as disclosed in Note 13 on fixed assets to the financial statements, are held in the name of the Company.
- ii. The physical verification of inventory excluding stock in transit have been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of account.
- iii. The Company has not granted any loan, secured or unsecured loans to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of the Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products.
We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues, including provident fund, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of service tax, duty of customs, duty of excise, and cess which have not been deposited on account of any dispute. The particulars of dues of income-tax, sales tax and value added tax as at March 31, 2016 which have not been deposited on account of a dispute are as follows:

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Central Sales Tax Act, 1956	Central Sales Tax including interest	203,340	2005-06	The Deputy Commissioner of Sales Tax (Appeals)
Central Sales Tax Act, 1956	Central Sales Tax including interest	6,288,562	2006-07	The Deputy Commissioner of Sales Tax (Appeals)
MVAT Act, 2002	Value added Tax including interest	991,721	2005-06	The Deputy Commissioner of Sales Tax (Appeals)
MVAT Act, 2002	Value added Tax including interest	3,999,077	2006-07	The Deputy Commissioner of Sales Tax (Appeals)
Income Tax Act, 1961	Income Tax demand	3,633,540	AY 2009-10	The Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax demand	606,162	AY 2010-11	The Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax demand	4,121,440	AY 2012-13	The Assistant Commissioner of Income Tax

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank as at the balance sheet date. The Company does not have any loans from Government, nor has it issued any debentures as at the balance sheet date.
- ix. In our opinion, and according to the information and explanations given to us, the money raised by way of initial public offer and term loans were applied for the purposes for which those are raised except un-utilized balance in respect of net proceeds from initial public offer as at Balance sheet date, which is kept in fixed deposit for future utilisation.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of the related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, "Related Party Disclosures" specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has made a private placement of equity shares during the year under review, in compliance with the requirements of Section 42 of the Act. The amounts raised have been used for the purpose for which funds were raised except un-utilized balance as at Balance sheet date, which is kept in fixed deposit for future utilisation.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the order are not applicable to the Company.

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

Arun Poddar
Partner
Membership Number: 134572

Place: Mumbai

Date: May 27, 2016

BALANCE SHEET AS AT MARCH 31, 2016

(Rs. Lacs)

	Particulars	Note No.	As at March 31, 2016		As at March 31, 2015	
I	EQUITY AND LIABILITIES					
	1. Shareholders' funds					
	Share Capital	3	3,021.94		2,070.76	
	Reserves and Surplus	4	13,291.39		6,745.52	
				16,313.33		8,816.28
	2. Non - Current Liabilities					
	Long-term Borrowings	5	7.54		15.64	
	Deferred Tax Liabilities (Net)	6	536.79		374.83	
	Other Long term Liabilities	7	12.35		11.10	
	Long-term Provisions	8	15.97		-	
				572.65		401.57
	3. Current Liabilities					
	Short-term Borrowings	9	1,740.96		2,456.32	
	Trade Payables	10	2,104.11		989.91	
	Other Current Liabilities	11	854.15		798.64	
	Short-term Provisions	12	602.62		518.93	
				5,301.84		4,763.80
	TOTAL			22,187.82		13,981.65
II	ASSETS					
	1. Non - Current Assets					
	Fixed Assets					
	Tangible Assets	13	8,420.53		5,979.92	
	Capital Work-in-Progress		1,086.03		931.54	
	Non-current Investments	14	5.10		5.10	
	Long-term Loan & Advances	15	980.99		122.87	
	Other Non-current Assets	16	100.70		101.62	
				10,593.35		7,141.05
	2. Current Assets					
	Inventories	17	2,449.63		3,164.41	
	Trade Receivables	18	4,392.26		2,895.98	
	Cash and Cash Equivalents	19	4,176.70		325.74	
	Short-term Loans & Advances	20	384.91		349.83	
	Other Current Assets	21	190.97		104.64	
				11,594.47		6,840.60
	TOTAL			22,187.82		13,981.65

The Notes referred are an integral part of these financial statements.

This is the Balance Sheet referred to in our report of the even date.

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

For and on behalf of the Board of Directors

Arun Poddar
Partner
Membership Number: 134572

Punit Makharia
Chairman & Managing Director
DIN Number: 01430764

Gautam Makharia
Joint Managing Director
DIN Number: 01354843

Place: Mumbai
Date: May 27, 2016

Ratan Jha
Chief Financial Officer
Place: Mumbai
Date: May 27, 2016

Kishan Bhargav
Company Secretary
Place: Mumbai
Date: May 27, 2016

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016**(Rs. Lacs)**

	Particulars	Note No.	For the year ended March 31, 2016		For the year ended March 31, 2015	
I	<u>REVENUE</u>					
	Gross Revenue from Operations	22	25,960.23		27,769.00	
	Less: Excise Duty		(1,090.00)		(1,117.00)	
	Net Revenue from Operations		24,870.23		26,652.00	
	Other Income	23	253.71		29.41	
	Total Revenue			25,123.94		26,681.41
II	<u>EXPENSES</u>					
	Cost of Material Consumed	24	16,621.06		16,683.38	
	Changes in Inventories of Finished Goods & WIP	25	907.83		2,862.13	
	Employee Benefit Expenses	26	1,017.31		910.88	
	Depreciation and Amortization	13	380.16		362.47	
	Finance Costs	27	197.26		542.12	
	Other Expenses	28	3,087.07		3,040.69	
	Total Expenses			22,210.69		24,401.67
III	Profit Before Tax (I - II)			2,913.25		2,279.74
IV	Tax Expenses					
	Current Tax		622.50		477.84	
	Less: MAT Credit Entitlement		(100.70)		-	
	Deferred Tax		161.96		(63.12)	
				683.76		414.72
V	Profit for the Year			2,229.49		1,865.02
VI	Earnings Per Equity Share (Face Value Rs. 10 Per Share):	31				
	Basic and diluted (Rs.)			8.51		9.01

The Notes referred are an integral part of these financial statements.

This is the Statement of Profit and Loss referred to in our report of the even date.

