

## SHREEYASH INDUSTRIES LIMITED

### BOARD OF DIRECTORS

Bijal Patel	Director
Arun Bansal	Director
Meena Agarwal	Director
Sumedha Saraogi	Executive Director
Manoj Kumar	Managing Director

### REGISTERED OFFICE

5-8-272, Flat No. 201, Ayesha Residency,  
Public Garden Road, Nampally,  
Hyderabad - 500001

### AUDITORS

M/s Chakradhar & Nandan.,  
Chartered Accountants

### BANKS

AXIS Bank Limited  
Greenlands, Hyderabad.

### COMPLIANCE OFFICER

Sunil Kumar Agarwal

## SHREEYASH INDUSTRIES LIMITED

### NOTICE

**NOTICE** is hereby given that the Seventeenth Annual General Meeting of Members of the Company will be held on Friday the 30<sup>th</sup> September, 2011 at 11:00 a.m. at Hotel Tara International, Siddiamber Bazar, Hyderabad – 500012 to transact the following business:

#### **ORDINARY BUSINESS:**

1. To consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2011 and Audited Profit & Loss Account for the period ended on that date together with the reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs.Sumedha Saraogi who retires by rotation and being eligible offers herself for reappointment.
3. To appoint M/s. Chakradhar & Nandan, Chartered Accountants, Hyderabad the retiring Auditors of the Company, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Board to fix their remuneration.

#### **SPECIAL BUSINESS:**

4. To consider, and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary resolution:

“**RESOLVED THAT** Mr. Badiullah Baig, who was appointed as an Additional Director of the Company by the Board of Directors and who holds the office as per Section 260 of the Companies Act, 1956, up to the ensuing Annual General Meeting and in respect of whom the Company has, pursuant to the provisions of Section 257 of the Companies Act, 1956, received a notice in writing from a member, proposing his candidature for the office of Director, be and is hereby appointed as the Director of the Company, liable to retire by rotation.”

Place: Hyderabad

Dated: 03.09.2011

**On behalf of the Board of Directors of  
SHREEYASH INDUSTRIES LTD.**

Sd/-

**MANOJ KUMAR**  
Managing Director

## SHREEYASH INDUSTRIES LIMITED

### NOTES

1. A Member entitled to attend and vote is entitled to appoint Proxy to attend and vote instead of himself and the Proxy need not be the Member of the Company. The Proxies in order to be effective should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. Members/proxies are requested to fill the attendance slips duly filled in for attending the meeting and bring their copies of the Annual Report to the meeting.
3. Members are requested to notify immediately any change in their address to our Share Transfer Agents.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 27<sup>th</sup> September, 2011 to 30<sup>th</sup> September, 2011 (both days inclusive).
5. Members, who are holding shares in identical order of names in more than one folio, are requested to write to the Company to enable the Company to consolidate their holdings in one folio.
6. Corporate Members intending to depute their authorized representatives are requested to send a duly certified copy of the Board resolution authorizing their representatives to attend and vote at the Annual General Meeting.
7. Members are requested to write to the Company for any queries, regarding Accounts, so as to reach the Company at least ten days before the meeting, to enable the management to keep the information ready at the Meeting.
8. An Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 is annexed hereto.
9. The information pertaining to the Directors proposed to be re-appointed are furnished below in terms of Clause 49 of the Listing Agreement with the Stock Exchanges:

#### **Profiles of Directors:**

**Mrs. Sumedha Saraogi**

**Mr. Badiullah Baig**

#### **Explanatory Statement**

(Pursuant to Section 173(2) of the Companies Act, 1956)

Item No. 5

The Board of Directors of the Company appointed Mr. Badiullah Baig as Additional Director of the Company on 27.07.2011 and he will hold the office up to the ensuing Annual General Meeting. The Board has received a notice in writing from a member of the Company proposing his appointment as Director of the Company, under Section 257 of the Companies Act, 1956, liable to retire by rotation.

The Board of Directors recommends the passing of the resolution.

A brief profile of Mr. Badiullah Baig is given elsewhere in the report.

He is a marketing professional has hands on experience of the retail industry.

None of the Directors other than the appointee is concerned or interested in the said resolution.

## SHREEYASH INDUSTRIES LIMITED

### DIRECTORS' REPORT

To,  
The Members

Your Directors present the Eighteenth Annual Report of the Company together with the Audited Balance Sheet and Profit & Loss Account for the year ended 31<sup>st</sup> March, 2011.

#### Financial Results

Particulars	31.03.2011	31.03.2010
Sales	63,89,811	4,287,375
Other Income	5,70,000	49,82,557
Profit / (Loss) before depreciation	5,24,104	-
Interest and Income Tax (PBDIT)	-	-
Interest & Finance Charges	-	-
Depreciation	-	-
Net Profit / (Loss) before tax	5,24,104	(39,730,067)
Provision for tax	-	-
Net Profit / (Loss) carried to Balance Sheet	4,49,34,584	(45,458,688)

#### BUSINESS OPERATIONS:

The period under review has continued to be extremely difficult as the operations of the Company relating to manufacture/production as planned could not be commenced due to lack of financial support. The Company has been making best efforts for financial assistance from various sources but has not been successful, hence there was no production activity undertaken by the Company during the period.

However the Company has continued with the business of trading in garments and therefore income from operations/sales has been Rs.63.89 lakhs and made an operational profit of Rs. 5.24 lakhs, but due to accumulated previous losses, the financials depict Net loss of Rs. 449.34 lakhs for the current year.

