SEYA
INDUSTRIES LTD.

ANNUAL REPORT
2017-18

REGISTERED OFFICE & PLANT

CORPORATE OFFICE

CONTENTS

SEYA understands the need of eco-friendly environment for our future generation. SEYA has taken a minor step along with its shareholders to contribute its little bit to save environment by giving an opportunity to its shareholders to receive documents and notices in electronic form. We feel proud that like SEYA, its members are also actively participating in this initiative.

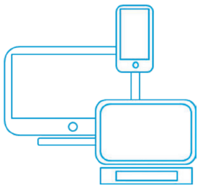
Those members who have still not register their e-mail Ids are requested to do so by writing to RTA at info@unisec.in or to the Company at corporate@seya.in

For a healthy and Greener life......

Twenty-Eighth Annual General Meeting

Day & Date	:	Friday, September 28, 2018
Time	:	2:00 p.m.
Venue	:	T-13/T-14, MIDC Tarapur, Boisar, Palghar, Maharashtra – 401506
Book Closure	:	Saturday, September 22, 2018 to Friday, September 28, 2018 (both day inclusive)

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



www.seya.in

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"Sea water experiences continuous resistance as it approaches land and tries to move up the coast – this is a natural phenomenon. A wave symbolises the appetite for adventure over the fondness for ease. Human life, personal or professional, too faces its own trials and tribulations. Once there is this realisation that where there is life, there is struggle, it becomes easier to prepare for it through knowledge, skill and attitude. Seya completed 27 years – each difficulty, internal or external, has made it a stronger company and given the energy to move ahead. The team Seya will work with this understanding and grow the Company in a profitable & sustainable way"

My Dear Valued Stakeowners,

Congratulations to All of you!!!

Once again it gives me immense pleasure to welcome you in yet another year of Celebrations, a milestone year engraving heartening odyssey of growth, excellence and highest ever record performance, but it is one of many milestones we intend to cross in our journey into the future that promises to be far more eventful, fruitful and fulfilling than ever before. Today, Seya is poised for a quantum leap into the future of dynamic changes, exciting possibilities and endless potential to further its goal of 'In pursuit of Excellence' and is committed to building this future.

"The future is not some place we are going, but one we are creating. The paths to it are not found but made, and the activity of making them changes both the maker and the destination"

It's been a year of assurance and exhilaration, measuring every wining step taken by your Company towards achieving a blissful future.

Economic Environment

The world economy at US$ 79.8 tn grew by 3.8%, the fastest since 2011 – the USA, China and Japan remained at the top. Indian economy – ranked number six in the world – at US$ 2.6 tn – grew by 6.7%, faster than it did in 2016. The global economy continues to grow at a brisk pace, albeit under the shadow of trade barriers, volatile oil prices and nationalist agendas - threats that will hurt mismanaged organisations and provide opportunities to well-managed ones. A taciturn Chinese premier, unchallenged by elections for the near future, has tied his reputation to pollution and corruption control; a reticent American policy is focussed on one-on-one deals instead of multi-party agreements and an 'America First' agenda; Uncertainty about Iran and Venezuela's oil reserves reaching those badly in need of them; and Europe remains mired in confusion about its own membership and economic policies.

"The world over, money is turning to look towards India as a safe harbour to offer stability and high returns"

The world economy is likely to grow by 3.9% in 2018. India too witnessed growth as government initiatives to revive the economy increased Gross Domestic Product (GDP) in the last two quarters. While most sectors gradually recovered from GST and demonetization, climbing crude oil prices and falling value of Rupee are concern areas.

Winning Excellence

Seya has demonstrated consistent resilient operational performance with sprinting profitability tractioned by Speciality Chemicals segment. As we celebrate this eventful journey with gratification, it's been an enthralling saga of daring to dream, taking the road less travelled, making a mark, gaining insights, exploiting opportunities and expanding our horizons in the World of Speciality Chemicals.

"Despite the tides of various micro economic challenges, like aftereffects of demonetization, introduction of GST, surge in raw material prices, and volatility in currency, Your Company continued to deliver strong performance and Value Creation, recording yet strong double-digit growth"

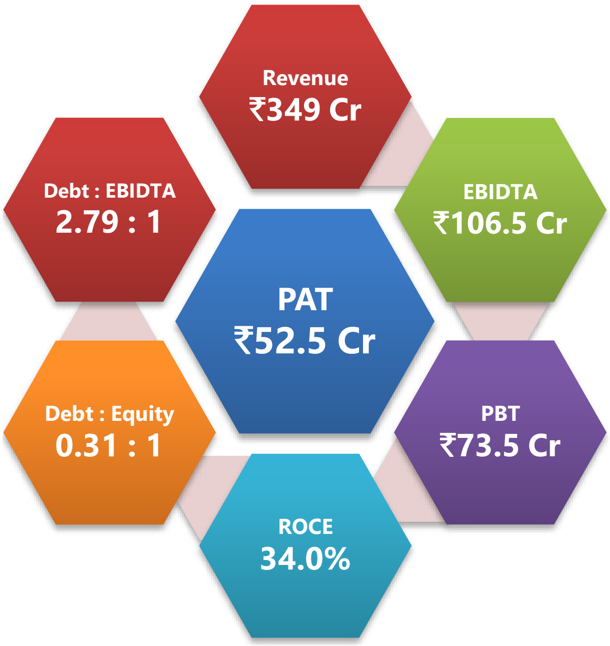
Your Company's journey chronicles a performance characterised by a never say die spirit that soars in Prosperity and endures in adversity. The efforts, enthusiasm and commitment capitalised by your Company, its Human capital over the years, investments towards being a completely integrated Company – with enhanced backward and forward integration, has all given us a competitive edge.

Winning Performance

SEYA, exhibited exhilarating performance during the year in retrospect amidst such an economic environment with only minor changes to its production capacity, managing its business processes to optimise profits by strengthening customer and supplier relationships, operational excellence initiatives and effective governance. Your Company has put plans in motion to expand its capacity to cater to a growing demand in products where it has a competitive advantage. While your Company remains committed to be a fully integrated Specialty Chemical supplier, increasingly it is wooed by other Speciality chemical companies to become their partner of choice.

"FY18 Revenue from Operations grew 12%(YOY) to ₹349 Crores (PY17 ₹309 Crores) despite of volatile Crude Oil & Feedstock prices. EBIDTA in FY18 increased by 42.5% to ₹106.47 Crore (PY17 ₹74.74 Crore) & EBIDTA margin in FY18 stood at 30.8% (PY17 24.2%) propelled by increase in volumes & higher realisation. Net profit in FY18 increased by 25% to ₹52.42 Crore (PY17 ₹42.06 Crore) despite volatility in global economic landscape"

The Seeds that your Company sowed 5 years back are now bearing the fruit and I am delighted to announce that in FY18 Revenue from Operations grew to ₹348.94 Crores as compared to ₹309.45 crore in FY17 recording a growth of 12.2% (YOY) despite of volatile Crude Oil & Feedstock prices. EBIDTA increased to ₹106.47 crore from ₹74.74 crore as compared to same period last year & EBIDTA margin was 30.8% in FY18 compared to 24.2% in FY17 recording a growth of 42.5% propelled by increase in volumes in Speciality Chemicals and higher realisation due to shutdown of competing chemical manufacturing unit in China. Net profit increased to ₹52.42 crore in FY18 compared to ₹42.06 crore during the same period of last year, representing 24.6% increase in Profits despite of volatility in global economic landscape. At the backdrop of stirring numbers, the Net Debt to EBIDTA stood at 2.79 (PY 2.07), with deleveraged Debt:Equity and Interest Coverage ratio at 0.31x and 6.0x respectively (PY 0.26x and 5.3x respectively)



While top-line growth was relegated due to alignment of product prices with that linked to crude oil, the positive momentum in ***Speciality Chemicals business was epitomised by the growth in volumes, margins and overall profitability.*** This performance underlines your Company's inherent robustness and its strong ability to combat challenges such as raw material price volatility. It also endorses the success of your Company's visionary focus, which continues to drive performance and growth across all matrices, including 960% growth in market capitalisation in just two years. We continue to rototill our surplus in boosting our capabilities, which, we are confident, will enable and secure future growth and long-term value creation for our shareholders. On the mainstay of good performance, the Board of Directors has recommended a dividend of ₹1 per share of a face value of ₹10 in line with previous year dividend rate despite the expanded Capital base.

Winning Strategies

With a clearly defined vision to emerge as an Integrated Global producer for Speciality Chemicals and having invested ₹4.41Bn in Capex in last 5 years, Company has embarked on next round of expansion at outlay of ₹7.35Bn, to be commissioned and commercialized in H2FY20 with additional installed capacity of 527,900 MTPA. The project is expected to contribute additional Revenue of ₹10-12Bn at an estimated capacity utilization of 80% and further improved EBIDTA margins as compared to present manufacturing operations. The project is located in close vicinity of Seya's existing manufacturing operations at MIDC Tarapur, Boisar in State of Maharashtra and is being funded at 1:1 Debt-Equity. The financial closure for the Project was achieved in Q1FY18 and the ground work for the same had started in Q3FY18.

"Company has embarked on next round of expansion at outlay of ₹7.35Bn, to be commissioned and commercialized in H2FY20 with additional installed capacity which is expected to contribute additional Revenue of ₹10-12Bn & superior EBIDTA margins as compared to present manufacturing operations"

The proposed expansion is progressing as per schedule and has accomplished more than 40% Site Completion until Q1FY19 Once implemented it will further immensely strengthen your Company's sustainability and resilience and create value for its esteemed shareholders. The Greenfield expansion project entails:

- **Back ward Integration** to manufacture Bulk Raw materials
- **Recycle & Reuse of By-Products** to produce Value Added Products
- **Set-up of 14 MW Free Captive and Cogen Power Generation from Process Waste Heat** thereby reducing Power Costs and Carbon emissions
- **Forward Integration in High value and High margin Speciality Chemicals** on similar lines as the earlier forward Integration project successfully executed 3 years back resulting in Value addition and increase in EBIDTA margin
- **Horizontal Integration into fast moving High margin and High Value Speciality Chemicals** used in Lithium Ion batteries for Mobiles/laptops/etc, Agrochemicals, Pharmaceuticals, Soaps & Detergent Industry, Dyes, Wine, Paper, Mining Industry, Food Industry, Aeronautical Fuel, Dye & Pigment intermediates, Printing Inks used in ball point pens, curing of polyester and vinyl ester resins, Fabric softeners, Synthesis of cosmetics and colouring agents

Almost 50% of the installed capacity in the proposed greenfield mega project is to be captively consumed as intermediates. Out of balance 50%, 30% of the proposed installed Capacity is contracted to existing customers on long term supply contract and balance 20% is envisaged to provide as import substitute to cater to the increasing demand arising from Supply disruptions and geographical shift from China.

Winning Outlook

The structural foundation of the Indian speciality chemicals sector remains strong, catalysed by a visible increase in domestic consumption of-value added high performance products in all spheres of life, Low Cost of Skilled Labour, Raw materials and utilities, Investment in R&D and Government initiatives. India's position as a manufacturing hub for specialty chemicals strengthened following an increasing shift in manufacturing capacities to Asia, following a weakening in Chinese exports and a sustained improvement in India's competitiveness. The road map appears promising as India's chemical industry is poised for robust growth and investment on the back of large and growing population, mass urbanization and a rapidly expanding middle class supporting numerous consumer markets, solid domestic demand and robust export market– the same ingredients that throttled Chemical Industry growth in China.

The upcoming years will provide an opportunity for domestic industry players to gain scale and consolidate, while the international players may set up a robust manufacturing base in the country. India's emergence as a leading global speciality chemicals manufacturing location is fortified by improvements in infrastructure, regulation, licenses, taxes and other catalysts like growing market with increasing purchasing power due to high disposable incomes and increasing urbanization.

"We have been witnessing strong growth in consumer demand, escalation in sales prices, increase in product volumes and expansion of margins across all our existing product lines a trend which we expect to continue, considering India's dominating position in global supply chain and de-risking geographical risks arising out of supply outages in China"

With a Pioneering Past, Persistent Present, and Purposeful Future, Your Company continues to expand its footprint in Speciality Chemicals by ushering in products having wide spectrum of applications in Pharmaceuticals (like Paracetamol, floxacins, etc), Personal & Health Care Products (like Hair dyes, Protein & Health Supplements), Printing Inks & Paints (used in Laser/Ink jet Printers, for Road markings, etc), Agrochemicals (like DDT, etc) Insecticides/Pesticides (like Quinalphos, etc), Rubber chemicals (for Leather protection), Textile dyes (Dye of Cotton & Denim fabrics), Thermic fluids (used as heating medium), etc. Seya's strength lies in its in-depth product expertise, ability to adapt to new markets, provide superior Quality Products at Competitive Prices with Timely Delivery to the Satisfaction of the Customer.

"Our growth during the year will be driven by: Increase in capacities for select high margin and high value product by 100% in Q4FY19 and ongoing de-bottlenecking & improvement of efficiencies of existing capacities by 20% in FY19, complemented by shifts in the global supply chain resulting in increase in both top-line and bottom-line"

The world's epicentre has shifted to Indian manufacturers to fill the void created by the deficit in supply owing to shutdown of Leading companies in China due to environmental concerns crafting highly lucrative opportunity for SEYA, which is well known as one of the lowest cost producers in its class of products globally, owing to the level of integration in our manufacturing processes and wide international market presence through merchant exports. With a sense of excitement and anticipation, your Company is diligently persevering to welcome its next level of transformational growth in FY19 shall be driven by increase in Volumes propelled by doubling of Capacity of a selected product and de-bottlenecking initiatives across all other products to take benefit from the growing demand from both domestic and international markets complemented by expanded margins for all its Products. The capacity expansion shall be completed and commissioned by Q4FY19 however the debottlenecking initiatives shall result in much improved performance Q-o-Q from Q2FY19 onwards.

"Going forward, our implementation of the mega-greenfield project is on schedule and is expected to be commissioned in H2FY20 which shall lead to quantum leap in Revenues and Profitability. Seya is focused on value creation for its stakeholders by investing in fully integrated global scale high value and high margin speciality chemical manufacturing plants and the management is committed to drive growth, profitability and value creation for all its stakeholders"

Going forward, your Company foresees stronger customer relations, higher efficiencies and robust growth in Speciality Chemicals end-user segment due to reorientation of geographic focus. With reasonably complex (not complicated) and fully backward-forward integrated proposed mega manufacturing blueprint, capital and technologically intensive scale of operations, your Company shall create a large fully integrated manufacturing base to outpace the industry and deliver persistent growth year-on-year, combined with cost leadership and value-added product offerings, by integrating its existing business operations leading to higher returns and value creation for our Stakeholders.

Ensuring future through Safety, Heath & Environment (SHE)

We prioritized implementation of various energy conservation measures reducing carbon emissions. As we look into the future, we would continue our focus on maintaining profitable and sustainable growth by making advancements towards reducing impact on environment and climate change.

Ensuring future through CSR

For SEYA, fulfilling its Corporate Social Responsibility is another approach to create a better future. SEYA, in collaboration with various corporate partners, implements several social initiatives to improve the quality of life of the underprivileged sections of society, all designed to help them hope for and achieve a better tomorrow. Our endeavour is to help creating an ideal community that is self-sufficient and self-reliant.

Winning Team

Your Company believes that committed and qualified teams are the key to contribute towards a sustainable future. Team Seya's competence, professionalism and superlative performance has been finally recognised and acknowledged all over the world by awards and accolades. Rooted in Values is our Integrity, Understanding, Unity, Responsibility and Excellence. I must take this opportunity to congratulate and express my appreciation to the human assets of Seya. Your Directors strive to build a great place for great people to do great work. Continuing the winning spree. I am proud that Team SEYA has proved that a plausible impossibility is better than a convincing possibility. The professional management embedded across all functions and levels will continue to lead and drive SEYA.

My dear shareholders your support gave SEYA Incredible strength which can't be explained in words. Your belief and confidence in the company and its management helped SEYA to achieve what it has achieved today. We resolute to remain committed to significantly keep enhancing value of our stakeholders. I would also like to thank our bankers who have continued to repose their faith in the company and we are encouraged by their unstinting support. My fellow board members, customers, vendors and other stakeholders without your support and encouragement SEYA's growth story is incomplete. I will complete with words of incitement by Thomas Jefferson, "I like the dreams of the future better than the history of the past". With great satisfaction and greater anticipation, I call upon Team SEYA, to surpass ourselves still stronger, to win the goals that we have set for ourselves in pursuit of Excellence

Best Wishes,

ASHOK G RAJANI

Chairman & Managing Director

CORPORATE INFORMATION

Board of Directors	Mr. Ashok G Rajani	Chairman & Managing Director
	Mr. Asit Kumar Bhowmik	Executive Director
	Mr. Anand Taggarsi	Non-Executive Independent Director
	Ms. Kalpana Tirpude	Non-Executive Independent Director
Senior Management	Mr. Amrit Rajani	Chief Operating Officer
	Mr. Haresh Desai	Sr. Vice President
	Mr. Rajkumar Sinha	Vice President
	Mr. Satish Kewalramani	Vice President
	Mr. Bijay Mohapatra	Vice President
	Mr. B S P Rao	General Manager
Company Secretary & Compliance officer	Ms. Manisha Solanki	

Bankers

Central Bank of India
Bank of Baroda
Indian Bank
Dena Bank
Canara Bank
IFCI Ltd

Statutory Auditors

Anil Chauhan & Associates

Registrar & Transfer Agent

Universal Capital Securities Pvt Ltd
Mumbai

Registered Office & Plant

T-14, MIDC, Tarapur Industrial Area,
Boisar, Palghar – 401506, Maharashtra

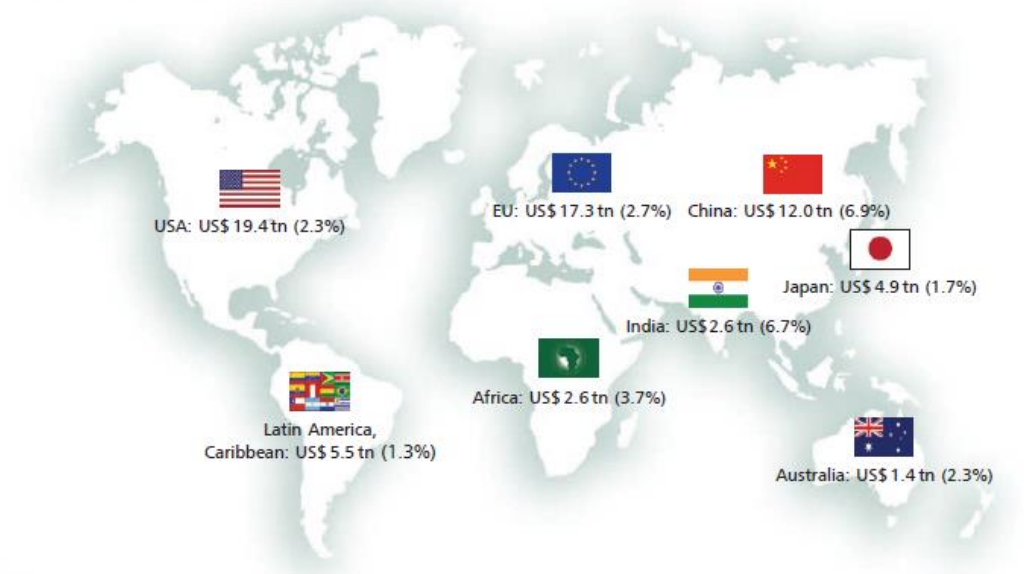
Corporate office

B-12, Ghanshyam Chamber, Link Road,
Andheri West, Mumbai - 400053

Year In-Retrospect...

GLOBAL ECONOMY

World GDP* grew by 3.7%



Crude oil and steel prices increased while forex rates fluctuated

between US$ 43.98 and US$ 71.08 per barrel

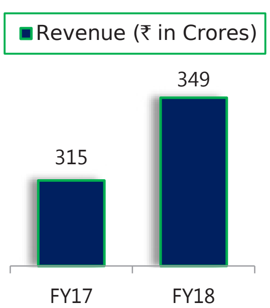
between ₹ 36,000 and ₹ 48,250 per mt

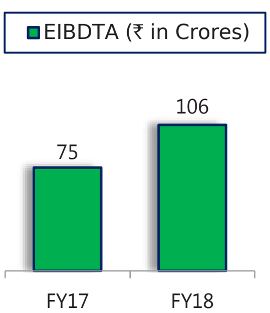
US$ v/s ₹

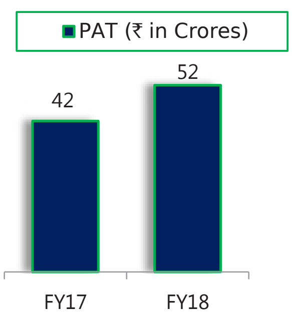
between ₹ 63.35 and ₹ 65.76 per US$

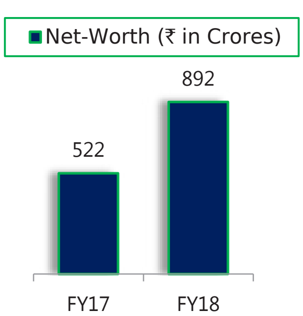
SEYA...

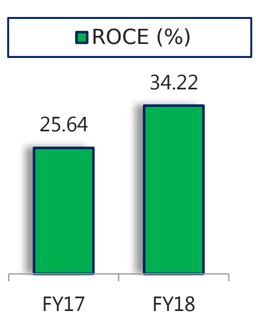
FINANCIAL HIGHLIGHTS











CREDIT RATING

Long Term
CARE A- | Stable

Short Term
CARE A2+ | Stable

Our Credit rating validates the robustness of our Business model and our ability to Service Short-term & Long-term Debt at the back drop of strong revenue visibility

GLOBAL FOOTPRINT . . .

INDUSTRIES SERVED . . .

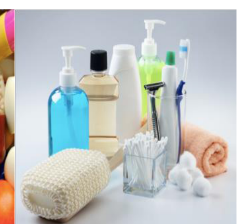
Paints & Coatings

Agriculture

Printing Ink

Textiles

Pharma



Personal Care

COMPETITIVE EDGE . . .

Quality

Un-matched Purity > 99.95% +

Trust

>70% Revenues from Customers > 5yr Old

Integration

Full Backward & Forward Integrated Mfg. facilities at Single location

Human Capital

>100 +Talented & Skilled Employees having Engg. Background

Global Scale Manufacturing

>70% Revenues from Products with Largest Installed Capacity in the world at single location

Technocrat Promoters

1st Gen. Technocrat Promoters having Sound Entrepreneurial Skills & Notable Chem. Engg. Background

Technology Driven

Fully Automated, Cutting-Edge German | Swiss Technology driven Manufacturing Plants

International Norms - compliant

Strict compliance to Pollution Control norms with Internationally compliant Eco-friendly Manufacturing processes

Process Capabilities

From Kilo Labs to '000s of Tons with Recycle & Reuse of By-Products.

WHAT DRIVES US . . .

Our Vision
To emerge as a Fully Integrated Global producer of Speciality Chemicals

Our Mission
To offer best quality Products at a Competitive Prices with timely delivery to the satisfaction of customers

Our Values
Exemplary Character, Quality Work, Safety

Cutting-Edge Mfg. Technology
Latest State-of-Art cutting edge fully automated German | Swiss Technology driven manufacturing processes

Continuous Process Upgradation
Continuous Process upgradation & R&D spines lowest manufacturing cost, Highest Quality & Reduced cycle-time

Customer Satisfaction
On-time delivery of Highest Quality Product at lowest cost

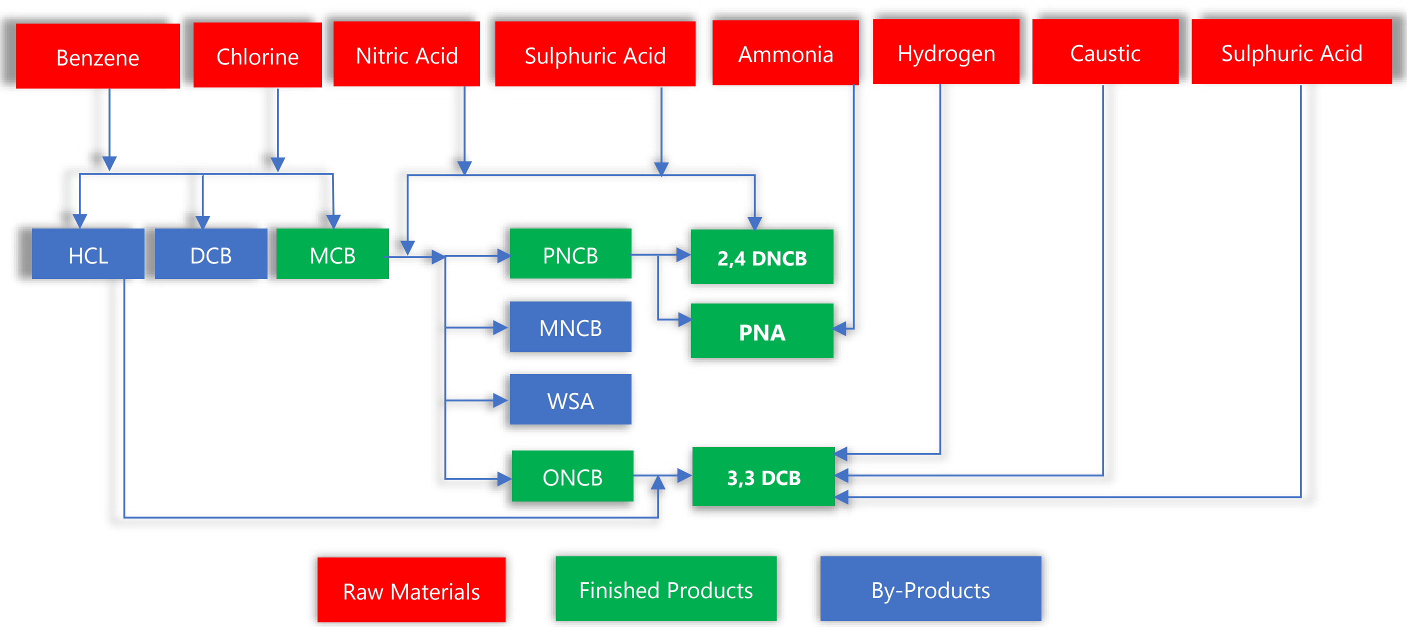
Integrity
Products developed for Customers under confidential contract

Financial Discipline & Performance Audit
Ensures Operational Excellence, monitoring, Control & Goal achievement

Energy Mgmt. | Conserv. | Recovery
Lowest Production Cost | Conserves natural resources | Reduces CO_2 emissions

Safety | Health | Environment
Responsible Care for Safety Health & Environment of People, Property & Plant

OUR GROWTH CHEMISTRY . . .



VALUE CREATION . . .

For Customers

Highest Quality customised Products for Customers to add value to their Business

For Nation

Compliance to all Regulatory norms and contribution to Govt. treasury

For Investors

Earning Trust & Faith of Investors by reciprocating sustainable returns ensuring transparency and corporate governance

For Employees

Efficient & diversified workforce empowered by rewarding career goals

For Community & Society

Sustainable contribution and Value Creation for Community & Society

VALUE ACHIEVED . . .

+ 27.42%

Revenue 5-Year CAGR

+ 60.67%

EBIDTA 5-Year CAGR

+ 98.98%

Net Profit 5-Year CAGR

+ 44.70%

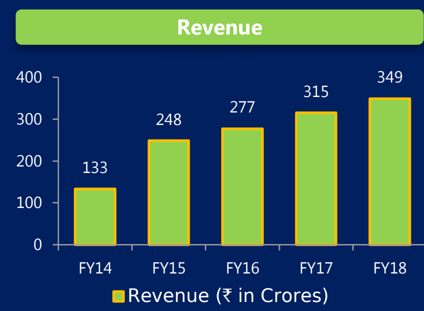
Networth 5-Year CAGR

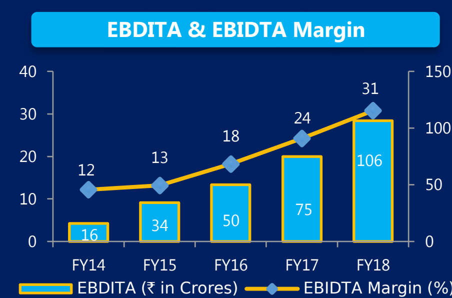
+ 859.23%

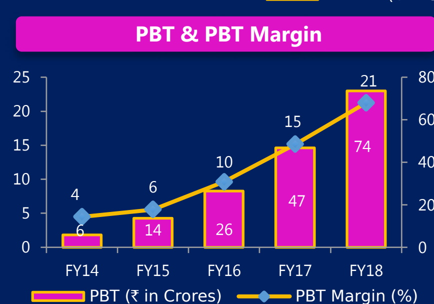
Market Cap Since 2015

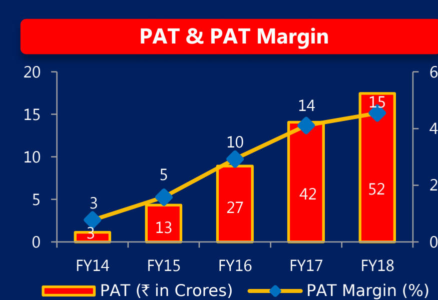
OUR GROWTH ASSETS . . .

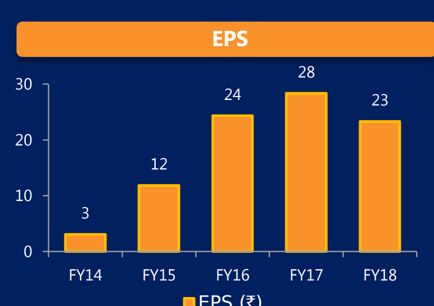
FINANCIAL HIGHLIGHTS







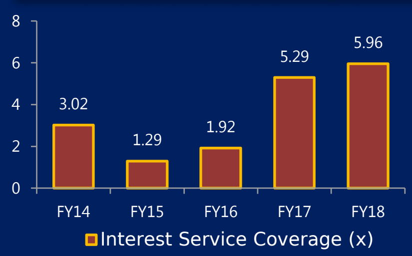




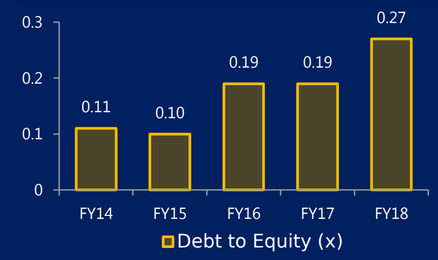
Notes:

1. Data for FY 17 & FY 18 are as per IND AS and others are as per IGAAP
2. Earnings per Share of FY 18 is decreased due to widening of Equity base due to conversion of Share Warrants to Equity with respect to the Capital Work In-progress

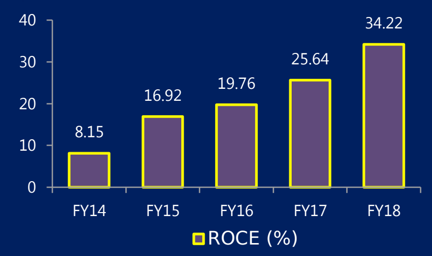
Interest Service Coverage



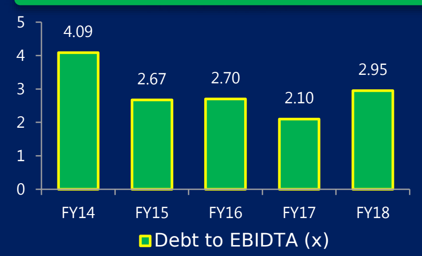
Debt to Equity



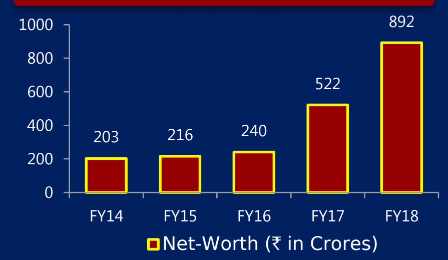
Return on Capital Employed



Debt to EBIDTA

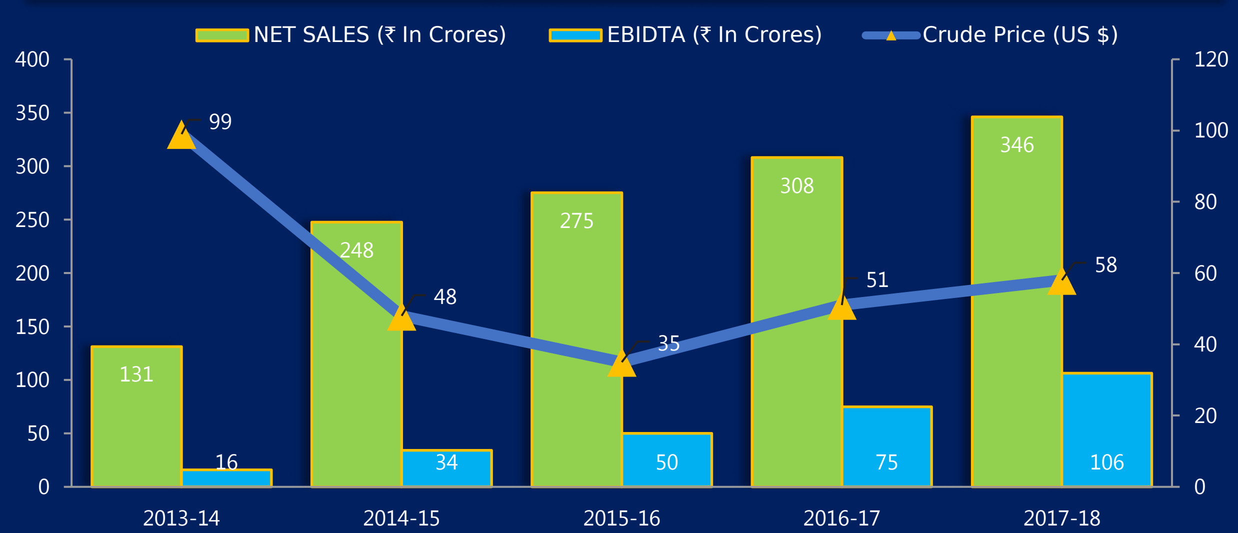


Net-Worth *



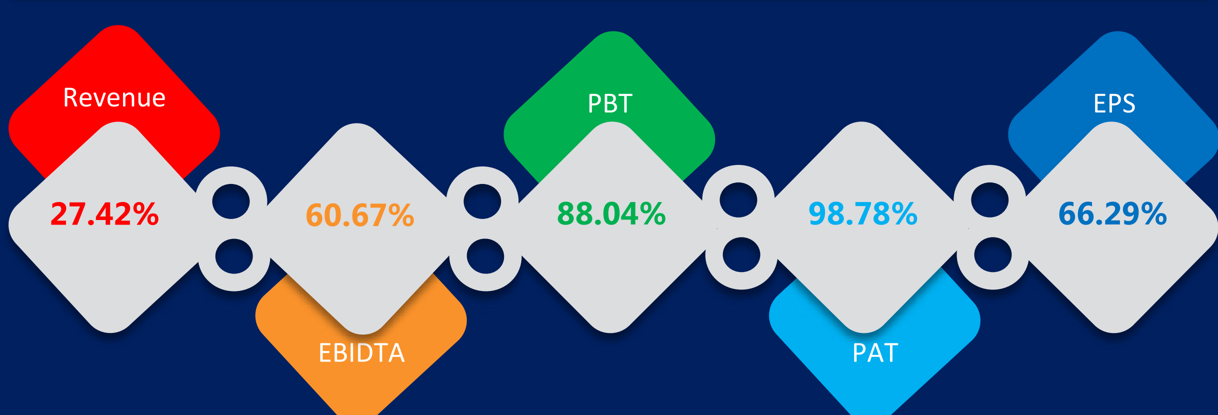
*Includes NCRPS and Unsecured loan of Promoters and Promoter Group

Profitability & Crude Prices



* Profit Margin is not affected by the volatility in Crude Prices

5 Years CAGR

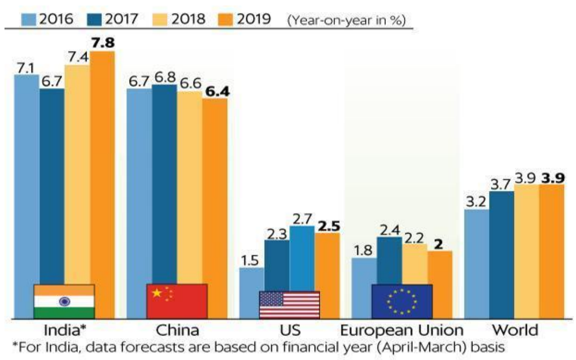


MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS ENVIRONMENT

Global

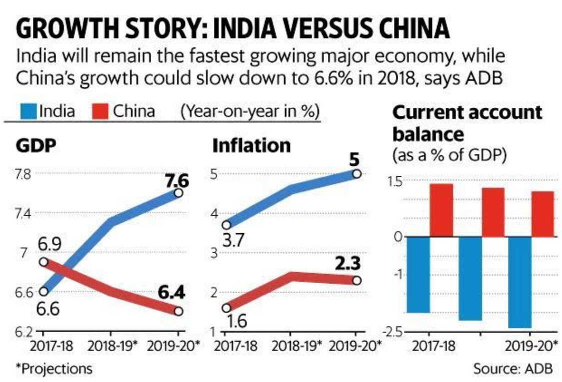
The global economy experienced a broad-based growth where expansion was witnessed in more than half of the world economies. During 2017, the global economy grew at 3.8%, highest since 2011. It was majorly driven by rise in profits, improved market sentiments, and robust growth in emerging markets and developing economies along with improvement in commodity exporters. In 2017, faster growth was experienced by around two-thirds of the countries accounting for almost 75% of the global output in comparison to 2016. 80% of this growth comes from emerging markets and developing economies which now act as not just centres of production but also final destinations of goods and services. Additionally, there was an estimated growth in global trade by 5%. The growth in advanced economies was mainly driven by a rise in capital spending, improved turnaround in inventories, and enhanced external demand. During the year, there was also an increase in investment by the advanced economies. This was mainly due to robust gross fixed capital formation, and an acceleration in stock building along with stronger balance sheets.

