


FORM A


Format of covering letter of the Annual Audit Report to be filed with the Stock Exchanges

1.	Name of the Company	PRIYA LIMITED
2.	Annual Financial Statements For the year ended	31 st March, 2015
3.	Type of Audit Observation	Un-qualified
4.	Frequency of Observation	N.A.

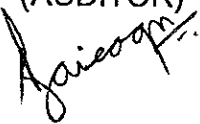
For Priya Limited


Aditya Bhuwania
(Whole Time Director)

For Priya Limited

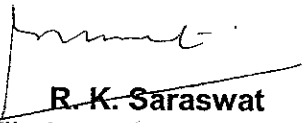

Rakesh Jain
(Chief Financial Officer)

For M. L. Bhuwania & Co.
(AUDITOR)


Ashish Bairagara
(Partner)

F- 11, 3rd Floor, Manek Mahal,
90, Veer Nariman Road, Churchgate,
Mumbai - 400 020, India.

For Priya Limited


R. K. Saraswat
(Independent Director &
Chairman – Audit Committee)

Note: The Company is not having CEO or Managing Director, hence Whole Time Director has been authorized by Board of Directors to sign the said "Form A".



PRIYA LIMITED



**ANNUAL REPORT
2014 - 2015**

28TH ANNUAL GENERAL MEETING

Day : Thursday
Date : 20th August, 2015
Time : 11.00 A.M.
Place : "Hall of Quest", Nehru Planetarium, Nehru Centre,
Dr. Annie Besant Road, Worli, Mumbai – 400 018

BOARD OF DIRECTORS

SHRI A. K. BHUWANIA	Chairman
SHRI R. K. SARASWAT	Director
SHRI M. K. ARORA	Director
SHRI ASHISH BHUWANIA	Director
SHRI ADITYA BHUWANIA	Whole Time Director
SHRI ANUJ BHARGAVA	Director
SHRI P. V. HARIHARAN	Director
SMT SAROJ BHUWANIA	Director
SHRI RAKESH JAIN	Chief Financial Officer
SHRI SAISHWAR DALVI	Company Secretary

BANKERS

Indian Bank
Bank of Maharashtra
Union Bank of India

AUDITORS

M/s. M. L. Bhuwania & Co.
Chartered Accountants, Mumbai.

REGISTERED OFFICE

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

REGISTRAR AND SHARE TRANSFER AGENT

Bigshare Services Pvt. Ltd.,
E-2/3, Ansa Industrial Estate, Sakivihar Road,
Saki Naka, Andheri (E), Mumbai-400 072.
Tel: 022-4043 0200, 2847 0652

CIN: L99999MH1986PLC040713

EQUITY SHARES ARE LISTED AT:
The Bombay Stock Exchange Ltd. (BSE)

WEBSITE
www.priyagroup.com

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NOTICE

NOTICE is hereby given that the **Twenty-Eighth Annual General Meeting** of the members of **PRIYA LIMITED** (CIN:L99999MH1986PLC040713) will be held at "Hall of Quest", Nehru Planetarium, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018 on Thursday, the 20th Day of August, 2015 at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited financial statements of the Company for the year ended 31st March, 2015, the Director's Report and Auditor's Report thereon.
2. To declare dividend on Equity Shares for the financial year ended 31st March, 2015.
3. To appoint a Director in place of Mr. A. K. Bhuwania (DIN:00387445), who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider & if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:-

"RESOLVED that pursuant to the provisions of Sections 139 and other applicable provisions, if any, of the Companies Act, 2013, M/s. M. L. Bhuwania & Co., Chartered Accountants having Registration No.101484W issued by the Institute of Chartered Accountants of India, be and are hereby appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting of the Company, on a remuneration to be fixed by the Board of Directors of the Company, based on the recommendation of the Audit Committee, in addition to reimbursement of all out-of-pocket expenses in connection with the audit of the accounts of the Company for the year ending March 31, 2016"

SPECIAL BUSINESS:

5. Regularise the Appointment of Additional Director

To regularise the appointment of Mrs. Saroj Bhuwania (DIN: 00018978) as Director who was appointed as an Additional Director and in this regard to consider and if thought

fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED that Mrs. Saroj Bhuwania (DIN: 00018978) who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 ("Act") and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company."