#### FUTURE OUTLOOK:

The Company has tried to make a stronghold on garments trading business and is drawing plans to purchase new machinery to commence manufacturing activity in near future and come up with quality products in mass sale garments sector. On the business front, Company has been able to bag a large order for readymade shirts with estimated sales of Rs. 75 lakhs per month. The Company is also trying to enter into some strategic alliance with a garment trading company with multiple Foreign brands under its fold in order to enter niche garment stream. Company is confident that once the business is integrated, the Company will be well placed in the fragmented market to cater to a large section of the buyers.

## SHREEYASH INDUSTRIES LIMITED

The Company is trying to raise funds from banks and financial institutions but at present it is unable to get any financial assistance for gearing up its operations.

### **DIVIDEND:**

In view of the losses suffered during the year under review, your Directors do not recommend any Dividend for the year ended 31.03.2011.

### **DIRECTORS:**

In terms with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Mrs. Sumedha Saraogi retire by rotation, at the conclusion of the ensuing Annual General Meeting and being eligible, offers herself for reappointment. The Board of Directors recommend for her re- appointment at the ensuing Annual General Meeting. During the year, Mr. Arun Bansal, Mrs. Meena Agarwalwere appointed as Directors in last Annual general Meeting. Mr. Badiullah Baig have joined the Board as Additional Director. The Board recommends his appointment as director liable to retire by rotation.

### **AUDITORS:**

M/s. Chakradhar & Nandan., Chartered Accountants, Statutory Auditors of the Company retire at the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received Certificate from them to the effect that their appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956. Board recommends for their re-appointment and requests members to authorize the Board to fix their remuneration.

### **FIXED DEPOSITS:**

Your Company has not accepted any Fixed Deposits covered section 58A and 58AA of the companies Act, 1956 from the public or its shareholders during the year under review.

### **DIRECTORS RESPONSIBILITY STATEMENT:**

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, in respect of the financial statements as at 31<sup>st</sup> March, 2011, your Directors state:

- (i) That in the preparation of the Annual accounts, the applicable accounting standards have been followed.
- (ii) That your Directors have selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit & loss of the Company for that period.
- (iii) That your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities.
- (iv) That your Directors have prepared the Annual Accounts for the Financial Year ended on 31st March, 2011. on a going concern concept.

## SHREEYASH INDUSTRIES LIMITED

### **PARTICULARS OF EMPLOYEES:**

During the year under review, there were no employees drawing salaries more or equal to the limits laid under Section 217(2A) read with the Companies (Particulars of Employees) Rules, 1975 as amended.

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

a. **Conservation of Energy:** Since there were no operations during the year, there was no usage of energy. Therefore, there are NIL measures for conservation of energy.

b. **Technology absorption:** There were no operations during the year. Hence the measures for Technology absorption are NIL.

c. **Foreign Exchange Earnings & outgo:** (Value in Rs. lakhs)

Value of Imports (CIF basis)	NIL
Expenditure in Foreign currency:	NIL
Earnings in Foreign Exchange:	NIL

### **LISTING:**

The shares of your company are listed on Bombay Stock Exchange and Calcutta Stock Exchange and are trading after revocation of suspension in March, 2011 at BSE.

### **CODE OF CONDUCT:**

The Company has adopted a uniform Code of Conduct for Directors and Senior Management and above Officers level to ensure ethical standards and ensure compliance to the laid down standards.

### **SUBSIDIARY COMPANIES:**

There are no subsidiaries to the Company as on date of the report.

### **BUSINESS RELATIONS:**

Overall Business Relations continued to be cordial. The Directors place on record their appreciation for the contributed support and co-operation of all the people, which are connected to the business.

### **AUDITOR'S REPORT:**

The observations made in the Auditor's Report are self explanatory and therefore, do not call for any further comments under section 217 of the Companies Act, 1956.

### **CORPORATE GOVERNANCE CODE:**

The Code of Corporate Governance as per Clause 49 of the Listing Agreement is attached herewith. The Compliance Certificate on Corporate Governance received from the Statutory Auditors is given as Annexure to this report.

## SHREEYASH INDUSTRIES LIMITED

### ACKNOWLEDGEMENTS:

Your Directors take this opportunity to express their grateful appreciation for the cooperation and assistance by Government Authorities, Bankers and other business associates as well as shareholders and employees.

**On behalf of the Board of Directors of  
SHREEYASH INDUSTRIES LTD.**

Sd/-

**(Manoj Kumar)**  
Managing Director

Sd/-

**(Sumedha Sarogi)**  
Executive Director

Place: Hyderabad

Date: 03.09.2011

### ANNEXURE

#### FORM-B

Form for disclosure of Particulars with respect to Technology Absorption, Research and Development (R & D)

1. Specific areas in which R & D carried out by the Company.
2. Benefits derived as a result of the above R & D.
3. Future Plan of action.
4. Technology Absorption, Adoption and Innovation:
  1. Efforts in brief made towards technology absorption, adoption and innovation - NIL
  2. Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution. - NIL
  3. In case of imported technology (imported during the last five years reckoned from the beginning of the financial year) following information may be furnished: -NIL
    - a) Technology imported
    - b) Year of import
    - c) Has technology been fully absorbed.
    - d) If not fully absorbed areas where this has not been taken place reasons thereof and future plans of action.

**On behalf of the Board of Directors of  
SHREEYASH INDUSTRIES LTD.**

Sd/-

**(Manoj Kumar)**  
Managing Director

Sd/-

**(Sumedha Sarogi)**  
Executive Director

Place: Hyderabad

Date: 03.09.2010

## SHREEYASH INDUSTRIES LIMITED

### MANAGEMENT DISCUSSION & ANALYSIS

#### **Industry Structure and Development:**

The Indian textile industry contributes about 14% to industrial production, 4% to the country's Gross Domestic product (GDP) and 17% to the country's export earnings and it providing around 35 Million jobs as it is the second largest employment provider after agricultural sector. After facing the heat of recession and economic slowdown in many of the countries for the couple of the years, industry has started recovering and for this purpose the Indian Government has given incentives to gear up the production level of the industry.