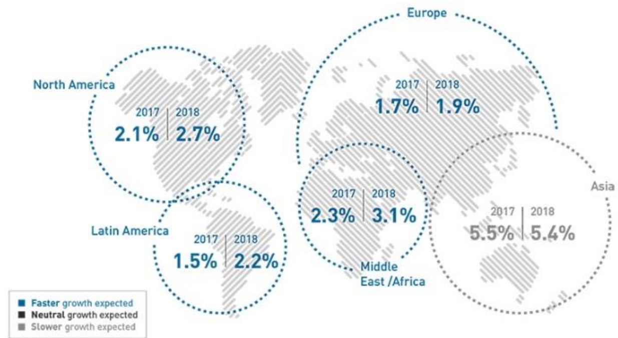


*For India, data forecasts are based on financial year (April-March) basis

Source: IMF

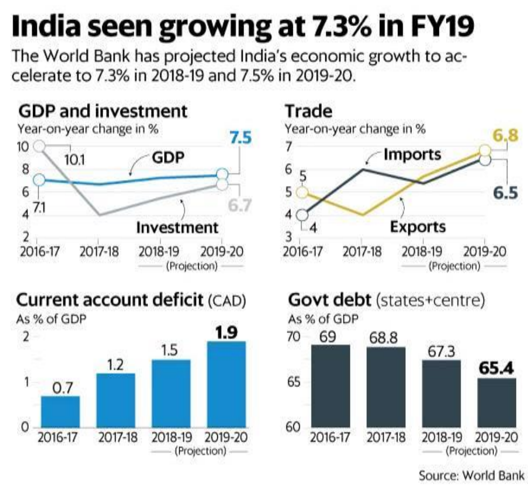
Moving ahead, the world economy is expected to drive the growth of EMDEs at 4.5% in 2018 and further at an average of 4.7% between 2019 and 2020. The advanced economies will grow due to tax reductions and rise in public spending. A robust growth in the euro area will be witnessed with an increase in demand due to rise in the confidence of consumer and business, accommodative monetary and fiscal policy, and rebound in labour markets. In EMDEs, growth will be noticed with continued revival of commodity exporters, growth in trade, increase in investments, rise in private consumption. Growth of South Asia is expected to be driven by a huge growth in Indian economy. As the world's largest economy is slated to ease banking regulations and renegotiate trade terms with its long-time partners, its protectionist policies may throw the economic equations of many export-oriented nations in disarray. Geopolitical uncertainties in the middle-east and rising crude oil prices might also work against the prospects of the world economy. China, which has long been considered the engine of manufacturing, is in the process of reorienting itself toward value added goods and technology.





Domestic

India's economy has grown at a strong pace in recent years owing India is third largest economy of Asia with a GDP of $2.6 trillion. The Indian economy has experienced an escalation in momentum in reforms, and a cyclical trend in growth rate during the year under review. During the year, government had taken several initiatives such as GST to bring in the concept of one tax one nation, bank recapitalization to deal with challenge posed by higher Non-performing assets, and further liberalization of FDI. After registering a high growth rate of 7% in 2016-17, the economy moved ahead to a slower growth rate of 6.7% in 2017-18. This happened as businesses were adjusting with the GST during Q1 of FY18. A revival was seen in the growth of exports during 2016-17, and this pace of growth further strengthened during 2017-18.



In FY 2017-18, India witnessed its first sovereign rating upgrade in last 14 years. Acknowledging Government's commitment to implementing some of the toughest and most crucial reforms such as GST, Insolvency and Bankruptcy Code, Moody's not only upgraded India's rating, it also raised the outlook to positive from stable. India has persevered with structural reforms over a wide area ranging from a flexible inflation targeting framework or monetary policy; liberalisation of FDI flows; a unique identification backed Direct Benefit Transfers; an Insolvency and Bankruptcy Code; the GST; realty reforms; and a swathe of measures for improvement in the Ease of Doing Business have improved India's global ranking in the World Bank's Ease of Doing Business by 30 notches to 100th in FY 2017-18 from 130th a year before.

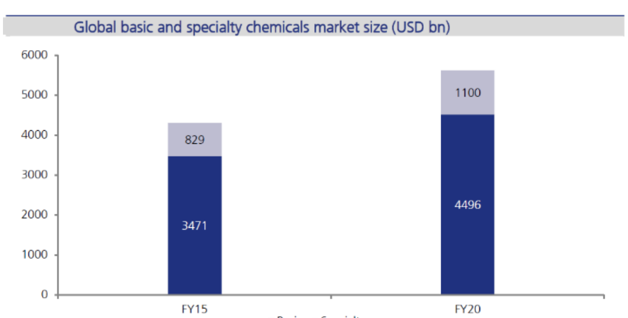
The Indian economy is expected to grow at an annual rate of 7.3% in FY 2018-19 and 7.5% in FY 2019-20. The growth is expected to gradually rise with continued implementation of structural reforms that raise productivity, private consumption investments. Exports are expected to go up with India setting up a roadmap to boost bilateral trade. Indian economy is expected to be on a path of growth where the country will experience a rise in production, demand, and income, despite continuous rise in crude oil prices, with growth momentum trajected for a $5 trillion economy by 2027.

CHEMICAL INDUSTRY OVERVIEW AND OUTLOOK

Global

The chemical industry is one of the largest manufacturing industries of the world. Chemical is a cyclical business and in line with GDP. This is because most of the chemicals are used during the early stages of manufacturing. During the year, chemical industry went through a phase of improvement in production and sales. The global chemical industry is estimated to have grown at 3.5% during 2017. This is mainly due to growth in key chemical markets China and US. China is world's largest market for chemical, and with rise in consumer demand the global chemical industry is expected to get a boost. The chemical output of US is expected to have grown at 2.9% in 2017, with a growth in industrial companies that supply raw material to the chemical industry. Global chemical industry consists of 70,000 diversified commercial products. The global specialty chemical industry after experiencing a subdued growth since 2007, is expected to grow from $970 billion industry in 2017 to $1.2 trillion industry in 2022. The global growth of industry is driven mainly by rapid industrialization and improved living standards.

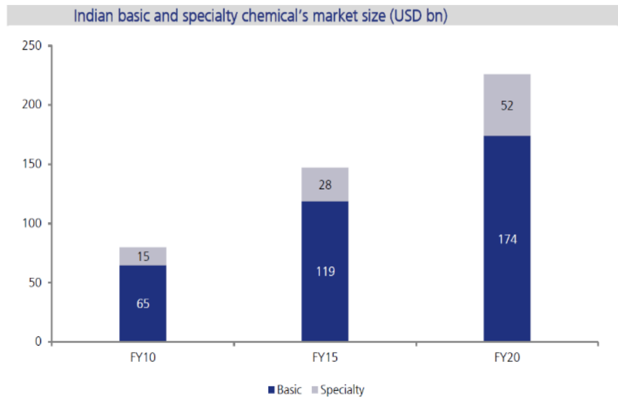
The chemical industry is expected to experience a sales growth of 6-8% between 2018 and 2019. The US chemical industry is expected to grow at 3.7% in 2018 with strong growth in the automobile industry. A rise in demand is expected to be witnessed by the chemical industry. This will happen with growth in electric vehicles sector across the world. The future output index of chemical industry reached a 37-month high during March, indicating that an output growth will be seen by the industry.



Source: TSMG-FICCI, Global Market Insights, JM Financial

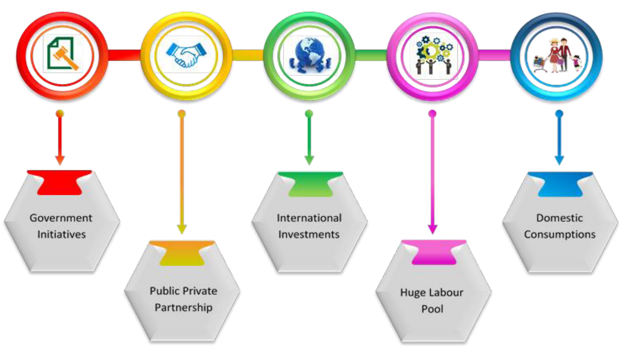
Domestic

The Indian chemical industry, an integral part of the Indian economy, is the 3rd largest producer of chemicals in Asia. The chemical industry caters with more than 80000 products to downstream industries such as automotive, textile, pharmaceuticals, construction and engineering, etc and ranks 14th in exports and 8th in imports of chemicals. The chemical industry sector is a valued at $160 billion, making India the 6th largest market for chemical in world. Given the requirement of chemical products and growth in different industries, India has the potential to be the fourth largest consumer of chemical in the world. The main challenge faced by Indian chemical industry is that over the years there has been an increase in gap between demand and supply.



Source: TSMG-FICCI, JM Financial

Indian chemical industry is expected to grow from a current market size of $160 billion in 2017 to $300 billion in 2025. The growth of the chemical industry is expected to be driven by robust demand due to increasing population, opportunities in market of petrochemicals and agrochemicals, increasing and government initiatives. Indian Chemical industry is expected to grow at CAGR of 8%-10% till 2025. India's share in world specialty chemical market is expected to reach 5% by 2020 against 3% in 2015. The Indian Chemical Industry driven by various government initiatives, is expected to get a boost in demand for both domestic and international demand. Among sub-sectors, it is expected that specialty chemicals and agro-chemicals grow at a higher pace than other chemicals.. The Government has put in place several initiatives like 'Make in India' and accelerative policies for textile intermediates that will support this growth. 'Make in India' targets duty rationalisation for raw materials, improved infrastructure, tax incentives for R&D investment and skill development and easing of regulations for the set up of 'Reverse SEZs'. Coupled with India's improving performance on ease of doing business, a thrust on developing Petroleum, Chemicals and Petrochemicals Industrial Regions (PCPIR) may prove to be instrumental to this aspiration. Moreover, factors such as the implementation of GST and development of a single-window compliance system augur well for the growth of the chemical industry.



Agrochemicals, dyes and pigments companies will enjoy tailwinds because of an expansive Government crackdown on companies that violate emission standards in China. Small scale and unorganized units in China have been particularly hit. Consequently, international demand for such products has moved to India and leading players are building up capacity to cater to these requirements for the increased demand from their own consumer base. This expansion will ensure that Indian companies have lower cost overheads and volume resilience in the long term. The Indian Speciality Chemicals industry also has a favorable outlook. Growing demand from global consumer-facing industries, need for innovation, capacity rationalization in China—the most prominent player in the chemical industry until recently, coupled with the requirement to maintain cost-effective production will open up multi-year growth opportunities for India's chemical sector

INDIAN SPECIALTY CHEMICAL INDUSTRY

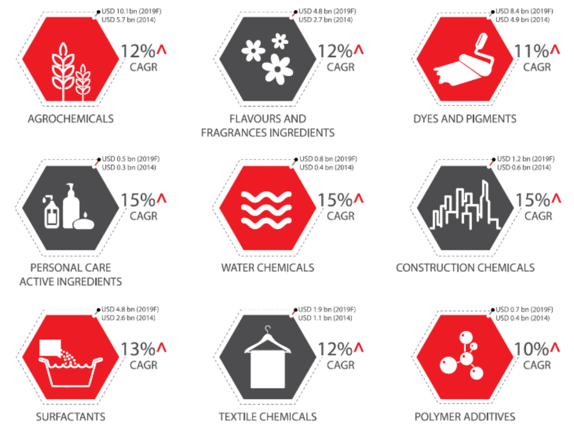
Chemical industry constitutes of 80% of specialty chemicals and 20% of other chemicals. Specialty chemicals are low volume and high value products that are sold on the basis of their quality and utility. Speciality Chemicals are known for end-use performance enhancing applications rather than their composition. They are recognised for "what they do" rather than "what they are" as in the case of basic chemicals. They provide solutions to customer applications, are knowledge-based and are known to deliver more financial returns as compared to basic chemicals. They are a blend of base chemicals and sold on the basis of their quality or utility, rather than product composition or brand. They are relatively high value, but low volume chemicals as compared with basic chemicals or commodity chemicals. In the specialty chemical sector, the focus is on value-addition to end product and technical specifications of the chemical. Since speciality chemicals are mainly used to add value to the finished product, they are primarily sold on a B2B (Business to Business) basis. Speciality chemicals can be further divided into various sub-segments on the basis of end-use applications. The major sub-segments are 1) Agro-chemicals, 2) Colourants, 3) Construction chemicals, 4) Flavours & Fragrances, 5) Paints & Coatings, 6) Personal care, 7) Polymer & additives, 8) Surfactants, 9) Textile chemicals, and 10) Water treatment chemicals.

The specialty chemical sector accounts for around 20% of the chemical industry of India. The Indian specialty chemical industry is expected to be a $50 billion worth industry by 2018, driven by strong growth, mainly in the domestic market. The specialty chemical sector is expected to grow at a CAGR of 10% and almost double its market size by 2025. It is expected that specialty chemical industry will witness a high growth in demand from the end user industries. With government's focus on affordable housing, agriculture, and infrastructure development, the specialty chemical industry is expected to get a boost.

These chemicals are witnessing increased usage in customer-related industries such as agrochemical, pharmaceutical, automotive and textiles, with higher consumer demand for better quality and superior products. Key drivers such as innovation and sustainability initiatives have become major factors that determine competitiveness and have become the foremost priority of producers. 'Green Chemistry' and environmental preservation initiatives are widely accepted by the global counterparts.

Global Speciality Chemicals market

Over the past few decades, various countries has led the speciality chemicals business at different time periods. US led the industry after World War II until the late 1980s, manufacturing chemicals for use in oil field services, electronics, plastics, etc. Gradually, Europe took over and dominated the business mainly through exports, while the US and Japan remained key producers. However, with trade liberalisation, technology transfer, reduction in economic barriers and rapid economic growth in developing countries, the speciality chemicals industry expanded rapidly in Asia, with China contributing a major part of this expansion. The high growth seen in China's speciality chemicals industry may be attributed to low labour costs, low energy and regulatory costs (compared to developed markets) and a highly-developed basic chemicals segment. Although, China has witnessed strong growth in the speciality chemicals segment, significant regulatory issues by way of higher pollution, labour reforms, etc. has increased the costs in China. India, on the other hand, would be able to emerge as a fast-growing speciality chemicals hub on account of its low capital and operating cost competencies, availability of feed stock and skilled manpower, better manufacturing standards and compliance of regulatory frameworks, stronger IP protection, etc.



Market size and growth

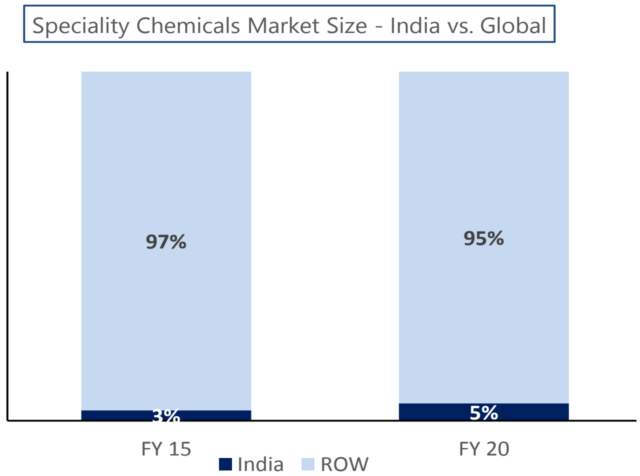
Source: Literature review; Avendus analysis

Note: USD 1 = INR 60 throughout the report

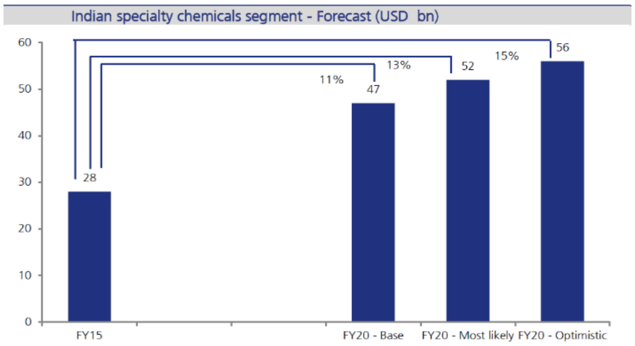
The global speciality chemicals market was estimated at US$ 1.16 Tn in 2016 and is expected to grow at a CAGR of 5.6% over 2017 to 2025, to reach US$ 1.79 Tn by 2025. Globally, speciality chemicals are driven by extensive product research and innovation, which is a significant differentiator over the commoditised chemical industry. Low cost labour and vast raw material resources are contributing to the increased growth in the Asia-Pacific region, as foreign players are investing in emerging nations.

The Speciality Chemicals manufacturers in China are facing raw material shortage, rising energy costs, higher labour costs and incremental effluent treatment and compliance charges. China's weaker cost competitiveness in international trade and product disruption due to wheeling of large manufacturing plants are contributing to slowdown in the Chinese chemicals industry and its exports. India, a known alternative hub for chemicals could bag a multi-year exports opportunity. China's prolonged self-imposed slowdown offers a much longer window of at least a few years for Indian chemicals peers to establish themselves in the international market by building global clients and ultimately tapping the export opportunity.

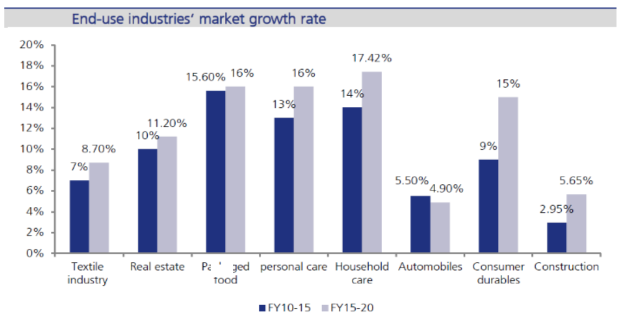
Domestic Speciality Chemicals market



India is the 6th largest producer and the 6th largest consumer of chemicals worldwide. The Speciality Chemicals industry in India represents a US$ 25 Bn market, growing at 14% over the last five years led by domestic consumption, growing faster than the chemical sector as a whole.

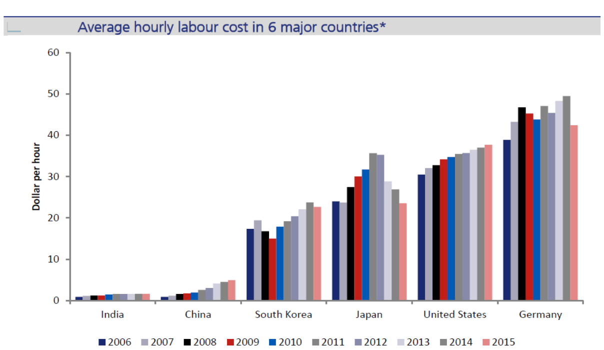


Source: TSMG & FICCI, Company, JM Financial
Source: TSMG-FICCI, JM Financial



Source: IBEF, IJIRD, Industry, Company, JM Financial

The industry serves both the local market and the global market. The key speciality segments in India are agrochemicals, paints, coating and construction chemicals, colourants, fine chemicals, personal care chemicals and aroma chemicals. The critical success factors for most of the speciality chemical segments include understanding of customer needs and product/application development to meet the same at a favourable price-performance ratio. Global firms are gradually facing the heat of compliance, cost and capacity issues in other markets, especially China, and are thus looking to outsource their manufacturing processes to India. The structural shift towards Indian speciality chemical players is ably supported by the Government in the form of a robust patent framework, the presence of appropriate regulations to protect intellectual capital, improvement in infrastructure and thrusts to promote investments in R&D, as well as green technologies and a rich pool of knowledge workers.



Source: The conference board, BLS-US, National Bureau of Statistics of China, Labour bureau India, OECD, Company, JM Financial
*Countries ranked by chemical sales as of FY15 *India – For year 2013 to 15, labour cost per hour derived from index provided by labour bureau, **China – For year 2014 & 15, labour cost is derived from cost given in CNY by National bureau of Statistics in China

The structural foundation of the Indian speciality chemicals sector remains strong, catalysed by a visible increase in domestic consumption of-value added high performance products in all spheres of life, Low Cost of Skilled Labour, Raw materials and utilities, Investment in R&D and Government initiatives. India's position as a manufacturing hub for specialty chemicals strengthened following an increasing shift in manufacturing capacities to Asia, following a weakening in Chinese exports and a sustained improvement in India's competitiveness. The road map appears promising as India's chemical industry is poised for robust growth and investment on the back of solid domestic demand and robust export market. Key reform initiatives like the Government's 'Make in India' and National Chemical Policy are aligned boost investments in the country enabling framework to accelerate manufacturing of chemicals in order to meet growing internal and external demands as well as reduce dependence on imports. The upcoming years will provide an opportunity for domestic industry players to gain scale and consolidate, while the international players may set up a robust manufacturing base in the country. India's emergence as a leading global speciality chemicals manufacturing location is fortified by improvements in infrastructure, regulation, licenses, taxes and other catalysts like:

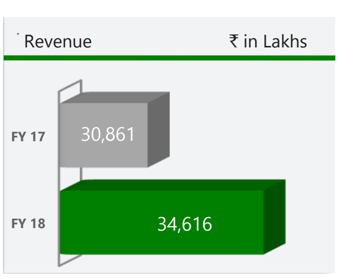
- Large population with lowest per-capita consumption
- Relatively strong GDP growth outlook
- Rapid progress in key end-user industries domestically
- Favourable initiatives by government

COMPANY OVERVIEW

SEYA INDUSTRIES LTD, a Company, promoted by Technocrats, is engaged in manufacturing of Specialty chemicals at its state of the art manufacturing facilities in MIDC Tarapur, Boisar a notified chemical manufacturing zone 90kms from Mumbai which have wide spectrum of applications in the manufacture of Pharmaceuticals (like Paracetamol, floxacins, etc), Personal & Health Care Products (like Hair dyes), Printing Inks & Paints (used in Laser/Ink jet Printers, for Road markings, etc), Agrochemicals (like DDT, etc) Insecticides/Pesticides (like Quinalphos, Mortein, Baygon, etc), Rubber chemicals (for Leather protection), Textile dyes, Thermic fluids (used as heating medium), etc. The company's strength lies in its wide product offerings, ability to adapt to new markets and being environmentally friendly.

In the past few years, your company has emerged as most competitive and low-cost, Leading producer of Benzene based Specialty Chemicals with complete backward and forward integration across Benzene value chain and globally ranking at No. 1 position for quality of majority of its products. Seya's products have won wide domestic and international acclaim. Your company accounts for 30-40% of global market share for some of its products. Your Company's established and long standing customer relationships, with multi-product and multi-industry approach, state-of-art manufacturing practices, high quality standards, timely delivery, compliance to regulations, Extensively backward and forward Integrated Gobal Scale State-of-art technological driven operations, efficient utilization and re-use of its By-products, well-diversified product portfolio and continued focus in expanding business in newer horizon's has resulted significant growth in operations during the year. The Company has added another year of achievements in its success book by delivering a record revenue performance exceeding ₹3.5 Bn mark for the first time.

FINANCIAL PERFORMANCE



Net Sales during the year was ₹34,615.53 lakhs as compared to ₹30,860.52 Lakhs in PY, reporting an increase by **12.17%.** The prices of crude oil and related petrochemical intermediates, which form an important source of raw materials for your Company and which govern the Selling Prices of the Products, remained stable thereby muting top-line growth. Sales Volume growth stood healthy at 7.5%. Your Company has aligned its entire capacities to Speciality Chemicals

₹ in Lakhs

	FY 18	FY 17	Change	% Change
Revenue from Operations	**34,615.53**	30,860.52	3,755.01	+12.17

Segment Revenue

Your Company has been focusing only on Specialty Chemical segment end-users with higher profitability, higher volumes, stable and increasing demand thereby resulting almost 100% revenues from the segment, hence segment wise analysis in-accordance with IND-AS 108 is not applicable.

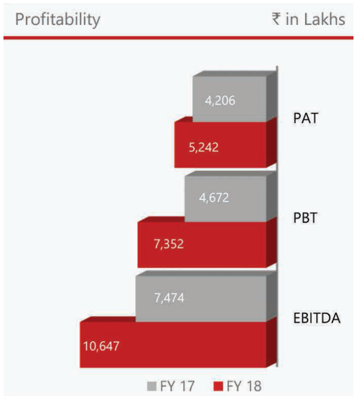
Demonstrating highest momentum in performance as several end-user segments continued to benefit from increased demand thereby professing bright future prospectus for this segment. Due to the differentiation from standardised products, these niche products require more value addition and focus on quality of product, long-term relationships, stable and sustainable operations and global best practices for suppliers and customers with end applications in colourants, pigment, agrochemicals and pharmaceuticals. These products are customised as per specific customer requirements and enjoy higher value. The shift towards higher contribution products in the overall product mix and traction from newly introduced products has been instrumental in the strong performance of this segment.

Your Company demonstrated its versatility, adaptability and dynamism by focusing on Specialty Chemical segment thereby remarkably increasing the Top line and Bottom line growth of your Company despite falling crude prices correcting input cost resulting in muted top-line due to alignment of sales prices of products.

Profitability

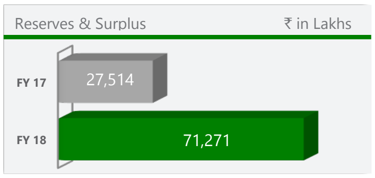
EBITDA for FY 18 was higher by **42.46%** at ₹10,646.83 lakhs compared to ₹7,473.64 lakhs in PY. The growth in EBITDA was driven by higher margin led growth, volume growth, improved cost efficiencies and positive impact because of de-bottlenecking initiatives. Your Company could increase the spread in key products due to increase in selling prices of certain products namely those which were sourced from China. A combination of factors including Disruption in Capacities from China, favourable product mix, efficiency gains and better realisations across key products also contributed to better EBITDA performance.

Profit before Tax (PBT) was up **57.36%** at ₹7,352.01 lakhs compared to ₹4,672.09 lakhs in PY. **Profit after Tax (PAT)** was higher by **24.62%** at ₹5,241.82 lakhs in FY18 compared to ₹4,206.23 lakhs in PY17 despite significant increase in Interest, Depreciation cost on account of commissioning of upgraded facilities with Capacity addition and Tax Expenses. Capitalising the opportunity steered by slowdown in China market combined with higher efficiencies, your Company was able to maintain its trend of steady growth in profitability on vertebrae of value-added products.



₹ in Lakhs

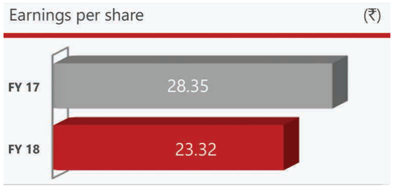
	FY 18	FY 17	Change	% Change
Earnings before Interest, Depreciation & Tax	**10,646.83**	7,473.64	3,173.19	42.46%
Profit Before Tax	**7,352.01**	4,672.09	2,679.92	57.36%
Profit After Tax	**5,241.82**	4,206.23	1,035.59	24.62%



There has been no transfer to the general reserve account during the period under review. Total reserves and surplus increased by a whopping **159.03%** to reach the level of ₹71,271.19 Lakhs as compared to previous year of ₹27,514.14 Lakhs with major contribution on account of Impact of representation of Fair Value of Assets (viz. Land) as per requirements of IND-AS-16 accounting standard applicable from April 1, 2017 on the Company, followed by conversion of Share warrants to Equity with related Securities Premium(at premium of ₹170/share to Promoter and Others).

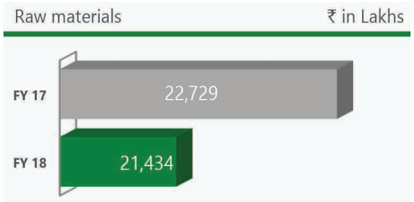
₹ in Lakhs

	FY 18	FY 17	Change	% Change
General Reserves	**2,013.53**	2,013.53	-	-
Profit & Loss Account	**14,719.66**	9,605.61	5,114.05	53.24%
Securities Premium Account	**23,120.00**	15,895.00	7,225.00	45.45%
Reserves & Surplus	**71,271.19**	27,514.14	43,757.05	159.03%

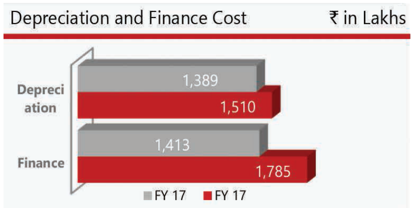


Earnings per Share (EPS) decreased to **₹23.32** in FY18 as compared to ₹28.35 in FY17 due to expansion of Equity base on account of conversion of Share warrants to Equity. Your Company continued its dividend paying track record during the year and the Board of Directors recommended a dividend of 10% i.e. ₹1/- (Rupee One Only) per Equity Share of a Face Value of ₹10/- each. The Diluted EPS was also at ₹23.32 since no outstanding and/or potential conversion is pending.

	FY 18	FY 17	Change	% Change
Basic EPS (₹)	**23.32**	28.35	(5.03)	(17.74)%
Diluted EPS (₹)	**23.32**	25.34	(2.02)	(7.97)%

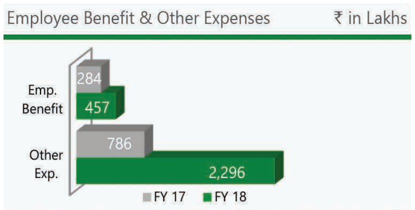


Raw material cost stood at ₹21,434 Lakhs compared to ₹22,729 Lakhs in PY, a decrease by 5.70% against net Revenue of increase by 12.11%, on account of better negotiations, efficient Inventory Management and Price correction forecast by your Company.



Finance cost was higher at ₹1,785 Lakhs due to post commissioning interest cost against Long Term Loan and Short Term Working Capital Loan availed from Banks & Institutions for Upgradation, modernisation and Added Capacity of Nitro Chlorobenzene Plants which were commissioned in the previous year.