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

For and on behalf of the Board of Directors

Arun Poddar
Partner
Membership Number: 134572

Punit Makharia
Chairman & Managing Director
DIN Number: 01430764

Gautam Makharia
Joint Managing Director
DIN Number: 01354843

Place: Mumbai
Date: May 27, 2016

Ratan Jha
Chief Financial Officer
Place: Mumbai
Date: May 27, 2016

Kishan Bhargav
Company Secretary
Place: Mumbai
Date: May 27, 2016

Cash Flow Statement for the year ended 31st March, 2016

Particulars	(Rs. Lacs)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
A. Cash Flow from Operating Activities		
Net profit before tax	2,913.25	2,279.74
Adjustments:		
Depreciation and amortisation	380.16	362.47
Finance costs	197.26	542.12
Interest Income	(249.39)	(21.84)
Profit on sale of Fixed Assets	(2.12)	-
Dividend Received	-	(0.75)
	3,239.16	3,161.74
Adjustment for change in Working Capital		
Decrease/(Increase) in Inventories	714.78	2,850.35
Decrease/(Increase) in Trade receivables	(1,496.28)	39.31
Increase / (Decrease) in Trade Payables	1,114.20	331.96
Increase / (Decrease) in Other Long-Term Liabilities	1.25	(249.40)
Increase / (Decrease) in Other Current Liabilities	(125.67)	(390.44)
Decrease/(Increase) in Other Current Assets	(86.33)	20.21
Increase / (Decrease) in Long Term Provisions	15.97	-
Increase / (Decrease) in Short Term Provisions	1.75	-
Decrease/(Increase) in Long term Loans and Advances	(60.90)	5.53
Decrease/(Increase) in Short term Loans and Advances	(35.08)	(112.30)
Cash Generated From Operations	3,282.85	5,656.96
Income taxes paid	(540.56)	(538.04)
Net cash flow from operating activities (A)	2,742.29	5,118.92
B. Cash Flow from Investing Activities		
Purchase or construction of fixed assets (including capital work-in-progress and capital advances)	(3,563.36)	(909.96)
(Investment in)/ realisation of Fixed Deposits and Margin Money	(3,879.13)	168.84
Proceeds from sale of fixed assets	3.01	-
Profit on sale of Fixed Assets	-	-
Interest Income received	249.39	21.84
Dividend Received	-	0.75
Net Cash used in Investing Activities (B)	(7,190.09)	(718.53)
C. Cash Flow from Financing Activities		
Proceeds from issues of share capital (including security premium)	6,182.70	-
Increase / (Decrease) in Short term Borrowings	(715.36)	(2,519.73)
Proceeds from/ (Repayment of) Long-Term Borrowings (net)	(36.95)	(1,242.45)
Share Issue Expenses	(449.81)	(62.86)
Dividend Paid (Including Dividend Distribution Tax)	(363.43)	-
Finance costs	(197.52)	(556.12)
Net Cash from Financing Activities (C)	4,419.63	(4,381.16)
Net cash Increase/(decrease) in cash and cash equivalents (A+B+C)	(28.17)	19.23
Cash and cash equivalents at the beginning of the year	58.74	39.51
Cash and cash equivalents at the end of the year	30.57	58.74
Net cash Increase/(decrease) in cash and cash equivalent	(28.17)	19.23

Note:

The above Cash Flow Statement has been prepared under Indirect method as set out in Accounting Standard 3 (AS 3) 'Cash Flow Statement'.

This is the Cash Flow Statement referred to in our report of the even date.

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

For and on behalf of the Board of Directors

Arun Poddar
Partner
Membership Number: 134572

Punit Makharia
Chairman & Managing Director
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Gautam Makharia
Joint Managing Director
DIN Number: 01354843

Place: Mumbai
Date: May 27, 2016

Ratan Jha
Chief Financial Officer
Place: Mumbai
Date: May 27, 2016

Kishan Bhargav
Company Secretary
Place: Mumbai
Date: May 27, 2016

SHREE PUSHKAR CHEMICALS AND FERTILISERS LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016****NOTE 1 : COMPANY OVERVIEW**

Shree Pushkar Chemicals & Fertilisers Limited (the "Company") is a Public Limited Company domiciled in India and incorporated on March 29, 1993 under the provisions of Companies Act, 1956. The Company is engaged in the business of manufacturing and trading of Chemicals, Dyes and Dyes Intermediate, Cattle Feeds, Fertilisers and Soil Conditioner.

NOTE 2 : SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**A. Basis of preparation of financial statements**

These financial statements have been prepared to comply with the Accounting Standards referred to in the Companies (Accounting Standards) Rules, 2006 notified by the Central Government in exercise of the power conferred under sub-section (1) (a) of section 642 and the relevant provisions of the Companies Act, 1956 read with the Rule 7 of Companies (Accounts) Rules, 2014 in respect of section 133 of the Companies Act, 2013 (the "Act"). The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company unless otherwise stated.

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 Schedule III to the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

B. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimated are recognized in the period in which the results are known / materialized.

C. Fixed Assets

Tangible Fixed Assets are stated at actual cost of acquisition amounts, less accumulated depreciation and impairment loss, if any. The cost of an item is its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Item of tangible fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Tangible fixed assets under construction are disclosed as capital work-in-progress. Assets under installation/ commissioning are shown under Capital Work-in-Progress in last year are capitalised and commissioned during the year for which installation certificate has been obtained.

Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

D. Depreciation

Depreciation on Tangible Fixed Assets, upto the end of previous financial year i.e. upto March 31, 2014, was provided on "Straight Line Method" at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956. Freehold land is not depreciated.

With the applicability of Companies Act, 2013 with effect from April 1, 2014, depreciation / amortisation is provided on the Straight Line Method (SLM) unless otherwise mentioned, pro-rata to the period of use of assets, based on the useful lives as specified in Part C of Schedule II to the Companies Act, 2013.

As per the provisions of Note 7 of Para C of Schedule II of the Companies Act, 2013, the carrying amount of the existing assets as on April 1, 2014:

- will be depreciated over the remaining useful life of the asset as per this Schedule
- in cases where the remaining useful life of an asset is nil, the residual value has been transferred to the retained earnings.

Depreciation on additions/ deletions to fixed assets is calculated pro-rata from/ up to the date of such additions/ deletions. Assets individually costing Rs. 5,000 or less are fully depreciated in the year of purchase.

E. Recognition of Income

Revenue from sale of goods is recognized net of rebates and discounts on transfer of significant risks and rewards of ownership to the buyer. Sale of goods is recognized gross of excise duty but net of sales tax and value added tax.

F. Other Income

Dividend income is recognised when the right to receive payment is established.

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

G. Impairment of Fixed Assets

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/ cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

H. Investments

Investments are classified into long term investments and current investments. Investments which are intended to be held for one year or more are classified as long term investments and investments which are intended to be held for less than one year are classified as current investments. Long term investments are carried at cost less other than any temporary diminution in value, determined separately for each investment. Current investments are carried at lower of cost or fair value. The comparison of cost and fair value is done separately in respect of each category of investment.