Indian textile industry production level was slashed due to financial crisis in the global market with resulted the investments in the sector were drying up in the country and manufacturing sector certainly faced the direct impact of the crisis.

With lower production facilities, the retail segment also bore the brunt and sales have been slump throughout the sector in lost full year.

#### **Opportunities and Threats:**

As the Indian economy is in revival phase there is an increase in disposable income and purchasing power of the Indian customer, this gives an opening to new market development. The Company has set all the plans to grab the opportunity and shore up its trading activity. Retail industry is emerging and malls provide huge opportunities for the apparel, the company has set plans to arrange a tie up with mall constructors and other renowned malls in major cities and open up retail outlets.

As there is an increase in branded manufacturers and opening up of international brand retail outlets in the market, this pose a real threat to the Company. As there is been increase in number of seasons per year fashion cycle is shortening day by day but the Company is making sincere efforts to sustain itself. The advantage that rests with the Company is that it has a large number of committed clients internationally as a legacy from its older days as manufacturer.

The western countries are now setting up their manufacturing units in India which single handedly opens up a wide array of possibilities for all the stakeholders within the textile industry.

#### **Outlook:**

The Company is trying to raise financial resources to open new stores and to purchase new machinery to commence manufacturing activity in near future and come up with quality products. The company also is trying to enter into some strategic alliance with the garment manufacturers and with shopping malls to shore up the trading activity and to have an access to some common infrastructure pools in terms of fashion trends, buyer preferences, quality checks and assistance to commence the manufacturing activity. The Company has been unable to raise the enough funds due to the financial strictures in the market. However Company is in the advanced level talks with few investors for such financial resources.



## SHREEYASH INDUSTRIES LIMITED

### **Risks and Concerns:**

The major risk in the textile industry is the change in the end users buying patterns. The Company shall identify, consider, assess and analyze all the risk like keeping up with fashion trends, competing on non- price factors and implement various business plans in near future. Also due to the faster trends changes in the generation, there is risk involved that obsolesce of stocks.

The major challenge Company is obtaining funds at cheaper cost, for which the Company has been drawing up the plans to obtain the minimum finance to meet the working capital requirement of the Company from financial institutions and strategic investors.

### **Internal control systems and their adequacy**

Since the operations were discontinued with plans to diversify, the new guidelines for control will be implemented according to the Industry specific requirement at appropriate time.

The internal control systems are aimed at promoting operational efficiencies. The Company is conducting internal audit at regular intervals to ensure that:

- a) Transactions are executed in accordance with the Company's policies and authorizations.
- b) Deployment of funds is in accordance with the Company's policies and Project Budgets.

The internal audit, though at bare minimum level, is conducted as per the requirement of the Company and the report is submitted to the Audit committee and to the Management.

The Audit committee with three independent and non-executive directors meets to investigate any matter relating to the internal control system and reviews the Internal Audit. The committee reviews the quarterly and half yearly financials before they are submitted to the Board of Directors.

The Company shall place sufficient systems to ensure that assets are safeguarded against loss from unauthorized use or disposition.

### **Financial Condition**

#### **Share Capital**

During the year under review, there was no further issue of shares and paid up capital of the Company stands at Rs. 543.56 Lakhs.

#### **Secured Loans**

The secured loans of the Company as at 31.03.2011 are NIL.

#### **Fixed Assets**

During the year under review the Company has bought assets for Rs. 70,080 and after providing for depreciation the net block of the Company is Rs. 70,080/- as at 31.03.2011.

## **SHREEYASH INDUSTRIES LIMITED**

### **Human Resources**

The Company strongly believes that a right workforce makes all the difference in catapulting an organization to the highest echelons of success and achievement. Company plans to build up a strong workforce once the Company resumes its business operations.

### **CAUTIONARY STATEMENT**

Statement made in Management Discussion and Analysis report which seeks to describe the Objectives, projections, estimates, predictions may be considered to be forward looking statements and are stated as required by applicable laws and regulations. Actual results could differ from those expressed or implied and are determined by many factors including global and domestic demand – supply conditions, process, raw materials availability, tax laws, governmental policies and other statutes which may affect actual results which may be different from what the Directors envisaged in terms of future performance and outlook.

# SHREEYASH INDUSTRIES LIMITED

## CORPORATE GOVERNANCE REPORT

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Listing Agreement entered into by the Company with the Stock Exchanges contemplates compliance with the Code of Corporate Governance. The Company has always believed in managing its affairs with diligence, transparency, responsibility and accountability. It is firmly believed that good corporate governance practices would ensure efficient conduct of the affairs of the company and help the company achieve in its goal of maximizing stakeholder's value.

As a part of the compliance of revised Clause 49 of Listing Agreement, the Company presents hereunder the required disclosures in the form of a Report for information of all the stakeholders.

### BOARD OF DIRECTORS

The Company has 5 Directors out of which 3 are non-executive directors.

#### Composition and Category of Directors:

Name	Designation	Category	No. of other Director-ships	Attendance at Board Meetings	Attendance at previous AGM
Mr. Manoj Kumar	Managing Director	Executive	-	5	Yes
Mrs. Sumedha Saraogi	Whole time Director	Executive	-	5	Yes
Mr. Badiullah Baig**	Director	Non -Executive - Independent	-	-	-
Mr. Bijal Patel***	Director	Non- Executive - Independent	-	5	Yes
Mr. Arun Bansal	Director	Non- Executive	-	3	Yes
Mrs. Meena Agarwal	Director	Executive	-	3	Yes

\*\*\* Resigned as a Director w.e.f 27.07.2011

\*\*Appointed as Director w.e.f 27.07.2011

#### Meetings of the Board of Directors

The Board of Directors met 5 times during the financial year on 23.07.2010, 23.08.2010, 03.09.2010, 10.11.2010, 28.01.2011.