Depreciation and Amortisation Expenses increased to ₹1,510 Lakhs from ₹1,389 Lakhs (Y-o-Y) due to post commissioning Depreciation expense of Added capacity of Nitro Chlorobenzene Production Plants which was commissioned during previous year



Employee Benefit Expenses increased to ₹457 Lakhs from ₹284 Lakhs (Y-o-Y) due to escalation in annual remuneration and induction of new employees for Forward Integration Products & Added Capacity of Nitro Chlorobenzene Production Plants which were commissioned during previous year.

Other Expenses were higher at ₹2,296 Lakhs vs. ₹786 Lakhs (Y-o-Y) due to re-grouping & re-classification of Fuel Purchases which were categorised under Raw material purchases in previous years and due to increase on scale of operations.

₹ in Lakhs

	FY 18	FY 17	Change	% Change
Raw Material Cost	**21,434.18**	22,729.46	(1,295.28)	(5.70)
Finance Cost	**1,785.01**	1,412.58	372.43	26.37%
Depreciation & Amortisation Expenses	**1,509.81**	1,388.96	120.85	8.70%
Employee Benefit Expenses	**456.71**	284.31	172.40	60.64%
Other Expenses	**2,296.25**	785.51	1,510.74	192.33%

Capital Employed:

₹ in Lakhs

Particulars	FY 18
Gross Block	83,876
Less: Adjustment as per IND-AS 16 w.r.t. representation of Fair market value of Land	(31,421)
Adjusted Gross Block:	52,455
Capital Employed in Manufacturing operations	31,315
Un-employed Capital(Land for future expansion)	21,140

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

SWOT ANALYSIS

The present per capita consumption in India is very low as compared to other countries and the growing domestic household promises increasing opportunities for growth on the back of increasing disposable income of growing middle class. China no longer controls the market repelled by its present pricing policy due to increasingly stringent pollution control policy and measures being administered by its Government. The brand value 'Make in India' is lead by knowledge power and vast experience in handling customer demands and is at its brightest spot in the Chemical industry. Challenges of REACH compliance, escalation of Crude Oil prices, fuelling, cascading and spiralling effect of prices of Inputs and Rupee v/s Dollar remain matters of the past. Your Company has resolved its SWOT for clenching the Opportunities and mitigating the Threats:

Key Strengths

Adroit Leadership & Management Team: Seya is led by a strong and experienced management team with strong fundamental knowledge and keen awareness of the shifts in the industry landscape comprising first generation technocrats all possessing excellence in Chemical Engineering. Your Company has established a record of blockbuster returns with capex execution leading to consistent revenue growth, value-addition and margins expansion. Your management possesses a proven track record in formulating strategies, implementing pioneering technologies and introducing high value high margin products to accelerate the growth momentum by establishing best-in-class global practices which have enabled your Company to enhance stakeholder value while adhering to the code of Responsible Care and ethical values.

Integration & Global Size Plant: Seya's sustained focus on process development, plant automation and high quality benchmarks has made it possible to emerge as one of the highest quality at lowest-cost producers of benzene derivatives in the world. Your Company's environment friendly integrated facilities with backward and forward cost-efficient processes and diversified downstream applications complemented by competitive, large and integrated supply chains empower your Company to address the growing needs of large global customers with committed and secured Supply Chain. Your Company has the largest installed capacities for its premium high valve and high margin products. Your Company is a global entity integrated backwards and forwards in its range of chemicals and also across various value chains, enhancing its capability to supply a basket of products and becoming a one-stop source. This has resulted in the fragmentation of competitive risks as very few global players are as integrated and diversified as your Company.

Diversified Product portfolio: Your Company's de-risked portfolio with diverse products addresses different end-user applications across customers and geographies spanning from Agrochemicals, Polymers, Dyes, Pigments, Printing Inks, Pharmaceuticals, Health & Home Care, Oil & Gas, Rubber Chemicals, Flavours & Fragrances, Food Ingredients, Cattle Feed, etc. thereby insulating itself from vagaries in any one product or segment. Your Company supplies products to more than 100 customers. Each Product results in engagements with multiple customers, an effective entry barrier for competition providing flexibility to shift products based on market dynamics, countering demand vagaries and converting process by-products into commercially viable products, enhancing value. There has been focus on developing integrated product chains rather than fragmented, standalone products enabling significant cost synergies and deeper relationships with clients who partner with the Company for multiple products over several years. Your company's leadership in certain products facilitates knowledge transfer, provides demand foresight, the ability to absorb incremental SH&E costs. Diversified and comprehensive product portfolio and large customer base spread across several countries and customer categories, strengthen your Company to face headwinds, if any and dependence on any product, customer or geography.

Innovation & Technical Expertise: Innovation is deep-rooted in the DNA of your Company. Seya executes complex and hazardous chemical processes with high success rates by leveraging its License for niche chemistries from expert Technology Suppliers in Germany and its capability in managing, storing and handling various types of chemicals in quantities ranging from few kilos to several tons. Your Company's ability to develop new product application and to customise products to suit customer needs have helped in expanding its customer base and thereby enabling your Company to establish its leadership position. Your Company's expertise and competence provides customers the comfort that it will undertake these complex processes safely and in a cost competitive manner while adhering to the highest standards of quality. The enriching product mix combined with scale has enhanced the earning efficiency of value chain. Your Company's focus on R&D initiatives for Speciality Chemicals has built technological capabilities through know-how transfer resulting in several differentiated processes/ chemistries. The focus has always been on development of newer and niche value-added products and process chemistries, improving product quality and process yields of existing products, forward integration for downstream products etc, with thrust on environment friendly processes to further strengthen its global presence in the end-user applications.

Quality, Safety, Sustainability: Your Company practices the most stringent global environment, health and safety standards, ensuring optimal productivity and business sustainability. Seya has been REACH-compliant and emphasizes on Reduce-Reuse-Recover principles across its manufacturing site following the highest SHE (Safety, Health & Environment) standards. Your Company is looked upon as a benchmark and standard of Quality. Your company has revolutionized Quality of all the Products it manufactures to standard which can be matched by none and commands premium pricing for all its products.

Key Opportunities

Make in India – Geographical shift: India has developed into an important manufacturing hub for Speciality chemicals on account of superior compliance with environmental norms, increasing competitiveness and decline in Chinese competitiveness. India is capitalising on growing opportunities in the export of Speciality chemicals with increasingly stringent compliance to environment norms in China which has affected global supply enabling Indian producers with large capacities, international quality compliance and environment standards to benefit. Maturing of the Chinese economy has increased labour and other Costs in China with incremental compliances necessitating additional investments in effluent treatment thereby enhancing costs and impacting capacity utilization assessed by increased competitiveness of Rupee v/s. Chinese Yuan widening the Indian fosse. Amidst this the Government's ambitious 'Make in India' initiative has given tremendous boost to the Indian manufacturing sector attracting capital, technological investment and toting impetus to the emergence of India as a manufacturing hub for the chemical industry. Your Company driven by extensive product and process innovation, a significant differentiator over the commoditized Indian chemical industry. With strong technical expertise, high Safety Health & Environment standards as well as deep customer relationships, it remain at the forefront to make significant headway in high value chemicals strengthening product mix and scale resultantly driving earnings efficiency.

Large addressable market: To address the country's large and dispersed end-user market, companies have to start adopting a key-account strategy for large customers and partnership with other companies to build distribution networks across geographies. Companies have realized the importance of having a strong vendor base and partnership arrangements with cost effective local companies to achieve a leadership position.

India as an R&D hub for specialty chemicals: Large MNCs have started tapping the India's cost advantage by investing in production for exports and also moving some of their R&D work to India. There is a large untapped potential in this space.

Opportunities for local customization: A key success factor in the Indian specialty chemical market is the local customization. Many customers are willing to sacrifice on some of the product attributes for a lower product price. These offerings can also be expanded to other Asian markets. The recent trend evidenced by the structural headwinds prevalent in the chemicals industry is the extraction of increased value from its operations and embracement of smarter portfolio management to improve performance. Leveraging skilled labour, lower capital costs, improved knowledge, equity and cost advantages of Asian players have compelled the larger players from developed countries to progressively discontinue their operations and transfer capacities eastwards and using local facilities for manufacturing high-end performance products. Many of these companies operate asset-light structures that increasingly outsource intermediates from China and India. While this trend was for long favourably disposed towards China for various end user products, India has recently been developed into an important manufacturing hub for speciality chemicals on account of superior compliance with environmental norms, increasing competitiveness and decline in Chinese competitiveness. Moreover, as MNC customers remain keen to allay their country risk through widening diversification; India is well positioned to capitalise, translating into growing opportunities for the export of speciality chemicals. Regulating agencies in developing countries have become more stringent in ensuring a complete compliance with environment norms. In China, restrictions have firmed up and imposed over last 2 years; in India, compliances were stringent for five or six years, providing the country a competitive advantage, making it possible for Indian players with large capacities and international quality compliance and environmental standards to corresponding benefit. The incremental compliances necessitate additional investments in effluent treatment, enhancing costs and impacting capacity utilization for the Chinese. The maturing of Chinese economy, labour and other costs have increased meaningfully.

Key Challenges

Regulatory and environment: While chemical industry addresses growing need for materials required by different sectors, the industry employs highly complex manufacturing process that often involves handling of toxic and hazardous chemicals. The process being energy intensive, the importance of safety, health, security and environmental protection cannot be underestimated. Like all chemical companies, your Company is subject to central, state, local and foreign laws and regulations relating to pollution, protection of the environment, greenhouse gas emissions, and the generation, storage, handling, transportation, treatment, disposal and remediation of hazardous substances and waste materials. Costs and capital expenditures relating to environmental, health or safety matters are subject to evolving regulatory requirements and depend on the timing of the promulgation and enforcement of specific standards which impose the requirements. Moreover, changes in environmental regulations could inhibit or interrupt the Company's operations, or require modifications to its facilities. Accordingly, environmental, health or safety regulatory matters could result in significant unanticipated costs or liabilities. The export performance of specialty chemicals so far has been good. European and developed markets have progressively tightened their import regulations citing environmental concerns and protection of domestic manufacturers. The most impactful regulation from an Indian perspective has been the European Union's REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) which addresses the production and use of chemicals and their potential impact on human health and environment. The substantial impact of REACH will come into effect from June 2018 that will regulate any chemical supplied to EU. REACH increases the safety, health and environmental compliance of chemical manufacturers supplying to EU, affecting underlying process costs. In a scenario where a number of Indian companies are likely to find this transition challenging, Seya has been REACH-complaint since its inception by adhering to highest standards of SHE (safety, Health & Environment).

Non-availability of Alternate Energy Sources: Chemicals manufacturing Industry consistently requires high amount of energy in production processes through conventional fuels like coal, furnace oil, etc. for generation of power or as a heat energy source. Use of non-conventional energy like wind power, solar power or natural gas becomes unfeasible as these alternate fuels have shortcomings like lack of reliability of continual supply, inability to generate energy in large quantity, sizeable capital expenditure, availability at higher costs, etc. However your Company has implemented state-of-art Energy Management Systems and continues to focus sharply on improving Utility efficiencies at its facilities along with widening its scope of Green Chemistry.

Volatility in Raw Materials Prices: Volatility in the global prices of raw materials is the foremost challenges faced by the chemical industry which can be well mitigated due to the time lag before price hikes or cost revision enabling the same to be passed on to customers. While your Company has enhanced inventory management procedure, it periodically reviews prices with suppliers, which remains as an inherent weakness in the industry. Sharp corrections in the crude oil prices aligns prices of various raw materials procured by the Company which influence topline even as they have a limited impact on profitability due to adoption of a cost plus pricing model for all its products. While the topline remains elastic to raw material price movements, enhanced volumes and superior product mix drive the profit capturing the essence of your Company's value chain.

Obsolescence of Product and Processes: Obsolescence of products and existing manufacturing processes pose a threat to the global chemical industry. Swift technological transformations, changes in materials and innovation-driven changes in manufacturing process render existing products and processes obsolete. Latest technologies can affect the overall market dynamics and existing operations of the industry.

Slowdown in End User Industries: The slowdown in growth of end-user industries such as Printing Inks, Paints, Pigments & coatings, Agrochemicals, Rubber, Paper and Textiles amongst others could impact the overall growth. However, your Company has an ability to shift the manufacturing towards those products which enjoy better demand-supply dynamics thereby sustaining profitability and insulating the operations from slowdown in a particular product category. Your Company has achieved a substantial level of diversification across products, customers, geographies and applications, completely changing the nature of our business risk profile compared to other companies. Your Company caters to several industries, not overtly dependent on any single industry, customer or geography with its diversified portfolio comprising multiple products that cater to multiple customers across geographies and varied economic cycles. No single customer, product of end-user industry contributed higher than 15% of revenues.

Momentous Currency Appreciation: Sharp appreciation in the currency could impact growth as competitive advantages vis-à-vis China could reduce thereby slowing the pace of shifting of volumes from China to India. Appreciation of Indian Rupee against US Dollar also lowers the export realisation thus impacting the export potential.

STRATEGIES FOR GROWTH

SEYA has envisaged its growth path, by a clear and defined vision to:

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

Capacity Expansions

Company is in process of doubling the capacity of one of its high value and high margin product, during the financial year, which presently contributes ~20% to its revenues. The brownfield expansion is expected to be commercialized in Q4FY19 and contribute additional growth of ~5% in top-line and bottom line in Q4FY19 and 15% - 20% in FY20

De-bottlenecking & Efficiency Improvement

Company is upgrading and debottlenecking all product plants by setting up parallel capacities for select products and replacing machineries for some products to align the production plants and processes on new Technologies. In addition to this, keeping up its commitment as a responsible corporate citizen, Company is upgrading its Effluent Treatment Plant to support its capacity expansions. The de-bottlenecking and efficiency improvement exercises under implementation are expected to boost production volumes, revenues and margins through FY19 and H1FY20 by at least 15% - 20%. The estimated capital expenditure for above Capital expansion and de-bottlenecking project is ₹70 – 75 Crores which is being funded through internal accruals and almost 40% of the estimated amount has been incurred until Q1FY19

Mega Green-Field Project Under Implementation

Your Company is addressing cost issues of raw materials and its price volatility and high energy costs which shall result in reduction in energy and fixed costs, yield better cash flows and aid in debt reduction, all of which will result in long-term value creation for its stakeholders. Cash generation through operational excellence and to realize the synergies of being a fully integrated facility shall drive efficiencies and effectiveness in transitioning to value-added products. With a clearly defined vision to emerge as an Integrated Global producer for Speciality Chemicals and having invested ₹4.41Bn in Capex in last 5 years, Company took its next step forward to start next round of expansion at cost of ₹7.35Bn, to be commissioned and commercialized in H2FY20 with additional installed capacity of 527,900 MTPA. The project is expected to contribute additional ₹10-12Bn in Revenue at an estimated capacity utilization of 80% and EBIDTA margins on similar lines of present manufacturing operations. The project is in close vicinity of Seya's existing manufacturing operations at MIDC Tarapur, Boisar in State of Maharashtra and is being funded at 1:1 Debt-Equity. The financial closure for the Project was achieved in Q1FY18 and the work for the same had started in Q3FY18.

The Equity has been fully introduced by the Promoters and is forming part of present Share Capital/Equity Structure of the Company. The Project is being built under the supervision of highly experienced and reputed EPC contractors, German Technology Suppliers and PMC's holding successful track-record of more than 105 years backed by performance guarantee. It involves latest state-of-the-art, cutting edge, continuous, fully automated process technology which will enable Seya to be the lowest cost producer in the World for the products under set-up. The installed capacities of proposed products under set-up will be the largest in the world at a single location.

Seya has safeguarded any copy of the Technology by executing confidentiality and copyright agreements with its technology suppliers restricting sale of technology acquired, for next 20 years. The License, Process Know-how and Engineering package for patented technology have been delivered by the technology suppliers in H2FY18 and the proprietary plant and machinery has been delivered in Q1FY19. The proposed expansion is progressing as per schedule and has accomplished more than 40% Site Completion until Q1FY19. The Greenfield expansion project entails:

- **Back ward Integration** to manufacture Bulk Raw materials & Intermediates which are being presently procured at 1.5 times their manufacturing cost due to restriction on Imports and limited no. of manufacturers in India who are competitors of Seya.
- **Recycle & Reuse of By-Products to produce Value Added Products** thereby reducing its Disposal Cost and enhancing the Value of the By-Products.
- **Set-up of 14 MW Captive and Cogen Power Generation from Process Waste Heat:** 8 MW of Free Power shall be generated by Recovery of Waste Heat generated in the Process and 6 MW shall be generated using Cogen Thermal Power Plant.
- **Forward Integration in High value and High margin Speciality Chemicals** on similar lines as the earlier forward Integration project successfully executed 4 years back resulting in Value addition and increase in EBIDTA margin
- **Horizontal Integration into fast moving High margin and High Value Speciality Chemicals** used in Lithium Ion batteries for Mobiles/laptops/etc, Agrochemicals, Pharmaceuticals, Soaps & Detergent Industry, Dyes, Wine, Paper, Mining Industry, Food Industry, Aeronautical Fuel, Dye & Pigment intermediates, Printing Inks used in ball point pens, curing of polyester and vinyl ester resins, Fabric softeners, Synthesis of cosmetics and colouring agents.

Almost 50% of the installed capacity in the proposed greenfield mega project is to be captively consumed as intermediates. Out of balance 50%, 30% of the proposed installed Capacity is contracted to existing customers on long term supply contract and balance 20% is envisaged to provide as import substitute to cater to the increasing demand arising from Supply disruptions and geographical shift from China

INTERNAL CONTROL SYSTEMS & ITS ADEQUACY

The Company has robust systems for internal audit, risk assessment and mitigation and well-established internal control and risk management processes both at the business and operational levels. The Internal Auditor reports directly to the Chairman of the Audit & Risk Management Committee of the Board of Directors, which ensures process independence. Internal audit function plays a key role in providing to both the operating management and to the Audit & Risk management Committee of the Board, an objective is to view and reassurance of the overall control systems and effectiveness of the risk management processes across the Company. Internal Audit also assesses opportunities for improvement in business processes, systems and controls and provides recommendations designed to add value to the operations. The scope and authority of the Internal Audit Department is derived from the Audit Charter approved by the Audit Committee. Internal Audits with respect to financial and compliance matters are performed by an internal Auditor and operational level internal audit is performed by the in house team of managers, engineers and project and production team. The internal audit department which operates on a decentralised basis continuously monitors the adequacy and effectiveness of the internal control environment across the Company and the status of compliance.

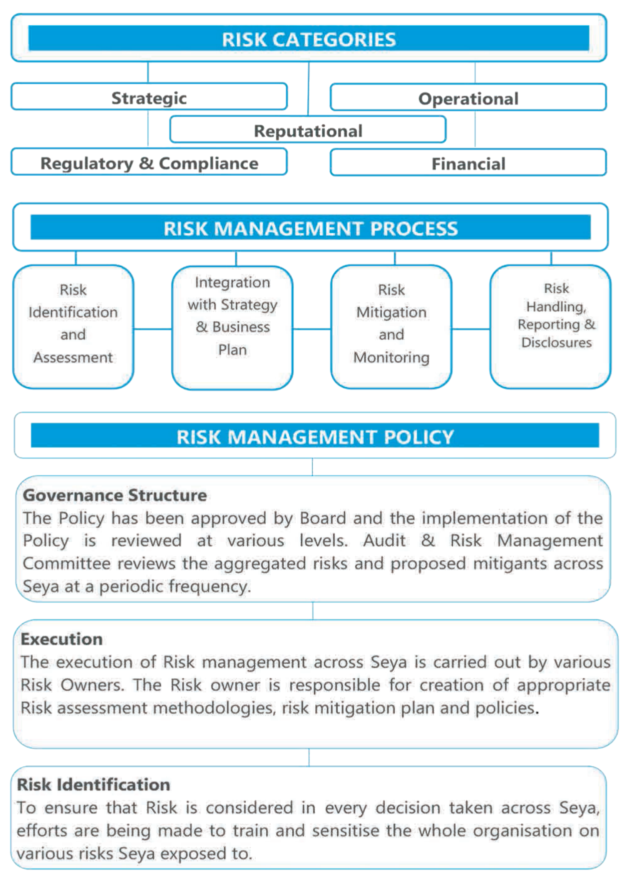
RISK MANAGEMENT

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

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

Risk Categories & Mitigants

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



- *Strategic Risk*

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

  Mitigant

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

- *Operational Risk*

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

  Mitigant

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

- *Financial Risk*

  This covers financial risk facing the organisation in terms of internal systems, planning & funding.

  Mitigant

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

- *Reputational Risk*

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

  Mitigant

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

HUMAN RESOURCES

Seya's talent base, as on March 31, 2018 stands at 155. With a view to equip the Company to address the business challenges of a dynamic economic environment, the HR function focused on retaining and attracting suitable talent, enhancing the technical / behavioural skills of employees and optimising employee costs. Learning and Development has been prioritized as a means of expanding the knowledge base of employees, which is seen as a key driver of growth. Taken together, these initiatives and processes are making a positive impact on talent attraction, retention and commitment. Managing the human asset for an Organization is a strategy that helps build the resources for a robust future. A ready second line of leadership; a highly engaged workforce; low manpower turnovers are few of the multiple gambits handled by the Human Resources Team. We hire high-caliber professionals to augment the current team to lead teams into the future, by building the base cadres, as well as, through induction of experienced professionals into senior leadership positions.

Leadership development is considered as an essential requirement to Talent Management. The important aspect of building leadership is through alignment with the strategic learning and development agenda. Keeping the above in mind, there is an increasing focus on Strategic Leadership Planning to create a leadership and talent pipeline for the next 3 years for future readiness. We therefore focus on identifying the strengths of individuals and leverage them by providing relevant trainings and a successful career path. The strategy of leadership development has ensured that each of our businesses is managed by a team of competent, passionate and inspiring leaders.

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

COMPANY OUTLOOK

Your company is in the business of manufacture of specialty chemicals which have applications in end user segments like Computer Printing Inks, Pigments & Paints, Pharmaceuticals, Personal & Health Care Products, Agrochemicals, Insecticides/Pesticides, Organic Chemical Intermediates, Rubber chemicals, Textile dyes, Thermic fluids, etc. The products proposed to be manufactured by the Company are falling under the category of Speciality Chemicals which have good demand and market potential in both domestic and International markets, with demand in domestic market expected to follow an accelerated growth path considering that the present capita consumption is only 40% of International standards. Moreover, after the REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) regulation imposed by European Countries and stringent Pollution Control norms being recently implemented in China, costs of handling effluents have increased resulting in relocation of manufacturing operations by large number of companies to India.

SEYA's growth in FY19 shall be driven by increase in Volumes propelled by doubling of Capacity of a selected product and de-bottlenecking initiatives across all other products to take benefit from the growing demand from both domestic and international markets complemented by expanded margins for all its Products. The capacity expansion shall be completed and commissioned by Q4FY19 however the debottlenecking initiatives shall result in much improved performance Q-o-Q from Q2FY19 onwards. Going forward, your Company foresees stronger customer relations, higher efficiencies and robust growth in Speciality Chemicals end-user segment due to reorientation of geographic focus. With reasonably complex (not complicated) and fully backward-forward integrated proposed mega manufacturing blueprint, capital and technologically intensive scale of operations, your Company shall create a large fully integrated manufacturing base to outpace the industry and deliver persistent growth year-on-year, combined with cost leadership and value-added product offerings, by integrating its existing business operations.

Your Company has progressively leveraged chemistry skills to produce higher downstream products, expanding capacities to global scale. The Company has placed a greater focus on better value added chemical processes. Comparative low labour costs, excellent army of technical manpower, capabilities to research and develop facilities, potential to increase share in undeveloped domestic and global markets shall empower your company's Speciality Chemicals growth. Your company has geared itself for growth even in the backdrop of leaden markets by leveraging its low cost, fully integrated and automated manufacturing facilities with improved service skills though fluctuations in foreign exchange and crude oil prices may impact sales realization however the operating profit margins shall continue to grow .

Cautionary Statement

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

DIRECTOR'S REPORT

To the Members of Seya Industries Ltd

The Directors hereby presents their Twenty Eighth Annual report together with the Audited Financial Statements for the Financial Year (FY) 2017-18

During the year under review, your Company undertook several initiatives to brace its Products by increasing integration of manufacturing process for select high value products which will enable your Company to further enhance profitability.

Financial Performance

₹ in Lakhs

Financial Results	Year Ended 31-Mar-18	Year Ended 31-Mar-17
Total Revenue	**34,893.91**	**31,498.94**
Profit Before Interest, Depreciation and Exceptional items (EBIDTA)	**10,646.83**	**7,476.65**
Depreciation and Amortization	1,509.81	1,367.78
Finance Cost	1,785.01	1,412.58
Profit Before Tax	**7,351.54**	**4,696.30**
Tax	2,111.94	473.05
Profit After Tax	**5,239.60**	**4,223.30**
Earnings per Share (₹)	**23.32**	**28.35**

Indian Accounting Standards

The Ministry of Corporate Affairs (MCA) vide its notification in the official Gazette dated February 16, 2015, notified the Indian Accounting Standards (IND AS) applicable to certain classes of Companies which has replaced the existing Indian GAAP prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies Accounts Rules, 2014. Accordingly, the Company has adopted IND AS with effect from April 1, 2017 with a transition date of April 1, 2016 and IGAAP as the Previous GAAP. The Financial Statements for the year ended March 31, 2018 has been prepared in accordance with IND AS.

The reconciliations and descriptions of the effect of the transition from previous GAAP to IND AS have been set out in the notes to accounts in the Standalone Financial Statements. The Company has re-stated the value of the Land (Property) owned by the Company in-accordance with the requirements of the IND AS 16 so as to represent the same at Fair Market Value in the Balance Sheet. This restatement resulted in an increase of ₹314.21 Crores in the Reserves/Net-worth as compared to previous year.

Performance Review

Your Company continued to deliver record performance with steady growth in volume and profitability while recording progress on several strategic initiatives, including expansion plans even amidst extremely challenging backdrop of economic environment.

Your Company clocked double-digit growth of **11%** (Y-o-Y) in revenues which stood at ₹**34,894** Lakhs compared to PY ₹31,499 Lakhs led by volume growth and better realizations due to Environmental challenges and production disruptions in China. Amplified operating margins and growth in volumes resulted in 42.40% growth in Earnings (Profit) Before Interest, Depreciation, Tax & Amortization (EBIDTA) to ₹10,647 Lakhs from ₹7,477 Lakhs (PY). The traction from Modernization and Upgradation initiatives taken by your Company to improve operating efficiency has been instrumental in growth in volumes and higher contribution in the overall product mix. Domestic markets supported the momentum with procurement of high volumes on the back of high visibility thereby maintaining the spread.

Profit Before Tax stood at ₹7,352 Lakhs whereas Profit after Tax was at ₹5,242 Lakhs, up 57% and 24% respectively (Y-o-Y) contributing to Earnings Per Share at ₹23.32 on enhanced capital compared to ₹28.35 per Share (PY).

Dividend

For the year under review, your Directors are pleased to recommended dividend of ₹1 per share (10%) on the Ordinary Shares (₹10 face value) of the Company (previous year ₹1 per share). If declared by the members at the ensuing Annual General meeting (AGM), the total dividend outgo during FY 2017-18 would amount to ₹287.43 Lakhs including Dividend tax (previous year ₹244.93 Lakhs, including Dividend Tax).

Share Capital

During the period under review the Company has issued and allotted 4,250,000 equity shares of ₹10/- at a premium of ₹170/ per Share on conversion of 4,250,000 convertible warrants in accordance with the provisions of Section 42 and 62 of the Companies Act, 2013 ("the Act").

Management Discussion & Analysis and Corporate Governance Reports

Pursuant to Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Management Discussion & Analysis and the Corporate Governance Report are presented in a separate section forming part of the Annual Report.

Capacity Expansion, New Projects & Diversification

Your Company is favorably positioned to capture opportunities emerging across the chemicals and specialty chemicals value-chain. More importantly, China, which was the world's largest supplier for multiple chemicals, has enhanced its focus on environmental protection and sustainable manufacturing processes. As a result, local Chinese producers are faced with higher cost of operations which have increased the landed cost of chemicals. This has improved the competitiveness of alternate suppliers, opening opportunities for established players like us with proven capabilities and abundant capacities.

Capacity Expansions: Company is in process of doubling the capacity of one of its high value and high margin product in FY19, which presently contributes ~20% to its revenues. The brownfield expansion is expected to be commercialized in Q4FY19 and contribute additional growth of ~5% in top-line and bottom line in Q4FY19 and 15% - 20% in FY20.

De-bottlenecking and Improvement of Efficiencies at Existing Capacities: Company is upgrading and debottlenecking all product plants by setting up parallel capacities for select products and replacing machineries for some products to align the production plants and processes on new Technologies. In addition to this, keeping up its commitment as a responsible corporate citizen, Company is upgrading its Effluent Treatment Plant to support its capacity expansions. The de-bottlenecking and efficiency improvement exercises under implementation are expected to boost production volumes, revenues and margins through FY19 and H1FY20 by at least 15% - 20%. The estimated capital expenditure for above Capital expansion and de-bottlenecking project is ₹70 – 75 Crores which is being funded through internal accruals and almost 40% of the estimated amount has been incurred until Q1FY19. Modernisation and upgradation Project of its Nitro Chlorobenzene manufacturing plant in FY17 has further resulted in Increase in Raw material efficiency, Improvement product quality, Reduction in Utilities consumption and Increase in ease of operation. The expansion of Select high value and high margin products will further enhance the profitability by contributing to the Top & Bottom line.

Mega Green-Field Project Under Implementation: Last year your Company had announced setting-up of a Greenfield forward and backward integration project to be self-reliant for most of its Raw materials, Reduce Cost of Energy, Diversify into Specialised High Value & High Margin products, Value addition to By-Products by reusing the same for manufacturing of high margin products and expansion in capacity of its captive use products. With a clearly defined vision to emerge as an Integrated Global producer for Speciality Chemicals and having invested ₹4.41Bn in Capex in last 5 years, your Company took its next step forward to start next round of expansion at cost of ₹7.35Bn, to be commissioned and commercialized in H2FY20 with additional installed capacity of 527,900 MTPA. The project is expected to contribute additional ₹10-12Bn in Revenue at an estimated capacity utilization of 80% and EBIDTA margins on similar lines of present manufacturing operations. The project is located in close vicinity of Seya's existing manufacturing operations at MIDC Tarapur, Boisar in State of Maharashtra and is being funded at 1:1 Debt-Equity. The financial closure for the Project was achieved in Q1FY18 and the work for the same had started in Q3FY18.

The Equity has been fully introduced by the Promoters and is forming part of present Share Capital/Equity Structure of the Company. The Project is being built under the supervision of highly experienced and reputed EPC contractors, German Technology Suppliers and PMC's holding successful track-record of more than 105 years backed by performance guarantee. It involves latest state-of-the-art, cutting edge, continuous, fully automated process technology which will enable Seya to be the lowest cost producer in the World for the products under set-up. The installed capacities of proposed products under set-up will be the largest in the world at a single location.

Seya has safeguarded any copy of the Technology by executing confidentiality and copyright agreements with its technology suppliers restricting sale of technology acquired, for next 20 years. The License, Process Know-how and Engineering package for patented technology have been delivered by the technology suppliers in H2FY18 and the proprietary plant and machinery has been delivered in Q1FY19

With this, your Company will address the opportunity offered by the supply deficit in the domestic market which is majorly being met by imports. In addition to competitiveness on cost due to supplying the domestic markets from a plant located in India, your Company will leverage on the latest manufacturing technologies in its state-of-the-art plant which will reduce wastage and is more efficient in utilisation of inputs and energy. With an objective of developing working relationships with major clients across India as well as establishing strong marketing and distribution channels, your company has been doing seed marketing of the proposed products to understand and penetrate in the market.

Working Capital

The Company continued to enjoy working capital facilities under Consortium banking arrangements with public sector Banks and the company has been regular in servicing these debts.

Credit Rating

Credit Rating agencies have upgraded the ratings to A- (A Minus) with stable outlook ratings for the long-term loan facilities availed by the company and A2 (A Two) for short-term facilities enjoyed by the Company.

Finance

Your Company obeys to austere guiding principles to efficiently manage its working capital level and maintain its debt at a reasonable level. During the year under review, the debt pertaining to the manufacturing operations of your Company decreased due to scheduled repayments and improved working capital management. However, as your Company is setting-up its Mega Greenfield expansion project, on a consolidated level the total debt has enhanced. These levels would normalise as your Company generate revenues from the new projects. Modest increase in Interest cost was due to enhanced working capital drawdown mandated by increased scale of operation. Depreciation increased due to regular growth and maintenance Capex; despite this your Company's enhanced financials have tractioned advancement of financial parameters. Your Company endures its emphasis to effectively manage its cash flows through prudent regulators to reduce the overall interest costs. Robust Cash flow, Repayment of Term loan and Effective management of working capital have leveraged Debt/Equity ratio at 0.27x with a Net Debt/ EBITDA of 2.29x, propounding much more financial flexibility for Upcoming Projects.

Reserves & Surplus

The Reserves, at the beginning of the year were ₹27,514.14 Lakhs and the Reserves at the end of the year are ₹71,271.19 Lakhs representing an increase by ₹43,757.04 Lakhs (increase of ₹31,421.00 Lakhs due to IND-AS16). During the period under review no amount is transferred to General Reserves.

Deposits

The Company has neither accepted nor renewed any deposits during the year under review. The Company does not have any deposits which are not in compliance with the requirements of Chapter V of the Act

IT Initiatives

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

Directors and Key Managerial Personnel

Directors

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

Based on the recommendations of the Nomination and Remuneration Committee (NRC), the Board of Directors has at its meeting held on May 28, 2018 re-appointed Mr. Ashok G Rajani as Managing Director of the Company for a period of 5 years commencing from September 25, 2019 to September 24, 2024. His re-appointment and remuneration payable to him are subject to the approval of the Members at the ensuing AGM.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In the opinion of the Board, they fulfil the conditions of independence as specified in the Act, and the Rules framed there under and are independent of the management.