I. Inventories

- (a) Inventories are stated at lower of cost and net realisable value. Cost is determined on First-In-First-Out (FIFO) basis. Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.
- (b) Cost of raw materials, packing material, stores and spares and consumables are determined on First-In-First-Out (FIFO) basis. Cost of work-in-progress and finished goods comprises of raw material, direct labor, other direct costs and related production overheads. Net realisable value is the estimate of the selling price in the ordinary course of the business, less the estimated costs of completion and the estimated costs necessary to make the sale.

J. Provisions and Contingent Liabilities

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

K. Accounting for Taxation of Income

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the company reassesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and

where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternative Tax (MAT) under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid 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 year for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

L. Foreign Currency Transactions

Foreign currency transactions are recorded at the exchange rates prevailing on the date of such transactions. Monetary assets and liabilities as at the Balance Sheet date are translated at the rates of exchange prevailing at the date of the Balance Sheet. Gains and losses arising on account of differences in foreign exchange rates on settlement/ translation of short-term monetary assets and liabilities are recognized in the Statement of Profit and Loss. Gains and losses arising on account of differences in foreign exchange rates on translation/ settlement of long-term monetary liabilities in so far as they relate to acquisition of a depreciable capital asset are added to/ deducted from the cost of the asset. Non-monetary foreign currency items are carried at cost.

M. Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

N. Leases

As a lessee:

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease.

O. Employee Benefits

Short term benefit payable to employees wholly within twelve months of rendering services such as salaries, wages etc. are recognized in the period in which the employee renders the related service.

Provident Fund

The Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Gratuity

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year/ period. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

The Company has employees' gratuity fund scheme administered by a Trust managed by Life Insurance Corporation of India. The present value of the obligation is determined based on actuarial valuation carried out by Life Insurance Corporation of India using the projected unit credit method based on which the Company pays its contribution to the fund on periodic basis.

P. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

Q. Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

R. Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

S. 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.

T. Excise/ Cenvat

Cenvat credit availed during the year is reduced from purchase cost and related fixed assets and added to cenvat receivable account. The adjustment against excise duty during the year is debited to excise duty paid account and credited to cenvat receivable account. Excise duty payable on finished goods lying at the factory premises at the close of the year is provided in the books as per the excise rules.

U. Pre IPO Expenses

Pre IPO expenses comprises of expenses related to public issue of Equity Shares of the Company. The same is amortized against Securities Premium of the said public issue during the year.

V. Export Incentives

Export Incentives are accounted for on accrual basis to the extent considered receivable.

NOTE 3 : SHARE CAPITAL**(Rs. in Lacs)**

Particulars	As at March 31, 2016	As at March 31, 2015
Authorised Capital		
3,20,00,000 (March 31, 2015: 2,10,00,000) Equity shares of Rs. 10 each	3,200.00	3,200.00
	3,200.00	3,200.00
Issued, Subscribed and Paid up Capital		
3,02,19,435 (March 31, 2015: 2,07,07,589) Equity shares of Rs. 10/- each fully paid up	3,021.94	2,070.76
	3,021.94	2,070.76

(a) Terms / rights attached to equity shares:

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their share holding.

(b) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period**(Nos. and Rs. in Lacs)**

Particulars	As at March 31, 2016		As at March 31, 2015	
	Number of shares	Rs.	Number of shares	Rs.
Balance as at the beginning of the year	207.08	2,070.76	207.08	2,070.76
Add: Shares issued during the year (Pre IPO Allotment)	7.69	76.92	-	-
Add: Shares issued in Initial Public Offer (IPO)	87.43	874.26	-	-
Balance as at the end of the year	302.20	3,021.94	207.08	2,070.76

(c) Details of share held by shareholders holding more than 5% shares of the aggregate shares in the Company.

Name of the Shareholder	As at March 31, 2016		As at March 31, 2015	
	No of shares	% holding	No of shares	% holding
Punit Makharia	1,23,67,593	40.93%	1,23,67,593	59.72%
Gautam Makharia	43,28,301	14.32%	43,28,301	20.90%
IFCI Venture Capital Funds Limited on behalf of IEDF	-	-	24,26,589	11.72%

As per the records of the Company, including its register of the members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownerships of shares.

(d) The Company completed its Initial Public Offering (IPO) pursuant to which 1,07,69,200 equity shares of the Company of Rs.10 each were allotted at a price of Rs. 65 per equity share consisting of a fresh issue of 87,42,611 equity shares and an offer for sale of 20,26,589 equity shares. The equity shares of the Company were listed on The National Stock Exchange of India Limited and BSE Limited on September 10, 2015.

Date of allotment	Number of shares		Amount (Rs.)	
	IPO	Preferential Allotment	Share Capital	Securities Premium
August 10, 2015	-	7,69,235	76,92,350	4,23,07,925
September 5, 2015	87,42,611	-	8,74,26,110	48,08,43,605

NOTE 4 : RESERVES AND SURPLUS**(Rs. in Lacs)**

Particulars	As at March 31, 2016	As at March 31, 2015
Capital Reserve		
Balance at the beginning of the Year	29.23	29.23
Add: Addition during the year	-	-
Balance at the end of the Year	29.23	29.23
Securities Premium		
Balance at the beginning of the Year	966.24	966.24
Add : Received on issue of shares in IPO during the year	5,231.52	-
Less: Amount utilised for share issue expenses (Refer note 40)	(551.43)	-
Balance at the end of the Year	5,646.33	966.24
Surplus in the Statement of Profit and Loss		
Balance at the beginning of the Year	5,750.05	3,293.99
Add : Adjustment on account of carrying amount of fixed assets as at April 1, 2014	-	591.04
Add : Profit for the year	2,229.49	1,865.02
Accumulated Profit	7,979.54	5,750.05
Less : Interim Dividend Paid	(302.19)	-
Less : Dividend Distribution Tax(Interim Dividend)	(61.52)	-
	7,615.83	5,750.05
TOTAL	13,291.39	6,745.52

NOTE 5 : LONG - TERM BORROWINGS**(Rs. in Lacs)**

Particulars	As at March 31, 2016	As at March 31, 2015
Secured Loans		
Term Loans from Banks (Refer note below)	2.02	22.28
Less: Interest on borrowings (disclosed under other current liabilities)	0.02	0.28
Less: Current Maturities of Long-term Debt (disclosed under other current liabilities)	2.00	22.00
	-	-
Vehicles and Equipments Loans From Banks (Refer note below)	21.44	27.02
Vehicles and Equipments Loans From Others (Refer note below)	6.70	17.74
Total Vehicles and Equipments Loans	28.14	44.76
Less: Interest Accrued but not due (disclosed under other current liabilities)	0.33	-
Less: Current Maturities of Long-term Debt (disclosed under other current liabilities)	20.27	29.12
	7.54	15.64
TOTAL	7.54	15.64