#### Information supplied to the Board

Board members are given agenda papers along with necessary documents and information in advance of each meeting of the Board and Committees. In addition to the regular business items, the following are regularly placed before the Board to the extent applicable.

## SHREEYASH INDUSTRIES LIMITED

- Quarterly and Half yearly results of the Company.
- Minutes of the Audit Committee, Shareholders Committee meetings.
- Details of Agreements entered into by the Company
- Non – Compliance of any statutory or listing requirement

### 3. AUDIT COMMITTEE

#### Terms of Reference:

The terms of reference of the Audit committee include the following:

1. To review the quarterly, half yearly and annual financial results of the Company before submission to the Board.
2. To oversee the financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
3. To hold periodic discussions with statutory auditors and internal auditors of the Company concerning the accounts of the company, internal control systems, scope of audit and observations of auditors.
4. To make recommendations to the Board on any matter relating to the financial management of the Company, including the audit report.
5. To recommend the appointment and removal of external auditors, fixation of audit fees and also approval of fee for any other services by the auditors.
6. To investigate into any matter in relation to items specified in section 292A of the Companies Act, 1956 or as may be referred to it by the Board and for this purpose to seek any relevant information contained in the records of the Company and also seek external professional advice if necessary.
7. To make recommendations to the Board on any matter relating to the financial management of the Company.

#### Composition

The Audit Committee of the Company consists of three members. All the members are non-executive independent directors. Committee was re-constituted during the period.

Meetings of the Committee and Attendance of the Members during 2010-2011	Meetings held	Meetings Attended
Mr. Arun Bansal	4	2
Mr. Bijal Patel	4	4
Mrs.Meena Agarwal	4	2

During the financial year, the Audit Committee met on 23.07.2010, 03.09.2010, 10.11.2010, 28.01.2011.

## SHREEYASH INDUSTRIES LIMITED

### 4. REMUNERATION COMMITTEE:

#### Terms of Reference:

The Remuneration Committee constituted by the Company is responsible for looking into the remuneration payable to the Whole-time Directors and other Employees of the Company. The Non-Executive Directors of the Company are not entitled for any remuneration other than fee payable for attending Board & Committee Meetings. The Committee frames the policy on specific remuneration packages for Whole-time Directors including pension rights and compensation payments. The Committee also approves the Remuneration Policy for employees other than Whole-time Directors as may be recommended to it.

#### Composition

The Remuneration Committee of the Company comprises of three directors all of them being non-executive independent directors.

Mr. Arun Bansal

Mr. Bijal Patel\*

Mrs.Meena Agarwal

Mr. Badiullah Baig

\* Resigned w.e.f 27.07.2011

#### Meetings of the Committee and Attendance

Since no business was carried out during the year 2010-2011, there was no meeting of the Committee held during the year under review.

During the year, no remuneration by way of salary, commission, etc was paid to Whole Time Director or Managing Director.

### 5. INVESTORS' GRIEVANCE COMMITTEE

#### Composition

The Investor's Grievance Committee of the Company has been re-constituted with Three Directors viz.

Mr. Manoj Kumar - Chairman

Mr. Arun Bansal

Mr. Badiullah Baig

The Company has appointed Mr. Sunil Agarwal as the Compliance Officer of the Company. All the investor complaints received by the Company during the financial year have are pending to be attended and demat requests also await confirmation.

## SHREEYASH INDUSTRIES LIMITED

### 6. ANNUAL GENERAL MEETINGS

#### Details of previous Annual General Meetings

Day	Date	Time	Venue
Monday	29th September,2008	11.30 AM	1-11-252/A3, Jabbar Apartments, Begumpet, Hyderabad – 500034
Monday	28 <sup>th</sup> September, 2009	11.30 AM	1-11-252/A3, Jabbar Apartments Begumpet, Hyderabad – 500034
Monday	30 <sup>th</sup> September2010	11.00 AM	Hotel Tara International, Siddiamber Bazar, Hyderabad-500012

#### Details of special resolution passed – NIL

#### Postal ballot resolution any such proposal:-

The Company has conducted postal Ballot issuing notice on 30<sup>th</sup> July, 2010 and the result was announced on 1<sup>st</sup> September 2010 for Appointment of Auditors i.e. M/s Chakradhar & Nandan, u/s 224(6)(a) to hold the office from the date of this meeting until the conclusion of the ensuing Annual General Meeting.

### 7. DISCLOSURES

1. No transaction of material nature has been entered into by the company with directors or management and their relatives etc that may have a potential conflict with the interests of the company. The Register of contracts containing transactions in which directors are interested is placed before the Board regularly.
2. There has been no filing towards compliance by the Company on the matters relating to capital markets, particularly listing agreement compliance.
3. The Company is in compliance with all the mandatory requirements and has fulfilled the non-mandatory requirements as prescribed in Annexure 1D of the revised Clause 49 of the Listing Agreement with Stock Exchanges.
4. The Company has adopted with the Code of Conduct applicable to all Directors, senior management and employees. The Declaration as required under Clause 49 is as below:  
“All the Directors and Senior Management of the Company have affirmed compliance with the Company’s Code of Conduct for the financial year ended 31st March, 2011.”