The brief resume and other details relating to the Director who is proposed to be appointed / re-appointed as required to be disclosed under Regulation 36(3) of Listing Regulations is mentioned in the explanatory Statement annexed to the Notice of 28th Annual General Meeting.

Key Managerial Personnel (KMP)

Mr. Ashok G Rajani, Managing Director, Mr. Asit Kumar Bhowmik, Executive Director and Ms. Manisha Solanki, Company Secretary are the KMP as per the definition under Section 2(51) and Section 203 of the Act.

Independent Directors

The Independent Directors are not liable to retire by rotation in terms of Section 149 (13) of the Act. In accordance with Section 149 (7) of the Act, each independent Director has given a written declaration, to the Company confirming that he / she meets the criteria of independence as mentioned under Section 149 (6) of the Act and the Listing Regulations.

First Five years term of Mr. Anand Taggarsi is getting expired on September 26, 2019, Board have proposed his re-appointment as Independent Director for further period of Five year in ensuing Annual General Meeting.

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

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

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

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

Familiarization Programme for Independent Directors

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

The Details of programmes for familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company and related matters are put up on the website of the Company under the link http://www.seya.in/wp-content/uploads/2011/06/Familiarization-Program_for-Independent-Directors-Seya.pdf

Governance Guidelines

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

Procedure for Nomination and Appointment of Directors

The Nomination and Remuneration (NRC) is responsible for developing competency requirements for the Board based on the industry and strategy of the Company. The Board composition analysis reflects in-depth understanding of the Company, including its strategies, environment, operations, financial conditions and compliance requirements.

NRC conducts a gap analysis to refresh the Board on a periodic basis, including each time a Director's appointment or re-appointment is required. The Committee is also responsible for reviewing the profiles of potential candidates vis-à-vis the required competencies and meeting potential candidates, prior to making recommendations of their nomination to the Board. At the time of appointment, specific requirements for the position, including expert knowledge expected, is communicated to the appointee.

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

The Company has in place Remuneration Policy for the Directors, KMP and other employees pursuant to the provisions of the Act and the listing Regulations which is set out in Annexure I which forms part of the Board' Report.

Meetings of the Board

The details of the number of meetings of the Board of Directors held during the Financial Year 2017-18 forms part of the Corporate Governance Report.

Employee Stock Option/Sweat Equity/Preferential Allotment

The Company has not issued any Employee Stock Options/Sweat Equity or Shares as Preferential allotment during the period under review.

Directors' Responsibility Statement

Based on framework of the internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost and secretarial auditors and external consultant(s) including audit of internal financial controls over financial reporting by the statutory and the reviews performed by Management and the relevant Board Committees, including the Audit & Risk Management Committee, the Board is of the Opinion that the Company's internal financial controls were adequate and effective during the financial year 2017-18. Accordingly, pursuant to Section 134(5) of the Act, the Board of Directors, based on the representations received from the Operating Management and to the best of their knowledge and ability, confirms that:

a. In the preparation of the Annual accounts for the financial year ended March 31, 2018, the applicable accounting standards have been followed and that there are no material departures;

b. The Directors have, in selection of the accounting policies, consulted the Statutory Auditors and have applied their recommendations consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit of the Company for the year ended on that date;

c. They have taken proper and sufficient care to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. They have prepared annual accounts on a 'going concern basis.'

e. They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f. Proper system has been devised to ensure compliance with provisions of all applicable laws and that such systems are adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2017-18.

Declaration by Independent Directors

The Company has received declaration from all of its Independent Directors under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

Redemption of Shares/ Debentures

The Company has not redeemed any Shares or Debentures.

Disqualification of Director

No Director of the Company is disqualified under any law to act as a Director.

Insider Trading Proceedings/ Enquiry

No such enquiry/proceeding has ever been initiated/pending against the Company.

Contracts & Arrangements with Related Parties

All related party transactions entered into were on an arm's length basis and in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Regulations. Further, there were no transactions with related parties which qualify as material transactions under the Listing Regulations. The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on company's website at the link http://www.seya.in/wp-content/uploads/2011/06/Related-Party-Transactions-Policy-Seya.pdf

The details of the transactions with related parties are provided in the accompanying financial statements

Corporate Social Responsibility (CSR)

The CSR committee has formulated and recommended to the Board, a CSR Policy indicating the activities to be undertaken by the Company as approved by the Board.

The CSR activities are being undertaken by your Company through various Implementing agency with area specific need and focus to reach out to marginalised and deprived section of the society and bridge the gap between the haves and have nots by promotion of building health, livelihood and education. The interventions of some implementing agency were spread across India. During FY 2017-18, your Company has spent ₹58.75 Lakhs on CSR activities, against the requirement of ₹57.91 Lakhs , being 2% of average of the net profits for the preceding three years.

The Company's overall CSR initiative focuses on the following sectors and issues:

- Poverty alleviation, livelihood enhancement and infrastructure support, including programs on agriculture growth animal husbandry development and promotion of social enterprises.
- Education and vocational skill development
- Environment sustainability by investing in bio-diversity, natural resource management, awareness and environment education, and mitigation of climate change impact.
- Health Care, nutrition, sanitation and safe drinking water.
- Women empowerment
- Responding to any disasters, depending upon where they occur and its ability to respond to meaningfully.

The CSR Policy is available on the Company's website. The Annual Report on CSR activities is enclosed as Annexure - II

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

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

Significant or Material orders passed against the Company

Pursuant to the requirement of Section 134(3)(q) of the Companies Act, 2013 read with Rule 8(5)(vii) of the Companies (Accounts) Rules, 2014, it is confirmed that during FY 2017-18 there were no significant or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and your Company's operations in future.

Internal Financial Control

Internal Financial control systems of the Company are commensurate with its size and the nature of its operations, these have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable accounting standards and relevant status, safeguarding assets from unauthorised use, executing transactions with proper authorisation an ensuring compliance of corporate policies. The Company has well defined delegation of power with authority limits for approving revenue as well as expenditure, both capital and revenue. The Company uses an established ERP System to record day to day transaction for accounting and financial reporting.

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

Auditors

Statutory Auditors & Its Report

As per provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s. Anil Chauhan & Associates, Chartered Accountant, (Firm Registration No. 140786W) be and is hereby appointed as the Statutory Auditors of the Company and to hold the office from the conclusion of this Annual General Meeting till the conclusion of 29th Annual General Meeting of the Company, at a remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.

The Company has received a written consent and certificate from M/s. Anil Chauhan & Associates, confirming that they satisfy the criteria provided under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and rules framed thereunder.

The Statutory Auditor's report read together with relevant notes thereon form an integral part of the Financial Statement of this Annual Report and are self-explanatory and hence do not call for any comments. There is no qualification, reservation, adverse remark or disclaimer by the Statutory Auditors in their Report.

Cost Auditors

As per Section 148 of the Act, the Company is required to have the audit of its cost records conducted by a Cost Accountant in practice. The Board on Recommendation of the Audit Committee & Risk Management has appointed D.C. Dave & Co., Cost Accountants (Firm Registration No. 000611) as the Cost Auditor of the Company for FY 2018-19 under Section 148 and all other applicable provisions of the Act read with the Companies (Cost Records and Audit) Amendment Rules, 2014.

M/s. D C Dave & Co. have confirmed that they are free from disqualification specified under Section 141 (3) and proviso to Section 148 (3) read with Section 141 (4) of the Act and that the appointment meets the requirements of Section 141 (3)(g) of the Act. They have further confirmed their independent status and an arm's length relationship with the Company;

The Remuneration payable to the Cost Auditors is required to be placed before the members in a general meeting for their ratification. Accordingly, a Resolution for seeking members ratification for the remuneration payable to M/s. D C Dave & Co. is included at Item No. 7 of the Notice Convening the AGM.

Secretarial auditor & Its Report

In terms of Section 204 of the Act and Rules made there under, M/s. Dipali Kapadia & Associates, Practising Company Secretary have been appointed as Secretarial Auditor of the Company. The Report of the Secretarial Auditors is enclosed as Annexure – III to this report. With Respect to comment on CFO, your Directors would like to place on record that the Board had appointed one candidate as CFO, however, before company could assess his skills and knowledge, he left the organisation due to some personal reasons. This is crucial position which requires proper due diligence before appointing anyone on this position, there has been a delay in appointing CFO. Interviews are in process and the Company shall appoint CFO very soon. At present, responsibility of CFO is carried out by the Managing Director of the Company.

Reporting of Fraud by Auditors

There is no instance of fraud reported by the Auditors during the FY 2017-18.

Secretarial Standards of ICSI

Your Company is in compliance with the Secretarial Standards on

Meetings of the Board of Directors (SS - 1) and General Meetings (SS - 2) issued by The Institute of Company Secretaries of India and approved by the Central Government.

Audit & Risk Management Committee

The Company has an Audit & Risk Management committee comprising Mr. Anand Taggarsi, Mr. Ashok G Rajani, and Ms. Kalpana Tirpude. The Board has accepted the recommendations made by the Audit & Risk Management Committee from time to time. Details about the meetings held during the year is provided in the Corporate Governance Report.

Risk Management

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

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

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

Whistle Blower Policy and Vigil Mechanism

In accordance with the provisions of Section 177 (9) of the Act, and Regulation 22 of the Listing Regulations, your Company has a vigil mechanism which has been adopted in the form of Whistle Blower Policy. The policy has been formulated with a view to provide a mechanism for Directors and employees of the Company to report genuine concerns. The Whistle Blower Policy also provides for adequate safeguards against victimization of persons who use vigil mechanism and for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. The Whistle Blower Policy is uploaded on the website of Company and the link is http://www.seya.in/wp-content/uploads/2011/06/Whistleblower-policy_SEYA_1.pdf

Share Registrar and Transfer Agents

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

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

Quality Initiatives

Sustained commitment to highest levels of quality, best-in-class service management, robust information security practices and mature business continuity processes helped the Company attain significant milestones during the year.

Listing

The Company's equity shares continue to be listed at BSE. We confirm that the Listing fee for the financial year 2017-2018 and 2018-19 has been paid to BSE. The stock code of the company at BSE is 524324.

Consolidated Financial Statements

There being no subsidiaries and associates companies, disclosure requirements pursuant to Regulation 33 & 34 of the Listing Regulation are not applicable.

Subsidiaries / Joint Ventures / Associate Companies

As on March 31, 2018, the Company did not have any subsidiary, join venture or associate company. Since the Company doesn't have any subsidiary, a policy on material subsidiary has not been formulated.

Particulars of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013, during FY 2017-18

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

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

The Particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed pursuant to the provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014, are provided in Annexure – IV to this Report.

Research and Development

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

Investor Education and Protection Fund (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013 read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules') all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Government of India, after the completion of seven years. Further, according to the rules, the shares on which Dividend has not been paid or claimed by the Shareholders for seven consecutive years or more shall be transferred to the Demat account of the IEPF

Authority. No unclaimed and unpaid dividends is yet meeting the eligibility criteria and hence no amounts were transferred to IEPF.

Human Resources Management and Industrial Relations

Your Company considers human resources as the main assets of the Company as it believes that Human resources play a very critical role in its growth. Your Company continuously focus on training requirements of its employee on a continuing basis. With a view to increase the productivity, the management periodically organises various training programmes and lectures which boosts and motives the employee to give their best to the organisation.

During the year under review, your Company's industrial relations at all manufacturing and other locations have remained amicable. All these efforts are concentrated on attracting and retaining the best talent in the industry as people are at the centre of your Company's growth.

Particulars of Employees

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

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

Statement of Company's Affairs

The statement of Company's affairs is given under the various headings in this Report and in the Management Discussion and Analysis Report.

Insurance

All the insurable interests of your Company including inventories, buildings, plant and machinery are adequately insured against risk of fire and other risks.

Environment, Health and Safety

Employee's Health, Safety and Environmental protection are core business values within your Company. The Company's Management believes that environment and safety of all its stakeholders including those who associated with the projects sites and manufacturing facilities is of prime importance. We believe that it's our responsibility to protect its employees, property and environment in which it operates. As your Company deals in Chemicals, it has to make sure that the highest degree of safety measures is maintained in order to avoid any risk at the workplace. It strives towards excellence and aligns its growth path to make tomorrow safer, cleaner, greener and more sustainable. Your Company is committed to maintain its operations and workplace free from incidents and significant risk to the health and safety of its stake holders through improved engineering practices, strong channels of communication, safety awareness, robust checking systems and sound training practices. Your Company has well-equipped Occupational Health Centres at all its manufacturing locations to monitor health of employees on regular basis. It also monitors employees for any indications of lifestyle or work-style related diseases and provides counselling. Your Company regularly monitors the occupational health of employees working in designated hazardous areas with respect to exposure to hazardous chemicals and processes.

The employees are continuously educated and trained to improve their awareness and skills. Environment, Health and Safety (EHS) targets assigned to each division to reduce resource consumption and are regularly monitored through an EHS scorecard which is reviewed at monthly business review meetings. All the manufacturing locations of your Company have a well-defined Environment Management System. It follows well mapped procedure in order to select projects, assess impacts on society and environment and mitigate any adverse impacts. EHS initiatives have been strengthened further due to formation of a core group for exchange of knowledge and standardising of systems and procedures. This core group also assess the Plants' Safety and Environment protection improvement activities. Periodic audits were conducted by the core group to ensure compliance with the statutory requirements.

Special emphasis is given on resource conservation and process innovations to convert waste streams into saleable products and minimise use of water in processing. Your Company proactively fulfils the environmental requirements of customers by delivering products that match international standards. Your Company continues to focus on proper treatment of effluents and reduction of pollution as a part of its Green and eco-friendly initiatives. This has made your Company a safe and healthy place to work.

Your Company is signatory to the 'Responsible Care' initiatives and Responsible care logo holding organisation. Management System at all manufacturing plants and corporate office have been assessed and are equivalent to ISO 9001, ISO 14001 & OHSAS 18001. All raw materials and products within supply chain framework of your Company are transported in a secure manner, for the safety of its customers, carriers, suppliers, distributors and contractors. Your Company takes utmost care during transportation and ensures that it complies with all the regulations.

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

Green Initiatives

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

Prevention of Sexual Harassment at Workplace

The Company is conscious about gender diversity and promotes equal opportunity employment to have a work where employees hold their head high with dignity.

You Company has zero tolerance towards any act which may fall under the ambit of Sexual Harassment at work place and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at work place in line with the provisions of Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules.

The following is the summary of the Complaints received and disposed-off during the financial year 2017-18:

No. of Complaints received: **NIL**

No. of Complaints Disposed-off: **NIL**

Extract of the Annual Return

Pursuant to Section 92(3) of the Act and Rules 12(1) of the Companies (Management and Administration) Rules, 2014 extract of annual return in form MGT-9 is enclosed as Annexure VI to this Report.

General

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

Acknowledgement

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

Your Directors acknowledge with sincere gratitude the co-operation and assistance extended by the Banks, Financial Institutions, Suppliers, Vendors, Customers and all the Central and State Government authorities and all other Business associates.

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

For & on behalf of the Board of Directors

ASHOK G RAJANI
Chairman & Managing Director
Mumbai, May 28, 2018

ANNEXURE – I

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

Criteria for determining qualifications, positive attributes and independence of Directors

The Nomination and Remuneration Committee (NRC) has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of the Companies Act, 2013 ("the Act") and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Independence: A Director will be considered as an 'Independent Director' if he / she met with the criteria for 'Independent Director' as laid down in the Act and the Listing Regulations.

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

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

A. Nomination, Remuneration and Evaluation Policy for Directors, Key Managerial Personnel and Others

1. Objective:

The Nomination, Remuneration and Evaluation policy (the Policy) is in compliance with Section 178 of the Act, read along with the applicable rules thereto and the Listing Regulations

The Main objectives of the policy are as follows:

1.1. Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, remain and motivate, to run the Company successfully.

1.2. Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.

1.3. Ensuring that remuneration involves a balance between fixed and incentives pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

1.4. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board

1.5. To achieve a balance of merit, experience and skills amongst its Directors, Key Managerial Personnel and Senior Management.

2. Scope:

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

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

3. Definition:

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

3.2. "Key Managerial Personnel"

- **3.2.1.** The Chief Executive Officer or the Chairman or the Managing Director or the Manager
- **3.2.2.** The Company Secretary
- **3.2.3.** The Whole Time Director
- **3.2.4.** The Chief Financial Officer and
- **3.2.5.** Such other officer as may be prescribed under the Companies Act, 2013

3.3. "Nomination and Remuneration Committee" means the committee constituted by the Company's Board in accordance with the provisions of the Act, 2013 and Listing Regulations.

3.4. "Senior Management" mean personnel of the Company who are members of its core management team excluding the Board of Directors. This would also include all members of management one level below the executive directors including all functional heads.

4. Accountability:

4.1. The Board is ultimately responsible for the appointment of Directors and Key Managerial Personnel.

4.2. The Board has delegated responsibility for assessing and selecting the candidates for the role of Directors, Key Managerial Personnel and the Senior Management of the Company to the Nomination and Remuneration committee which makes recommendations & nominations to the Board.

5. Role of Nomination and Remuneration committee:

5.1. Reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board on regular intervals and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy, with the objective to diversify the Board;

5.2. Identifying individuals suitably qualified to be appointed as the KMPs or in the senior management of the Company;

5.3. To formulate a criteria for determining qualifications, positive attributes and independence of a Director.

5.4. To carry out evaluation of Director's performance and recommend to the Board appointment / removal based on his / her performance.

5.5. Making recommendations to the Board on the remuneration payable to the Directors/ KMPs/Senior Officials so appointed/reappointed;

5.6. To make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;

5.7. Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks,

5.8. To devise a policy on Board Diversity;

5.9. To develop a succession plan for the Board and to regularly review the plan;

6. Membership:

6.1. The Committee shall consist of minimum three (3) non-executive directors, majority of them being independent.

6.2. Minimum two (2) members shall constitute a quorum for the committee meeting.

6.3. Membership of the Committee shall be disclosed in the Annual Report.

6.4. Terms of Committee shall be continued unless terminated by the Board of Directors.

7. Chairmanship:

7.1. Chairman of the Committee shall be Independent Director.

7.2. Chairman of the Company shall be appointed as a member of the Committee but shall not be a chairman of the Committee.

7.3. In the absence of the chairman, the members of the committee present at the meeting shall choose one amongst them to act as chairman.

7.4. Chairman of the Committee meeting could be present at the Annual general meeting of the Company or may nominate some other member to answer the shareholders queries.

8. Frequency of the Meetings:

The meeting of the committee shall be held at such regular intervals as may be required.

9. Committee Member's interests:

9.1. A member of the committee is not entitled to be present at the meeting when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

9.2. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

10. Secretary:

The Company Secretary of the Company shall act as a Secretary to the committee

11. Voting:

11.1. Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

11.2. In case of equality of votes, the chairman of the meeting will have a casting vote.

12. Term / Tenure:

12.1. Managing Director / Whole time Director

The Company shall appoint or re-appoint any person as its Managing Director or whole time director for a term of not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

12.2. Independent Director:

12.2.1. An Independent Director shall hold office for a term upto five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in Board's Report shall be made

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

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

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

13. Retirement:

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

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

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

14.1 assessing the appointee against a range of criteria which includes but not be limited to qualifications, skills, regional and industry experience, background and other qualities required to operate successfully in the position, with due regard for the benefits from diversifying the Board;

14.2 the extent to which the appointee is likely to contribute to the overall effectiveness of the Board, work constructively with the existing directors and enhance the efficiencies of the Company

14.3 the skills and experience that the appointee brings to the role of KMP/Senior Official and how an appointee will enhance the skill sets and experience of the Board as a whole;

14.4 the nature of existing positions held by the appointee including directorships or other relationships and the impact they may have on the appointee's ability to exercise independent judgment;

14.5 Personal Specification:

- Degree holder in relevant disciplines;
- Experience of Management in diverse organization;
- Excellent interpersonal, Communication and representational skills;
- Demonstrable leadership skills;
- Commitment to high standards of ethics, personal integrity and probity;
- Commitment to the promotion of equal opportunities, community cohesion and health and safety in the workplace;
- Having continuous professional development to refresh knowledge and skills.

15. Duties:

15.1 Ensure that there is an appropriate induction & training program in place for new Directors and reviewing its effectiveness;

15.2 Ensure that on appointment to the Board, Non-executive Directors receive a formal letter of appointment in accordance with the guidelines provided under the Act;

15.3 Identify and recommend Directors who are to be put forward for retirement by rotation.

15.4 Determine the appropriate Size, diversity and composition of the Board;

15.5 Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;

15.6 Evaluate the performance of the Board members and Senior Management in the context of the Company's Performance from business and Compliance prospective;

15.7 Make recommendation to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.

15.8 Recommend any necessary changes to the Board.

15.9 Considering any other matters as may be requested by the Board;

15.10 To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

15.11 To approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.

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

(i) The guiding principal is that the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, Key Management Personnel and other senior officials. The Directors, Key Management Personnel and other senior official's salary shall be based and determined on the individual person's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any.

(ii) The Nominations & Remuneration Committee determines individual remuneration packages for Directors, KMPs and Senior Officials of the Company taking into account factors it deems relevant, including but not limited to market, business performance and practices in comparable companies, having due regard to financial and commercial health of the Company as well as prevailing laws and government/other guidelines. The Committee consults with the Chairman of the Board as and when it deems appropriate.

(iii) The Board on recommendation of Nomination and Remuneration Committee shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

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

16.1. Remuneration to Executive Directors:

Basic Compensation (Fixed Salaries)

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

Variable Salary

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

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

16.2. Remuneration to Non-Executive Directors:

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

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

16.3. Remuneration to other Employees:

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

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

17.1. The evaluation/assessment of the Directors, KMPs and the senior officials of the Company is to be conducted yearly or at such intervals as may be considered necessary and to satisfy the requirements of the Listing Regulations.

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

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

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

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

17.5. Positive Attributes:

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

18. Amendment to the Policy:

18.1. The Board of Directors on its own and / or as per the recommendation of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit.

18.2. In case of any amendment(s), clarification(s), circular(s) etc issued by the relevant authorities, not being consistent with the provisions laid down under this policy, then the such amendment(s), clarification(s) or circular(s) etc. shall prevail upon the provisions hereunder and this policy shall stand amended accordingly from the effective date as laid down under the amendment(s), clarification(s) or circular(s) etc.

ANNEXURE – II

REPORT ON CORPORATE SOCIAL RESPONSIBILITY

[Pursuant to Section 135 (3) of the Companies Act, 2013 and Rule No. 9 of the Companies (Corporate Social Responsibility) Rule, 2014]

1. A brief outline of the Company's CSR Policy, including overview of Projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programmes: CSR Policy is appended.

   Weblink: http://www.seya.in/wp-content/uploads/2011/06/CSR-Policy-SEYA.pdf

2. **Composition of the CSR Committee:**

   Ms. Kalpana Tirpude – Chairman

   Mr. Ashok G Rajani – Member

   Mr. Anand Taggarsi – Member

3. Average Profit Before Tax of the Company for Last three Financial Years: ₹2,896 Lakhs

4. Prescribed CSR expenditure (two per cent of the amount as in item no. 3 above)

   The Company is required to spend ₹57.91 Lakhs towards CSR

5. Details of CSR Spend during the financial year:

   (a) Total Amount spent for the Financial Year: ₹**58.75** Lakhs.

   (b) Amount unspent, if any: NIL

   (c) Manner in which the amount spent during the year is detailed below:

₹ In Lakhs

Sr. No.	CSR Project / activity	Sector	Location	Budget	Cumulative Expenditure up to reporting period	Direct / Agency
1.	Contribution to 'ChinmayaSeva Trust'	Promotion of Education, Eradication of Hunger & Malnutrition, livelihood enhancement & infrastructure support	Pan India	57.91	58.75	Implementing Agency
	Total			**57.91**	**58.75**	

During the year ended March 31, 2018, the Company had spent amount in CSR activities through implementing Agency.

6. The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives & policy of the Company.

CSR Policy

1. Objective:

The Corporate Social Responsibility Policy (the Policy) is in compliance with Section 135 of the Companies Act, 2013 read with relevant rules and Schedule VII of the Companies Act, 2013.

We, at **SEYA INDUSTRIES LTD,** believe that profitability must be complemented by a sense of responsibility towards all stakeholders. We aim to make a material, visible and lasting difference to the lives of disadvantaged sections of the people. Special emphasis is accorded to balanced spatial distribution of our CSR activities to ensure sustained improvement of marginalized sections of the society. Through our CSR initiatives that focus on holistic and inclusive development of target communities, we endeavour to create long-term social and economic value for both our business and society. We view our CSR interventions as an investment in building corporate reputation, employee engagement and innovation

2. Definitions:

- **"Act"** means the Companies Act, 2013.
- **"Board"** means Board of Directors of the Company.
- **"Company"** refers to SEYA INDUSTRIES LIMITED.
- **"CSR Committee"** means Corporate Social Responsibility (CSR) Committee of the Company as constituted or reconstituted by the Board from time to time.
- **"CSR Policy"** means the contents herein including any amendments made by the CSR Committee and the Board of Directors of the Company.
- **"Net profits"** means the net profit before tax of the Company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely:-
  - o Any profit arising from any overseas branch or branches of the Company, whether operated as a separate Company or otherwise; and
  - o Any dividend received from other Companies in India, which are covered under and complying with the provisions of Section 135 of the Companies Act, 2013.
- Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, applicable rules and notification to the extent applicable to the Company.

3. Guiding Principles:

- CSR Projects will be directed towards underprivileged and marginalized sections of society, in consonance with properly identified needs and aspirations of such communities.
- Projects should be long-term and viable, creating a sustainable impact measurable in terms of outputs and outcomes.
- The Company will adopt a suitably structured, evidence based CSR Implementation strategy and all projects will be monitored through in-house / third party evaluations.
- To the extent possible, projects and various CSR initiatives will focus on the issues of Gender and Affirmative Action.
- The Company will be ethical and transparent in its orientation, while approaching and engaging with communities.

4. Responsibility of the Board of Directors:

The Board shall be responsible for:

- Approving the CSR policy as may be recommended by the CSR Committee, subject to necessary changes / modifications as the Board may deem fit.

- Ensuring that in each financial year, the Company spends such amounts for CSR.
- Activities as may be stipulated in the Act, as amended from time to time.
- Ensuring that the activities included in the CSR Policy are undertaken by the Company.

5. CSR Committee:

- The CSR Committee shall comprise three or more directors of which, at least one will be an independent director.
- The CSR Committee of the Company shall be responsible for:
  - a) Formulating and recommending to the Board, the CSR Policy which shall indicate activities to be undertaken in line with Section 135 read with Schedule VII of the Act.
  - b) Recommending to the Board, the CSR expenditure to be incurred.
  - c) Monitoring the implementation of the CSR Policy from time to time.

6. CSR Budget:

The amounts to be spent by the Company shall be as stipulated under the Act, as amended from time to time (presently 2% of the average net profits of the Company for the preceding three financial years), and as approved by the Board.

7. Focus areas:

i. Vocational Skill Development Programs:

- Unemployment and the lack of a stable source of income is often the result of skill vs. job requirement mismatch. Apart from inadequate training facilities, the ease of accessibility to available training is also an issue for large sections of the marginalized population. Therefore, SEYA intends to strengthen its focus on Skill Development to address critical national and state level skill training gaps. These interventions are expected to assist and result in income generation and social inclusion for youth coming from underprivileged sections of the community.
- SEYA will also address the critical needs of the community around its areas of operation and in locations where skill development interventions are necessary. The objective of these initiatives is to holistically address various socio-economic needs and aspirations of the community.

ii. Education:

- SEYA will undertake initiatives for imparting training to develop language skills to enhance individual employability of youth in marginalized and deprived sections of Society. These Programs will also incorporate awareness and advocacy modules on values and ethics, intended to benefit the community at large, by preparing young people to be better corporate citizens.
- Supporting projects and programs for Quality Education and Development of Children from weaker sections of the society, as considered necessary.

iii. Health:

- Providing financial assistance to institutions, hospitals, charitable trusts and NGOs, including projects and programs aimed at supporting differently abled children including rehabilitation of mentally challenged people.
- Providing financial assistance to institutions, hospitals, charitable trusts and NGOs pursuing projects and programs benefiting pediatric and cancer patients, people suffering from AIDS, the Blind, Deaf and Mute.
- SEYA will promote health care including preventive measures and sanitation. It will undertake programmes to promote comprehensive sanitation and address availability of safe drinking water.

iv. Disaster Relief:

Contributions towards disaster relief and rehabilitation through appropriate agencies at the right time, as and when required. In addition to the identified areas of focus mentioned above, the Company may also undertake other activities defined in Schedule VII of the Act.

8. Implementation:

CSR projects will be implemented in suitable arrangement with credible and competent partners, who have an understanding of local socio-political-economic issues and challenges and vetted through the due diligence process.

The Company shall endeavor to increase employee participation at all levels of the organization by encouraging employees to participate in the Company's CSR activities. In addition, SEYA will also encourage employee engagement through volunteering activities, with appropriate recognition mechanisms for their demonstrated spirit of serving and caring for the community.

9. Monitoring:

CSR Projects will be monitored through a result based management approach with an appropriate oversight mechanism. Starting with the collection of critical baseline data, the focus will thereafter be on review of progress across specific Indicators and desired milestones. Project selection and progress of projects will additionally be reviewed by the CSR committee on a regular interval.

10. Modifications in Policy:

The Policy shall be reviewed by the CSR Committee from time to time for any modifications or amendments, including due to changes in the Companies Act, 2013/ Companies (Corporate Social Responsibility Policy) Rules, 2014. The modifications/ amendments in the Company's CSR Policy, as recommended by the CSR Committee shall be subject to approval of the Board.

11. Reporting:

CSR activities will form a part of the Company's Director's Report. The reporting would be in the format prescribed under the Act and the Rules in respect thereof.

12. Display of CSR activities on Company's website:

The annual report of CSR activities along with the contents of the CSR policy of the Company shall be displayed on the Company's website.

ANNEXURE – III

FORM NO. MR-3
Secretarial Audit Report
For the Financial Year ended March 31, 2018

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

To,

The Members,

Seya IndustriesLimited

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time.

d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - **(Not Applicable during the audit period);**

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **(Not Applicable during the audit period);**

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **(Not Applicable during the Audit Period);**

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **(Not Applicable during the Audit Period);** and

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **(Not Applicable during the Audit Period)**.

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

i. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.

ii. The Listing Agreements entered into by the Company with BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

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

I further report that:

a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the Period under review there were no changes in the composition of the Board of Directors.

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

c) Decisions at the meeting were taken unanimously and are captured and recorded as part of the minutes of the meeting.

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

I further report that The Company is yet to appoint a Chief Financial Officer (CFO) as required under the provision of Section 203 of the Act.

I further report that during the audit period, the following event occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

1. On September 14, 2017, the Company had allotted 42,50,000 Equity shares of ₹10/- at a premium of ₹170/- per share, on conversion of 42,50,000 warrants on preferential allotment basis to the promoters and non-promoters.

Dipali Kapadia & Associates
Practicing Company Secretary
Dipali Kapadia
Proprietor

Mumbai, May 28, 2018 ACS No.: 31157 CP No.: 11448

Note: This report is to be read with our letter of even date which is annexed as "ANNEXURE A" and forms an integral part if this report.

Annexure "A"

To,

The Members,

Seya Industries Limited

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. Wherever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.

5. The Compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

Dipali Kapadia & Associates
Practicing Company Secretary

Dipali Kapadia
Proprietor
Mumbai, May 28, 2018 ACS No.: 31157 CP No.: 11448

ANNEXURE – IV

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

[Pursuant to Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY:

a) Energy Conservation Measures taken

- Upgraded to Dry Crystallisation Process from Solvent process
- Replaced incandescent lamps in Plant Lighting to LED lamps
- Installation of Automatic Power Factor Controllers (APFC)
- Installation of Automatic Harmonics Controller (AHC)
- Installation of Variable Frequency Drives (VFD)
- Energy Audit and implementation of recommendations therein
- Recovery and utilization of Flash steam from Process
- Installation of state-of-art Energy Management Systems(EMS) to optimize and efficiently manage the generation and utilization of energy
- Installed Energy Efficient Plate Heat Exchangers as replacement of conventional Heat Exchangers, wherever possible
- Replacement of existing utility systems with Highly Energy Efficient systems
- Change of Utility pumps to higher efficiency pumps
- Generation of power using back pressure turbine instead of Pressure Reducing Stations
- Recovery of Low Pressure Steam from Distillation Column Condensers and usage of same as Process Steam
- Operation of VAM for Chilled water generation on exhaust steam from Turbine

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

- Reduction, Recovery and Re-use of By-Products from the Process
- Reduction of un-burnt carbon in fly ash and bed ash High Pressure Boiler
- Further Replacement of incandescent lamps in Plant Lighting to LED lamps
- Solar Lighting
- Power trading Open Access Mechanism
- Installation of Continuous systems replacing Batch systems, wherever possible
- Further Replacement of existing utility systems with Highly Energy Efficient systems
- Further Installation of Energy Efficient Plate Heat Exchangers as replacement of conventional Heat Exchangers, wherever possible
- System Audit at specific Intervals to identify system leakages in Utilities.