Notes:**(a) Nature of security and terms of repayment for Secured Borrowings :**

Nature of Security	Terms of Repayment
Rupee Term loan from State Bank of India amounting to Rs. 2 Lacs (March 31, 2015: Rs. 22 Lacs) secured by way of Equitable mortgage of Factory Land & Building situated at MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra standing in the name of the Company and Hypothecation charge on Plant & Machinery and other movable assets situated at above plants. -Personal guarantee of Mr. Punit Makharia and Mr. Gautam Makharia (Promoter Directors of the Company)	The Principal is repayable in monthly installments of Rs. 2.00 Lacs each. The term loan carry interest rate @ Base Rate + 3.60%.
Rupee Term Loan from ICICI Bank amounting to Rs. 8.68 lacs (March 31, 2015 : Rs. 24.65 lacs) secured by the vehicles purchased from the loan proceedings.	Repayable in 47 monthly instalments, Rate of interest 11.25% p.a.
Rupee Term Loan from HDFC Limited Bank amounting to Rs. Nil (March 31, 2015 : Rs.0.47 lacs) secured by the vehicles purchased from the loan proceedings.	Repayable in 36 monthly instalments, Rate of interest 11% p.a.
Rupee Term Loan from HDFC Bank Limited amounting to Rs. 0.29 lacs (March 31, 2015 : Rs.1.90 lacs) secured by the vehicles purchased from the loan proceedings.	Repayable in 36 monthly instalments, Rate of interest 10.50% p.a.
Rupee Term Loan from Reliance Capital Limited amounting to Rs. Nil (March 31, 2015 : Rs.2.24 lacs) secured by the vehicles purchased from the loan proceedings.	Repayable in 35 monthly instalments, Rate of interest 12.53% p.a.
Rupee Term Loan from Kotak Mahindra Prime Limited amounting to Rs. Nil (March 31, 2015 : Rs.1.44 lacs) secured by the vehicles purchased from the loan proceedings.	Repayable in 35 monthly instalments, Rate of interest 11.64% p.a.
Rupee Term Loan from Volkswagen Finance Private Limited amounting to Rs.6.67 lacs (March 31, 2015 : Rs.14.05 lacs) secured by the vehicles purchased from the loan proceedings.	Repayable in 36 monthly instalments, Rate of interest 10.43% p.a.

Rupee Term Loan from HDFC Bank Limited amounting to Rs.4.11 lacs (March 31, 2015 : Rs.Nil) secured by the vehicles purchased from the loan proceedings.	Repayable in 36 monthly instalments, Rate of interest 10.25% p.a.
Rupee Term Loan from Kotak Mahindra Prime Limited amounting to Rs. 5.10 lacs (March 31, 2015 : Rs.Nil) secured by the vehicles purchased from the loan proceedings.	Repayable in 36 monthly instalments, Rate of interest 10.50% p.a.
Rupee Term Loan from Kotak Mahindra Prime Limited amounting to Rs. 2.96 lacs (March 31, 2015 : Rs.Nil) secured by the vehicles purchased from the loan proceedings.	Repayable in 35 monthly instalments, Rate of interest 10.04% p.a.

NOTE 6 : DEFERRED TAX LIABILITIES (NET)**(Rs. in Lacs)**

Particulars	As at March 31, 2016	As at March 31, 2015
Deferred Tax Liabilities On account of:		
Difference in depreciation on Fixed Assets	542.92	374.83
Less: Deferred Tax Assets On account of:		
Provision for Gratuity	6.13	-
	6.13	-
TOTAL	536.79	374.83

NOTE 7 : OTHER LONG- TERM LIABILITIES**(Rs. in Lacs)**

Particulars	As at March 31, 2016	As at March 31, 2015
Security Deposit From Customers	12.35	11.10
TOTAL	12.35	11.10

NOTE 8 : LONG- TERM PROVISIONS**(Rs. in Lacs)**

Particulars	As at March 31, 2016	As at March 31, 2015
Provision for Employee Benefits:		
Provision for Gratuity	15.97	-
TOTAL	15.97	-

NOTE 9 : SHORT TERM BORROWING**(Rs. in Lacs)**

Particulars	As at March 31, 2016	As at March 31, 2015
<u>Secured Borrowings (Refer notes below)</u>		
Working Capital Loans from Banks (Refer notes below):		
Loans From Banks	726.76	603.26
Acceptances from Banks	1,006.69	1,836.21
<u>Unsecured Borrowings</u>		
Loan from Directors (Interest Free and repayable on demand)	7.51	16.85
TOTAL	1,740.96	2,456.32

Notes:

- 1) Working capital loans from State Bank of India Rs. 1,042.78 Lakh (March 31, 2015: Rs. 1,005.06 Lakh) carries interest rate @ 10.80% p.a. and are secured as under:
 - a) Primary Security:
 - i) Hypothecation of the entire current assets of the company on paripassu basis with SBT and IDBI Bank.
 - b) Collateral Security:
 - i) Equitable mortgage of Factory Land and Building and the asset thereon, both present and future, located at B-97, MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri
 - ii) Equitable mortgage by way of second pari-passu (with SBT & IDBI Bank) on Land & Building of the company located at B-102 located at MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of company.
 - iii) Equitable mortgage by way of second pari-passu (with SBT & IDBI Bank) on Land & Building of the company located at B-103 located at MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of company.
 - iv) Equitable mortgage by way of second pari-passu (with SBT & IDBI Bank) on Land & Building of the company located at D-25 located at MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of company.
 - v) Equitable mortgage on B-97(admeasuring 11951 sq mtrs.) located at MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra, standing in the name of company on first pari passu basis with SBT and IDBI Bank.
- 2) Working capital loans from IDBI Bank Limited Rs. 690.67 Lakh (March 31, 2015: Rs. 1,303.65 Lakh) carries interest rate @ 11.80% p.a. and are secured as under:
 - a) Primary Security:
 - i) Hypothecation of the entire current assets of the company on paripassu basis with SBT and IDBI Bank.
 - b) Collateral Security:
 - i) Equitable mortgage by way of second parri-passu charge(with SBT and SBI) on Land and Building of the company located at B-102 at MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, standing in the name of company.
 - ii) Equitable mortgage by way of second parri-passu charge(with SBT and SBI) on Land and Building of the company located at B-103 at MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, standing in the name of company.
 - iii) Equitable mortgage by way of second parri-passu charge(with SBT and SBI) on Land and Building of the company located at D-25 at MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, standing in the name of company.
 - iv) Hypothecation charge on Plant & Machinery on second pari-passu basis (with SBT & SBI Bank) of the company located at B-102, B-103 and D-25 located at MIDC, Lote Parshuram, Taluka Khed, District Ratnagiri, Maharashtra.
- 3) Working capital loans from State bank of Travankore Rs. 0.002 Lakh (March 31, 2015: Rs. 130.76 Lakh) carries interest rate @ 11.80% p.a. and are secured as under:
 - a) Primary Security:
 - i) Hypothecation of the entire current assets of the company on paripassu basis with SBI and IDBI Bank.