Place: Hyderabad  
Date: 03.09.2011

Sd/-  
**MANOJ KUMAR**  
Managing Director

## SHREEYASH INDUSTRIES LIMITED

5. **CEO Certification:** The Managing Director has given a certificate as contemplated in Clause 49 of the Listing Agreement.

6. The requirements of the Audit and other Committees as contemplated in Clause 49 have been complied with as per the report set above in respect of the same.

**The Management Discussion and Analysis is provided elsewhere in this report.**

### 8. MEANS OF COMMUNICATION

The Company has not published financial results for four quarters of previous financial year as specified by the Listing agreement. No targeted presentations were made during the year under review. The Management Discussion & Analysis Report forms part of the Annual Report of the Company as required under the Listing Agreement.

### 9. GENERAL SHAREHOLDER INFORMATION

18<sup>th</sup> Annual General Meeting Schedule: Friday the 30<sup>th</sup> September, 2011 at 11 a.m at Hotel Tara International, Siddiamber Bazar, Hyderabad – 500012.

i. Financial Calendar (Tentative):

Financial Year	1st April to 31st March
Un-audited Financial Results for quarter ended 30.06.2011	Last week of July, 2011
Un-audited Financial Results for quarter ended 30.09.2011	Last week of October, 2011
Un-audited Financial Results for quarter ended 31.12.2011	Last week of January, 2012
Un-audited Financial Results for quarter ended 31.03.2012	Last week of April, 2012
19 <sup>th</sup> Annual General Meeting	September, 2012

ii. Dates of Book Closure (Period) : 25<sup>th</sup> September, 2011 to 30<sup>th</sup> September, 2011

iii. Dividend Payment Date : Not Applicable

iv. Listing at Stock Exchanges : Bombay Stock Exchange ( BSE)  
Calcutta Stock Exchange (CSE)

v. The Listing Fees for the year 2010 - 2011 has been paid to the Stock Exchanges.

vi. Stock Code : BSE - 530219  
CSE – Shreeyash Industries limited.

vii. Market Price Data: the Company has obtained trading permission from the Bombay Stock Exchange in the month of March, 2011. The following are the market details

## SHREEYASH INDUSTRIES LIMITED

Month	BSE, MUMBAI		
	High Price	Low Price	No. of Shares traded
March, 2011	17.25	6.95	2443

viii .Comparative Performance : Not Available

ix. Registrar & Share Transfer Agents :

CIL Securities Limited  
 223, Raghav Ratna Towers,  
 Chirag Ali Lane, Abids, Hyderabad- 500 001  
 Tel. No. 23203155, Fax No. 23203028  
 Email: cilsec@rediffmail.com

x. Share Transfer process: The Company's shares are traded in Demat form at the Stock Exchanges. Only Off- market trades can be delivered in physical form. All shares received for transfer etc. are processed and returned to the shareholders within 21 days of receipt of lodgment.

xi. Distribution of shareholding: ( As on 31.03.2011)

Category (No. of shares)	Number of holders	% of total holders	Number of shares	% of total shares
Upto 500	1012	56.50	384229	7.07
501-1000	411	22.95	325901	6.00
1001-2000	141	7.97	223100	4.10
2001-3000	49	2.74	124188	2.28
3001-4000	27	1.51	97200	1.79
4001-5000	38	2.12	182944	3.37
5001-10000	49	2.74	376617	6.93
Above 10001	64	3.57	3721421	68.46
Total	1791	1.00	5435600	1.00

xii. Shareholding pattern as on: 31<sup>st</sup> March, 2011.

Category	No. of Shares Held	% of Share holding
A Shareholding of Promoter and Promoter Group		
(1) Indian		
Individuals/Hindu undivided family	1,328,700	24.44
Sub Total	1,328,700	24.44



## SHREEYASH INDUSTRIES LIMITED

(2) Foreign		
(A) Total Shareholding of Promoter and Promoter Group	1,328,700	24.44
(B) Public Shareholding		
(1) Institutionals		
Mutual Funds / UTI	330,400	6.08
Financial Institutions/Banks	100,000	1.84
Central/State Government (s)	250,000	4.60
Sub-Total	680,400	12.52
(2) Non-Institutions		
Corporate Bodies	175,595	3.23
Individuals		
Individual Shareholders holding nominal Share Capital upto Rs. 1 Lakh	1,441,005	26.51
Individual Shareholders holding nominal Share Capital in excess of Rs. 1 Lakh	1,700,900	31.29
Any other (Specify)	109,000	2.01
Non Resident Indians	109,000	2.01
Sub Total	3,426,500	63.04
Total Public Shareholding (B)	4,106,900	75.56
TOTAL(A)+(B)	5,435,600	100.00

xiii. Dematerialization of shares: The Company has entered into separate Tripartite Agreements with the Depositories viz. NSDL and CDSL along with M/s CIL Securities Limited. Physical transfers are handled in-house by the Company. As on 31st March, 2011, a total of **17,47,600 shares i.e. about 32.15% of the total shares have been dematerialized.**

ISIN: INE536C01011

xiv. Outstanding Bonds/ Convertible Instruments: NIL

xv. **Address for Communication:** No. 5-8-272, 276 & 322, Ayesha Residency, Public Garden Road, Nampally, Hyderabad-500001  
E-mail: shreeyashindustries@gmail.com

**Registered Office Address:** No. 5-8-272, 276 & 322, Ayesha Residency, Public Garden Road, Nampally, Hyderabad-500001

**On behalf of the Board of Directors of  
SHREEYASH INDUSTRIES LTD.**

Sd/-

**(Manoj Kumar)**

Managing Director

Sd/-

**(Sumedha Sarogi)**

Executive Director

Place: Hyderabad

Date: 03.09.2011

## SHREEYASH INDUSTRIES LIMITED

### **10. Auditors' Certificate on Compliance with the Provisions of Corporate governance pursuant to Clause 49 of the Listing Agreement**

To  
The Members  
Shreeyash Industries Limited  
Hyderabad.