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

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

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

- Installation of Vapour Absorption Machine to use low grade waste steam from Turbine
- Use of Waste Steam of Turbine for Process

B. **TECHNOLOGY ABSORPTION:**

a) **Effort made towards Technology absorption**

- New Product Development
- Reduction in Batch Cycle Time
- Improvement in yields, purity and overall efficiency of the Production Operations thereby increase in the Capacity of existing Products and reduction in cost of production
- Reduction in waste effluent generation and energy input
- Supervisory Control and Data Acquisition (SCADA) installed for centralised monitoring & Control of process parameters and generating reports
- Further Up-gradation in Technology acquired through in-house innovation and knowledge engineering to achieve better material and energy efficiencies

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

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

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

- Detail of Technology imported: Nil

C. **RESEARCH AND DEVELOPMENT:**

a) **Specific areas on which R&D is carried out by the Company**

The R&D unit is engaged in developmental activities such as developing alternate products and attaining better production efficiencies. Your company accords high priority on R&D to maintain its leadership position and to foster technical excellence

b) **Benefits derived as a result of above**

Your company has been successful in developing new Products and Processes leading to higher standards of Product Quality, Operational Safety, Environmental protection and Energy conservation.

c) **Future Plan of Action**

Your Company's' emphasis will be on adoption of new products and Greener and Safer manufacturing processes to improve overall performance.

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

₹ in Lakhs

Particulars	2017-18	2016-17
-Capital Expenditure	**49.66**	68.96
-Revenue Expenditure	**234.90**	212.08
-Total R&D Expenditure	**284.56**	281.04
(% of Net Sales)	**0.82%**	0.91%

D. **FOREIGN EXCHANGE EARNINGS AND OUTGO:**

₹ in Lakhs

Particulars	2017-18	2016-17
Foreign Exchange Earned	**-**	-
Out-go of Foreign Exchange	**103.90**	3.10

ANNEXURE – V

DISCLOSURE OF MANAGERIAL REMUNERATION

[Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel), Rule 2014

(a) **The ratio of the Remuneration of each Executive director to the median remuneration of the Employees of the Company for the Financial year 2017-18, the percentage increase in remuneration of Key Managerial personnel:**

Name of the Directors / KMP	Remuneration (₹ in Lakhs)	Ratio to Median Remuneration of employee	% increase in Remuneration	Comparison of the remuneration of the KMP against the performance of the Company
Mr. Ashok G Rajani	60.00	26.18:1	240.91	Profit Before Tax increased by 57% and Profit After Tax increased by 24%
Mr. Asit Kumar Bhowmik	13.41	5.85:1	34.77	
Ms. Manisha Solanki (Company Secretary)	10.65	Not Applicable	36.54	

(b) **The percentage increase in the median remuneration of the Employee in the financial year:** 20.97%

(c) **Number of permanent employees on the rolls of the Company as on March 31, 2018:** 155 Employees + 40 (Contractual)

(d) **Explanation on the relationship between average increase in remuneration and company performance:**
Profit Before Tax for FY 2017-18 has grown from ₹4,696.30 Lakhs to ₹7,352.01 Lakhs, an increase of 57% against which, increase in median remuneration is 20.97%. The average increase in median remuneration is in line with the remuneration policy of the Company.

(e) **Variation in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:**

Particulars	March 31, 2018	March 31, 2017	% change
Market Capitalisation (₹ in Lakhs)	146,245.25	61,491.60	137.83
Price Earnings Ratio	25.49	10.70	138.23

Percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer

Particulars	March 31, 2018	April 6, 1993 (IPO)	% change
Market Quotation (₹)	594.49	10.00	5,844.90

(f) Average Percentile increase in Remuneration of employees other than Managerial Personnel was 41.51% and average increase in remuneration of Managerial Personnel was 166.46%.

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

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

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

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

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

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

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

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

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

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

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

ANNEXURE – VI

Form No. MGT - 9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED MARCH 31, 2018

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

I. REGISTRATION AND OTHER DETAILS

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main Product / Services	NIC Code of the Product / Services	% to total Turnover of the Company
1.	Di-Chloro Benzidines	20-202	48.70%
2.	Nitro Anilines	20-202	12.67%
3.	Nitro Chlorobenzenes	20-202	12.33%
4.	Di-Nitro Chlorobenzenes	20-202	11.17%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

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

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

i. Category-wise shareholding

	Category of Shareholders	No. of Shares held at the beginning of the Year (1-Apr-2017)				No. of Shares held at the end of the Year (31-Mar-18)				% Change During the Year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	**Promoters**									
(1)	**Indian**									
(a)	Individual / HUF	7527259	-	7527259	36.99	7527259	-	7527259	30.60	(6.39)
(b)	Central / State Govt.	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporates	6957741	-	6957741	34.19	10807741	-	10807741	43.93	9.74
(d)	Banks / FIs	-	-	-	-	-	-	-	-	-
(e)	Any other	-	-	-	-	-	-	-	-	-
	Sub-Total (A) (1)	**14485000**	**-**	**14485000**	**71.18**	**18335000**	**-**	**18335000**	**74.53**	**3.35**
(2)	**Foreign**									
(a)	NRIs – Individuals	-	-	-	-	-	-	-	-	-
(b)	Other Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(d)	Banks / FIs	-	-	-	-	-	-	-	-	-
(e)	Any other	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter (A)= (A)(1) + (A)(2)	**14485000**	**-**	**14485000**	**71.18**	**18335000**	**-**	**18335000**	**74.53**	**3.35**
B.	**Public Shareholding**									
(1)	**Institutions**									
i.	Mutual Funds	2000000	-	2000000	9.83	1997868	-	1997868	8.12	(1.71)
ii.	Banks / FI	-	1400	1400	0.01	-	1400	1400	0.01	-
iii.	Central Govt.	-	-	-	-	-	-	-	-	-
iv.	State Govt.	-	-	-	-	-	-	-	-	-
v.	Venture Capital Funds	-	-	-	-	-	-	-	-	-
vi.	Insurance Companies	-	-	-	-	-	-	-	-	-
vii.	FIIs	-	-	-	-	-	-	-	-	-
viii.	FPIs	9674	-	9674	0.05	10274	-	10274	0.04	(0.01)
ix.	Others (Specify)	-	-	-	-	-	-	-	-	-
	Sub-Total (B) (1)	**2009674**	**1400**	**2011074**	**9.88**	**2008142**	**1400**	**2009542**	**8.17**	**(1.71)**
(2)	**Non-Institutions**									
(a)	**Bodies Corporate**									
i.	Indian NBFC Registers with RBI	-	-	-	-	225	-	225	-	-
ii.	Overseas	-	-	-	-	-	-	-	-	-
(b)	**Individuals**									
i.	Individual Shareholders holding nominal share capital upto ₹2 lakh	403596	1727510	2131106	10.47	583904	1495100	2079004	8.45	(2.02)
ii.	Individual Shareholders holding nominal share capital in excess of ₹2 lakh	422125	201990	624115	3.07	818971	189900	1008871	4.10	1.03
(c)	**Others (Specify)**									
i.	Trust	-	-	-	-	-	-	-	-	-
ii.	NRIs / OCB	623305	475400	1098705	5.40	730858	436500	1167358	4.75	(0.65)
iii.	Qualified Foreign Investors	-	-	-	-	-	-	-	-	-
iv.	Foreign Nationals	-	-	-	-	-	-	-	-	-
	Sub Total (B) (2)	**1449026**	**2404900**	**3853926**	**18.94**	**2133958**	**2121500**	**4255458**	**17.30**	**(1.64)**
	Total Public Shareholding (B) = (B) (1) + (B) (2)	**3458700**	**2406300**	**5865000**	**28.82**	**4142100**	**2122900**	**6265000**	**25.47**	**(3.35)**
C.	**Shares held by Custodian for GDRs & ADRs**	-	-	-	-	-	-	-	-	-
	Total (A+B+C)	**17943700**	**2406300**	**20350000**	**100**	**22477100**	**2122900**	**24600000**	**100**	**-**

ii. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the Year (as on 1-Apr-17)			Shareholding at the end of the Year (as on 31-Mar-18)			% change in shareholding during the Year
		No. of Shares	% of total shares of the Company	% of shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares Pledged / encumbered to total shares	
1.	Ashok G Rajani	4765329	23.42	-	4765329	19.37	-	(4.05)
2.	Shalini A Rajani	2761930	13.57	-	2761930	11.23	-	(2.34)
3.	Sunlife Trusteeship Pvt. Ltd*#	2157495	10.60	-	2157495	8.77	-	(1.83)
4.	Ankita Trusteeship Pvt. Ltd*#	2148328	10.56	-	2148328	8.73	-	(1.83)
5.	Whiz Enterprise Pvt Ltd*	2651918	13.03	-	6501918	26.43	-	13.40
	Total	**14485000**	**71.18**	**-**	**18335000**	**74.53**	**-**	**3.35**

** Part of Promoter Group*
 # holding on behalf of various Trust

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

Sr. No.	Shareholder's Name	Shareholding at the beginning of the Year (as on 1-Apr-17)		Date	Reason	Increase / Decrease in shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company@			No. of Shares	% of shares of the Company@	No. of Shares	% of total shares of the Company@
1	Ashok G Rajani	4765329	19.37	01.04.17	No Change	-	-	4765329	19.37
				31.03.18	End of the year	-	-	4765329	19.37
2	Shalini A Rajani	2761930	11.23	01.04.17	No Change	-	-	2761930	11.23
				31.03.18	End of the year	-	-	2761930	11.23
3	Sunlife Trusteeship Pvt. Ltd*#	2157495	8.77	01.04.17	No Change	-	-	2157495	8.77
				31.03.18	End of the year	-	-	2157495	8.77
4	Ankita Trusteeship Pvt. Ltd*#	2148328	8.73	01.04.17	No Change	-	-	2148328	8.73
				31.03.18	End of the year	-	-	2148328	8.73
5	Whiz Enterprise Pvt Ltd*	2651918	10.78	14.09.17	Allotment	3850000	15.65	6501918	26.43
				31.03.18	End of the year	-	-	6501918	26.43

** Part of Promoter Group*
 # holding on behalf of various Trust
@ % have been calculated on share capital of the Company as on March 31, 2018

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

Sr. No.	Name	Shareholding		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company*	No. of Shares	% of Total Shares of the Company*
1.	**Reliance Capital Trustee Co. Ltd – A/c Reliance Small Cap Fund**				
	At the beginning of the year	2000000	8.13	2000000	8.13
	Bought during the year	5000	0.02	2005000	8.15
	Sold during the year	(7132)	(0.03)	1997868	8.12
	At the end of the year	1997868	8.12	1997868	8.12
2.	**Jayesh M Parmar**				
	At the beginning of the year	-	-	-	-
	Bought during the year	400100	1.63	400100	1.63
	Sold during the year	-	-	400100	1.63
	At the end of the year	400100	1.63	400100	1.63
3.	**Zillow Real Estate LLP**				
	At the beginning of the year	300000	1.22	300000	1.22
	Bought during the year	-	-	300000	1.22
	Sold during the year	(13980)	(0.06)	286020	1.16
	At the end of the year	286020	1.16	286020	1.16

Sr. No.	Name	Shareholding		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company*	No. of Shares	% of Total Shares of the Company*
4.	**Govindshree Securities Fiscal Ltd**				
	At the beginning of the year	249900	1.02	249900	1.02
	Bought during the year	475	0.00	250375	1.04
	Sold during the year	(7920)	(0.03)	242455	1.23
	At the end of the year	242455	1.23	242455	1.23
5.	**Veena M Khatri**				
	At the beginning of the year	283800	1.15	283800	1.15
	Bought during the year	-	-	283800	1.15
	Sold during the year	(118200)	(0.48)	165600	0.67
	At the end of the year	165600	0.67	165600	0.67
6.	**Prakash Jaisingh**				
	At the beginning of the year	140100	0.57	140100	0.57
	Bought during the year	-	-	140100	0.57
	Sold during the year	(14611)	(0.06)	125489	0.51
	At the end of the year	125489	0.51	125489	0.51
7.	**Deepa Jaisingh**				
	At the beginning of the year	125500	0.51	125500	0.51
	Bought during the year	-	-	125500	0.51
	Sold during the year	(5200)	(0.02)	120300	0.49
	At the end of the year	120300	0.49	120300	0.49
8.	**Heera Ahuja**				
	At the beginning of the year	92625	0.38	92625	0.38
	Bought during the year	1775	0.01	94400	0.38
	Sold during the year	(33229)	(0.13)	61171	0.25
	At the end of the year	61171	0.25	61171	0.25
9.	**Jyoti Reshmwala**				
	At the beginning of the year	74775	0.30	74775	0.30
	Bought during the year	27900	0.11	102675	0.42
	Sold during the year	(52900)	(0.21)	49775	0.20
	At the end of the year	49775	0.20	49775	0.20
10.	**Big Apple Exports**				
	At the beginning of the year	50000	0.20	50000	0.20
	Bought during the year	-	-	50000	0.20
	Sold during the year	(750)	(0.00)	49250	0.20
	At the end of the year	49250	0.20	49250	0.20

* % have been calculated on share capital of the Company as on March 31, 2018

Note:

1. *The above information is based on the weekly benpos received from depositories.*
2. *The date wise increase / decrease in shareholding of the top 10 shareholders are available on the website of the Company www.seya.in*

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

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the Year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company[1]	No. of Shares	% of total shares of the Company[1]
1	**Mr. Ashok G Rajani – Managing Director**				
	At the beginning of the Year	4765329	19.37	4765329	19.37
	Bought during the year	-	-	4765329	19.37
	Sold During the year	-	-	4765329	19.37
	At the end of the year	4765329	19.37	4765329	19.37
2	**Mr. Asit Kumar Bhowmik – Executive Director**				
	At the beginning of the Year	1000	0.00	1000	0.00
	Bought during the year	-	-	1000	0.00
	Sold During the year	1000	0.00	-	-
	At the end of the year	-	-	-	-

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the Year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company[1]	No. of Shares	% of total shares of the Company[1]
3	**Ms. Manisha Solanki – Company Secretary**				
	At the beginning of the Year	-	-	-	-
	Bought during the year	215	0.00	215	0.00
	Sold During the year	-	-	215	0.00
	At the end of the year	215	0.00	215	0.00

Note:

1. *% have been calculated on share capital of the Company as on March 31, 2018*
2. *Mr. Anand Taggarsi (Independent Director) and Ms. Kalpana Tirpude, (Independent Director) do not hold any shares in the Company.*

V. INDEBTEDNESS:

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

₹ in Lakhs

	Secured Loan excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial year (as on 1-Apr-17)				
i Principal amount	15,713.82	8,281.50	--	**23,995.32**
ii Interest due but not paid	--	--	--	**--**
iii Interest accrued but not due	--	--	--	**--**
Total (i. + ii. + iii.)	**15,713.82**	**8,281.50**	**--**	**23,995.32**
Change in indebtedness during the financial year				
i Addition	16,327.26	--	--	**16,327.26**
ii Reduction	(1,993.94)	(0.58)	--	**(1,994.52)**
Net Change	**14,333.32**	**(0.58)**	**--**	**14,332.74**
Indebtedness at the end of the financial year (as on 31-Mar-18)				
i Principal Amount	30,047.13	8,280.92	--	**38,328.05**
ii Interest due but not paid	--	--	--	**--**
iii Interest accrued but not due	--	--	--	**--**
Total (i + ii + iii)	**30,047.13**	**8,280.92**	**--**	**38,328.05**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

₹ in Lakhs

Sr. No.	Particulars of Remuneration	Mr. Ashok G Rajani Managing Director	Mr. Asit Kumar Bhowmik Executive Director	Total Amount
1.	Gross Salary			
	a. Salary As per provisions contained in Section 17(1) of the Income-Tax Act, 1961	60.00	13.41	73.41
	b. Value of perquisites u/s. 17(2) of the Income-Tax Act, 1961	-	-	-
	c. Profits in lieu of salary under section 17(3) of the Income-Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- As % of Profit			
	- Others (Specify)	-	-	-
5.	Others (PF, Insurance, Bonus etc.)	-	-	-
	Total (A)	**60.00**	**13.41**	**73.41**
	Ceiling as per the Act (@ 10% of net profits calculated under Section 198 of the Companies Act, 2013)			**735.15**

B. Remuneration to Other Directors:

₹ in Lakhs

Sr. No.	Particulars of Remuneration	Mr. Anand Taggarsi	Ms. Kalpana Tirpude	Total Amount
1.	**Independent Directors**			
	a. Fees for attending Board / Committee Meetings	0.50	0.50	1.00
	b. Commission	-	-	-
	c. Others, please specify	-	-	-
	Total (B1)	**0.50**	**0.50**	**1.00**

Sr. No.	Particulars of Remuneration	Mr. Anand Taggarsi	Ms. Kalpana Tirpude	Total Amount
2.	Other Non-Executive Directors			
	a. Fees for attending Board / Committee Meetings	-	-	-
	b. Commission	-	-	-
	c. Others, please specify	-	-	-
	Total (B2)	**-**	**-**	**-**
	Total (B) = (B1) + (B2)	**0.50**	**0.50**	**1.00**
Over all ceiling as per the Act (11% of the net profits of the Company calculated as per Section 198 of the Act. Sitting fees paid is within the limit of INR 100,000 per meeting as prescribed under the Act)				**808.67**

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

₹ in Lakhs

Sr. No.	Particulars of Remuneration	Ms. Manisha Solanki Company Secretary
1.	**Gross Salary**	
	a. Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	9.95
	b. Value of perquisites u/s. 17(2) of the Income-Tax Act, 1961	-
	c. Profits in lieu of salary under section 17(3) of the Income-Tax Act, 1961	
2.	Stock Option	--
3.	Sweat Equity	--
4.	Commission	--
	- As % of Profit	
	- Others (Specify)	
5.	Others (PF, Insurance, Bonus etc.)	0.70
	Total	**10.65**

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			None		
B. DIRECTORS					
Penalty Punishment Compounding			None		
C. OTHER OFFICERS IN DEFAULT					
Penalty Punishment Compounding			None		

For & on behalf of the Board of Directors
Seya Industries Ltd.

ASHOK G RAJANI
Chairman & Managing Director
Mumbai, May 28, 2018

REPORT ON CORPORATE GOVERNANCE

Corporate governance is creation and enhancing long-term sustainable value for the stakeholders through ethically driven business process. At SEYA, it is imperative that our Company affairs are managed in a fair and transparent manner.

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

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

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

The Company has an active, experienced and a well-informed Board. The Board along with its committees undertakes its fiduciary duties keeping in mind the interests of all its stakeholders and the Company's corporate governance philosophy.

The Company is in Compliance with the requirements stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with regard to corporate governance.

BOARD OF DIRECTORS ("THE BOARD")

Composition of the Board

The Composition of the Board of Directors of the Company is in conformity with the Listing Regulations and the Companies Act, 2013 ("the Act"). As on March 31, 2018, the Board comprise four members, two Non-Executive Independent Director (NEID) including a Woman Director and two Executive Directors. The Company has Executive Chairman and the number of Independent Directors is 50% of the total number of Directors. Managing Director and Independent Directors are not liable to retire by Rotation

Your Directors have rich and varied experience in the fields of business management, chemicals, Banking & Finance, project management, risk management, international operations, marketing, HR, Corporate Governance and bring in extensive knowledge and expertise to the Board. The Board provides strategic guidance to the Company and ensures effective monitoring of the management. It also monitors effectiveness of Company's corporate Governance Process.

None of the Directors on the Board is a Member of more than ten Committees and Chairman of more than five Committees as per Regulation 26 of the Listing Regulations across all the companies in which he/she is a Director. All the Directors have made the requisite disclosures regarding committee positions held by them in other companies. None of the Directors of the Company is related to each other. None of the directors are disqualified under section 164 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014.

Board Procedure

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

The Agenda is circulated well in advance to the Board members. The items in the Agenda are backed by comprehensive background information to enable the Board to take appropriate decisions and to discharge its responsibilities effectively. The Managing Director apprises the Board on the overall performance of the Company. The Managing Director's report was circulated to the Board. The Board also, inter alia, reviews the strategy, annual business plan and capital expenditure budgets, compliance reports of the laws applicable to the Company, review of major legal issues, adoption of quarterly / half-yearly / annual results, transactions pertaining to purchase / disposal of property, major accounting provisions, corporate restructuring, minutes of the meetings of the Audit and other Committees of the Board.

In addition to the information required under Regulation 17 (7) read with Part A of Schedule II of the Listing Regulations, the Board is also kept informed of major events and approvals are taken wherever necessary.

The Company Secretary monitors the Board and Committee Proceeding to ensure that terns of reference / charters are adhered to, decisions are properly recorded in the minutes and actions on the decisions are tracked. Meeting effectiveness is ensured through clear agenda, pre-circulation of material in advance, detailed presentations at the meetings and tracking of the action taken report. Additional, based on the agenda, the Board / committee meetings are attended by members of the senior leadership as invitees, which bring in the requisite accountability and provide developmental inputs.

In order to reduce paper consumption and maximum utilisation of technology, the Company is using e-mail system for transmitting the agenda and pre-reads for the Board and Committee meetings. The Directors receive the agenda and pre-reads for the Board and Committee meetings in electronic form through e-mail.

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

Meetings held

The Board met Ten times on the following dates during the Financial Year (FY) 2017-18.

30th May 2017	14th November 2017
19th June 2017	21st November 2017
28th July 2017	29th December 2017
26th August 2017	17th January 2018
14th September 2017	12th February 2018

The gap between two meetings did not exceed One Hundred Twenty days:

Detailed presentation is also made to apprise the Board of important developments in Industry, segments, business operations, marketing, products etc.

The Minutes of the Board meeting are circulated as per the requirement of SS-1 to all Directors and it is confirmed in the subsequent Board meeting.

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

Details of Boards meeting and AGM attended by Directors are given in the appended table.

Appointment and Re-appointment

As required under Regulation 26(4) and 36 (3) of the Listing Regulations, particulars of the Directors seeking re-appointment are given in the Explanatory Statement to the Notice of AGM.

Code of Conduct

The Board has prescribed the Code of Conduct for Board Members and Senior Management. The code has been circulated to Directors and Management. The Board has adopted a Code of Conduct for Non-Executive Directors, which incorporates the duties of Independent Directors as laid down in Schedule IV of the Act (code for Independent Directors) and Regulation 17 (5) of the Listing Regulations, both of which are available on the Company's website www.seya.in.

Name of the Director	No. of Meetings during the Year		Attended Last AGM	No. of Directorship in other Public Companies	Member / Chairman of Committees other Public Companies
	Held	Attended			
Mr. Ashok G Rajani – *Managing Director*	10	10	Yes	-	-
Mr. Asit Kumar Bhowmik – *Executive Director*	10	10	Yes	-	-
Mr. Anand Taggarsi – *Independent Director*	10	10	Yes	1	3
Ms. Kalpana Tirpude – *Independent Director*	10	10	No	-	-

Independent Director

Terms and conditions of Independent Directors

All the Independent Directors of the Company have been appointed as per the provisions of the Act, Listing Regulations and the Governance Guidelines for Board Effectiveness adopted by the Company. Formal letters of appointment have been issued to the Independent Directors. The terms and conditions of their appointment have been disclosed on the website of the Company.

All the Independent Directors of the Company have confirmed that they satisfy the criteria of Independence as indicated in the Act and Listing Regulations.

None of the Independent Director of the Company is whole time director of any listed Company and does not serve as an Independent Director in more than seven listed Companies. The Independent Directors are appointed for a term of five years or upto the age of retirement, whichever is earlier.

Separate Meeting of Independent Directors

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on February 12, 2018 as required under Schedule IV of the Act (Code for Independent Directors) and Regulation 25 (3) of the Listing Regulations.

At the meeting, the Independent Directors:

- Reviewed the performance of Non-Independent Directors and the Board as a whole;
- Reviewed the performance of the Chairman of the Company, taking into account the views of executive and Non-Executive Directors; and
- Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonable perform their duties.

Familiarisation Programme for Independent Director

The Company has a familiarisation programme for its Independent Directors. The objective of the programme is to familiarise the Independent Directors to enable them to understand the Company, its operations, business, industry and environment applicable to it. These include orientation programme upon induction of new directors as well as other initiative to update the Directors on a continuing basis.

The familiarisation programme for Directors is disclosed on the website of the Company www.seya.in and the web link is *http://www.seya.in/wp-content/uploads/2011/06/Familiarization-Program_for-Independent-Directors-Seya.pdf*

All the Board members and Senior Management of the Company as on March 31, 2018 have affirmed compliance with their respective Codes of Conduct. A Declaration to this effect, duly signed by the Managing Director, forms part of this report.

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

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

AUDIT & RISK MANAGEMENT COMMITTEE

The Audit & Risk Management Committee ("the Committee") functions according to its charter that defined its compositions, authority, responsibilities and reporting functions.

Composition and Attendance

Name of the Member	No. of Meetings during the year	
	Held	Attended
Mr. Anand Taggarsi - NEID (Chairman)	5	5
Ms. Kalpana Tirpude – NEID	5	5
Mr. Ashok G Rajani–ED	5	5

NEID - Non-Executive Independent Director
ED – Executive Director

Terms of Reference

Terms of reference of Audit Committee Covers all the matters prescribed under the Regulation 18 of the Listing Regulations, and Section 177 of the Act, which inter alia include:

- Oversight of the Company's financial reporting process and disclosure of its financial information;
- Discuss and review, with the management and auditors, the annual / quarterly financial statements before submission to the Board;
- Review of the Company's accounting policies internal accounting controls, financial and such other matters;
- Hold timely discussions with external auditors regarding critical accounting policies and practices, significant reporting issues and judgements made, nature and scope of audit, etc;

- Evaluate auditors' performance, qualification, independence and effectiveness of Audit process;
- Recommend to the Board, the appointment, re-appointment, removal of the external auditors, fixation of audit fees and also approval for payment for audit and non-audit services;
- Review the adequacy of internal audit and risk management function;
- Review the adequacy of internal control systems and ensure adherence thereto;
- Review the Company's compliance with the legal and regulatory requirements, Code of Conduct and effectiveness of the system for monitoring the same;
- Provide guidance to the Compliance Officer for setting forth policies and implementation of the Code of Conduct for Prevention of Insider Trading.
- Scrutinise inter corporate loans and investments, if any;
- Review the functioning of Whistle Blower Mechanism of the Company which include the Vigil Mechanism for Directors and employees to report genuine concerns in the prescribed manner.
- Review the significant related party transactions.
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with internal auditors of any significant findings and follow ups there on;
- Reviewing the adequacy of internal audit function, if any including the structure of the internal audit department approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure and frequency of internal audit;
- Approve the appointment of the Chief Financial Officer after assessing the qualifications, experience and back ground of the candidate;
- Reviewing company's risk governance structure, risk assessment and risk management practices and guidelines, policies and procedures for risk assessment and risk arrangement;
- Review and approve Enterprise Risk Management (ERM) framework;
- Review the Company's risk appetite and strategy relating to key risks, including market risk, product risk and reputational risk, as well as the guideline, policies and processes for monitoring and mitigating such risks;
- Oversee Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels;
- Review and analyse risk exposure related to specific issue, concentrations and limit excesses, and provide oversight of risk across organisation;
- Review compliance with risk policies, monitor breach / trigger trips of risk tolerance limits and directs action;
- Nurture a healthy and independent risk management function in the Company;
- Carrying out any other function as mentioned in the terms of reference of the Audit & risk Management Committee.

Meetings held

During FY 2017-18 Five Meetings of Audit and Risk Management Committee were held on the following dates:

30th May 2017	14th November 2017
26th August 2017	12th February 2018
14th September 2017	

The gap between two meetings did not exceed one hundred and twenty days.

The Company Secretary acts as the Secretary to the Committee. The Composition of the Committee is in conformity with Section 177 of the Act and Regulation 18 (1) of the Listing Regulations.

During the period under review the Committee has recommended to the Board the re-appointment statutory auditors and Appointment of Cost Auditors. The Committee also reviewed key audit findings covering operational, financial and compliance areas, internal financial controls and financial reporting systems to the Committee. The minutes of each of the Audit Committee are placed in the next meeting of the Board. Chairman of the Committee were present at the last AGM held on September 27, 2017

NOMINATION AND REMUNERATION COMMITTEE (NRC)

The purpose of the NRC is to oversee the selection of members of the Board based on criterial related to the specific requirement of expertise, independence and execution. Further the role of NRC is also to identify and select senior management personnel on level below the Board. The NRC shall also evaluate the performance of the Board members, inclusive of the executive members based on the expected performance criteria.

Meetings Held

During FY 2017-18 1 (one) meeting of NRC were held on December 29, 2017 and all the members of the Committee were present in the meeting.

Composition

The Nomination and Remuneration Committee comprised of three members viz,

Name of the Director	Designation in the Committee
Mr. Anand Taggarsi	Chairman
Mr. Ashok G Rajani	Member
Ms. Kalpana Tirpude	Member

Terms of Reference

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
- To evaluate the performance of Directors including independent directors;
- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel (KMP) and other employees;
- Devise a policy on Board diversity;
- To recommend remuneration of Managing Director and whole-time directors of the Company;
- To recommend to the Board, the appointment of KMP and executive team members;
- To carry out any other function as is mandated by the Board from time to time;
- On an annual basis, recommend to the Board the remuneration payable to Directors, KMP and executive team members of the Company;
- Oversee familiarisation programmes for Directors;
- Review HR and people strategy and its alignment with the business strategy periodically or when a change is made to either;
- Assist the Board in fulfilling its corporate governance responsibilities relating to remuneration of Board, KMP and executive team members;
- Perform other activities related to the charter as requested by the Board from time to time;

Performance Evaluation of Board, Committees and Directors

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

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

Criteria for evaluation

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

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

Criteria for evaluation of the Committees of the Board include degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

The procedure followed for the performance evaluation of the Board, Committees and Individual Directors is detailed in the Board's Report.

Non-Executive Director's compensation and disclosures

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

Remuneration Policy

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

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

The Company pays remuneration by way of salary, perquisites and allowances (fixed component), to its Managing / Executive Director. Annual increments are recommended by the NRC within the salary scale approved by the members of the Company.

b. *Non-Executive Directors*
Non-Executive Directors are paid sitting fees of ₹5,000 each for every Meeting of the Board attended.

Details of Remuneration Paid (FY- 2017-18)

₹in lakhs

Director	Salary*
Mr. Ashok G Rajani – Managing Director	60.00
Mr. Asit Kumar Bhowmik – Executive Director	13.41

** Includes perquisites and other allowances*

Service, Contract, Severance Fees and Notice Period

Terms of Agreement of Managing Director	Mr. Ashok G Rajani
Period of Contract	5 years upto September 24, 2019 Approval from the member, pursuant to the provisions of Section 196 of the Act, is seek from the members at the ensuing Annual General Meeting, for his re-appointment for next five years
Severance Fees / Notice Period	The Contract may be terminated by either party given the other party 6 months' notice or the Company paying six months' salary in lieu thereof. There is no separate provision for payment of severance fees.

STAKEHOLDERS RELATIONSHIP COMMITTEE (SRC)

Composition

Committee performs various functions conferred under the Listing Regulations and Section 178 of the Act, which mainly covers ensuring resolution of grievances or security holders of the Company.

Name of the Directors	Designation in the Committee
Mr. Anand Taggarsi	Chairman
Mr. Ashok G Rajani	Member
Ms. Kalpana Tirpude	Member

Terms of Reference

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

Meetings

During the period under review, four meetings were held on May 30, 2017, August 26, 2017, November 14, 2017 & February 12, 2018. All the members of the Committee were present in all the meeting.

Status of Investor Complaints

Complaints as on April 1, 2017	8
Received during the year:	29
Resolved During the year:	34
Pending as on March 31, 2018	3*

* as on date of the report all the complaints have been disposed off by SEBI based on Action taken report uploaded on SCORES.

The Correspondence identified as investor complaints are letters received through statutory / regulatory bodies and letters pertaining to fraudulent encashment etc.

Name, Designation & Address of Compliance Officer

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

On the recommendations of the Committee, the Company has taken various investor friendly initiatives like sending reminders to the investors who have not claimed their dividends and encourage dematerialisation of shares etc.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR Committee)

Corporate Social Responsibility at the Company stems from the ideology of providing sustainable value to the society in which the Company operates and contributing towards development of the underprivileged sections of the society.

Terms of Reference

The terms of reference of the CSR Committee are as under:

- Review and monitor the sustainability, environmental safety and health policies and activities across the Company
- Provide guidance to the management to ensure that all long term strategic proposals made to the Board includes safety, health environment and sustainability implications;
- Investigate or cause to be investigated, any extraordinary negative sustainability, environment and sustainability where appropriate;
- Formulate and recommend to the Board, a CSR policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII of the Act and have oversight over its implementations;
- Recommend the amount to be spent on CSR activities;
- Monitor the Company's CSR Policy periodically

The Board has also adopted the CSR policy as formulated and recommended by the Committee. The same is displayed on the website of the Company. A CSR Report giving details of the CSR activities undertaken by the Company during the year along with the amount spent on CSR activities forms a part of the Board's Report.

Compositions

The CSR Committee comprised of members viz,

Name of the Directors	Designation in the Committee
Ms. Kalpana Tirpude	Chairman
Mr. Ashok G Rajani	Member
Mr. Anand Taggarsi	Member

Meetings

During the period under review, one meeting was held on May 30, 2017 and all the members of the Committee were present in the meeting. The Company Secretary attends the meetings.

SUBSIDIARY COMPANIES

The Company does not have any subsidiary; hence, disclosure with respect to "material non-listed Indian subsidiaries" is not applicable.

RISK MANAGEMENT

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

RELATED PARTY TRANSACTION

The Company has formulated a Policy on Materiality of Related Party transactions and on dealing with Related Party Transaction (RPTs). During the year under review, besides the transactions reported in the Notes to accounts under Indian Accounting Standard (IND AS-24), there were no other related party transactions with promoters, directors, management. During FY 2017-18, all the transactions with related parties were in normal course of business. The Interest of Directors, if any, in transactions are disclosed at the Board Meetings and the interested Director does not participate in the discussion or vote on such transactions. The Policy on RPTs is uploaded on the Company's Website and the web link is http://www.seya.in/wp-content/uploads/2011/06/Related-Party-Transactions-Policy-Seya.pdf

MEANS OF COMMUNICATION

All price-sensitive information and matters that are material to shareholders are disclosed to the stock exchange where the securities of the Company are listed. All submissions to the exchange are made through electronic filing system provided by the exchange

i. Quarterly results

The quarterly, half-yearly and annual results are published within 48 hours of the meeting for that quarter. Quarterly results are published in Aapla Mahanagar (Marathi), Business Standards (English) and Financial Express (English) and are displayed on 'www.seya.in' after its submission to the Stock Exchanges.

ii. Shareholding Pattern, Corporate Governance Report and financial results are uploaded on listing centre maintained by BSE Ltd.

iii. Website

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

Material events or information as detailed in Regulation 30 of the Listing Regulations are disclosed to the Stock Exchange i.e. BSE Limited through BSE online Portal. They are also displayed on the Company's website.