NOTE 10 : TRADE PAYABLES

(Rs. in Lacs)		
Particulars	As at March 31, 2016	As at March 31, 2015
Total outstanding dues of micro enterprises and small enterprises		
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,104.11	989.91
TOTAL	2,104.11	989.91

Note :

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding as at March 31, 2016. This information has been determined on the basis of information available with the Company.

NOTE 11 : OTHER CURRENT LIABILITIES**(Rs. in Lacs)**

Particulars	As at March 31, 2016	As at March 31, 2015
Current Maturities of Long-term Debt (Refer Note 5 (a) above)	22.27	51.12
Interest accrued but not due on borrowings	0.02	0.28
Creditors for Capital Goods	240.53	30.52
Advance from Customers	408.64	562.23
Overdrawn Bank Balances	10.32	6.59
Employee Related Liabilities	60.22	48.42
Provision for excise duty on closing stock of finished goods	46.13	52.05
Interim Dividend Payable	0.28	-
Statutory Dues payable (Including Provident Fund, Tax deducted at Source and Other Indirect Taxes)	65.74	47.43
TOTAL	854.15	798.64

NOTE 12 : SHORT TERM PROVISIONS**(Rs. in Lacs)**

Particulars	As at March 31, 2016	As at March 31, 2015
Provision for Income Tax (Net)	600.87	518.93
Provision for Employee Benefits:		
Provision for Gratuity	1.75	-
TOTAL	602.62	518.93

NOTE 13 : FIXED ASSETS

Description	Gross Block				Depreciation				Net Block	
	As at April 1, 2015	Additions during the year	Deletions/ Adjustments	As at March 31, 2016	Upto March 31, 2015	Charged For the year	Deletions/ Adjustments	As at March 31, 2016	As at March 31, 2016	As at April 1, 2015
Freehold Land	118.16	229.00	-	347.16	-	-	-	-	347.16	118.16
Factory Building	1,378.85	864.23	-	2,243.08	254.67	48.28	-	302.95	1,940.13	1,124.18
Plant and Machineries	5,940.21	1,696.58	-	7,636.79	1,368.46	295.22	-	1,663.68	5,973.11	4,571.75
Furnitures and Fixtures	31.24	7.09	-	38.33	22.63	3.07	-	25.70	12.63	8.61
Computers and Printers	17.06	3.04	-	20.10	16.00	1.50	-	17.50	2.60	1.06
Vehicles	260.57	18.26	13.84	264.99	104.83	31.24	12.95	123.12	141.87	155.74
Office Equipments	4.04	3.46	-	7.50	3.62	0.85	-	4.47	3.03	0.42
Total	7,750.13	2,821.66	13.84	10,557.95	1,770.21	380.16	12.95	2,137.42	8,420.53	5,979.92
Previous Year	7,804.22	3.29	57.38	7,750.13	1,998.78	362.47	(591.04)	1,770.21	5,979.92	5,805.44
Capital Work in Progress	931.54	2,943.81	2,789.32	1,086.03	-	-	-	-	1,086.03	931.54
Grand Total	8,681.67	5,765.47	2,803.16	11,643.98	1,770.21	380.16	12.95	2,137.42	9,506.56	6,911.46

NOTE 14 : NON - CURRENT INVESTMENTS

(Rs. in Lacs)		
Particulars	As at March 31, 2016	As at March 31, 2015
Non-Trade Investments		
<u>Investment in Mutual Funds (quoted) (valued at cost)</u>		
1,000 units (March 31, 2015: 1000 units) of State Bank of India - One India Mutual Fund	0.10	0.10
<u>Investment in Equity Instruments (non-quoted) (valued at cost)</u>		
50,000 Equity Shares (March 31, 2015: 50,000) of Abhyudaya Co-Operative Bank Limited of Rs.10 each Fully Paid Up	5.00	5.00
TOTAL	5.10	5.10

NOTE 15 : LONG-TERM LOANS AND ADVANCES

(Rs. in Lacs)		
Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, Considered good		
Advances for Capital Goods	863.06	65.84
Security Deposits	117.93	57.03
TOTAL	980.99	122.87

Deposits include Rs. 26.35 Lacs (March 31, 2015: Rs. 28.15 Lacs) given to related parties towards office premises taken on rent.

NOTE 16 : OTHER NON-CURRENT ASSETS

(Rs. in Lacs)		
Particulars	As at March 31, 2016	As at March 31, 2015
MAT Credit Entitlement	100.70	-
Pre IPO Expenses	-	101.62
TOTAL	100.70	101.62

NOTE 17 : INVENTORIES

(Rs. in Lacs)		
Particulars	As at March 31, 2016	As at March 31, 2015
(As taken, verified, valued and certified by the Management)		
Raw Material	791.86	710.28
Work-in-Process	717.87	1,485.10
Finished Goods	687.26	827.86
Packing Material	10.90	20.13
Stores and Spares	234.90	116.83
Power and Fuel	6.84	4.21
TOTAL	2,449.63	3,164.41
<u>Included above goods in transit :</u>		
Raw Material	543.13	170.69
Stores and Spares	24.78	-
	567.91	170.69

Details of Work-in-Progress:		
Chemicals & Dyes Intermediates	403.75	844.24
Fertilizer & Allied Products	306.79	613.90
Cattle Feeds	7.33	26.96
TOTAL	717.87	1,485.10
Details of Finished Goods:		
Chemicals & Dyes Intermediates	533.43	553.83
Fertilizer & Allied Products	122.15	257.85
Cattle Feeds	31.68	16.18
TOTAL	687.26	827.86