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

6. Re-appointment of Mr. Aditya Bhuwania as Whole Time Director:

To re-appoint Mr. Aditya Bhuwania (DIN: 00018911) as a Whole Time Director designated as Executive Director. In this regard to consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

"RESOLVED THAT that pursuant to Sections 2(78), 196, 197, 203 and all other applicable provisions of the Companies Act, 2013, read with Schedule V to the said Act, and subject to other approvals as are necessary, Mr. Aditya Bhuwania (DIN : 00018911) be and is hereby re-appointed as an Executive Director (Whole Time Director) of the Company for a period of (03) three years with effect from 1st June, 2015 to 31st May, 2018 (i.e. from 01.06.2015 to 31.05.2018) on a minimum monthly remuneration Rs.1,50,000/- which board or committee of board can modify in such a manner but which shall not exceed Rs.3,50,000/- per month along with such other perquisites and retirement benefit as per Company policy and expressly allowed under the Companies Act, 2013 and rules made thereunder.

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

7. Confirmation of Appointment of Mr. P. V. Hariharan as Independent Director of the Company

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Ordinary Resolution**:

“RESOLVED that pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. P. V. Hariharan (DIN 03196975), Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, to hold office for five consecutive years from 5th February, 2015 to 4th February, 2020.”

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

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

Place: Mumbai **Saishwar Dalvi**
Dated: 26th May, 2015 Company Secretary

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

NOTES:

1. **MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE MEMBER OF THE COMPANY.**

2. The proxy form, in order to be effective, must be duly completed and deposited at the registered office of the Company not less than 48 hours before the commencement of the Meeting.
3. The register of members and the share transfer books of the Company will remain closed from **13th August, 2015 to 20th August, 2015** (both days inclusive).
4. Dividend recommended for the year ended 31st March, 2015 if approved by the members will be paid to those eligible members whose names appear:
 - I. As Beneficial Owners, as on 13th August, 2015, as per the list to be furnished by National Securities Depository Ltd. and Central Depository Services (India) Ltd., in respect of shares held in electronic form; and
 - II. As Members in the Register of Members of the Company as on 13th August, 2015.
5. Members, who have not given the Bank Account Details earlier, are requested to send the same immediately to enable the Company to pay dividend accordingly.
6. Members are requested to bring their copy of the Annual Report to the Meeting.
7. Members/proxies attending the Meeting should bring the Attendance Slip, duly filled, for handing over at the venue of the meeting.
8. Corporate members intending to send their authorized representatives are requested to send a duly certified copy of the Board resolution authorizing their representatives to attend.
9. (a) Members holding shares in physical form are requested to advise immediately change in their address, if any, quoting their folio number(s) to the Registrar & Share Transfer Agent of the Company.
(b) Members holding shares in the electronic form are requested to advise immediately change in their address, if any, quoting their Client ID no., to their respective Depository Participants.

10. Unclaimed dividend for the year(s) 2009-10, 2010-11, 2011-12, 2012-13 and 2013-14 are held in separate Bank accounts and shareholders who have not received the dividend / encashed the warrants are advised to write to the Company with complete details.
11. Members may avail dematerialisation facility by opening Demat Accounts with the Depository Participants of either National Securities Depository Limited or Central Depository Services (India) Limited and get the equity share certificates held by them dematerialised. The ISIN No. of the Company is **INE686C01014**.
12. Members desirous of getting any information in respect of accounts of the Company and proposed resolutions, are requested to send their queries in writing to the Company at its registered office atleast 7 days before the date of the meeting, so that the required information can be made available at the meeting.
13. Members, who have not registered their e-mail addresses, are requested to register their e-mail address in respect of electronic holdings with the depository through their concerned Depository Participants and members who hold shares in physical form are requested to send their details to Bigshare Services Pvt. Ltd (Registrar & Transfer agent) in order to enable the company to serve the notice/Documents including Annual Report through e-mail as an initiative in consonance with circular issued by Ministry of Corporate Affairs allowing paperless compliances by the companies.