GENERAL MEETING DETAILS

The Company convenes the AGM generally within six months of the close of the financial year. The details of the AGM held in last three years are given below:

Year	Date	Time	Special resolution passed
2014-15	28-Sep-15	11:00 a.m.	NIL
2015-16	28-Sep-16	4:00 p.m.	Two
2016-17	27-Sep-17	2.00 p.m.	NIL

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

SHAREHOLDER INFORMATION

Company Registration Details

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

Book Closure Period

The register of members and share transfer books of the Company shall remain closed from Saturday, September 22, 2018 to Friday, September 28, 2018 (both days inclusive for the purpose of AGM and Dividend)

Dividend Payment Date

The Company will remit the dividend within a period of 30 days from the date of declaration and the required funds will be transferred to the Dividend Account within 5 days from the date of the Annual General Meeting.

Listing

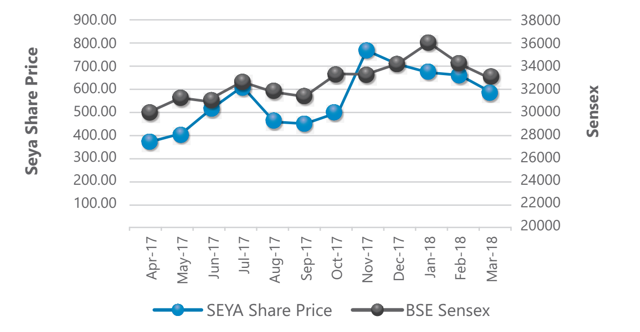
The Equity Shares of the Company are listed on the BSE Ltd (Stock Code: 524324). The Annual Listing fee for the year 2018-19 was paid to the BSE Limited.

Market Price Data

Monthly High / Low of BSE depicting liquidity of the Company's Ordinary Shares on the said Stock Exchange are given hereunder:

Month	High (₹)	Low (₹)
Apr-17	424.40	284.25
May-17	419.70	319.15
Jun-17	545.00	380.00
Jul-17	666.00	505.00
Aug-17	620.00	425.00
Sep-17	508.00	410.50
Oct-17	499.80	405.00
Nov-17	762.60	477.00
Dec-17	826.00	605.00
Jan-18	758.80	645.00
Feb-18	702.00	556.05
Mar-18	674.45	500.00

Performance of SEYA's share price in comparison to BSE Sensex



Share Transfer Process

The Company ensures that all the transfers are duly affected within the prescribed period. Shares in physical form are processed by the Registrar and Share transfer agent within 15 days from the date of receipt, if the documents are complete in all respects. The Managing Director, Executive Director and the Company Secretary have been severally empowered to approve transfers.

Distribution of Shareholding as on March 31, 2018

No. of Shares held	No. of shares	% of shares	No. of shareholders	% of shareholders
< 500	1508179	6.13	10208	94.56
501-1000	241737	0.98	298	2.76
1001-2000	177483	0.72	115	1.07
2001-3000	134906	0.55	53	0.49
3001-4000	66878	0.27	19	0.18
4001-5000	115035	0.47	24	0.22
5001-10000	201628	0.82	27	0.25
> 10001	22154154	90.06	51	0.47
Total	**24600000**	**100**	**10795**	**100**

Category of Shareholding as on March 31, 2018

Category	No. of Shares	Percentage %
Promoter & Promoter Group	18335000	74.53
Individual Shareholders	3087875	12.55
Qualified Foreign Investor	10274	0.04
Mutual Funds	1997868	8.12
Financial Institutions	1400	0.01
Others	1167583	4.75
Total	**24600000**	**100.00**

Dematerialisation of shares and liquidity

The Company's Equity Shares are compulsorily traded in dematerialised form and are available for trading on both the depository viz CDSL and NSDL. ISIN no. is INE573R01012

	2017-18	2016-17
Percentage of Shares held in physical form	8.63	11.82
Electronic form with CDSL	61.03	54.81
Electronic form with NSDL	30.34	33.36

Foreign Exchange Risk and Hedging Activities

In terms of the Listing Regulations, the Management Discussion and Analysis Report forms part of the Annual report. Disclosure relating to risk including commodity price risk, foreign exchange risk etc. have been adequately covered under the Management Discussion and Analysis Report.

Outstanding Global Depository Receipts (GDRs) or American Depository Receipts (ADRs) or warrants or any convertible instruments, conversion date and likely impact on equity

Not Applicable

Plant Location

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

Address for Correspondence

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

Registrar & Transfer Agent

Members are requested to correspond with the company's Registrar & Transfer Agent quoting their folio no. / DP ID and client ID at the following address:

Universal Capital Securities Pvt. Ltd
Unit: **Seya Industries Ltd**
21, Shakil Niwas, Opp. Satya Saibaba Temple,
Mahakali Caves Road, Andheri (East), Mumbai – 400093.
☎022-28207203–05 🖷: 022-28207207
🖂info@unisec.in

Receipt of Financial Statement / other Documents through Electronic Mode

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

SECRETARIAL AUDIT

- Pursuant to Regulation 40(9) of the Listing Regulations, certificates have been issued, on a half-yearly basis, by a Company Secretary in Practice, certifying due compliance of share transfer formalities by the Company.
- A Company Secretary in practice carries out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with Central Depository Services (India) Ltd. (CDSL) and National Securities Depository Ltd. (NSDL) and the total issued and listed capital. The audit confirms that the total issued / paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with CDSL and NSDL)
- M/s Dipali Kapadia & Associate, Practicing Company Secretary Firm has conducted a Secretarial Audit of the Company for FY

2017-18. Their Audit report confirms that the Company has complied with applicable provisions of the Act, and the Rules made thereunder, its Memorandum and Articles of Association, Listing Regulations and the Applicable SEBI Regulations. The Secretarial Audit Report forms the Part of the Board's Report.

DISCLOSURES

Code of Conduct for Prevention of Insider Trading

As per SEBI (Prohibition of Insider Trading) Regulations, 2015 that became effective from May 15, 2015, the Company has inter-alia, devised and adopted Code of Conduct to regulate, monitor and report trading in Company's securities by persons having access to unpublished price sensitive information of the Company. Company Secretary is the Compliance officer for the purpose of this code. During the year, there has been due compliance with the Code by the Company and all insiders.

Policy Under the Listing Regulations

Policy on determination of materiality for disclosure as per regulation 23 of the Listing Regulations and Policy on Archival and preservation of Documents as required under Regulation 9 of the listing Regulations are available on the website of the Company at www.seya.in

Accounting Treatment in preparation of Financial Statements

The Company has prepared the Financial Statements in accordance with the Indian Accounting Standards (Ind AS) to comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act, as applicable.

Statutory Compliance, Penalties and Strictures

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

Whistle-blower Policy and Vigil Mechanism

The Company has adopted a Whistle Blower policy and Vigil Mechanism to provide a formal mechanism to the Directors, employees and other external stakeholders to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Conduct or ethics policy. The policy provides for adequate safeguards against victimisation of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee no personnel of the Company has been denied access to the Audit Committee.

CEO / CFO Certification

The Managing Director (CEO) have certified to the Board in accordance with regulation 17 (8) read with Part B of Schedule II of the Listing Regulations pertaining to CEO / CFO certification for the Financial Year ended March 31, 2018

Mandatory requirements

The Company has fully complied with all the applicable mandatory requirements of Listing Regulations relating to Corporate Governance.

Non-Mandatory requirements

The Company has complied with the following non-mandatory requirements of the Listing Regulations relating to Corporate Governance. The status of compliance with the non-mandatory requirements listed in Regulation 27(1) read with Part E of Schedule II of the Listing Regulations are as under:

- During the year under review, there is no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.
- The Internal Auditor reports to the Audit Committee.

DECLARATION BY MANAGING DIRECTOR

I, Ashok G Rajani, Managing Director of Seya Industries Ltd, hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed the Compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in accordance with Regulation 26(3) of the Listing Regulations for the year ended March 31, 2018.

For **Seya Industries Ltd**

Ashok G Rajani
Managing Director

Mumbai, May 28, 2018

PRACTISING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

To The Members

Seya Industries Ltd

I have examined the compliance of the Conditions of Corporate Governance by **SEYA INDUSTRIES LTD** (the Company), for the year ended March 31, 2018, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of the regulation 46(2) and Para C, D and E of Schedule V of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 ('Listing Regulations')

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

In my opinion and to the best of my information and according to the explanations given to me and based on the representation made by the directors, the management and the Company's officers, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended March 31, 2018.

I further state that such Compliance is neither an assurance as to the future viability of the Company nor or of the efficiency or effectiveness with which the Management has conducted the affairs of the Company

For **Dipali Kapadia & Associates**
Practicing Company Secretaries

Dipali Kapadia
ACS: 31157 CP No.:11448

Mumbai, May 28, 2018

INDEPENDENT AUDITOR'S REPORT

To the Members of

SEYA INDUSTRIES LTD

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Financial Statements of **SEYA INDUSTRIES LTD** ('The Company'), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including other Comprehensive income), the statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flow and changes in equity of the Company in accordance with the Accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with relevant rules thereunder.

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

Auditor's Responsibility

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

We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS 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 accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors as well as evaluating the overall presentation of the standalone Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 including Ind AS, of the financial position of the Company as at March 31, 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India, in terms of sub-section (11) of Section 143 of the Act 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, we give in the "Annexure A" a statement on the matters specified in paragraph 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.

   c. The Balance Sheet, Statement of Profit & Loss, the Cash Flow Statement and statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014

   e. On the basis of written representations received from the Directors as on March 31, 2018 taken on record by the Board of Directors, none of the Directors are disqualified as on March 31, 2018 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 B" and

   g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and belief and according to the information and explanations given to us:

      i. The Company does not have any pending litigation which would impact its financial position.

      ii. The Company did not have any long-term contracts including derivatives contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.

      iii. There has not been any occasion in case of the Company during the year under report to transfer any sum to the investor Education and protection Fund, hence the question of delay in transferring such sums does not arise.

For **ANIL CHAUHAN & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 0140786W

Anil Chauhan
Proprietor
Membership No. 166286
Mumbai, May 28, 2018

"ANNEXURE A" TO INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' section of our report of even date]

i. Property, Plant and Equipment

a. The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment;

b. The Company has a program of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner over a period of Three years, which in our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its property, plant and equipment. Pursuant to the program certain items of property, plant and equipment were physically verified by the Management during the year and no material discrepancies were noticed on such verification.

c. According to the information and explanations given to us and the records examined by us, the title deeds of immovable properties are held in the name of the Company.

ii. Inventories

a. The inventories, except goods-in-transit, were physically verified at reasonable intervals by the management during the year and no material discrepancies were noticed on physical verification.

b. The procedures for the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

c. On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventories. No discrepancies were noticed on verification between the physical stock and the books records.

iii. Loans and Advances

The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii)(a) and (iii)(b) of the said orders are not applicable to the Company.

iv. Loans, Investments and Guarantee

The Company has not granted any loans, made any investments, given any guarantees and provided any security pursuant to the provisions of Section 185 & Section 186 of the Act.

v. Deposits

According to the information and explanations given to us, the Company has not accepted any deposits from the public as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, provisions of paragraph 3(v) of the Order are not applicable to the Company.

vi. Cost Records

We have broadly reviewed the records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. However, we have not made a detailed examination of cost records with a view to determine whether they are accurate or complete.

vii. Statutory Dues

a. According to information and explanation given to us, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income tax, Central Sales tax, Service tax, Customs duty, Excise duty, Value Added Tax, Cess and other material statutory dues applicable to it to the appropriate authorities.

b. According to the information and explanations given to us, there were no undisputed amounts payable in respect of Provident fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Service tax, Central Sales-tax, Customs duty, Excise duty, Value Added Tax, Cess and other undisputed statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.

c. In our opinion and according to the information and explanation given to us, during the year, no amount was pending to be transferred to Investor Education and Protection Fund.

viii. Dues to Financial Institutions and Banks

In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of Loans/Borrowings from Financial Institutions/ Banks

ix. Money Raised

The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Term loan raised during the year was applied for the purpose for which it was obtained.

x. Frauds Noticed

Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or on the company by the officers and employees of the Company has been noticed or reported during the year.

xi. Managerial Remuneration

In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

xii. Nidhi Company

In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company.

xiii. Compliance with Section 177 & 188 of the Act

In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone Ind AS financial statements etc. as required by the applicable Ind AS.

xiv. Preferential Allotment

According to the information and explanations given to us and on an overall examination of the balance sheet, during the year, the Company has allotted 42,50,000 Equity shares upon conversion of warrants on preferential basis and the requirement of the Act have been complied with and the amount raised have been used for the purpose for which the funds were raised.

xv. Non-Cash Transaction

According to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable. Accordingly, provisions of paragraph 3 (xv) of the Order are not applicable to the Company.

xvi. Section 45-IA of the Reserve Bank of India Act, 1934

The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of paragraph 3 (xvi) of the Order are not applicable to the Company.

For **ANIL CHAUHAN & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 0140786W

Anil Chauhan
Proprietor
Membership No. 166286
Mumbai, May 28, 2018

"ANNEXURE B" TO INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of Seya Industries Limited (the "Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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 **ANIL CHAUHAN & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 0140786W

Anil Chauhan
Proprietor
Membership No. 166286
Mumbai, May 28, 2018

BALANCE SHEET

As at March 31, 2018

₹ in Lakhs

	Note	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
NON-CURRENT ASSETS				
(a) Property, Plant and Equipment	4	**74,221.60**	42,160.41	39,709.26
(b) Capital Work-in-Progress		**37,874.63**	21,653.76	16,245.67
(c) Financial Assets				
(i) Others	5	**62.43**	62.43	59.80
(d) Deferred Tax Assets (Net)	6 (d)	**609.45**	1,152.82	633.85
(e) Other Non Current Assets	7	**21.54**	19.20	13.09
Total Non-Current Assets		**1,12,789.65**	65,048.62	56,661.68
CURRENT ASSETS				
(a) Inventories	8	**3,319.88**	3,116.99	2,842.43
(b) Financial Assets				
(i) Trade Receivables	9	**10,352.87**	7,917.23	6,641.98
(ii) Cash and Cash Equivalents	10	**1,381.53**	72.61	23.16
(iii) Bank Balances other than (ii) above	11	**209.72**	200.13	177.26
(iv) Loans	12	**9.17**	8.57	7.40
(v) Others Financial Assets	13	**-**	2.20	116.41
(c) Other Current Assets	14	**3,533.27**	2,820.97	3,897.47
Total Current Assets		**18,806.43**	14,138.70	13,706.12
TOTAL ASSETS		**131,596.08**	79,187.32	70,367.78
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share Capital	15	**2,460.00**	2,035.00	1,100.00
(b) Other Equity	16	**71,573.72**	35,083.33	8,029.11
Total Equity		**74,033.72**	37,118.33	9,129.11
LIABILITIES				
Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	17	**45,509.42**	32,737.78	49,875.61
(ii) Other financial liabilities	18 (a)	**293.71**	628.46	5,291.76
(b) Provision	19 (a)	**21.54**	19.20	13.09
Total Non-Current Liabilities		**45,824.68**	33,385.44	55,180.47
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	20	**7,037.54**	5,727.81	3,909.21
(ii) Trade Payables	21	**1,012.68**	1,686.37	578.05
(iii) Other Financial Liabilities	18 (b)	**2,262.64**	680.29	656.84
(b) Other Current Liabilities	22	**274.01**	369.51	278.38
(c) Provisions	19 (b)	**1,150.80**	219.57	635.73
Total Current Liabilities		**11,737.68**	8,683.56	6,058.21
Total Liabilities		**57,562.37**	42,068.99	61,238.68
TOTAL EQUITY AND LIBILITIES		**131,596.08**	79,187.32	70,367.78
Significant Accounting Policies	1-3 & 31			
The accompanying notes form and integral part of the Financial Statements				

As per our report attached
For **ANIL CHAUHAN & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 0140786W

For and on behalf of Board of Directors

Anil Chauhan
Proprietor
Membership No. 166286

Manisha Solanki
Company Secretary

Ashok G Rajani
Chairman & Managing Director
DIN: 01839535

Anand Taggarsi
Director
DIN: 06959365

Place: Mumbai
Date: May 28, 2018

STATEMENT OF PROFIT & LOSS

For the period ended March 31, 2018

₹ in Lakhs

	Note	2017-18	2016-17
INCOME			
(a) Revenue from operations	23	**34,789.62**	31,414.38
(b) Other Income	24	**104.29**	84.57
Total Revenue (I)		**34,893.92**	31,498.94
EXPENDITURE			
(a) Cost of Material Consumed (Including Purchases of Stock-in-Trade)	25	**21,608.27**	23,283.31
(b) Change in Inventories of Finished Goods, Stock in Process & Stock in Trade	26	**(115.91)**	(327.83)
(c) Employee Benefit Expenses	27	**458.94**	281.30
(d) Finance Cost	28	**1,785.01**	1,412.58
(e) Depreciation and Amortisation Expenses	29	**1,509.81**	1,367.78
(f) Other Expenses	30	**2,296.25**	785.50
Total Expenses (II)		**27,542.37**	26,802.65
Profit Before exceptional items and Tax (III= I- II)		**7,351.54**	4,696.30
Exceptional Items (IV)		**-**	-
Profit Before Tax (V = III – IV)		**7,351.54**	**4,696.30**
Tax Expenses (VI)			
Current Tax	6 (c)	**1,531.01**	32.35
Deferred Tax (Net)	6 (d)	**580.94**	440.70
PROFIT AFTER TAX (VII = V – VI)		**5,239.60**	4,223.25
Other comprehensive income:			
Items that will not be reclassified to Statement of Profit and Loss			
(i) Remeasurements of the Defined Benefit Obligations		**2.83**	(3.01)
(ii) Tax effect of remeasurement of defined benefit liabilities / assets		**(0.60)**	0.64
Total Other Comprehensive Income (VIII)		**2.23**	**(2.37)**
Total Comprehensive Income for the period (VII + VIII)		**5,241.83**	4,220.87
Earnings per Equity Share of face value of ₹ 10 each			
Basic (₹)		**23.32**	28.35
Diluted (₹)		**23.32**	25.34
Significant Accounting Policies	1-3 & 31		
The accompanying notes form and integral part of the Financial Statements			

As per our report attached
For **ANIL CHAUHAN & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 0140786W

For and on behalf of Board of Directors

Anil Chauhan
Proprietor
Membership No. 166286

Manisha Solanki
Company Secretary

Ashok G Rajani
Chairman & Managing Director
DIN: 01839535

Anand Taggarsi
Director
DIN: 06959365

Place: Mumbai
Date: May 28, 2018

STATEMENT OF CHANGES IN EQUITY

A. EQUITY SHARE CAPITAL

₹ in Lakhs

	No. of Shares	Amount
As at April 1, 2016	11,000,000	1,100.00
Issued during the year FY 2016-17	9,350,000	935.00
As at March 31, 2017	20,350,000	2,035.00
Issued during the year FY 2017-18	4,250,000	425.00
As at March 31, 2018	**24,600,000**	**2,460.00**

B. OTHER EQUITY

₹ in Lakhs

	Reserves and Surplus			Fair Value of Property	Total
	Securities Premium	General Reserve	Retained Earnings		
Balance at the beginning of the comparative Reporting year – April 1, 2016	-	2,013.53	6,015.58	-	**8,029.11**
Profit for the Year	-	-	4,223.25	-	**4,223.25**
Other comprehensive income for the Year (net of tax)	-	-	(2.37)	-	**(2.37)**
Total Comprehensive Income for the Comparative Year April 1, 2016	-	-	**4,220.87**	-	**4,220.87**
Premium on issue of Equity Shares	15,895.00	-	-	-	**15,895.00**
Equity Dividend including tax on dividend	-	-	(132.40)	-	**(132.40)**
Share issue expenses	(85.28)	-	-	-	**(85.28)**
Income tax relating to transaction	-	-	46.01	-	**46.01**
Balance at the end of the comparative Reporting year March 31, 2017	**15,809.72**	**2,013.53**	**10,150.08**	-	**27,973.33**
Profit for the Year current reporting year ending March 31, 2018	-	-	5,239.60	-	**5,239.60**
Other comprehensive income for the current reporting year	-	-	2.23	-	**2.23**
Premium on issue of equity shares	7,225.00	-	-	-	**7,225.00**
Equity Dividend including tax on dividend	-	-	(287.43)	-	**(287.43)**
Fair Value measurement of Land	-	-	-	31,421.00	**31,421.00**
Balance at the end of the current reporting year March 31, 2018	**23,034.72**	**2,013.53**	**15,104.47**	**31,421.00**	**71,573.72**

As per our report attached
For **ANIL CHAUHAN & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 0140786W

For and on behalf of Board of Directors

Anil Chauhan
Proprietor
Membership No. 166286

Manisha Solanki
Company Secretary

Ashok G Rajani
Chairman & Managing Director
DIN: 01839535

Anand Taggarsi
Director
DIN: 06959365

Place: Mumbai
Date: May 28, 2018

CASH FLOW STATEMENT

For the period ended March 31, 2018

₹ in Lakhs

		2017-18		2016-17	
A:	**CASH FLOW FROM OPERATING ACTIVITIES:**				
	Profit Before Tax as per Statement of Profit and Loss		**7,351.54**		4,696.30
	Non-cash adjustment to reconcile Profit Before Tax to Net Cash Flows				
	Depreciation and Amortisation	1,509.81		1,367.78	
	Finance Cost	1,785.01		1,412.58	
	Interest Income	(9.88)		(19.00)	
	Other Non-Operating Income	(94.41)		(65.57)	
			3,190.52		2,695.79
	Operating Profit before Working Capital changes		**10,542.06**		7,392.10
	Adjustment for (increase)/decrease in Operating Assets:				
	Inventories	(202.89)		(274.56)	
	Trade Receivables	(2,435.64)		(1,275.25)	
	Loans	(0.59)		(1.17)	
	Other Current Financial Assets	2.20		114.21	
	Other Current Assets	(712.30)		1,076.51	
	Adjustment for increase/(decrease) in Operating Liabilities				
	Trade Payables	(673.69)		1,108.32	
	Other Current Financials Liabilities	1,582.35		23.45	
	Other Current Liabilities	(95.50)		91.13	
	Provisions	933.46		(418.53)	
			(1,602.60)		444.12
	Cash Generated from Operations		**8,939.46**		7,836.20
	Taxes Paid (Net)		**(1,568.57)**		(946.01)
	Net Cash from Operating Activities (A)		**7,370.89**		6,890.19
B:	**CASH FLOW FROM INVESTING ACTIVITIES:**				
	Capital Expenditure on Property, Plant & Equipment, including Capital Advances & Payable for Capital Expenditure	(2,149.99)		(3,818.93)	
	Increase in Capital Work in Progress	(14,556.98)		(5,256.83)	
	Other Non-Current Financial Liability	(334.75)		(4,663.30)	
	Other Non-Current Financial Assets	-		(2.63)	
	Other Non-Operating Income	94.41		65.57	
	Interest Received	9.88		19.00	
	Other Bank Balances	(9.59)		(22.87)	
			(16,947.02)		(13,679.99)
	Net Cash Flow from / (used in) Investing Activities (B)		**(9,576.13)**		(6,789.79)
C:	**CASH FLOW FROM FINANCING ACTIVITIES:**				
	Proceeds from issue of Equity Shares	7,650.00		16,744.72	
	Proceeds from issue of Share warrants	(7,110.00)		7,110.00	
	Proceeds from Long-term Borrowings (Net-off repayment)	12,771.64		(17,137.84)	
	Proceeds from Short-term Borrowings (Net-off repayment)	1,309.72		1,818.60	
	Finance Cost	(1,785.01)		(1,412.58)	
	Dividend Paid on Preference Shares	(1,663.88)		(151.26)	
	Dividend Paid on Equity Shares	(287.43)		(132.40)	
	Net Cash Flow From / (used in) Financing Activities (C)		**10,885.04**		6,839.24
	Net Increase / (Decrease) In Cash and Cash Equivalent (A + B + C)		**1,308.91**		49.45
	Cash and Cash Equivalents at the Beginning of the Year		**72.61**		23.16
	Cash and Cash Equivalents at the End of the Year (Refer Note No. 10)		**1,381.53**		72.61

As per our report attached
For **ANIL CHAUHAN & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 0140786W

For and on behalf of Board of Directors

Anil Chauhan
Proprietor
Membership No. 166286

Manisha Solanki
Company Secretary

Ashok G Rajani
Chairman & Managing Director
DIN: 01839535

Anand Taggarsi
Director
DIN: 06959365

Place: Mumbai
Date: May 28, 2018

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2018

1. CORPORATE INFORMATION

Seya Industries Ltd (the Company) is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are traded on BSE Limited. The Company is engaged in manufacturing of Speciality Chemicals intermediates.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis for Preparation of Financial Statements

The principal accounting policies applied in the preparation of these Financial Statements are set out below. These policies have been consistently applied to all the financial years presented, unless otherwise stated. Refer Notes for the details of first-time adoption exemptions availed by the Company.

The Company has adopted all the applicable Indian Accounting Standards ('Ind AS') in accordance with Ind AS 101 – First Time Adoption of Indian Accounting Standards. The Company has transited from its previous GAAP as defined in Ind AS 101 with the necessary disclosures relating to reconciliation of Shareholders equity under Previous GAAP and Ind AS and of the net profit as Previous GAAP and Total Comprehensive Income under Ind AS.

2.2. Statement of Compliance

In accordance with the notification dated February 16, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2016.

The Standalone Financial Statements have been prepared in accordance with Ind AS, as prescribed under Section 133 of the Companies Act, 2013 ('the Act'), the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The Financial Statements up to year ended March 31, 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 and other relevant provisions of the Act ('Previous GAAP').

The Financial Statements for the year ended March 31, 2018 are the first Financial Statements of the Company which have been prepared in accordance with Ind AS. Previous period numbers for the year ended March 31, 2017 in the Financial Statements have been restated to confirm to Ind AS. Accordingly the date of transition to Ind AS is April 1, 2016.

2.3. Basis of Preparation and Presentation

The financial statements have been prepared on the historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets/liabilities that are measured at fair values at the end of each reporting period;
- Defined benefit plans – plan assets that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Whenever the Company changes the presentation or classification of items in its financial statements materially, the company reclassifies comparative amounts, unless impracticable. Non-Convertible Redeemable Preference Shares which under IGAAP was classified in Share Capital now as per Ind AS forms part of the Non-Current Liabilities under Long Term Borrowings from Related Parties.

2.4. Operating Cycle

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

2.5. Use of Estimates:

The preparation of financial statements requires management to make estimates assumptions and judgements that affect the reported balances of assets and liabilities and disclosures as at the date of the financial statements and the reported amounts of income and expenditure for the periods presented. Actual results may differ from the estimates considering different assumptions and conditions. Estimates and underlying assumptions are reviewed on an ongoing basis. Impact on account of revisions to accounting estimates are recognized in the period in which the estimates are revised, and future periods are affected.

2.6. Measurement of fair values:

The Company's accounting policies and disclosures require the measurement of fair values, for both financial assets and liabilities.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the assets or liability

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. the fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and lowest priority to unobservable inputs (Level 3 inputs).

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company has consistently applied the following accounting policies to all periods presented in these financial statements.

2.7. Operating Segment

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker of the Company is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the chief operating decision maker.

The Chief Operational Decision Maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements. The Operating segments have been identified on the basis of the nature of products/ services.

a) Segment revenue includes sales and other income directly identifiable with the segment including intersegment revenue.

b) Expenses that are directly identifiable with the segments are considered for determining the segment results. Expenses which relate to the Group as a whole and not allocable to segments are included under unallocable expenditure.

c) Income which relates to the Group as a whole and not allocable to segments is included in unallocable income.

d) Segment result includes margins on inter-segment and sales which are reduced in arriving at the profit before tax of the Group.

Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

2.8. Property, plant and equipment (PPEs)

Items of property, plant and equipment are stated in balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any except for land which is been carried as per revaluation of model. Under revaluation model, after recognition as an asset, an item of property, plant and equipment whose fair value can be measured reliably shall be carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The frequency of revaluations depends upon the changes in fair values of the items of property, plant and equipment being revalued. Company estimates to revalue its land every 3 years. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Items of property, plant and equipment acquired through exchange of non-monetary assets are measured at fair value, unless the exchange transaction lacks commercial substance or the fair value of either the asset received, or asset given up is not reliably measurable, in which case the acquired asset is measured at the carrying amount of the asset given up.

De-recognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of property, plant and equipment and is recognised in profit or loss.

Depreciation

Depreciation is recognised so as to write off the cost of assets (other than freehold land and Capital work-in-progress) less their residual values on straight-line method over their useful lives as indicated in Part C of Schedule II of the Companies Act, 2013. Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives are as follows:

Asset	Useful life
Leasehold Land	99 years
Building	1 – 25 years
Plant and Machinery	3 – 20 years
Furniture & Fixtures	3 – 12 years
Vehicles	3 – 10 years

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its PPE recognised as of April 01, 2016 i.e. transition date, measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

2.9. Intangible Assets

Intangible assets that are acquired by the Company and that have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses, if any. Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate. Amortisation is recognised on a straight-line basis over the estimated useful lives of intangible assets. Intangible assets that are not available for use are amortised from the date they are available for use.

De-recognition of intangible assets

Intangible assets are de-recognised either on their disposal or where no future economic benefits are expected from their use. Gain or loss arising on such de-recognition is recognised in profit or loss and are measured as the difference between the net disposal proceeds, if any, and the carrying amount of respective intangible assets as on the date of de-recognition.

2.10. Impairment of Non-Financial Assets

The carrying amounts of the Company's PPE and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. An impairment loss is recognised in the profit or loss if the estimated recoverable amount of an asset or its cash generating unit is lower than its carrying amount. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the other assets in the unit on a pro-rata basis. In respect of other asset, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.11. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial Recognition and measurements

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

Subsequent measurements

For purposes of subsequent measurement, financial assets are classified in Three categories:

i. Financial assets measured at amortised cost

ii. Financial assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)

iii. Financial assets measured at Fair Value Through Profit or Loss (FVTPL)

i. *A financial asset that meets the following two conditions is measured at amortized cost.*

- Business Model test:

  The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

- Cash flow characteristics test:

  Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

ii. *A financial asset that meets the following two conditions is measured at fair value through OCI:-*

- Business Model test:

  The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

- Cash flow characteristics test:

  The contractual terms of the instrument give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

iii. *All other financial assets are measured at fair value through profit and loss.*

Equity Instruments

All equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, including foreign exchange gain or loss and excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit or loss.

Derecognition-

A financial asset is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The contractual rights to receive cash flows from the asset have expired, or
- The Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in OCI and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Impairment of financial assets-

In accordance with Ind AS 109, The company assesses impairment based on expected credit losses (ECL) model at an amount equal to: -

- 12 months expected credit losses, or
- Lifetime expected credit losses depending upon whether there has been a significant increase in credit risk since initial recognition.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or any contractual right to receive cash or another financial asset. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

2.12. Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at Fair Value Through Profit or Loss

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or is designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred principally for the purpose of repurchasing in the near term or on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking. This category also includes derivative entered into by the Company that are not designated and effective as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Derivative financial instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, full currency swap, options and interest rate swaps to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss

Compound financial instruments

The component parts of compound financial instruments issued by the company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definition of financial liability and an equity instrument.

2.13. Leases

A lease that transfers substantially all the risks and rewards incidental to ownership to the lessee is classified as a finance lease. All other leases are classified as operating leases.

Company as a lessee-

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in profit or loss as finance costs, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease payments are generally recognised as an expense in the profit or loss on a straight-line basis over the lease term. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are also recognised as expenses in the periods in which they are incurred.

Company as a lessor-

Rental income from operating lease is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

2.14. Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and Fixed deposits. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and fixed deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.15. Provisions, contingent liabilities and contingent assets

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Assets are not recognised in the financial statements.

2.16. Borrowing Cost

Borrowing cost that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale.

Borrowing cost consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing cost are recognized as expense in the period in which they are incurred.

2.17. Inventories

- Raw materials, Work in progress, manufactured goods and Stores & Spares are valued at lower of Cost (FIFO) or estimated net realisable value after providing for obsolescence and other losses, where considered necessary.
- By-products, self-generated scrap and non-reusable waste are valued at estimated net realisable value.

- Cost includes all charges in bringing the goods to their present location and condition, including other levies, transit insurance and receiving charges.
- Work in progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.
- Estimated net realisable value is the estimated selling price in the ordinary course of business, reduced by estimated costs of completion and estimated costs necessary to make the sale.

2.18. Revenue Recognition

Sale of Goods

Revenue from sales are recognized, when risks and rewards of ownership of products are passed on to the customers, which is generally on dispatch/delivery of goods and there is no significant uncertainty regarding amount of consideration that will be derived. Revenue from sale of goods are recognized at the fair value of the consideration received or receivable, net of returns including estimated returns where applicable, and trade discounts, rebates, sales tax and value added tax/GST. Revenue is recognized only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured, and it is reasonable to expect ultimate collection.

Other Income

Interest Income

Interest income is recognized using effective interest rate method and on time proportion basis taking into account the amount outstanding and the interest rate applicable.