We have examined the Compliance of conditions of Corporate Governance by Shreeyash Industries Limited, Hyderabad, for the period ended on 31<sup>st</sup> March, 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been in the manner described in the guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India and has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on our reliance upon the representations made by the management that there were no transactions of material nature with the management or by relatives that may have potential conflict with the interest of the Company at large.

We certify that the Company has complied in all material respects with the conditions of the Corporate Governance as stipulated in the Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that several investor grievances were pending for a period of more than one month against the Company as explained to us by the management.

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

For **Chakradhar & Nandan.,**

Chartered Accountants

Sd/-

**(K.S. Nandan)**

Partner

Membership No. 201123

Firm Regn. No. 006905 S

Place: Hyderabad

Date: 03.09 2011

## SHREEYASH INDUSTRIES LIMITED

### AUDITOR'S REPORT

To  
The Members of  
M/s. Shreeyash Industries Limited

01. We have audited the attached Balance Sheet of M/s. Shreeyash Industries Limited, as at 31<sup>st</sup> March 2011 and also the annexed Profit & Loss Account of the Company for the year ended on that date annexed thereto. These financial statements are responsibility of the Company Management. Our responsibility is the express an opinion on these financial statements based on our audit.
02. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes Examining, on a test basis, evidence supporting the presentation. We believe that our audit provides a reasonable basis for our opinion.
03. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Sub-section (4A) Section 227 of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order to the extent applicable.
04. Further to our comments in the Annexure referred to in paragraph 3 above, we state that:
  - a) We have obtained all the information and explanation, which to the best of our knowledge and belief, were necessary for the purpose of our audit;
  - b) In our opinion, the Company has kept proper books of account as required by law so far, as appears from our examination of those books.
  - c) The Balance Sheet and the Profit and Loss Account referred to in this report are in agreement with the books of account.
  - d) In our opinion, the Profit & Loss Account and the Balance Sheet comply with the entire mandatory Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956.
  - e) On the basis of written representations received from the directors, and taken on record by the Board of Directors, in our opinion, none the directors is disqualified for the year ended on that date from being appointed as director in terms of clause (g) of Sub-section (1) Section 274 of Companies Act, 1956.
  - f) In our opinion and as per the our information and according to the explanation given to us, the said Balance Sheet and the Profit and Loss Account, read together with notes thereon, give the information required be the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

## SHREEYASH INDUSTRIES LIMITED

- i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2011;
- ii) In the case of the Profit and Loss Account, of the **Profit** of the Company for the year ended on that date and;
- iii) In the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

for **Chakradhar & Nandan**  
**Chartered Accountants**

Sd/-

**(K.S Nandan)**

**Partner**

Membership No. 201123

Firm Regn. No. 006905 S

Place: Hyderabad

Date: 05.09.2011

## SHREEYASH INDUSTRIES LIMITED

### ANNEXURE TO AUDITORS' REPORT (This is the Annexure referred to in our Report of even date)

- 1 The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The assets have been physically verified by the management during the period as per a program of verification which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- 2 None of the fixed assets have been revalued during the year under audit.
- 3 The stocks of finished goods, raw materials and stores have been physically verified during the period by the management at reasonable intervals.
- 4 The procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- 5 The discrepancies noticed on verification between the physical stocks and the book records were not material.
- 6 On the basis of examination of stock records, we are of the opinion that the valuation of stocks is fair and proper and in accordance with the normally accepted accounting principles and are on the same basis in the preceding year.
- 7 The Company has not granted any loans, secured or unsecured from companies, firms or other parties listed in the register maintained under section 301 of the companies Act, 1956. As per the information and explanation given to us there are no companies under the same management as defined under sub-section (1-B) of section 370 of the said Act.
- 8 In our opinion and according to the information and explanations given to us there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of stores, raw materials, including components, Plant & Machinery, equipment and other assets and with regard to the sale of goods.
- 9 The Central Government has not prescribed the maintenance of cost records by the by the Company under section 209(1) (d) of the Companies Act, 1956 for any its products.
- 10 In our opinion and according to the information and explanations given to us, there are no transactions of purchase of goods and materials or sale of goods and materials made by the Company in pursuance of contracts or arrangements entered in the registered maintained under Section 301 of the companies Act, 1956 aggregating during the year for Rs.50, 000 or more in respect of each party.
- 11 According to the information and explanations given to us, there are no unserviceable or damaged stores, raw materials or finished goods.

## SHREEYASH INDUSTRIES LIMITED

- 12 The Company has not accepted any deposits from the public.
- 13 The Company has not given any guarantee for loans taken by others from bank or financial institutions.
- 14 During the year No Operations/Production, so The Company does not get any scrap in the manufacturing processing, thereby the maintenance of the records does arise. We are informed that the manufacturing Process of the Company does not give rise to any by-products.
- 15 The Company has no Internal Audit system.
- 16 During the financial year there were no transactions exceeding the value of five lacs rupees in respect of each party, which need to be, entered into a registrar in pursuance of section 301 of the Companies Act, 1956.
- 17 The Provisions of provident fund Act and the Employees State Insurance Act is applicable to this Company and the Company is not made any payment during the year. Since there is no lab our exists.
- 18 According to the information and explanations given to us, no undisputed amounts applicable in respect of income Tax, Sales Tax, Custom Duty and Excise Duty were outstanding for a period of more than six months from the date they became payable. The Provisions of Wealth Tax Act do not applicable to this Company.
- 19 According to the information and explanation given to us, no personal expenses of employees or Directors have been charged to revenue account, other than that payable under contractual obligations.
- 20 The Company is a sick industrial Company within the meaning of clause (O) of Sub-Section 1 of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.