14. Voting through electronic means

- I. In compliance with provisions of Clause 35B of the Listing Agreement read with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management & Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Rules, 2015, the Company is providing the shareholders facility to exercise their right to vote on Resolutions proposed to be considered at the forthcoming Annual General Meeting by

electronic means and the business may be transacted through e-voting platform provided by Central Depository Services (India) Limited (CDSL).

The instructions for shareholders voting electronically are as under:-

- (i) The voting period begins on **17th August, 2015 at 9.00 a.m. and ends on 19th August, 2015 at 5.00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **14th August, 2015** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number 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. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

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

(x) 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.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the relevant <PRIYA LIMITED> on which you choose to vote.

(xiii) 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.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) 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.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin

login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- II. That the facility for voting, through Ballot Paper shall also be made available at the Meeting & Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting through Ballot Paper.
- III. That the Members who have cast their vote by remote e-voting prior to the Meeting may also attend the meeting but shall not be entitled to cast their vote again.
- IV. The Voting Rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company as on *cut-off date i.e. 14th August, 2015*.
- V. A person whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on the *cut-off date* only shall be entitled to avail the facility of remote e-voting as well as voting in the Annual General Meeting through ballot paper.
- VI. Mr. Sanjay Parab, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VII. The Chairman shall, at the Annual General Meeting, at the end of discussion on the Resolutions on which voting is to be held, allow voting, with the assistance

of Scrutinizer, by use of "ballot paper" or "polling paper" for all those Members who are present at the annual general meeting but have not cast their votes by availing the remote e-voting facility.

- VIII. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses, not in the employment of the Company and shall make not later than three days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same and declare the result of voting forthwith.
- IX. The Results along with the Scrutinizer's Report shall be placed on the Company's website www.priyagroup.com and on the website of CDSL immediately after declaration of results and communicated to the Stock Exchanges.

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

Place: Mumbai

Dated: 26th May, 2015

Saishwar Dalvi

Company Secretary

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

Item Nos. 5:

The Board of Directors has appointed Mrs. Saroj Bhuwania as Additional Director of the Company with effect from 2nd March, 2015. As per the provisions of Section 161(1) of the Act, Mrs. Saroj Bhuwania shall hold office as an Additional Director only up to the date of this Annual General Meeting of the Company, and is eligible for appointment as Director.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mrs. Saroj Bhuwania for the office of Director of the Company. The matter regarding appointment of Mrs. Saroj Bhuwania as Additional Director was placed before the Nomination and Remuneration Committee and it has recommended her appointment. Mrs. Saroj Bhuwania has given a declaration to

the Board that she is not disqualified from being appointed as a Director in terms of Section 164 (2) of the Act and has given her consent to act as a Director. In the opinion of the Board, she fulfills the conditions specified in the Act and the Rules framed thereunder for her appointment. In compliance with the provisions of Section 161 of the Act, the appointment of Mrs. Saroj Bhuwania as a Director is now being placed before the Members for their approval.

Mrs. Saroj Bhuwania, a Commerce Graduate, has rich knowledge and experience of the business of the Company and the industry for more than 25 years.

Mr. A. K. Bhuwania, Mr. Aditya Bhuwania, Mr. Ashish Bhuwania and Mrs. Saroj Bhuwania, Directors of the Company are deemed to be concerned or interested in the resolution.