Dividend

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

2.19. Employee Benefits

Defined benefit plans

The liability in respect of defined benefit plans is calculated using the projected unit credit method with actuarial valuations being carried out at the end of each annual reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds. The currency and term of the government bonds shall be consistent with the currency and estimated term of the post-employment benefit obligations. The current service cost of the defined benefit plan, recognised in the profit or loss as employee benefits expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognised in profit or loss in the period of a plan amendment. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in profit or loss. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to OCI in the period in which they arise and is reflected immediately in retained earnings and is not reclassified to profit or loss.

Short-term and Other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, and casual leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

The Company's net obligation in respect of other long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value.

Defined contribution plans

The Company's contributions to defined contribution plans are recognised as an expense as and when the services are received from the employees entitling them to the contributions.

2.20. Income Tax

Current Income Tax

Income tax expense consists of current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised in OCI or directly in equity, in which case it is recognised in OCI or directly in equity respectively. Current tax is the expected tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period. Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Withholding tax arising out of payment of dividends to shareholders under the Indian Income tax regulations is not considered as tax expense for the Company and all such taxes are recognised in the statement of changes in equity as part of the associated dividend payment.

Minimum Alternate Tax ('MAT') credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period 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.

2.21. Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential ordinary shares, which includes all stock options granted to employees.

2.22. Foreign Currency

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of entities within the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognized in the consolidated income statement in the period in which they arise. When several exchange rates are available, the rate used is that at which the future cash flows represented by the transaction or balance could have been settled if those cash flows had occurred at the measurement date.

2.23. Research and development

Expenditures on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are recognized in the consolidated income statement when incurred. Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditures are capitalized only if:

- development costs can be measured reliably;
- the product or process is technically and commercially feasible;
- future economic benefits are probable; and
- the Company intends to and has sufficient resources to complete development and to use or sell the asset.

The expenditures to be capitalized include the cost of materials and other costs directly attributable to preparing the asset for its intended use. Other development expenditures are recognized in the consolidated income statement as incurred.

3. RECENT ACCOUNTING PRONOUNCEMENTS

Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

Ind AS 115 Revenue from Contracts with Customers

On March 28, 2018, Ministry of Corporate Affairs has notified the Ind AS115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The standard permits two possible methods of transition:

- Retrospective approach

  Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8-Accounting Policies, Changes in Accounting Estimates and Errors

- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach). The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

  The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is expected to be insignificant.

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

On March 28, 2018, MCA has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. This amendment will come into force from April 1, 2018. The Company expects the impact of this on the financial statements to be insignificant.

Amendments to Ind AS 12 Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. These amendments are effective for annual periods beginning on or after 1 April 2018. These amendments are expected to have insignificant impact on the Company.

Transfers of Investment Property - Amendments to Ind AS 40

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. The amendments are effective for annual periods beginning on or after 1 April 2018. The Company will apply amendments when they become effective. However, since Company's current practice is in line with the clarifications issued, the Company does not expect any effect on its financial statements.

4. PROPERTY, PLANT AND EQUIPMENT

₹ in Lakhs

	Leasehold Land	Buildings	Plant and Equipment	Furniture and Fixtures$	Vehicles	Total
Gross Block						
At deemed cost as at April 1, 2016	22,045.70	2,260.86	15,360.33	11.22	31.16	**39,709.26**
Additions	0.56	25.41	3,579.13	3.35	210.47	**3,818.93**
Disposals	-	-	-	-	-	-
As at March 31, 2017	**22,046.26**	**2,286.27**	**18,939.46**	**14.57**	**241.63**	**43,528.19**
Additions	31,421.00*	4.31	2,002.32	-	143.35	**33,571.98**
Disposals	-	-	-	-	-	-
As at March 31, 2018	**53,467.26**	**2,290.59**	**20,941.78**	**14.57**	**384.98**	**77,099.18**
Depreciation Block						
As at April 1, 2016						
Depreciation for the year	-	107.28	1,252.58	2.38	5.54	**1,367.78**
Disposals	-	-	-	-	-	-
As at March 31, 2017	**-**	**107.28**	**1,252.58**	**2.38**	**5.54**	**1,367.78**
Depreciation for the Year	-	107.80	1,368.80	2.66	30.55	**1,509.81**
Disposals	-	-	-	-	-	-
As at March 31, 2018	**-**	**215.08**	**2,621.38**	**5.04**	**36.09**	**2,877.58**
Net Block						
As at April 1, 2016	**22,045.70**	**2,260.86**	**15,360.33**	**11.22**	**31.16**	**39,709.26**
As at March 31, 2017	**22,046.26**	**2,179.00**	**17,686.88**	**12.18**	**236.09**	**42,160.41**
As at March 31, 2018	**53,467.26**	**2,075.51**	**18,320.40**	**9.53**	**348.90**	**74,221.60**

*Impact of Appreciation due to representation of Fair Value of Property ie. Land in-accordance with the requirements of adoption of IND-AS-16
$ Includes Office Equipment

CAPITAL WORK IN PROGRESS

₹ in Lakhs

	Total
As at April 1, 2016	16,245.67
As at March 31, 2017	21,653.76
As at March 31, 2018	**37,874.63**

5. OTHER NON-CURRENT FINANCIAL ASSETS

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, Considered Good			
Security Deposit	**62.43**	62.43	59.80
TOTAL	**62.43**	62.43	59.80

6. INCOME TAXES

a. Income Tax (Expenses) / Benefits Recognised in Income Statement

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017
Current Income Tax on Profit for the year	**1,531.01**	41.41
Excess provisions of earlier years	**-**	(9.06)
Deferred Taxes (expenses) / benefits	**580.94**	440.70
TOTAL	**2,111.94**	473.05

b. Income Tax (expenses) / benefits recognised in OCI

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017
Deferred Tax relating to items recognised in OCI during the year		
Net (gain) / loss on remeasurement of defined benefits plan	**2.83**	(3.01)
Income Tax Charged to OCI	**(0.60)**	0.64

c. **Reconciliation of Tax rate of accounting profit multiplied by India's tax rate**

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017
Accounting Profit Before Income Tax	**7,351.54**	**4,696.29**
Enacted tax rate in India (%)	34.50	33.06
Computed Tax Expenses	**2,536.40**	**1,552.74**
Add: Tax effects of amounts which are not deductible in calculating taxable income	4.29	12.94
Less: Tax effects of amounts which are deductible in calculating taxable income	(1,009.68)	(1,518.74)
Income Tax Expenses	**1,531.01**	**46.93**

d. **Deferred Tax**

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deferred Tax (Liabilities)			
On difference between Book Balance and Tax Balance of Depreciation	**1,827.72**	1,266.81	820.93
On Expenditure deferred in Books but allowable for Tax Purpose	**699.75**	699.75	699.75
Allowance under Section 43B	**26.10**	28.95	34.66
On difference between write-off of preliminary expenses in Books and as per Tax	**12.80**	(6.19)	(2.46)
Expenses earlier allowed under 43B, now written back	**(29.45)**	(29.45)	(29.45)
Total of Deferred Tax Liabilities	**2,536.93**	1,959.88	1,523.43
Deferred Tax (Assets)			
Provision for Compensated absences, gratuity and other employee benefits	**7.99**	7.99	7.99
Disallowances under 40A (7) of the Income Tax Act, 1961	**4.07**	2.88	2.88
Assets arising due to provisions of Income Tax Act, 1961	**1,093.00**	1,093.00	1,102.33
Total of Deferred Tax Assets	**1,105.06**	1,108.95	1,113.20
Adjustment as per Ind AS	**46.01**	46.01	-
MAT Credit entitlement	**1,995.30**	1,957.74	1,044.08
Total of Deferred Tax Assets as per Ind AS	**3,146.38**	3,112.70	2,157.28
Net Deferred Tax (Assets) / Liabilities	**(609.45)**	(1,152.82)	(633.85)

e. **Reconciliation of deferred Tax Assets / Liabilities (Net)**

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017
Opening Balance	**804.92**	410.23
Tax Income / (expenses) for the year recognised in statement of Profit & Loss	**580.94**	440.70
Adjustment as per Ind AS	**-**	(46.01)
MAT Credit Entitlement	**(1,995.30)**	(1,957.74)
Balance as on March 31	**(609.45)**	(1,152.82)

7. OTHER NON-CURRENT ASSETS

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provisions for Employee Benefits	**21.54**	19.20	13.09
TOTAL	**21.54**	19.20	13.09

8. INVENTORIES

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Raw Materials (including Packing Material & Goods in Transit)	**155.69**	68.52	121.20
Work-in-Progress	**2,938.37**	2,837.29	2,573.68
Finished Goods	**208.32**	193.49	129.27
Stores and Spares	**17.50**	17.70	18.29
TOTAL	**3,319.88**	3,116.99	2,842.43

9. TRADE RECEIVABLES

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current			
Unsecured Considered Good	**10,352.87**	7,917.23	6,641.98
Considered Doubtful	**-**	-	-
TOTAL	**10,352.87**	7,917.23	6,641.98

Footnotes

i. The Credit Period on sale of goods varies from Customer to Customer and generally ranges between 0 to 90 days. For Financial risk related to trade receivables Refer Note No. 31.17 (B)

ii. The Company has used a Practical expedient for computing expected credit loss allowance for trade receivables, taking into account historical credit loss experience and accordingly, provisions are made for expected credit loss for amounts due from customers where necessary.

10. CASH AND CASH EQUIVALENTS

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Cash on hand	**3.06**	13.25	9.87
Balances with Banks			
In Current Accounts	**1,378.46**	59.36	13.29
TOTAL	**1,381.53**	72.61	23.16

Footnotes

i. Balance with Bank includes balances of Unclaimed dividend accounts

11. BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deposits with Banks with Maturity more than 3 Months but less than 12 months	**209.72**	200.13	177.26
TOTAL	**209.72**	200.13	177.26

Footnotes

i. Deposits are held as margin money against short term Borrowings

12. LOANS

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, Considered Good			
Loans to Employees	**9.17**	8.57	7.40
TOTAL	**9.17**	8.57	7.40

Footnotes

i. These financial assets are carried at amortised cost

13. OTHER CURRENT FINANCIAL ASSETS

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, Considered Good			
Interest Accrued on Deposits	-	2.20	13.80
Interest Accrued but not due on Borrowings	-	-	102.61
TOTAL	-	2.20	116.41

14. OTHER CURRENT ASSETS

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, Considered Good			
Balance with Government Authorities	**903.66**	748.69	746.38
Prepaid Expenses	**105.22**	84.29	32.42
Advance to suppliers	**2,464.66**	1,986.97	3,117.64
Other Assets	**59.73**	1.03	1.03
TOTAL	**3,533.27**	2,820.97	3,897.47

15. EQUITY SHARE CAPITAL

₹ in Lakhs

	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Authorised Capital						
Equity Shares of ₹ 10 each	**25,000,000**	**2,500**	25,000,000	2,500	19,700,000	1,970
Non-Convertible Redeemable Preference Shares of ₹10 each	**151,300,000**	**15,130**	151,300,000	15,130	151,000,000	15,130
Total Authorised Capital	**176,300,000**	**17,630**	176,300,000	17,630	171,000,000	17,100
Issued, Subscribed and Paid up Capital						
Equity Shares of ₹ 10 each	**24,600,000**	**2,460**	20,350,000	2,035	11,000,000	1,100
Total Issued, Subscribed and Paid up Capital	**24,600,000**	**2,460**	20,350,000	2,035	11,000,000	1,100

Footnote

i. The Company has Authorised Capital of Equity and Preference Shares.

ii. **Rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of Capital.**

Each Shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of Shareholders, except in case of interim dividend. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their shareholding.

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

iv. The Company offered Equity shares to Promoters as well as to Non-Promoters through Preferential Allotment in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. The year wise details are as follows:

For Financial Year 2016-17:

9,350,000 Equity Shares and 4,250,000 Convertible Warrants of face value ₹ 10/- each were allotted to Promoters and Non-Promoters on November 8, 2016 at an issue price of ₹ 180/- each (Including Premium of ₹ 170/- each). The issue proceeds from the preferential allotment has been fully utilised for the object for which the money was raised.

For Financial Year 2017-18:

4,250,000 Equity Shares of face value ₹ 10/- each were allotted to Promoters and Non-Promoters on September 14, 2017 on full conversion of convertible warrants. The issue proceeds from the preferential allotment has been fully utilised for the object for which the money was raised.

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

	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Name of the shareholders						
Mr. Ashok G Rajani	**4,765,329**	**19.37**	4,765,329	23.42	4,673,070	42.48
Mrs. Shalini A Rajani	**2,761,930**	**11.23**	2,761,930	13.57	2,761,930	25.11
Whiz Enterprise Pvt Ltd	**6,501,918**	**26.43**	2,651,918	13.03	-	-
Reliance Small Cap fund	**1,997,868**	**8.12**	2,000,000	9.83	-	-

16. OTHER EQUITY

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Reserves & Surplus			
Retained Earnings	**15,104.47**	10,150.08	6,015.58
General Reserve	**2,013.53**	2,013.53	2,013.53
Securities Premium Reserve	**23,034.72**	15,809.72	-
Other Reserves			
Impact of Fair Value of Property ie. Land in-accordance with Ind AS-16	**31,421.00**	-	-
Money received against share warrant	**-**	7,110.00	-
TOTAL	**71,573.72**	35,083.33	8,029.11

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017
Retained Earnings		
Balance at the beginning of the year	**10,150.08**	6,015.58
Add: Profit attributable to owners of the Company (Profit for the year)	**5,239.60**	4,223.25
Items of other comprehensive Incomes recognised directly in retained earnings		
Remeasurement of post-employment benefits, obligations (Net of Tax)	**2.23**	(2.37)
Dividends	**(287.43)**	(132.40)
Deferred Tax Assets Adjustment as per Ind AS	**-**	46.01
Balance at the end of the year	**15,104.47**	10,150.08
Retained earnings represents the Company's undistributed earnings after taxes.		

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017
General Reserve		
Balance at the beginning of the year	**2,013.53**	2,013.53
Additions / (Deduction)	-	-
Balance at the end of the year	**2,013.53**	2,013.53
The reserves arise on transfer portion of the net profit pursuant to earlier provisions of Companies Act, 1956. Mandatory transfer to General Reserve is not required under the Companies Act, 2013. As the general reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to the Statement of Profit and Loss.		
Securities Premium Reserves		
Balance at the beginning of the year	**15,809.72**	-
Add: Proceeds from issue of Equity shares / warrants on Preferential allotment basis	-	15,895.00
Add: Proceeds received from Exercise of Options attached to warrants	**7,225.00**	-
Less: Share Issue Expenses	-	(85.28)
Balance at the end of the year	**23,034.72**	15,809.72
Securities premium reserve represents the amount received in excess of the face value of the equity shares. The utilisation of the securities premium reserve is governed by the Section 52 of the Companies Act, 2013.		
Other Reserves		
Balance at the beginning of the year	-	-
Fair Valuation of Property, Plant and Equipment (Land)	**31,421.00**	
Balance at the end of the year	**31,421.00**	-
Impact of Appreciation due to representation of Fair Value of Property ie. Land in-accordance with the requirements of adoption of IND-AS-16		

17. NON-CURRENT BORROWING

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Secured			
Term Loans from Banks	**22,102.32**	9,330.10	8,980.58
Unsecured			
Loans and Advance from Promoters & Related Parties	**8,280.93**	8,281.50	25,768.86
Net Present Value of Preference Shares (of Promoters and Related Parties) as per Ind AS	**15,126.17**	15,126.17	15,126.17
TOTAL	**45,509.42**	32,737.78	49,875.61

Footnote

i. Rupee Term Loan from banks comprises of Loan taken for expansion project of ₹21,829.34 Lakhs and Car loan of ₹272.98 Lakhs.

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

iii. Car loan from bank is secured against hypothecation of Car.

iv. Terms of Repayments of Secured Loans

Repayment Schedule Period

₹ in Lakhs

	Amount
2 to 4 Years	9,710.94
4 to 7 Years	12,391.38
TOTAL	**22,102.32**

v. Rate of interest of Rupee term loan from Banks are in the range of base rate / MCLR plus 0.00% to 2.65% p.a. and is repayable on quarterly basis with last installments payable from April 2020 to March 2027.

vi. Non-Convertible redeemable preference shares are redeemable not more than twelve years with a dividend rate as may be decided by Board of Directors

18. OTHER FINANCIAL LIABILITIES

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non-Current			
Other Payables for Goods & Services	**293.71**	628.46	5,291.76
Total Other Non-Current Financial Liabilities (a)	**293.71**	628.46	5,291.76

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current			
Current maturities of Long Term Debt	**2,216.19**	655.90	656.84
Unclaimed Dividend on Equity Shares	**45.65**	24.39	-
Total Other Current financial liabilities (b)	**2,262.64**	680.29	656.84
TOTAL	**2,556.35**	1,308.75	5,948.60

19. PROVISIONS

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non-Current			
Provisions for Employees Benefit Obligations	**21.54**	19.20	13.09
Total Non-Current Provisions (a)	**21.54**	19.20	13.09
Current			
Provisions for Employees Benefit Obligations	**16.00**	16.75	18.05
Provisions for Income Tax	**1,047.49**	141.71	562.67
Other Provisions	**87.31**	61.11	55.01
Total Current Provisions (b)	**1,150.80**	219.57	635.73
TOTAL	**1,172.35**	238.77	648.82

20. CURRENT BORROWINGS

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Secured			
From Bank	**7,037.54**	5,727.81	3,909.21
TOTAL	**7,037.54**	5,727.81	3,909.21

Footnote

i. Working capital loan from bank is secured against hypothecation of Stock of Raw Materials, Stock in Process, Semi-Finished and Finished goods, Stores and Spares (not relating to plant and machinery), book debts of Company's present manufacturing locations

ii. Rate of interest of Working Capital Loan is in range of Base Rate / MCLR plus 0.00% to 2.60% p.a. These Borrowings are repayable of Demand.

21. TRADE PAYABLES

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Dues of Micro, Small and Medium Enterprises	**-**	-	-
Dues of other creditors other than Micro, Small & Medium Enterprises	**1,012.68**	1,686.37	578.05
TOTAL	**1,012.68**	1,686.37	578.05

Footnote

i. The average credit period on goods purchased, ranges between 30 days to 180 days

22. OTHER CURRENT LIABILITIES

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Statutory Remittances	**163.52**	77.22	35.98
Advance from customers	**-**	-	15.35
Other trade payables for Goods and Services	**110.49**	292.30	227.05
TOTAL	**274.01**	369.51	278.38

23. REVENUE FROM OPERATIONS

₹ in Lakhs

	2017-18	2016-17
Sale of Products	**34,789.62**	31,414.38
TOTAL	**34,789.62**	31,414.38

Footnote

i. Sale of goods includes excise duty of ₹174.09 Lakhs for the period April 1, 2017 to June 30, 2017 (Previous Full Year: ₹553.85 Lakhs). Sale of goods Net of excise duty is ₹34,615.53 Lakhs (Previous Year: ₹30,860.53 Lakhs)

24. OTHER INCOME

₹ in Lakhs

	2017-18	2016-17
Interest Income On		
Deposits with Banks	9.88	14.46
Other Interest	-	4.54
Liability / Provisions no longer required written back	94.41	65.57
TOTAL	104.29	84.57

25. COST OF MATERIALS CONSUMED

₹ in Lakhs

	2017-18	2016-17
Raw materials at the beginning of the year	66.14	112.75
Add: Purchases	21,508.04	22,682.84
Less: Raw materials at the end of the year	(139.99)	(66.14)
Add: Excise Duty	174.09	553.85
TOTAL	21,608.27	23,283.31

26. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROCESS & STOCK IN TRADE

₹ in Lakhs

	2017-18	2016-17
A. Opening Balance		
Work in Process	2,837.29	2,573.68
Finished Goods	193.49	129.27
	3,030.78	2,702.95
B. Closing Balance		
Work in Process	2,938.37	2,837.29
Finished Goods	208.32	193.49
	3,146.69	3,030.78
NET (INCREASE) / DECREASE IN INVENTORIES (A – B)	(115.91)	(327.83)

27. EMPLOYEE BENEFIT EXPENSES

₹ in Lakhs

	2017-18	2016-17
Salaries & Wages	430.61	263.80
Contributions to Provident and other Funds	24.05	14.96
Staff Welfare Expenses	4.28	2.54
TOTAL	458.94	281.30

28. FINANCE COST

₹ in Lakhs

	2017-18	2016-17
Interest Expenses on		
Borrowings	1,746.99	1,388.20
Trade Payables	17.89	0.44
Others		
Bank Charges	10.03	2.84
Other Borrowing Cost	10.10	21.03
TOTAL	1,785.01	1,412.58

29. DEPRECIATION AND AMORTISATION

₹ in Lakhs

	2017-18	2016-17
Depreciation on Plant, Property & Equipment	1,509.81	1,367.78
TOTAL	1,509.81	1,367.78

30. OTHER EXPENSES

₹ in Lakhs

	2017-18	2016-17
Consumption of Stores and Spares	1.25	1.72
Consumption of Packing Material	172.05	22.36
Increase/(decrease) of excise duty on inventory	(21.50)	7.14
Power & Fuel charges	1,558.68	509.74
Rent	31.80	22.40
Payment to Auditors		
Statutory Audit Fees	4.00	3.95
Taxation Matters	1.50	1.50

₹ in Lakhs

	2017-18	2016-17
Company Law Matters	**0.91**	0.75
Other services	**0.60**	0.60
	7.01	6.80
Insurance	**13.32**	14.24
Sales Promotions, Discounts & other Selling expenses	**375.31**	44.27
Repairs and Maintenance – Plant & Machinery	**29.58**	45.68
Miscellaneous Expenses	**128.75**	111.15
TOTAL	**2,296.25**	785.50

31. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

31.1. Contingent liabilities and Capital commitments (to the extent not provided)

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017
Contingent Liabilities		
Financial Instruments		
Letter of Credit	**533.27**	465.00
Bank Guarantees		
-Financial	**-**	12.32
-Performance	**25.00**	25.00
Capital Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital Advances):		
- Property, Plant & Equipment	**14,491.00**	6,229.83
TOTAL	**15,049.27**	6,732.15

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

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

31.3. Financial Instruments

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

31.4. Value of imports calculated on CIF basis: NIL (Previous Year: NIL)

31.5. Expenditure in Foreign Currency

₹ in Lakhs

	2017-18	2016-17
Subscription Charges	**15.73**	3.10
Advance to supplier for Import of Plant and Machinery	**88.17**	-
TOTAL	**103.90**	3.10

31.6. Amounts remitted in foreign currency during the year on account of dividend: NIL (Previous year: NIL)

31.7. Earnings in Foreign Exchange: NIL (Previous Year: NIL)

31.8. Details of Consumption of Imported and Indigenous items

₹ in Lakhs

	2017-18		2016-17	
	₹ in Lakhs	%	₹ in Lakhs	%
Indigenous				
Raw Material	**21,608.27**	**100**	23,283.31	100
Spare Parts	**1.25**	**100**	1.72	100
	21,609.52	**100**	23,285.03	100
Imported				
Raw Material	**-**	**-**	-	-
Spare Parts	**-**	**-**	-	-
TOTAL	**21,609.52**	**100**	23,285.03	100

31.9. Disclosure under IND AS-19: Employee Benefits Obligations

31.9.1. Defined Benefit Plan

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

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

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

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

31.9.3. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, Increments and other relevant factors.

31.9.4. The expected return on plan assets is determined considering several applicable factors mainly the composition of plan assets held, assessed risk of assets management and historical result of the return on plan asset.

31.9.5. In absence of specific details of plan assets from LIC, the details of plan assets have not been furnished. The details of experience adjustment relating to Plan assets are not readily available in valuation report and hence are not furnished.

31.9.6. The following table set out the funded status and amounts recognised in Company's financial statements as at March 31, 2018 for Defined Benefit Plan. (Disclosure as per IND AS-19)

Reconciliation of Opening and Closing Balances of Defined Benefits Obligation ₹ in Lakhs

	2017-18	2016-17
Balance at the beginning of the year	**19.20**	13.09
Current Service Cost	**5.03**	4.44
Interest Cost	**1.38**	0.97
Actuarial (gain) / losses	**(3.26)**	2.39
Benefits Paid	**(0.81)**	(1.70)
Balance at the end of the year	**21.54**	19.20

Reconciliation of Opening and Closing Balances of Fair Value of Plan Assets ₹ in Lakhs

	2017-18	2016-17
Balance at the beginning of the year	**19.71**	13.86
Expected Return on Plan Assets	**1.07**	0.69
Contribution by the Company	**2.18**	6.86
Benefits Paid	**(0.81)**	(1.70)
Balance at the end of the year	**22.15**	19.71

Assets and Liabilities Recognised in the Balance Sheet ₹ in Lakhs

	2017-18	2016-17
Present Value of Defined Benefit obligations	**21.54**	19.20
Fair value of Plan Assets	**(22.15)**	(19.71)
Amounts Recognised as Assets / (Liability)	**(0.61)**	(0.51)

Expenses Recognised in the Statement of Profit and Loss ₹ in Lakhs

	2017-18	2016-17
Current Service Cost	**5.03**	4.44
Net interest Cost	**(0.12)**	(0.34)
Expense Recognised	**4.91**	4.10

Expenses Recognised in Other Comprehensive Income (OCI) ₹ in Lakhs

	2017-18	2016-17
Actuarial (Gain) / Loss recognised for the period	**(3.26)**	2.39
Return on Plan Assets excluding interest income	**0.43**	0.62
Total Actuarial (Gain) / Loss recognised in OCI	**(2.83)**	3.01

Major Category of Plan Assets ₹ in Lakhs

	2017-18		2016-17	
	₹ in Lakhs	%	₹ in Lakhs	%
Cash and Cash Equivalents	-	-	-	-
Gratuity Fund	-	-	-	-
Debt Security – Government Bond	-	-	-	-
Equity Securities – Corporate Debt Securities	-	-	-	-
Other Insurance Contracts (LIC of India)	**22.15**	**100**	19.71	100

Actuarial Assumption

₹ in Lakhs

	2017-18	2016-17
Discount Rate	**7.67%**	7.33%
Rate of Increase in Compensation	**4%**	4%
Expected Average remaining Services	**15.89**	17.10
Retirement Age	**58 Years**	58 Years
Employee Attrition Rate	**1% of all Ages**	1% for all Ages

Sensitivity Analysis

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount trade, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

₹ in Lakhs

	2017-18	2016-17
Discount Rate - Increase of 1%	**19.70**	17.39
Discount Rate - Decrease of 1%	**23.72**	21.34
Salary Growth Rate - Increase of 1%	**23.76**	21.38
Salary Growth Rate - Decrease of 1%	**19.64**	17.34

In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance Sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change as compared to the prior year.

31.9.7. Leave Encashment

(a) The Leave benefit Scheme is a defined Benefit Plan and is unfunded. Hence, there are no Plan Assets attributable to the Obligation

(b) Principal Actuarial Assumption

	2017-18	2016-17
Discount Rate	**7.67%**	7.33%

31.9.8. Defined Contribution Plan

Contribution to Defined Contribution Plans, recognised in Statement of Profit and Loss, for the year is as under

₹ in Lakhs

	2017-18	2016-17
Contribution to Provident Fund and Other Funds	**24.05**	14.96

Expected Contribution for the Next Year	₹ in Lakhs
Contribution to Provident Fund and Other Funds	25.25

31.10. Capital Management

The key objective of the Company's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business.

The Company focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without impacting the risk profile of the Company.

For the purposes of Capital Management, the Company considers the following components of its Balance Sheet to manage capital.

₹ in Lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Total Equity (A)	**74,033.72**	37,118.33	9,129.11
(i) Non-Current Borrowings (including Current Maturities)	**47,726.41**	33,393.68	50,532.45
(ii) Current Borrowings	**7,037.54**	5,727.81	3,909.21
Total Borrowings (B) (i + ii)	**54,763.95**	39,121.49	54,441.66
Less: NCRPS of Promoters & Related Parties	**15,126.17**	15,126.17	15,126.17
Less: Unsecured Borrowings from Promoters & Related Parties	**8,280.93**	8,281.50	25,768.86
Less: Cash and Cash Equivalent	**1,381.53**	72.61	23.16
Less: Other Bank Balance	**209.72**	200.13	177.26

	₹ in Lakhs As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Net Borrowings (C)	**29,765.60**	15,441.08	13,346.21
Total Capital (D=A + B)	**128,797.67**	76,239.82	63,570.77
Net Borrowing as a % of Total Equity (C / A)	**40.21%**	41.60%	146.19%
Net Borrowing as a % of Total Capital (C / D)	**23.11%**	20.25%	20.99%

The Interest Coverage Ratio for the reporting period was as follows ₹ in Lakhs

	2017-18	2016-17
Earnings before Interest Depreciation and Tax (EBIDTA)	**10,646.36**	7,476.66
Interest	**1,774.98**	1,409.67
interest Coverage Ration (x)	**6.00**	5.30

31.11. Disclosure Under IND AS 108 – "Operating Segment"

(a) The Company is mainly engaged in manufacturing of Speciality Chemicals Intermediates. These in the context of Ind AS 108 "Operating Segment" is considered to constitute one single primary segment.

(b) The Company is Domiciled in India and during the reporting period Company did not had any Direct Export.

31.12. Disclosures under IND AS-24: Related Party Disclosures

31.12.1. Details of Related Parties:

Description of Relationship	Name of the Parties
Key Management Personnel (KMP)	Mr. Ashok G Rajani – Chairman & Managing Director Mr. A. K. Bhowmik – Director
Relatives of Key Managerial Personnel	Mr. Amrit Rajani – Son of Mr. Ashok Rajani
Company in which either of KMP or their Relatives can exercise significant influence	

31.12.2. Related Party Transactions during the year ended March 31, 2018 and Balances Outstanding as on that day

₹ in Lakhs

	KMP		Entities in which KMP/ Relatives of KMP have significant influence	
Nature of Transaction	**2017-18**	**2016-17**	**2017-18**	**2016-17**
Remuneration to Directors	**73.65**	27.55	**-**	-
Leasing arrangements	**-**	-	**31.80**	22.40
Unsecured Loans Taken / (Repaid)	**(0.59)**	73.85	**-**	2,456.42
Balances outstanding at the end of the year:				
Long Term Borrowings (unsecured)	**59.98**	60.57	**8,220.95**	8,220.95

Key Managerial Personnel Compensation ₹ in Lakhs

	2017-18	2016-17
Short Term Employee Benefits	**73.65**	27.55
Long-Term Employee Benefits	**-**	-

Terms and Conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free. There have been no guarantees provided to any related party receivables or payables. For the year ended March 31, 2018, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (Previous Year: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

31.13. Disclosure Under IND AS 17: Leases

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

₹ in Lakhs

	2017-18	2016-17
Lease Payments		
not later than one year	**31.80**	22.40
Lease Payments Recognised in the Statement of Profit & Loss	**31.80**	22.40

31.14. Disclosure under IND AS-33: Earnings Per Share ₹ in Lakhs

	2017-18	2016-17
Nominal Value of Equity Shares (₹)	**10/-**	10/-
Net Profit available for equity shareholders (₹ in Lakhs)	**5,239.60**	4,223.25
Weighted average Number of shares Outstanding for basic EPS	**22,475,000**	14,895,833
Weighted average Number of shares Outstanding for diluted EPS	**22,475,000**	16,666,667
Basic Earnings Per Share (₹)	**23.32**	28.35
Diluted Earnings Per Share (₹)	**23.32**	25.34

31.15. Research and Development Expenses ₹ in Lakhs

	2017-18	2016-17
Capital Expenditure	**49.66**	68.96
Revenue Expenditure	**234.90**	212.08
Total R&D Expenditure	**284.56**	281.04
(% of Net Sales)	**0.82%**	0.91%

31.16. Financial Instruments

(A) The carrying value of Financial Instruments by Categories as at March 31, is as follows ₹ in Lakhs

	Amortised Cost		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Financial Assets			
Trade Receivables	**10,352.87**	7,917.23	6,641.98
Loans	**9.17**	8.57	7.40
Cash & Cash Equivalents	**1,381.53**	72.61	23.16
Bank Balance other than Cash & Cash Equivalents	**209.72**	200.13	177.26
Interest Accrued on Security Deposits	-	2.20	116.41
Other Financial Assets	**62.43**	62.43	59.80
Total Financial Assets	**12,015.71**	8,263.17	7,026.01
Financial Liabilities			
Borrowings[1]	**52,546.96**	38,465.59	53,784.83
Trade Payables	**1,012.68**	1,686.37	578.05
Other Financial Liabilities	**2,556.35**	1,308.75	5,948.60
Total Financial Liabilities	**56,116.00**	41,460.72	60,311.48

Footnote

1. Including Non-Convertible Redeemable Preference shares (₹15,126.17 Lakhs) and Unsecured Borrowings (₹8,280.93 Lakhs for FY 18, ₹8,281.50 Lakhs for FY 17 & ₹25,768.86 Lakhs for FY 16) are from Promoter and Related Parties.

2. The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments

(B) Fair Value Hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. An explanation of each level are follows

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

There are no Financial Assets which are required to be carried at Fair value using Fair value hierarchy

31.17. Financial Risk Management Objectives

The Company has adequate internal processes to assess, monitor and manage financial risks. These risks include market risk (including interest rate risk and other price risk), credit risk and liquidity risk.

(A) Market Risk

Market Risk is the risk of loss of future earnings, fair values or cash flows that may result from a change in the price of a financial instrument, as a result of interest rates, and other price risks. Financial instruments affected by market risks, primarily include loans and borrowings.

(i) Interest Rate Risk

The Company borrows funds in Indian Rupees, to meet both the long term and short-term funding requirements. Interest on term borrowings is subject to Base rate / MCLR and is fixed for at least one year. The sensitivity analysis detailed below have been determined based on the exposure to variable interest rates on the average outstanding amounts due to bankers over a year.

If the interest rates had been 25 BPS higher / lower and all other variables held constant, the company's profit for the year ended March 31, 2018 would have been decreased/increased by ₹39.63 Lakhs.