for Chakradhar & Nandan  
**Chartered Accountants**

Sd/-

**(K.S Nandan)**

Partner

Membership No. 201123

Firm Regn. No. 006905 S

Place: Hyderabad

Date: 05.09.2011

## SHREEYASH INDUSTRIES LIMITED

### BALANCE SHEET AS ON 31-03-2011

Particulars	Schedule	AS AT 3/31/2011	AS AT 3/31/2010
<b>SOURCES OF FUNDS:</b>			
<b>SHARE HOLDER'S FUNDS</b>			
Share capital	A	54356000	54356000
Reserves & Surplus	B	750000	750000
<b>LOAN FUNDS</b>			
Unsecured loans	C	1343857	1074193
Total		<b>56449857</b>	<b>56180193</b>
<b>APPLICATION OF FUNDS:</b>			
Fixed Assets			
Gross Block		70080	23309995
Less: Depreciation	D	-----	23309995
Net Block		70080	29630821
Investments			
Current Assets	E	11308845	10577658
Less: current Liabilities & Provisions,	F	675770	668270
Net Current Assets		10633075	9909388
Miscellaneous Expenditure: (To the extent not written off Or Adjusted)	G	812117	812117
Profit & Loss Account		45458688	45458688
Less : Current Year		524104	44934585
Notes on Accounts'	H	<b>56449857</b>	<b>56180193</b>

**for Chakradhar & Nandan**

Chartered Accounts

Sd/-

**(K.S. Nandan)**

Partner

Membership No. 201123

Firm Regn. No. 006905 S

Place : Hyderabad

Date : 05.09.2011

On behalf of the Board of Directors of  
SHREEYASH INDUSTRIES LTD.

Sd/-

**(MANOJ KUMAR)**

Managing Director

Sd/-

**(SUMEDHA SARAOGI)**

Director

## SHREEYASH INDUSTRIES LIMITED

### PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31-03-2011

PARTICULARS	AS AT 3/31/2011	AS AT 3/31/2010
<b>INCOME:</b>		
<b>SALES</b>	6389811	4287375
<b>OTHER INCOME</b>	570000	4982557
<b>CLOSING STOCK</b>	0	0
<b>TOTAL</b>	<b>6959811</b>	<b>9269932</b>
<b>EXPENDITURE:</b>		
Opening Stock	0	9558000
Purchases	5180346	4079250
Administrative Expenses	467034	6169047
Preliminary Expenses Written off	0	212876
Listing fee	600665	207005
Consultancy fee	180162	145000
Loss on Sale of Assets	0	28628821
Audit Fees	7500	0
<b>TOTAL</b>	<b>6435707</b>	<b>48999999</b>
Net Loss/Profit for the Year	524104	(39730067)
Add: Balance brought forward from previous years	(44934584)	(5728621)
Balance carried to Balance Sheet	<b>(44934584)</b>	<b>(45458688)</b>

As per our Report of Even Date  
**for Chakradhar & Nandan**  
 Chartered Accounts  
 Sd/-  
**(K.S. Nandan)**  
 Partner

Place : Hyderabad  
 Date : 03.09.2011

On behalf of the Board of Directors of  
 SHREEYASH INDUSTRIES LTD.  
 Sd/-  
**(MANOJ KUMAR)**  
 Managing Director  
 Sd/-  
**(SUMEDHA SARAOGI)**  
 Director



## SHREEYASH INDUSTRIES LIMITED

### SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

PARTICULARS	AS AT 3/31/2011	AS AT 3/31/2010
<b>SCHEDULE - A:</b>		
<b>SHARE CAPITAL</b>		
Authorised 60,00,000 equity shares of Rs. 10/- Each	60000000	60000000
Issued, subscribed and paid up shares 5435600	54356000	54356000
Equity shares of Rs.10/- Each	<b>54356000</b>	<b>54356000</b>
<b>SCHEDULE-B:</b>		
<b>RESERVES &amp; SURPLUS</b>	750000	750000
<b>SCHEDULE - C:</b>		
<b>UNSECURED LOAN</b>		
From Directors	1074193	1074193
From Directors, Friends and relatives	269664	0
	<b>1343857</b>	<b>1074193</b>

**SHREEYASH INDUSTRIES LIMITED**

**SCHEDULE-D**

**DEPRECIATION AS PER COMPANIES ACT,1956**

Particulars	Gross Block		Depreciation		Net Block	
	As at 4/1/2010	As at 3/31/2011	As at 1/4/2010	For the Year	As at 31/3/2011	As at 31/3/2010
Furniture & Fixtures	0	70080	0	0	0	0
<b>Total</b>	<b>0</b>	<b>70080</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>70080</b>

## SHREEYASH INDUSTRIES LIMITED

PARTICULARS	AS AT 3/31/2011	AS AT 3/31/2010
<b>SCHEDULE - E:</b>		
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
Cash in Hand	582015	87203.53
Deposits	50000	0
Other Advances	645872	645872
Sundry Debtors	9189730	9030354
TDS	89939	89939
Advances for expenses	685472	685472
Prepaid expenses	63589	36589
Other amount receivable	2228	2228
	<b>11308845</b>	<b>10577657.53</b>
<b>SCHEDULE - F:</b>		
<b>CURRENT LIABILITES AND PROVISIONS</b>		
Creditors for Expenses	579250	579250
Audit Fee	96520	89020
Deferred tax liability	0	0
	<b>675770</b>	<b>668270</b>
<b>SCHEDULE - G:</b>		
<b>MISCELLANEOUS EXPENDITURE</b>		
(To the extent not written off or adjusted)	812117	<b>1024993</b>
Preliminary Expenses	0	212876
Written off to P&L a/c		
	<b>812117</b>	<b>812117</b>