NOTE 18 : TRADE RECEIVABLES**(Rs. in Lacs)**

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, Considered good		
Receivables outstanding for a period exceeding six months from the date they became due for payment	377.54	8.84
Other Receivables	4,014.72	2,887.14
TOTAL	4,392.26	2,895.98

NOTE 19 : CASH AND BANK BALANCES**(Rs. in Lacs)**

Particulars	As at March 31, 2016	As at March 31, 2015
Cash and Cash Equivalents		
Cash on hand	23.98	36.56
Bank Balances		
- In current accounts	6.59	18.13
- in USD accounts	-	4.05
	30.57	58.74
Other Bank Balances		
Fixed Deposits with maturity period of more than 3 months but less than 12 months:		
- in Fixed Deposit (Out of IPO Proceeds)	3,843.36	-
- in Fixed Deposit [under lien against bank guarantee and LCs]	302.77	267.00
	4,146.13	267.00
TOTAL	4,176.70	325.74

NOTE 20 : SHORT-TERM LOANS AND ADVANCES**(Rs. in Lacs)**

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, Considered good		
Advance recoverable in cash or kind or for value to be received	11.81	21.37
Advance for supply of goods and services	358.27	314.50
Advance to Employees	14.83	13.96
TOTAL	384.91	349.83

NOTE 21 : OTHER CURRENT ASSETS

(Rs. in Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Balance with Government authorities:		
Excise Duty Receivable	0.70	0.70
Service Tax Receivable	16.31	9.14
Cenvat on Capital Goods	66.77	34.19
Balance with Custom and Excise Department	96.49	54.61
Sales Tax Receivable	10.70	6.00
TOTAL	190.97	104.64

NOTE 22 : REVENUE FROM OPERATIONS

(Rs. in Lacs)

Particulars	For the Year ended March 31, 2016	For the Year ended March 31, 2015
Sale of Products:		
Finished Goods	25,864.45	27,678.14
Less: Excise Duty	(1,090.00)	(1,117.00)
	24,774.45	26,561.14
Other Operating Revenue:		
Export Incentives	95.78	90.86
	24,870.23	26,652.00
Products wise Sales		
Chemicals & Dyes Intermediates	20,372.83	22,298.43
Fertilizer & Allied Products	4,894.23	4,845.65
Cattle Feeds	597.39	534.06
TOTAL	25,864.45	27,678.14

NOTE 23 : OTHER INCOME

(Rs. in Lacs)

Particulars	For the Year ended March 31, 2016	For the Year ended March 31, 2015
Interest Income on		
- Fixed Deposits with Banks	249.39	21.84
Dividend Received	-	0.75
Profit on Sale of Fixed Asset	2.12	-
Balances Written Back	2.20	6.82
TOTAL	253.71	29.41

NOTE 24 : MATERIALS CONSUMED

(Rs. in Lacs)

Particulars	For the Year ended March 31, 2016	For the Year ended March 31, 2015
Raw Materials Consumed:		
Inventories at the beginning of the year	710.28	710.07
Add: Purchases during the year	16,702.64	16,683.59
	17,412.92	17,393.66
Less: Inventories at the end of the year	791.86	710.28
	16,621.06	16,683.38

Details of Raw Materials Consumed:		
Rock Phosphate	1,995.63	1,755.82
Sulphur	1,124.48	1,088.05
Caustic Soda	909.63	1,179.64
Soda Ash	486.57	440.51
Others	12,104.75	12,219.36
	16,621.06	16,683.38

NOTE 25 : CHANGE IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS**(Rs. in Lacs)**

Particulars	For the Year ended March 31, 2016	For the Year ended March 31, 2015
<u>Changes in Inventories of Finished Goods and Work-in-Progress:</u>		
Inventories at the end of the year		
Work in Process	717.87	1,485.10
Finished Goods	687.26	827.86
	1,405.13	2,312.96
Inventories at the beginning of the year		
Work in Process	1,485.10	2,785.26
Finished Goods	827.86	2,389.83
	2,312.96	5,175.09
	907.83	2,862.13

NOTE 26 : EMPLOYEE BENEFIT EXPENSES**(Rs. in Lacs)**

Particulars	For the Year ended March 31, 2016	For the Year ended March 31, 2015
Salaries and Wages	986.28	899.72
Contribution to Provident and other funds	19.26	1.67
Staff Welfare Expenses	11.77	9.49
	1,017.31	910.88

NOTE 27 : FINANCE COSTS**(Rs. in Lacs)**

Particulars	For the Year ended March 31, 2016	For the Year ended March 31, 2015
Interest Expense		
- On Bank Loans	27.42	142.50
- On Others	68.29	216.96
- On Custom Duty	0.05	7.70
Other Borrowing Costs	101.50	174.96
	197.26	542.12

NOTE 28 : OTHER EXPENSES**(Rs. in Lacs)**

Particulars	For the Year ended March 31, 2016	For the Year ended March 31, 2015
<u>Manufacturing Expenses</u>		
Consumption of Stores and Spares	253.74	330.39
Packing Material	187.59	180.35
Power and Fuel	1,056.00	1,092.39
Water Charges	20.20	15.37
Repair and Maintenance	202.41	297.02

Insurance Premium	13.57	15.76
<u>Selling and Distribution Expenses</u>		
Freight and Transportation	472.95	510.47
Rebate and Discounts	589.42	349.11
Other Selling and Distribution Expenses	75.20	54.66
<u>Other Administrative Expenses</u>		
Travelling and Conveyance Expenses	41.11	46.65
Communication Expenses	13.70	11.12
Legal and Professional Expenses	25.61	46.11
Rent, Rate and Taxes	8.29	18.88
Printing and Stationery	5.42	3.90
Electricity Expenses	3.98	4.79
Payments to Auditors:		
- Audit Fees	3.50	3.50
- Tax Audit Fees	1.00	1.00
Miscellaneous Expenses	91.54	56.89
Donations	2.79	2.33
CSR Expenditure (Refer Note 38)	19.05	-
	3,087.07	3,040.69

NOTE 29 : CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(a)	(Amount in Lacs)	
Particulars	As at March 31, 2016	As at March 31, 2015
Disputed Liabilities in respect of Value Added Tax and Central Sales Tax	120.83	6.00
Disputed Liabilities in respect of Income Tax	83.61	83.61
	204.44	89.61

(b) Bank guarantee given by the banks on behalf of the Company amounting to Rs. 378.71 Lacs (March 31, 2015: 534.79 Lacs) to suppliers of goods and services, the Electricity Board, the Customs Authority and National Stock Exchange.