Item No.6:

Mr. Aditya Bhuwania, aged 42 years is by qualification B.Sc. (Business Computer system) from Bradley University, Pearle, Lllinois (U.S.A) and has over 15 years experience in the field of computer hardware. He is also Director of Priya International Ltd., Brent Properties Investment Pvt. Ltd., Cheshire Properties Investments Pvt. Ltd., Halifax Properties Investments Pvt. Ltd., Coral Chemicals Pvt. Ltd. and Gaurav Electrochem Private Ltd.,

The tenure of Mr. Aditya Bhuwania expires on 31st August, 2015. Taking into consideration of the valuable services rendered by him during the past ten years for the growth of the company and based on the recommendations of the Nomination and Remuneration Committee and subject to the approval of the members of the Company in General Meeting, the Board of Directors at their meeting held on 26th May, 2015 had re-appointed Mr. Aditya Bhuwania as Executive Director (Whole Time Director) of the Company for a period of (03) Three years from 1st June, 2015 to 31st May, 2018.

Remuneration:

- Salary : Rs.1,50,000/- per month.
- Perquisites and Allowances: In additions to the Salary payable, the Whole Time Director shall also be entitled to perquisites and allowances in accordance with the rules of company or as may be agreed to by the Board of Directors of the Company.

Total Remuneration payable Rs.18 Lacs per annum.

Minimum remuneration as prescribed under Section II of Part II of Schedule V of the Companies Act, 2013.

In compliance of provisions contained in schedule V of the Companies Act, 2013, the resolution approving the re-appointment and payment of remuneration is placed before the ensuing annual general meeting of the shareholders for their approval.

Information required under Section II, Part II of Schedule V of the Companies Act, 2013:-

I. GENERAL INFORMATION	
1) Nature of Industry	Priya Limited distributes an array of IT products such as Thin Client, Keyboard, Mouse, software products and offering solutions for different industries and also a major exporter for dyes and pharmaceuticals.
2) Date or expected date of commencement of commercial production	Certificate of commencement of business was dated 1 st October, 1986
3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable
4) Financial performance based on given indicators	The details of financial performance of the Company for the year 2014-15 are provided in the Annual Report.
5) Foreign investments or collaborators, if any	NIL

II. INFORMATION ABOUT THE APPOINTEE

1) Background details	Mr. Aditya Bhuwania, aged 42 years is by qualification B.Sc. (Business Computer system) from Bradley University, Pearle, Lllinois (U.S.A) and has over 15 years experience in the field of computer hardware.	
2) Past remuneration	Year	Remuneration paid
	2012-13	Rs.16,50,000/-
	2013-14	Rs.16,50,000/-
	2014-15	Rs.16,50,000/-
3) Recognition or awards	None	
4) Job profile and his suitability	As Executive Director of the Company, Mr. Aditya Bhuwania is responsible for the overall performance of the Company. He has been instrumental in giving direction to the entire team of Company and has been responsible for monitoring their performance on regular basis.	
5) Remuneration proposed	a) Salary : Rs.1,50,000/- per month. b) Perquisites and Allowances: In additions to the Salary payable, the Whole Time Director shall also be entitled to perquisites and allowances in accordance with the rules of company or as may be agreed to by the Board of Directors of the Company.	

6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	Taking into consideration the size of the Company, the profile of the appointee the responsibilities shouldered by him, the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar top/ senior level appointee in other companies.
7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Mr. Aditya Bhuwania is holding 2,60,300 equity shares in the Company. In addition to above, his relatives are also holding shares in the company. None of the Key managerial personnel or any other senior managerial personnel is related to Mr. Aditya Bhuwania.

III. OTHER INFORMATION:

1) Reasons for loss or inadequate Profits	With the entry of big sized Companies in this segment the margins are squeezed in past years which led to stiff competition in the business segment.
2) Steps taken or proposed to be taken for improvement	Company is continuously upgrading its business to get an edge on big size companies. Efforts are ongoing to improve performance of the company.
3) Expected increase in productivity and profits in measurable terms	Unable to quantify, at this point of time.