(ii) Price Risk

100% of Company's revenues are generated from Local Markets and the raw materials are procured through local purchases where local purchases track import parity price. The Company is affected by the price stability of certain commodities. Due to the significantly increased volatility of certain commodities, the Company enters into contract with the customers that has provision to pass on the change in the raw material prices. The Company has a risk management framework aimed at prudently managing the risk arising from the volatility in commodity prices and freight costs.

(B) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables)

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

Customer credit risk is managed by the Company's established policy, procedures and control relating to the customer credit risk management. The Company uses financial information and past experience to evaluate credit quality of majority of its customers and individual credit limits are defined in accordance with this assessment through financial institutions. Outstanding receivables and the credit worthiness of its customers are periodically monitored and taken upon case to case basis.

Historical experience of collecting receivables of the Company is supported by low level of past default and hence the credit risk is perceived to be low.

(C) Liquidity Risk

The Company manages liquidity risk by maintaining adequate surplus, banking facilities and reserve borrowings facilities by continuously monitoring forecasts and actual cash flows. The Company has obtained fund and non-fund based working capital lines from various banks. The Company invests its surplus funds in bank fixed deposit which carry low risks. The Company monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility All payments are made along due dates and requests for early payments are entertained after due approval and availing early payment discounts.

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2018

	< 1 Year	1-8 Years	Total
Borrowing (other than from Promoters and Related Party)	7,037.54	24,318.51	**31,356.85**
Trade Payables	1,012.68	-	**1,012.68**
Other Financial Liabilities	2,262.64	293.71	**2,556.35**
TOTAL	10,312.86	24,612.22	**34,925.88**

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2017

	< 1 Year	1-8 Years	Total
Borrowing (other than from Promoters and Related Party)	5,727.81	9,986.01	**15,713.82**
Trade Payables	1,686.37	-	**1,686.37**
Other Financial Liabilities	680.29	628.46	**1,308.75**
TOTAL	8,094.47	10,614.47	**18,708.94**

The table below provides details regarding the contractual maturities of financial liabilities as at April 1, 2016

	< 1 Year	1-8 Years	Total
Borrowing (other than from Promoters and Related Party)	3,909.21	9,637.42	**13,546.63**
Trade Payables	578.05	-	**578.05**
Other Financial Liabilities	656.84	5,291.76	**5,948.60**
TOTAL	5,144.10	14,929.18	**20,073.28**

31.18. Transition to IND AS

These are the first Financial Statements of the Company prepared in accordance with Ind AS.

The Accounting Policies set out in Note 2 have been applied in preparing the Financial Statements for the year ended March 31, 2018, the comparative information presented in these Financial Statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS Balance Sheet as at April 1, 2016 (the date of transition). In preparing its opening Ind AS Balance Sheet, the Company has adjusted the amounts reported previously in Financial Statements prepared in accordance with the Accounting Standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (IGAAP). An explanation of how the transition from IGAAP to Ind AS has affected the financial position, financial performance and cash flows of the Group is set out in the following tables and notes.

(A) Exemptions and Exceptions Availed

In preparing these Ind AS Financial Statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards, as explained below. The resulting difference between the carrying values of the assets and liabilities in the Financial Statements as at the transition date under Ind AS and IGAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This Note explains the adjustments made by the Company in restating its IGAAP Financial Statements, including the Balance Sheet as at April 1, 2016 and the Financial Statements as at and for the year ended March 31, 2017.

(a) IND AS Optional Exemptions

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from IGAAP to Ind AS.

(i) Deemed Cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the Financial Statements as at the date of transition to Ind AS, measured as per IGAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for decommissioning liabilities. This exemption can also be used for Plant, Property and Equipment. The company has determined that the values of items of Plant, Property and Equipment; except for Land, as at March 31, 2016 do not differ materially from fair valuation as at April 1, 2016 (date of transition to Ind AS). Accordingly, the company has not revalued the items of property plant and equipment at April 1, 2016 except for Land which have been measured at fair value at the date of transition to Ind AS. The Company regards the fair value as deemed cost at the transition date, viz., April 1, 2016.

(B) Classification and measurement of financial assets

The Company has assessed conditions for classification of the financial assets on the basis of the facts and circumstances that were exist on the date of transition to Ind AS.

(C) Reconciliation between IGAAP and IND AS

Ind AS 101 requires an entity to reconcile equity, Total Comprehensive Income and cash flows for prior periods. The following tables represent the reconciliations from IGAAP to Ind AS.

(I) Reconciliation of Total Equity **₹ in Lakhs**

	As at March 31, 2017	As at April 1, 2016
Total Equity as per Previous GAAP	**51,785.32**	24,035.27
Add / (Less): Adjustments for GAAP differences		
Share Issue Expenses transferred to Other Equity	**(148.90)**	(63.70)
Provisions for Dividend on Equity Shares	**244.91**	132.40
Impact of Taxes w.r.t above adjustments	**60.65**	-
Reclassification of Preference Shares to Long-Term Borrowings As per IND AS	**(15,126.17)**	(15,126.17)
Preference Dividend	**302.52**	151.26
Total Equity as per IND AS	**37,118.33**	**9,129.11**

(II) Reconciliation of Total Comprehensive Income (OCI) **₹ in Lakhs**

	2016-17
Net Profit as per Previous GAAP	**4,206.23**
Share Issue Expenses transferred to Other Equity	**21.18**
Reclassification of Net Actuarial Loss on Defined Benefit Obligations to OCI	**3.01**
Impact of Taxes on above Adjustments	**(7.17)**
Net Profit as per IND AS	**4,223.25**
Other Comprehensive Income	**(2.37)**
Total Comprehensive Income as per IND AS	**4,220.87**

(III) Notes to Reconciliation

(a) **Land – Fair Value as Deemed Cost -** As at the date of Transition April 1, 2016, the company has elected to measure Land at fair value in accordance with stipulations of IND AS 16 and use the fair value as deemed cost with impact of ₹ 31,421 Lakhs in accordance with stipulations of Ind AS 101 with the resultant impact being accounted for in the reserves.

(b) **Loans and Other Financial Assets -** Under IGAAP, the Company accounted for Long Term Security Deposits paid and long-term loans to employees at nominal value. Under Ind AS, these financial assets are measured at Fair Value through Profit or Loss. The difference between Fair Value and Nominal value is accounted for as prepaid employee benefit and Deferred Rent Asset. Also, under Ind AS, below market interest rate loan received is recorded at fair value by using an appropriate discount rate on date of obtaining the loan. The interest income is recorded periodically till the maturity of the loan and the prepaid account is discounted based on effective interest method.

(c) **Deferred Tax -** MAT credit entitlement which was presented under Other Current assets now has been presented under Deferred Tax as per the Ind AS requirement. The impact of transition adjustments together with Ind AS mandate of using balance sheet approach (against profit and loss approach in the previous GAAP) for computation of deferred taxes has resulted in charge to the Reserves, on the date of transition, with consequential impact to the Statement of Profit and Loss for the subsequent periods.

(d) **Retained Earnings -** Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS transition adjustments.

(e) **Proposed Dividend -** Under IGAAP, dividends proposed by the Board of Directors after the Balance Sheet date, but before the approval of the Financial Statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the Shareholders in the General Meeting. Accordingly, the liability for proposed dividend (including dividend distribution tax) included under current provisions has been reversed with corresponding adjustment to Retained earnings. Consequently, the total equity has increased by an equivalent amount.

(f) **Remeasurement of Gratuity Recognised in Other Comprehensive Income -** Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability / asset and are recognised in other comprehensive income. Under previous GAAP, actuarial gains and losses were recognised in statement of profit and loss.

(g) **Other Comprehensive Income -** Under Ind AS, all items of income and expense recognised in a period are to be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the Statement of Profit and Loss as Other Comprehensive Income which includes remeasurement of defined benefit plans. The concept of Other Comprehensive Income did not exist under IGAAP.

31.19. Investor Education and Protection Fund

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

31.20. Corporate Social Responsibility

During FY 2017-18, the Company has spent ₹58.75 Lakhs on Corporate Social Responsibility activities, against the requirement of ₹57.91 Lakhs, being 2% of average of the net profits for the preceding three years

31.21. In the opinion of the Board of Directors, the Current Assets, Loans and Advances have value on realisation in the ordinary course of business, at least equal to the amount at which they are stated in the foregoing Balance Sheet and adequate provision for all known liabilities on the Company has been made.

31.22. The Balance Sheet, Statement of Profit and Loss, Cash Flow Statement, Statement of Changes in Equity, Statement of Significant Accounting Policies and the Other Explanatory Notes for the year ended March 31, 2018 forms an integral part of the financial statements of the Company.

31.23. Previous Year's figures

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure and to conform to Ind AS presentation requirements

As per our report attached
For **ANIL CHAUHAN & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 0140786W

For and on behalf of Board of Directors

Anil Chauhan
Proprietor
Membership No. 166286

Manisha Solanki
Company Secretary

Ashok G Rajani
Chairman & Managing Director
DIN: 01839535

Anand Taggarsi
Director
DIN: 06959365

Place: Mumbai
Date: May 28, 2018

NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY-EIGHTH ANNUAL GENERAL MEETING OF THE MEMBERS OF SEYA INDUSTRIES LTD ("THE COMPANY") WILL BE HELD AT THE REGISTERED OFFICE OF THE COMPANY AT T -14, MIDC, TARAPUR INDUSTRIAL AREA, BOISAR, DIST. PALGHAR - 401506, MAHARASHTRA, ON FRIDAY, SEPTEMBER 28, 2018, AT 2:00 P.M. TO TRANSACT FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2018 together with the Reports of the Board of Director's and Auditors thereon;

2. To declare dividend of ₹1/- per equity Share of ₹10/- each (i.e. @10%) for the Financial Year 2017-18

3. To appoint a Director in place of Mr. Asit Kumar Bhowmik (DIN: 03522132), who retires by rotation and being eligible, seeks re-appointment.

4. To appoint auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014, including any amendment, modification, or variation thereof, M/s. Anil Chauhan & Associates, Chartered Accountants, Mumbai (ICAI Firm Registration No. 140786W), be and is hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this 28th Annual General Meeting till the conclusion of the 29th Annual General Meeting (AGM), at such remuneration as may be mutually agreed between the Board of Directors and the Auditors.

   RESOLVED FURTHER THAT the Board of Directors (which term includes a duly constituted Committee of the Board of Directors) be and is hereby authorised to do all such act, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this resolution and / or otherwise considered by them to be in the best interest of the Company."

SPECIAL BUSINESS:

5. Re-Appointment of Mr. Anand Devidas Taggarsi (DIN: 06959365) as an independent director and in this regard, to consider and if thought fit, to pass the following resolution **as a Special Resolution**

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable provisions of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) Mr. Anand Devidas Taggarsi (DIN:06959365), an Independent Director of the Company whose term of office as an independent Director expires on September 26, 2019 and who is eligible for re-appointment and in respect of who the company has received a notice in writing under section 160 of the Act, from a member proposing his candidature for the office of Director, be and is hereby re-appointed as Independent Director of the Company, not liable to retire by rotation to hold office for 5 (Five) consecutive years for a term commencing from September 27, 2019 to September 26, 2024 (both days inclusive)

6. Re-appointment of Mr. Ashok G Rajani as Managing Director of the Company and in this regard, to consider and of thought fit, to pass the following resolution **as an Ordinary Resolution**

   "RESOLVED THAT pursuant to the provisions of Section 196, 197, 198 read with Schedule V and other applicable provisions of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof] and such other approvals permissions and sanctions as may be required, consent of the Company be and is hereby accorded to the re-appointment and terms of remuneration of Mr. Ashok G Rajani (DIN: 01839535) as the Managing Director of the Company for a period of 5 years commencing from September 25, 2019 upto September 24, 2024 (both days inclusive), upon the terms and conditions (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during aforesaid period) as set out in explanatory statement annexed to this Notice with liberty to the Board of Directors (hereinafter referred to as 'the Board', which terms shall be deemed to include the Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and remuneration such manner as may be agreed to between the Board and Mr. Ashok G Rajani.

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

7. Ratification of remuneration of Cost Auditor for F.Y.2018-19 and in this regard, to consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of the Section 148 (3) and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment thereof, for the time being in force, the Company hereby ratifies the remuneration of ₹85,000/- per annum plus applicable taxes payable to M/s. D C Dave & Co., Cost Accountants (Firm Registration No. 000611) who are appointed by the Board of Directors as Cost Auditors of the Company to conduct cost audits relating to cost records of the Company for the year ending March 31, 2019.

   RESOLVED FURTHER THAT the Board of Directors (Which term includes a duly constituted committee of the Board of Directors) be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this resolution and / or otherwise considered by them to be in the interest of the Company."

NOTES:

1. The Explanatory statement pursuant to Section 102 of the Companies Act, 2013 ('the Act') in respect of the Special business set out in the Notice and the relevant details of the Directors seeking appointment / re-appointment as required by Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) regulations, 2015 ('Listing Regulations') and as required under Secretarial Standard – 2 of General Meetings issued by the Institute of Company Secretaries of India are annexed hereto.

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

3. Person can act as proxy on behalf of members not exceeding a count of fifty and holding in the aggregate not more than ten percent of total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

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

5. Corporate members intending to send their authorised representatives to attend the Meeting are required to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.

6. In case of joint holders attending the meeting. Only such joint holder who is higher in the order of names will be entitled to Vote.

7. Pursuant to the Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standards-2 on the General Meeting, brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional area, name of the Companies in which they hold Directorship and Membership / Chairmanships of Board Committees, shareholding and relationships between Directors inter-se, are provided in Annexure to this notice.

8. The register of members and share transfer books of the Company shall remain closed from Saturday, September 22, 2018 to Friday, September 28, 2018 both days inclusive.

   The dividend, if declared at the meeting, will be paid on and from September 29, 2018 to those persons:

   (a) whose names appear as beneficial owners as at the end of the business hours in Friday, September 21, 2018 in the list of beneficial owners to be furnished by Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited(NSDL) in respect of the shares held in electronic form; and

   (b) whose names appear as members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company / Registrar and Share Transfer agent on or before Friday, September 21, 2018.

   To avoid loss of dividend warrants in transit and undue delay in receipt of dividend warrants, the Company has provided NACH facility to the members for the remittance of dividend. Members holding shares in physical form and desirous of availing this facility are requested to provide their latest bank account details (Core Banking Solutions Enabled Account Number, 9-digit MICR and 11-digit IFS Code,) along with their folio number, to the Company's Registrar and Share Transfer Agents, Universal Capital Securities Private Limited (RTA)

   Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the depository participant of the members.

9. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to RTA, for consolidation into one single folio.

10. Non-resident Indian Members are requested to inform their Registrar Transfer Agent (in case of shares held in physical form) or the Depository Participants (in case of shares held in dematerialized form) as the case may be about the:

    a. Change in their residential status on return to India for permanent settlement

    b. Particulars of their Bank accounts maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

11. Members holding shares in electronic mode are requested to submit their PAN and Bank Account Details to their Depository Participant(s), with whom they are maintaining their Demat account(s). Members holding shares in Physical form are required to submit their PAN and Bank Account details to the Company's RTA.

12. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the depository participant(s) and holdings should be verified

13. **Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically.**

14. As per the provisions of Section 72 of the Companies Act, 2013 the facility for making nominations is available to the shareholders in respect of the equity shares held by them. Members holding shares in physical form should file their nomination with Company's Registrar and Share Transfer Agents whilst those Members holding shares in dematerialized mode should file their nomination with their Depository Participant.

15. Members are requested to intimate to the Company, Queries if any, regarding the accounts at least 10 days before the Annual General Meeting to enable the Management to keep the information ready at the meeting. The queries may be addressed to: The Company Secretary, Seya Industries Ltd, B-12, Ghanshyam Chamber, Link Road, Andheri West, Mumbai – 400053 (E-mail: corporate@seya.in).

16. Members are requested to bring their attendance slip duly completed and signed mentioning therein details of their DP ID and Client ID/Folio number along with their copy of Annual Report to the Meeting.

17. Electronic copy of the Notice of the Meeting of the Company, inter alia, indicating the process and manner of e-voting along with the Company Attendance Slip and Proxy Form is being sent to all the Members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes, unless any Members who have not registered their e-mail address, physical copies of the Notice of the Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

18. Members may also note that the Notice of the Meeting and the Annual Report for FY 2017-18 will also be available on the Company's website **www.seya.in** to download.

19. A Route Map showing directions to the venue of the 28th Annual General Meeting and nearby prominent landmark is given at the end of this Notice

20. Transfer of Unclaimed dividend to Investor Education and Protection Fund:

Members are hereby informed that under the Act, the Company is required to transfer the dividend which remains unpaid or unclaimed for a period of seven years (from the date of transfer to Unclaimed Dividend Account) to the credit of the Investor Education and Protection Fund ('the IEPF').

Members are requested to note the following due date(s) for claiming the unpaid / unclaimed dividend declared by the Company for the financial year 2015-16 and 2016-17.

Financial Year	Date of Declaration	Last date for claiming unpaid dividend
2015-16	September 28, 2016	October 27, 2023
2016-17	September 27, 2017	October 26, 2024

Members who have not encashed the dividend warrants so far in respect of the aforesaid period(s), are requested to make their claim to RTA, well in advance of the above due dates.

21. Voting through electronic means:

In Compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rules 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically through the e-voting services provided by Central Depository Services (India) Ltd (CDSL):

The remote e-voting period commences on Tuesday, September 25, 2018, (9.00 a.m. IST) and ends on Thursday, September 27, 2018, (5:00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on cut-off date i.e. Friday, September 21, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5:00 p.m. on September 27, 2018. Once the vote on a resolution is cast and confirmed by the Member, he shall not be allowed to change it subsequently. The voting rights of Members shall be in proportion to the shares held by them in the paid-up equity share capital of the Company as on cut-off date i.e. September 21, 2018.

The members who have cast their vote by e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again at the Meeting.

The Process and manner for remote e-voting are as under:

(i) The Shareholders should log on to the e-voting website www.evotingindia.com

(ii) Click on "Shareholders/Members"

(iii) Enter your user ID:

   a. For CDSL: 16 Digits beneficiary ID;

   b. For NSDL: 8 character DP ID followed by 8 digits client ID;

   c. For Members holding shares in physical form please enter Folio Number registered with the Company

(iv) Enter the image verification as displayed and click on login.

(v) If you are holding shares in electronic form and had logged on to www.evotingindia.com and e-voted on an earlier e-voting of any company, then your existing password is to be used.

(vi) If you are a first-time user or if you are holding shares in Physical form, please follow the steps given below:

PAN:

Enter your 10-digit alpha numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders) in the PAN Field.

Please note that Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters.

Dividend Bank Details or Date of Birth:

Enter the Dividend Bank details as or Date of Birth as recorded in your demat account or in the Company's Records for the said demat account or folio in dd/mm/yyyy format.

In case neither your Date of Birth nor Bank Account details are recorded in your demat account or in the Company's records, as aforesaid, then please enter your demat account number or your folio number in the bank account field.

(vii) After entering the above details appropriately, click on "SUBMIT" tab.

(viii) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN of **Seya Industries Ltd.**

(xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take a print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvi) If a demat account holder has forgotten the changed login Password, then enter the User ID and the Image verification Code and click on 'Forgot password' option and enter the details as prompted by the system.

(xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from app Store and the Windows Phone Store respectively. Please follow the instructions as promoted by the mobile app while voting on your mobile.

(xviii) Note for Non-Individual Shareholders and Custodians

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

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

Please note that:

1. Ms. Dipali Kapadia (Membership No. ACS 31157) of M/s. Dipali Kapadia & Associates, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting/ballot voting process in a fair and transparent manner.
2. Members would be able to cast their votes at the meeting through ballot paper, if they have not availed the remote e-voting facility. If the vote is cast through remote e-voting facility then the members cannot exercise their voting rights at the AGM
3. The Scrutinizer shall immediately after the conclusion of voting at the meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, not late than two days of conclusion of the meeting a consolidated scrutinizer's report of the votes cast in favour or against, to the Chairman or to any director or officer who may be authorised by the Chairman for this purpose.
4. The Results shall be declared on or after the meeting. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.seya.in and on the website of CDSL and communicated to the Stock Exchanges.
5. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of Meeting i.e. Friday, September 28, 2018.

By Order of the Board of Directors
For Seya Industries Ltd.

Manisha Solanki
Company Secretary and Compliance Officer

Date: August 14, 2018
Place: Mumbai

T-14, Tarapur Industrial Area, MIDC,
Boisar, Dist. Palghar – 401 506
: corporate@seya.in : www.seya.in
CIN:L99999MH1990PLC058499

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

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

Item No. 5

In line with the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013, including the rules there under ('the Act') and the erstwhile Listing Agreement, Mr. Anand Devidas Taggarsi were appointed at the Annual General Meeting held on 27th September, 2014 for five consecutive years for a term upto September 26, 2019.

Sub-section 11 of Section 149 of the Act provides that Independent Directors shall not hold office for more than two consecutive terms.

The Board of Directors of the Company and Nomination and Remuneration Committee have evaluated the performance of Independent Directors and on the basis of the said evaluations have concluded that the Independent Directors fulfil their responsibilities towards the Company in a professional and ethical manner, actively participate in discussions during the Board and Committee meetings and act objectively and constructively while bringing an independent Opinion during deliberations at the said meetings.

It is now proposed that Mr. Anand Taggarsi of the Company be appointed for a second term of five consecutive years, commencing from September 27, 2019 to September 26, 2024.

Mr. Anand Taggarsi is not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has also received declaration from Mr. Taggarsi that he meets with the criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulation').

The Company has also received notice in writing from a member, proposing the candidature of Mr. Taggarsi for the office of Directors of the Company.

In the Opinion of the Board, he fulfils the conditions for his re-appointment as Independent Director as specified in the Act and the Listing Regulations. He is Independent of the Management.

Details of the Directors as required to be provided pursuant to Regulation 36(3) of the Listing Regulations and SS-2 (Secretarial Standards on General Meetings) are provided as an Annexure to this Notice.

The Board acknowledges that he is stalwarts in his areas of operations and leader par excellence. He brings to the table rich and varied expertise including financial and technological expertise and unmatched business acumen.

Copy of the draft letter for appointment of as the Independent Directors setting out the terms and conditions is available for inspection by members at the registered office of the Company.

Except Mr. Anand Taggarsi, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way concerned or interested, financially or otherwise, in the resolutions set out at item No. 5 of the Notice.

The Board recommends the Special Resolutions set out at Item No. 5 of the Notice for approval by the shareholders.

Item No. 6

At the AGM held on September 27, 2014 the Members of the Company had approved of the re-appointment and terms of remuneration of Mr. Ashok G Rajani, Managing Director of the Company for a period of 5 years from September 25, 2014 upto September 24, 2019

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company ("the Board") in their meeting held on August 14, 2018 has, subject to the approval of the Members of the Company, re-appointed Mr. Ashok G Rajani for a period of 5(five) years from the expiry of his present term which will expire on September 24, 2019, at the remuneration recommended by the Nomination and Remuneration Committee of the Board and approved by the Board.

It is proposed to obtain the member's approval for re-appointment of Mr. Ashok G Rajani as Managing Director of the Company in terms of applicable provisions of Companies Act, 2013.

Mr. Rajani be paid in a Salary scale of ₹500,000/- per month to ₹1,000,000/- per month with authority to the Board to Fix his salary within the above-mentioned scale including all perquisites and allowances.

The Principal terms and conditions of Mr. Ashok G Rajani's appointment as the Managing Director (hereinafter referred to as 'Mr. Rajani' or 'MD')

Period of Appointment: From September 25, 2019 upto September 24, 2024 (both days inclusive)

Salary: in the scale of ₹500,000/- per month to ₹1,000,000/- per month. The Annual increments which will be effective 1st April each year will be decided by the Board based on the recommendations of the Nomination and Remuneration committee and will be merit based and take into account the Company's Performance as well.

Expenses incurred for travelling, board and lodging including for their trips, any Medical assistance provided including for his family members; and provision of cars for use on the Company's business and telephone expenses at residence shall be reimbursed at actuals and not considered as perquisites.

Insurance: The Company may take an appropriate director's and Officers' Liability Insurance Policy and pay the premiums for the same. It is intended to maintain such insurance cover for the entire period of appointment, subject to the terms of such policy in force from time to time.

Other Terms of Appointment

- The terms and conditions of the said appointment may be altered and varied from time to time by the Board as it may in its discretion deem fit, irrespective of limits stipulated under Schedule V of the Act or any amendments made hereafter in this regard, in such manner as may be agreed to between the Board and the MD, subject to such approvals as may be required.
- This appointment may be terminated by either party by giving to the other party Six months' remuneration in lieu of the Notice.

Mr. Rajani satisfies all the conditions set out in Part – I of Schedule V of the Act as also conditions set out under Section 196 (3) of the Act for being eligible for his appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Having regard to the qualification, experience and knowledge, the Directors are of the view that the re-appointment of Mr. Rajani as MD will be beneficial to the functioning and future growth of the Company and the remuneration payable to him is commensurate with his abilities and experience.

He, being a Managing Director, shall abide by the provisions contained in Section 166 of the Act, with regard to duties of Directors. Managing Director shall adhere to the Company's Code of Business conduct & Ethics for Directors and Management Personnel. This shall be treated as a written memorandum setting out the terms of re-appointment of Mr. Ashok G Rajani under Section 190 of the Act.

Mr. Rajani and his relatives may be deemed to be interested in the resolutions set out in the item no.6 of the Notice to the extent of their shareholding interest if any, in the Company.

Save and except above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the resolution as set out in item no. 6 of the Notice **as an Ordinary Resolution.**

Item No. 7

The Company is directed under the provisions of Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules, 2014 ('the Rules') to have the audits of its cost records conducted by a Cost Accountant in Practice. Further, in accordance with the provisions of Section 148 of the Act read with the rules, the remuneration payable to the cost Auditors has to be ratified by the Members of the Company.

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. D. C. Dave & Co., Cost Accountants (Firm Registration No. 000611) as the Cost Auditor to conduct the audit of the Cost records of the Company for the financial year ending March 31, 2019 at a remuneration of ₹85,000/- per annum plus applicable taxes and out of pocket expenses, if any.

Accordingly, consent of the Members of the Company is sought for ratifying the remuneration payable to the Cost Auditor of the Company for the financial year ending on March 31, 2019 by way of **an Ordinary Resolution.**

None of the Directors or KMP or relatives of Directors and KMP is concerned or interested in the resolution at item no. 7 of the accompanying Notice.

By Order of the Board of Directors
For Seya Industries Ltd.

Manisha Solanki
Company Secretary and Compliance Officer

Date: August 14, 2018
Place: Mumbai

T-14, Tarapur Industrial Area, MIDC, Boisar,
Dist. Palghar – 401 506
✉ : corporate@seya.in : www.seya.in
CIN:L99999MH1990PLC058499

Details of Directors Seeking appointment / reappointment at the Annual General Meeting pursuant to Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standards -2 on the General Meeting:

Name of the Director	Mr. Asit Kumar Bhowmik	Mr. Anand Devidas Taggarsi	Mr. Ashok G Rajani
Date of Birth	February 1, 1954	September 10, 1966	April 8, 1955
Age	64 Years	51 Years	63 Years
Date of Appointment	April 2, 2011	August 27, 2014	September 24, 2009
Qualification	B. Tech (Chemical Engg.)	MBA (Finance) from NMIMS, CAIIB from Indian Institute of Banking and Finance and B.Com. from Mumbai University	B. Tech (Chemical Engg.) from LIT Nagpur
Expertise in specific functional areas	Overall Management of Chemical Manufacturing Plants, Projects, etc	Experience in Administration, Organizational Restructuring, Policy Management, Risk and Compliance Management, Financial Operations, Cost Controls, and Credit Management	Overall Management of Operations, Finance, Projects, strategy and General Management
Directorships in other public limited Companies held (excluding foreign Companies and Section 8 Companies)	None	Libas Designs Limited	None
Membership of Committees / Chairmanship in other public Limited Companies	None	Libas Designs Limited Audit Committee – Chairman Stakeholders Relationship Committee – Chairman Nomination and Remuneration Committee - Member	None
No of Board Meeting Attended during the year	10	10	10
No. of Shares held in the Company	NIL	NIL	4,765,329

SEYA INDUSTRIES LTD
CIN: L99999MH1990PLC058499
Registered Office: T-14, MIDC, Tarapur, Boisar, Dist. Palghar– 401506
☎ 022-26732894 | 🖷: 022-26732666, ✉ : info@seya.in, 🌐 : www.seya.in

ATTENDANCE SLIP

28th Annual General Meeting on Friday, September 28, 2018 at 2:00 p.m.
at T-14, MIDC, Tarapur Industrial Area, Boisar (West), Palghar– 401506

Folio No. ____________________ **DP ID No.** ____________________________ **Client ID No.** ___________________________

I / We hereby record my/our presence at the TWENTY EIGHTH ANNUAL GENERAL MEETING of the Company held on Friday, September 28, 2018 at 2:00 p.m. at T-14, MIDC, Tarapur Industrial Area, Boisar (West), Palghar– 401506..

Name of the Member: ____ Signature_________________________

Name of the Proxy holder:____ Signature_________________________

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

✂------------------------------------ ✂------------------------------- ✂ ------------------------------ ✂ ------------------------------- ✂ ------

SEYA INDUSTRIES LTD
CIN: L99999MH1990PLC058499
Registered Office: T-14, MIDC, Tarapur, Boisar, Dist. Palghar– 401506
☎ 022-26732894 | 🖷: 022-26732666, ✉ : info@seya.in, 🌐 : www.seya.in

PROXY FORM

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

Name of the Member (s): ____

Registered Address:____

E-mail ID: _____________________________Folio No./Client ID No.:__________________DP ID No. __________________

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

1. Name: ____E-mail ID: ____________________________________

   Address: ____

   ______________________________________Signature __________________________________ or failing him/her;

2. Name: ____E-mail ID: ____________________________________

   Address: ____

   ______________________________________Signature __________________________________ or failing him/her;

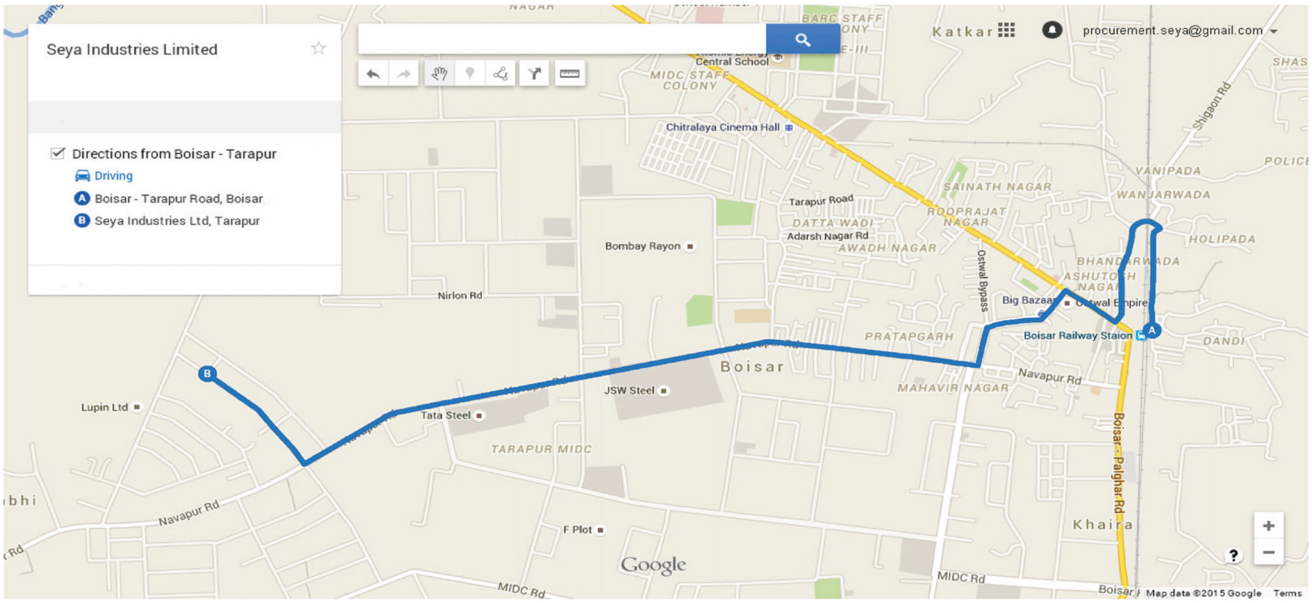
3. Name: ____E-mail ID: ____________________________________

   Address: ____

   ______________________________________Signature ____

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28th Annual General Meeting of the Company, to be held on Friday, September 28, 2018 at 2:00 p.m. at T-14, MIDC, Tarapur, Boisar, Palghar – 401506 and at any adjournment thereof in respect of such resolutions as are indicated overleaf:

Route map to the venue of Annual General Meeting



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

	Resolutions	For *	Against *
	Ordinary Business		
1.	Receive, Consider and adopt Audited Financial Statements of the Company for the financial year ended on March 31, 2018, together with Reports of Board of Directors and Auditors thereon		
2.	Declare dividend on Ordinary Shares for the financial year ended March 31, 2018		
3.	Re-Appointment of Mr. Asit Kumar Bhowmik (DIN: 03522132) who retires by rotation		
4.	Appoint Statutory Auditors and fix their remuneration		
	Special Business		
5.	Re-appointment of Mr. Anand Devidas Taggarsi as an Independent Director of the Company		
6.	Re-appointment of Mr. Ashok G Rajani as a Managing Director of the Company		
7.	Ratification of remuneration of Cost Auditors		

Signed this__________day of________________ 2018

Signature of Shareholder:______________________________

Signature of Proxy holder: ______________________________

Affix
Revenue
Stamp

NOTES:

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

Corporate Office
Seya Industries Ltd
B-12, Ghanshyam Chamber, 502,
Link Road, Andheri West,
Mumbai-400053

SEYA
INDUSTRIES LTD.

Registered Office
Seya Industries Ltd
Registered Office: T-14 MIDC
Tarapur Boisar-401506 Palghar
CIN:L99999MH1990PLC058499 | **BSE:**524324