NOTE 30 : CAPITAL COMMITMENTS AND OTHER COMMITMENTS (NET OF ADVANCES)

	(Amount in Lacs)	
Particulars	As at March 31, 2016	As at March 31, 2015
(a) Capital Commitments:		
Capital Commitment for Acquisition of Fixed Assets	552.15	-
(b) Other Commitments:		
Corporate Guarantees given by the Company (Refer note below)	511.00	511.00

Note:

The Company has issued Corporate Guarantees aggregating to Rs. 511 Lacs as at year end (March 31, 2015: Rs. 511 Lacs) on behalf of Mrs. Bhanu Makharia, a relative of director. Liabilities outstanding for which Corporate Guarantees have been issued aggregates Rs. 181.73 Lacs as on March 31, 2016 (March 31, 2015: Rs. 199.54 Lacs).

NOTE 31 : EARNINGS PER EQUITY SHARE

	(Amount in Lacs)	
Particulars	For the Year ended March 31, 2016	For the Year ended March 31, 2015
Profit attributable to Equity shareholders (Rs.)	2,229.49	1,865.02
Weighted average number of equity shares (No.)	261.94	207.08
Basic and diluted Earnings Per Share (Rs.)	8.51	9.01
Face value per Share (Rs.)	10.00	10.00

NOTE 32 : VALUE OF RAW MATERIALS CONSUMED

Particulars	For the year ended March 31, 2016		For the year ended March 31, 2015	
	Consumed (Rs. In Lacs)	in (%)	Consumed (Rs. In Lacs)	in (%)
Raw Materials Consumed:				
Imported	2,846.54	17.13%	3,788.54	22.71%
Indigenous	13,774.52	82.87%	12,894.84	77.29%
TOTAL	16,621.06	100.00%	16,683.38	100.00%

NOTE 33 : FOB VALUE OF EXPORTS

(Amount in Lacs)

Particulars	For the Year ended March 31, 2016	For the Year ended March 31, 2015
FOB Value of Exports of Finished Goods	2,093.24	2,420.66

NOTE 34 : CIF VALUE OF IMPORTS

(Amount in Lacs)

Particulars	For the Year ended March 31, 2016	For the Year ended March 31, 2015
CIF value of Imports of Raw Material	2,846.54	3,788.54
CIF value of Imports of Capital Goods	477.57	-

NOTE 35 : EXPENDITURE IN FOREIGN CURRENCY

(Amount in Lacs)

Particulars	For the Year ended March 31, 2016	For the Year ended March 31, 2015
Foreign Travelling	3.34	10.49

NOTE 36 : RELATED PARTY TRANSACTIONS**a. Details of Related Parties**

Description of Relationship	Names of Related Parties
Key Management Personnel (KMP) and their relatives	Mr. Punit Makharia - Chairman & Managing Director Mr. Gautam Makharia - Joint Managing Director Mr. Ratan Jha - Chief Financial Officer Mr. Kishan Bhargav - Company Secretary Mrs. Ranjana Makharia - Wife of M.D Mrs. Aradhana Makharia - Wife of J.M.D Bhanu Makharia - Mother of M.D/J.M.D
Company in which KMP / Relatives of KMP can exercise significant influence	-

Notes:

- 1) The list of related parties above has been limited to entities with which transactions have taken place during the year.
- 2) Related party transactions have been disclosed till the time the relationship existed.

b. Details of Related Party transactions during the year ended March 31, 2016

(Amount in Lacs)

Particulars	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
Directors Remuneration and Salary		
Mr. Punit Makharia	30.00	30.00
Mr. Gautam Makharia	30.00	30.00
Mr. Ratan Jha	12.30	11.10
Mr. Kishan Bhargav	3.50	3.50
Mrs. Ranjana Makharia	5.28	4.80
Mrs. Aradhana Makharia	5.16	4.68
	86.24	84.08
Rent Paid		
Bhanu Makharia	1.80	1.80
	1.80	1.80
Loan Taken		
Mr. Punit Makharia	85.66	93.37
Mr. Gautam Makharia	5.05	5.75
	90.71	99.12
Loan Taken Repaid		
Mr. Punit Makharia	88.72	95.20
Mr. Gautam Makharia	11.33	3.40
	100.05	98.60

c. Closing Balances of the Related Parties

(Amount in Lacs)

Particulars	Balances as at March 31, 2016	Balances as at March 31, 2015
Directors' Remuneration and Salary Payable		
Mr. Punit Makharia	1.52	2.50
Mr. Gautam Makharia	1.50	2.50
Mr. Ratan Jha	0.92	0.79
Mr. Kishan Bhargav	0.29	0.29
Mrs. Ranjana Makharia	0.17	0.40
Mrs. Aradhana Makharia	0.18	0.39
	4.57	6.87
Deposits given		
Mr. Punit Makharia	8.55	8.55
Bhanu Makharia	17.80	19.60
	26.35	28.15
Unsecured Loans from directors		
Mr. Punit Makharia	2.59	5.65
Mr. Gautam Makharia	4.92	11.20
	7.51	16.85
Corporate Guarantee Given		
Bhanu Makharia	511.00	511.00
	511.00	511.00

NOTE 37 : OPERATING LEASE TRANSACTIONS**Where the Company is a lessee:**

The Company has taken Office Buildings & Godown under operating lease as per the requirement. The aggregate rental expenses for the year are Rs. 4,86,672 (2014-15: Rs. 11,05,213).

NOTE 38 : EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY

(a) Gross amount required to be spent by the Company during the year - Rs. 24.21 Lacs

(b) Amount spent during the year on:

Particulars	In cash	Yet to be paid in cash	Total
	Rs in Lacs.	Rs in Lacs.	Rs in Lacs.
(i) Construction/ acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	19.05	-	19.05

NOTE 39 : CURRENT ASSETS AND LOANS AND ADVANCES

In the opinion of the Board, all the assets other than fixed assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated. The Provision of all known liabilities is adequate and not in excess of the amount reasonably necessary.

NOTE 40 : INITIAL PUBLIC OFFERING

During the year, the Company has made an Initial Public Offer (IPO) for 1,07,69,200 equity shares of Rs.10 each, comprising of 87,42,611 fresh issue of equity shares by the Company and 20,26,589 equity shares offered for sale by selling shareholders [India Enterprise Development Fund ("IEDF")]. The equity shares were issued at a price of Rs. 65 per equity share (including premium of Rs. 55 per share). Out of the total proceeds from the IPO of Rs. 7,000.00 Lacs, the Company's share is Rs. 5,682.70 Lacs from the fresh issue of 87,42,611 equity shares. The total expenses in connection with the IPO amount of Rs. 551.43 Lacs, being the IPO expenses, is adjusted against the securities premium account. Further the Company has allotted 7,69,235 equity shares as Pre-IPO allotment at a price of Rs. 65 per equity share (including premium of Rs. 55 per share). Proceeds from this Pre-IPO allotment will also be utilised as mentioned in the Prospectus for IPO dated August 29, 2015.