Mr. A. K. Bhuwania, Mr. Aditya Bhuwania, Mr. Ashish Bhuwania and Mrs. Saroj Bhuwania, Directors of the Company are deemed to be concerned or interested in the resolution.

Item No. 7:

Mr. P. V. Hariharan is presently on the Board as Independent Director, but were not specifically appointed under Section 149 of the Companies Act, 2013 ("Act"). General Circular 14/2014 dated 9th June, 2014 of the Ministry of Corporate Affairs read with SEBI guidelines to Listed Stock Exchanges on Clause 49 now requires that the appointment of Independent Directors to be made expressly under the provisions of Section 149 of the Act.

Mr. P. V. Hariharan has given a declaration to the board that he meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, he fulfils the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of Mr. P. V. Hariharan, as Independent Director is now being placed before the Members for their approval.

The Brief resume of Mr. P. V. Hariharan as under:-

Mr. P. V. Hariharan, aged 61 years is by qualification B.Sc. (Hons) Graduate from SIES College, Mumbai, University of Mumbai and did a Diploma in Administration conducted by the Indian Merchant Chamber, Mumbai and he has 40 years experience in International trade dealing in a variety of chemicals used by a broad spectrum of industries.

Mr. P. V. Hariharan is concerned or interested in the resolution relating to his appointment, excepting him no other Directors of the Company is in any way concerned or interested in the said resolution.

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

Place: Mumbai
Dated: 26th May, 2015

Saishwar Dalvi
Company Secretary

DIRECTORS' REPORT

Dear Members,

Priya Limited

Your Directors take great pleasure in presenting the **28th Annual Report** and Audited Accounts of your Company for the financial year ended 31st March, 2015.

FINANCIAL PERFORMANCE

The financial performance of the Company for the Financial Year 2014-15 in comparison to the previous financial year 2013-14 are summarised as below:

	(Rs. in Lacs)	
	Year Ended 31/03/2015	Year Ended 31/03/2014
Revenue from operation	13215.39	17720.72
Other Income	69.74	234.43
	13285.13	17955.15
Profit/ (Loss) before Tax and		
Extra Ordinary Item	106.16	286.28
Extra ordinary item	--	--
Profit/ (Loss) before Tax and after Extra Ordinary Items	106.16	286.28
Provision for taxation-Current Tax	40.47	95.73
Provision for taxation-Deferred Tax	(1.35)	(0.47)
(Add)/Less: Taxation of earlier years	0.63	19.63
Profit/(Loss) After Tax	66.41	171.39
Add: Balance brought forward	958.51	822.24
Profit available for appropriation	1024.92	993.63
Appropriations		
Proposed Dividend	30.02	30.02
Corporate Dividend Tax	6.11	5.10
Balance carried to Balance Sheet	988.79	958.51

DIVIDEND

Your Directors have recommended a dividend of Re.1.00/- per equity share (i.e.@ 10%) on 30,02,300 fully paid equity shares of Rs. 10/- each for the financial year ended 31st March, 2015 amounting to Rs. 30,02,300/- (exclusive of Tax of Rs. 6.11 Lacs).

TRANSFER TO RESERVES

The Company has transferred Rs.Nil to Reserves for the financial year ended 31st March, 2015.

SHARE CAPITAL

The paid up equity capital as on 31st March, 2015 was Rs.3,00,23,000. During the year under review, the Company has not issued any form/ types of securities.

OPERATIONS

During the year under review the aggregate turnover of your Company was Rs.13215.39 lac as compared to Rs.17720.72 lacs in the previous year. The Company has earned profit after tax and exceptional item of Rs.66.41 lac in 2014-2015 as compared to Rs.171.39 lac in the previous year.

There is slight decrease in turnover due to the economic down turn in European countries, which has affected the profitability of the Company. However your Company has been able to cut down its costs as compared to previous year.

Keeping pace with the changing dynamics of the industry and striving in very competitive European market, your Company has still been able to perform well during the year. There is a marginal increase in export of chemicals products and decrease in local sales and export of electronics products compared to last year. We expect better performance in the coming periods.