## SHREEYASH INDUSTRIES LIMITED

### SCHEDULE - H:

#### NOTES ON ACCOUNTS

##### Significant Accounting Policies

1. **BASIS OF ACCOUNTING:**  
The Financial statements are prepared under Historical costs convention on actual method of accounting and are in accordance with the requirements of the Companies Act, 1956.
2. **FIXED ASSETS:**  
To state Fixed Assets at cost of acquisition inclusive of inward freight duties, taxes and incidental expenses related to acquisition.
3. **VALUATION OF INVENTORY:**  
Cost or Market value which ever is Lower and certified by the management.
4. **DEPRECIATION:**  
The Depreciation is calculated on Written down method under Schedule xiv of the Companies Act, 1956.
4. **RECOGNITION OF INCOME & EXPENDITURE:**  
Revenues/Incomes and Costs/Expenditures are generally accounted on the basis of as they are earned or incurred.
5. **REVENUE RECOGNITION:**  
The Company follows Mercantile system of accounting and in consonance.
6. During the year No operations/ Production in the company.
7. Auditors Remuneration  
Audit fee

	2010-11	2009-10
Audit fee	Rs. 7500	Rs. 7500

#### NOTES ON ACCOUNTS:

- |  | Current Year | Previous Year |
|--|--------------|---------------|
| 8. Expenditure in Foreign currency<br>Foreign Currency out go<br>Value on Imports on CIF Value | Nil          | NIL           |
9. Previous Figures are regrouped/ rearranged wherever necessary when compared to the current year figures.
  10. Particulars of Employees in accordance with Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars Of Employees) — NIL

As per our Report of Even Date

For **Chakradhar & Nandan**

**Chartered Accountants**

Sd/-

**(K.S Nandan)**

Partner

Membership No. 201123

Firm Regn. No. 006905 S

Place: Hyderabad

Date: 03-09-2011

on behalf of the Board of Directors

of M/s. Shreeyash Industries Limited

Sd/-

**(Manoj Kumar)**

Managing Director

Sd/-

**(Sumedha Sarogi)**

Executive Director

## SHREEYASH INDUSTRIES LIMITED

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011

(As required under clause 32 of the Agreement with Stock exchanges)

For the year ended 31st March	2011 Rs.	2010 Rs.
Net Profit/Loss Before Tax and Extraordinary items	524104	-3973067
Adjustments for:		
Depreciation	0	0
Miscellaneous Expenditure written off	0	212876
Loss on sale of assets		
Financial Expenses	0	0
Operating Profit before Working Capital change	524104	-39517191
Adjustment for:		
(Increase)/Decrease in Inventories	0	9558000
(Increase)/Decrease in Sundry Debtors	159376	289432
(Increase)/Decrease in Other Current Assets	77000	5100813
Increase/(Decrease) in Current Liabilities	7500	-4395807
Cash generated from operations	295228	-29543617
Financial Expenses paid		
Net cash flow from Operating Activities (A)	295228	-29543617
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Purchases of fixed assets	70080	0
Sale of fixed assets	0	29630821
Net cash used in Investing Activities (B)	70080	29630821
<b>Cash Flow from Financing Activities</b>		
Proceeds from long term Borrowing	269664	0
Working Capital Borrowings		
Hire-purchase Finance	269664	0
Net cash used in Financing Activities (C)	0	0
Net Increased in Cash and Cash Equivalents (A+B+C)	494811	87204
Opening balance of cash and cash equivalents	87204	0
Closing balance of cash and cash equivalents	582015	87204

For & On behalf of Board of Directors

Sd/-

**Manoj Kumar**

Managing Director

**For Chakradhar & Nandan**

Chartered Accountants

Sd/-

**(K.S. Nandan)**

Partner

Membership No. 201123

Firm Regn. No. 006905 S

**SHREEYASH INDUSTRIES LIMITED**

**SHREEYASH INDUSTRIES LIMITED**

Plot No. 26, Anand Banjara Colony, Road No. 12,  
Banjara Hills, Hyderabad - 500034

**ATTENDANCE SLIP**

Eighteenth Annual General Meeting - Friday 30th September, 2011 at 11.00 a.m. at Hotel Tara International, Siddiamber Bazar, Hyderabad – 500 012.

Regd.Folio No./Client \_ ID.....

No. of Shares .....

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the 18 ANNUAL GENERAL MEETING of the Company. at Hotel Tara International, Siddiamber Bazar, Hyderabad – 500 012. on TFriday, the 30th day of September, 2011.

Member's/Proxy's name in Block Letter

Member's/Proxy's Signature

Note: Please fill this attendance slip and hand it over at the ENTRANCE OF THE HALL

----- (TEAR HEAR) -----

**SHREEYASH INDUSTRIES LIMITED**

Plot No. 26, Anand Banjara Colony, Road No. 12,  
Banjara Hills, Hyderabad - 500034

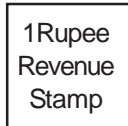
**FORM OF PROXY**

I/We.....

of.....in the district of ..... being a member/members of the above-named company hereby appoint ..... or failing him .....of ..... in the district of ..... as my/our proxy to vote for me/us on my behalf at the 18th ANNUAL GENERAL MEETING of the Company to be held on Friday the 30th day of September, 2011 at 11.00 a.m.

Signed this ..... day..... 2011

Regd.Folio No./Client \_ ID .....



Signature .....