Fresh equity shares were allotted by the Company on September 5, 2015 and these shares rank pari-passu with the existing shares. The equity shares of the Company were listed on The National Stock Exchange of India Limited and BSE Limited on September 10, 2015.

Utilisation of funds raised through Initial Public Offering (IPO) and Pre-IPO allotment of equity shares are as follows:

Particulars	Proposed amount as per prospectus Rs.	Amount utilised Rs.	Amount unutilised Rs.
Acquisition of Existing Factory at B-97, lote parshuram	229.00	229.00	-
Construction of Godown(s) at Unit II	237.60	237.60	-
Amount Spent for setting up the facilities at Plot B-97, lote parshuram For Dyes & Allied Products	4,159.40	3,016.38	1,143.02
Setting Up the ETP at Existing Unit I	487.90	24.15	463.75
Preliminary & Pre-operative expenses / Issue Expenses	700.00	551.43	148.57
General Corporate Purpose	400.00	5.61	394.39
Total	6,213.90	4,064.17	2,149.73

The amount pending utilization is kept in Fixed Deposits with Banks.

NOTE 41 : EMPLOYEE BENEFITS

The Company has classified the various benefits provided to employees as under:

I. Defined Contribution Plans

a. Employers' Contribution to Provident Fund and Employee's Pension Scheme

During the year, the Company has incurred and recognised the following amounts in the Statement of Profit and Loss:

	Year ended March 31, 2016 (Rs. In Lacs)
Employers' Contribution to Provident Fund and Employee's Pension Scheme	1.54
Total Expenses recognised in the Statement of Profit and Loss (Refer Note 26)	<u>1.54</u>

II. Defined Benefit Plan

Contribution to Gratuity Fund

a. Major Assumptions

	(% p.a.)
Discount Rate	7.94%
Salary Escalation Rate @	5.00%

@ The estimates for future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

Expected Rate of Return	7.94%
Employee Turnover	5.00%

b. Change in Present Value of Obligation

	(Rs. In Lacs)
Present Value of Obligation as at the beginning of the year	-
Current Service Cost	20.58
Interest Cost	-
Past Service Cost	-
Benefit paid	-
Actuarial (Gain)/ Loss on Obligations	-
Present Value of Obligation as at the end of the year	<u>20.58</u>

c. Change in Fair value of Plan Assets

Fair value of Plan Assets, Beginning of Period	-
Expected Return on Plan Assets	0.06
Actual Company Contributions	1.46
Actual Plan Participants' Contributions	-
Changes in Foreign Currency Exchange Rates	-
Actuarial Gains/(Losses)	2.80
Benefit Paid	-
Fair value of Plan Assets at the end of the year	<u>4.32</u>

d. Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets

Present Value of Funded Obligation	20.58
Fair Value of Plan Assets	4.32
Funded Status	(16.26)
Present Value of Unfunded Obligation	16.26

Unfunded Net Liability recognised in the Balance Sheet disclosed under Long Term Provisions 16.26
(Refer Note 8 and 12)

e. Expenses Recognised in the Statement of Profit and Loss (Rs. In Lacs)

Current Service Cost	20.58
Past Service Cost	-
Interest Cost	-
Expected Return on Plan Assets	(0.06)
Actuarial Losses Recognised in the year	(2.80)
Total expenses recognised in the Statement of Profit and Loss (Refer Note 26)	17.72

f. Amounts recognised in the Balance Sheet (Rs. In Lacs)

Present Value of Obligation as at year end	(20.58)
Fair Value of Plan Assets as at year end	4.32
Unfunded Net Liability recognised in the Balance Sheet disclosed under Long Term Provisions (Refer Note 8 and 12)	16.26

g. Experience Adjustments

On Plan Liabilities	-
On Plan Assets	2.80
Total Experience Adjustment	2.80

NOTE 42 : TRADE RECEIVABLES AND TRADE PAYABLES

The balances in case of trade receivable, trade payable and loans and advances shown as per books of accounts, are subject to reconciliation and adjustment, if any.

NOTE 43 : In the past, the Company has provided a corporate guarantee for Rs. 511.00 Lacs towards housing loans availed by Mrs. Bhanu Makharia, mother of Mr. Punit Makharia, a director of the Company from Citibank N.A, which has been secured by way of a corporate guarantee provided by our Company, other than the primary security. Providing such corporate guarantee is a violation of provisions of the Section 295 of the Companies Act, 1956. The balance of such loans as at March 31, 2016 is Rs. 181.73 Lacs. Mrs. Bhanu Makharia is regularly paying the loans as per the EMI schedule and till now there is no any default in repayment of such loans. As per the information available, the market value of the assets so financed is more than the value of the corporate guarantee, therefore, in the opinion of the Management, the terms and conditions thereof are not prejudicial to the interest of the Company.

NOTE 44 : SEGMENT INFORMATION

Considering the nature of business and integrated manufacturing process of the Company, the Company considers its products under one segment only i.e. Chemicals & Fertilisers. Accordingly, Segment Reporting in accordance with Accounting Standard - 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India and adopted by Companies (Accounting Standard) Rules, 2006 is not applicable to the Company.

NOTE 45 : PREVIOUS YEAR FIGURES

The Company has re-grouped, re-classified, recasted and/or re-arranged figures for previous year, wherever required to confirm with current year's classification.

The accompanying notes are integral part of these financial statements

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

For and on behalf of the Board of Directors

Arun Poddar
Partner
Membership Number: 134572

Punit Makharia
Chairman & Managing Director
DIN Number: 01430764

Gautam Makharia
Joint Managing Director
DIN Number: 01354843

Place: Mumbai
Date: May 27, 2016

Ratan Jha
Chief Financial Officer
Place: Mumbai
Date: May 27, 2016

Kishan Bhargav
Company Secretary
Place: Mumbai
Date: May 27, 2016





CORPORATE & REGISTERED OFFICE

202, 'A' Wing Building No. 3, Rahul Mittal Industrial Estate, Sir M. V. Road, Andheri (E), Mumbai - 400 059, Maharashtra, India.
Tel. : +91 22 4270 2525 (4 Lines) Fax : +91 22 2850 4242

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