Your Company is concentrating in the marketing of VXL Thin Clients and other computer peripherals (Keyboard/Mouse) and is targeting a greater market share in these key areas. Your Company is also started marketing of various software products and offering solutions for different industries.

All the branches are adequately equipped to provide complete support to the customers. Internal control systems have been well established and cost consciousness in branch operations has also led to improved profitability.

Your Directors are hopeful of improving upon the last financial year's results for the Company during the current year.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of the section 161(1) of the Companies Act, 2013 read with the Articles of Association of the company, Mrs. Saroj Bhuwania is appointed as Additional Director and she shall hold office only up to the date of this Annual General Meeting and being eligible offer herself for re-appointment as Director.

Your Directors recommend the appointment of Mr. P. V. Hariharan as an Independent Director for period of 5 years as proposed in the notice for the Annual General Meeting.

The Board of Directors at their meeting held on 26th May, 2015 re-appointed Mr. Aditya Bhuwania as Executive Director (Whole Time Director) for a period of (03) three years, with effect from 1st June, 2015 subject to approval of members

in the ensuing annual general meeting. Keeping in view his experience and expertise and the increased activities of the Company, a resolution is proposed in the notice convening Annual General Meeting for the re-appointment of Mr. Aditya Bhuwania, as Executive Director (Whole Time Director), on terms & conditions detailed in the resolution.

Mr. A. K. Bhuwania, Director, retires by rotation and being eligible has offered himself for re-appointment.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, which came into effect from April 1, 2014, the appointments of Mr. Aditya Bhuwania, Whole Time Director, Mr. Rakesh Jain, Chief Financial Officer and Mr. Saishwar Dalvi, Company Secretary as key managerial personnel of the Company were formalised.

AUDITORS:

1) Statutory Auditors :

The Auditors, M/s. M. L. Bhuwania & Co., Chartered Accountants, Mumbai retire at this Annual General Meeting and being eligible, offer themselves for reappointment. Auditors' observations are suitably explained in notes to the Accounts and are self-explanatory. The Auditors' Report does not contain any qualification, reservation or adverse remark.

2) Secretarial Auditors:

According to the provision of section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Sonal Kothari & Associates, Company Secretaries to undertake the secretarial audit of the company. The Secretarial Audit Report is annexed herewith as **Annexure A**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

CHANGE IN NATURE OF BUSINESS

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

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report which forms an integral part of this report as stipulated under Clause 49 of the Listing

Agreement with the Stock Exchange, is set out in a separate section to this report.

CORPORATE GOVERNANCE

The Company is committed to uphold the highest standards of Corporate Governance and adhere to the requirements set out by Clause 49 of the Listing Agreement with Stock Exchange.

Report on Corporate Governance along with the Certificate from the Auditors' regarding the compliance of Corporate Governance conditions are made part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

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

DEMATERIALIZATION

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

BOARD EVALUATION

Pursuant to the provisions of companies Act, 2013 and clause 49 of the Listing Agreement, the Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholder relationship committee.

NOMINATION & REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

A familiarization program for independent directors, as approved by the Board is available on the Company's website. The weblink is http://www.priyagroup.com/pdf/pl_Familiarization_Program_for_Independent_Directors.pdf

MATERIAL CHANGES & COMMITMENTS

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

SUBSIDIARY COMPANIES

The Company does not have any subsidiary Company.

LISTING OF SHARES

The Company's equity shares continue to be listed on The Bombay Stock Exchange Limited (BSE). The Company had applied for de-listing of equity shares from The Calcutta Stock Exchange Ltd. (CSE) and the said de-listing permission is in process and the Company is constantly following up with the Exchange for completion of the process. The listing fee for the financial year 2014-2015 was duly paid to BSE.

MEETINGS

During the year (5) Five Board Meetings and (1) one independent directors' meeting was held. The Details of which are given in Corporate Governance Report. The provisions of Companies Act, 2013 and listing agreement were adhered to while considering the time gap between two meetings.

AUDIT COMMITTEE

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

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

NOMINATION AND REMUNERATION COMMITTEE

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

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

EXTRACT OF ANNUAL RETURN :

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

PUBLIC DEPOSITS:

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

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

RELATED PARTY TRANSACTIONS

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

All Related Party Transactions are placed before the Audit Committee as also the Board for approval. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

Your Directors draw attention of the members to Note No.33 to the financial statement which sets out related party disclosures.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company and the weblink is http://www.priyagroup.com/pdf/pl_Vigil_mechanism_Policy.pdf

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY:

The Company has been addressing various risks impacting the Company and the policy of the Company on risk management is already adopted.

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

DIRECTORS RESPONSIBILITY STATEMENT :

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

- a) in the preparation of the annual accounts for the year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the same period;
- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls in the company that are adequate and were operating effectively.
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators or Courts that would impact the going concern status of the Company and its future operations.

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

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

TECHNOLOGY ABSORPTION:

Every effort is made by the company to update the technological skills of its technical staff in order to ensure that they possess adequate skills to enable them to serve the Company's clients.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

The relevant information in respect of the foreign exchange earnings and outgo has been given in the Notes forming part of the Accounts for the year ended on 31st March, 2015.

PARTICULARS OF EMPLOYEES:

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

APPRECIATION & ACKNOWLEDGEMENTS

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

For and on behalf of the Board
For Priya Limited

Sd/-

Aditya Bhuwania
Whole Time Director

Sd/-

R. K. Saraswat
Director

Place: Mumbai

Date: 26th May, 2015

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC REVIEW AND OUTLOOK

The year saw continued volatility even in the midst of positive factors like declining oil prices and US economy showing signs of revival. In spite of this backdrop, the IT-BPM sector recorded steady sequential growth of 4.6 per cent to touch a global spends of USD 2.3 Trillion. Software products, IT and BPM services continued to lead, accounting for nearly USD 1.3 trillion i.e. 55 per cent of total spend. Balance 45 per cent was on Hardware. Americas remained the largest market while APAC recorded the highest growth of 5.1 per cent. There was a renewed demand for global sourcing which grew by 9-10 per cent over 2013 which was double the growth in total spend. Domestic IT-BPM is set to grow faster than exports at 14 per cent largely driven by e-Commerce. India maintained its leadership position in the global sourcing area with a share of 55 per cent in 2014. New delivery centers added in 2014 recorded an impressive growth of 49 per cent with over 27 per cent additions being in India. Indian IT BPM Industry is expected to cross USD 146 billion a growth of 13 per cent and exports are likely to record a 12.3 per cent growth to cross USD 98 billion in 2014-15. There is an increasing trend seen in customers both in India and in the Global context, embracing Social media, Mobility, Analytics and Cloud (SMAC) to drive growth and derive competitive advantage especially with analytics and mobility becoming integral to IT strategy, in addition to a shift to cloud based Information systems architecture. Such Digital technologies are being leveraged especially in healthcare provision, financial services, retail, travel and education. This has led to a dynamic value ecosystem digitally connecting products and services that combine to meet customer needs and deliver more business value.

1.1 INDUSTRY STRUCTURE AND DEVELOPMENTS

Electronics Division:

According to the International Data Corporation (IDC) Worldwide Quarterly Enterprise Client Device Tracker, worldwide thin client and terminal client device shipments totaled 1.28 million units in the first quarter of 2014 (1Q14), an increase of

7.1% from the same quarter a year ago and 2% lower than IDC's forecast for the quarter. IDC expects the market to continue growing over the remainder of the year with 5.7 million units forecast to be shipped in 2014, representing 5% year-over-year growth. By 2018, these devices are expected to reach 7.8 million units shipped worldwide.

"After posting 14.5% year-over-year growth in the fourth quarter of 2013, the worldwide Enterprise client market continued to show good momentum in the first quarter. The positive growth in the worldwide shipments was helped by strong performances in five out of the eight regional markets, bringing worldwide shipments in the quarter to nearly 1.3 million units," said Rajani Singh, Research Analyst, Personal Computing at IDC.

Chemical Division:

The Dyestuff industry in India is playing an important role in the economic development of our country. Presently India, China, Korea, Taiwan and Indonesia are the main producers of the Dyestuffs and Pigments. The manufacturers of Europe and USA have almost shifted the production base to these Asian Countries. The main reason for this is the low cost of production and ample capacity built up within Asian Countries. The Indian Dyestuff industry comprises mainly three sub divisions as key constituents, namely, Dyestuffs, Pigments and Intermediates. Both Dyestuffs and Pigments are critical inputs to several industries such as Textile, Paper and Packaging, Leather, Food, Polymer, Coating, Printing ink etc. Today, India is the second largest producer of Dyestuff after China. Though in general the Chinese products are very cheap and economical, Indian products score because of consistent quality and reliability.

1.2 OPPORTUNITIES AND THREATS

Electronics Division:

The Europe, Middle East, and Africa (EMEA) thin-client market posted single-digit growth in Q3 2014, according to the EMEA Quarterly Enterprise Client Device Tracker published by global IT market research firm International Data Corporation (IDC). In 2014, during a transition period of

IT upgrades, thin clients were competing directly and intensely with commercial PCs for markets share. Although thin clients are still a niche market in EMEA, their dynamic growth has exceeded the market average during the first three quarters of 2014. IDC expects the share of thin clients in overall shipments of commercial personal computing hardware will grow from 4.2% in 2013 to 4.4% in 2014 and continue increasing over the long-term.

Thin-client shipments in EMEA went up by 8.8% year on year in Q3 2014, which corresponded to about 94,500 units. Shipment value increased by 16.2% year on year, to reach \$182.14 million. Market growth is slowing as the influence of postponed hardware upgrades and end of support for Windows XP, the main forces behind the market's strong performance throughout much of the year, weakens. IDC expects the market to record single-digit growth again in Q4 2014 and then decline marginally in 2015 by about -0.2% year on year as a result of a decline in the Central and Eastern Europe, Middle East and Africa region (CEMA).

As of December, the economic and political situation in Russia and Ukraine was still precarious. The rapid depreciation of the ruble will inhibit shipments in Q4 2014 and will lead to a further year-on-year decline in H1 2015, affecting shipment volumes across the whole region. The first signs of recovery are not expected before H2 2015. The thin client and commercial PC hardware renewal rush in Western Europe (WE) is cooling down, and IDC predicts one-digit growth of thin client shipments in the region for Q4, and then a moderate decline in the first half of 2015.

"For the last three years, the EMEA thin-client market has become increasingly polarized in terms of market volume share across individual country markets," notes Oleg Sidorkin, senior research analyst at IDC. "Rapid deployment of thin-client technology generates a leveraging effect, accelerating further technology adoption." As a result, the top four countries in EMEA in terms of shipments (Germany, the United Kingdom, The Netherlands, and France)

have increased their cumulative volume share from 58.7% of the total EMEA market in 2012 to 60.3% in 2013. And that figure is expected to reach 65.1% by the end of 2014. "The largest EMEA markets will remain the most attractive for thin-client vendors, as they are also expanding the fastest," says Sidorkin. "Once vendors gain a foothold in these markets, they can grow quickly as these markets continue to increase their EMEA share."

Chemical Division:

To sustain and grow in global market brings in uncertainties. We are operating in a highly competitive environment. Sluggish demand and uncertainty was the main issue in 2014. Countries like Europe and South East Asia witnessed low to very low demand.

We participated in the Annual China Inter Dye Fair and were able to generate good business opportunities.

Your company has taken major initiatives like strong marketing efforts, offering customized products as per requirement of customers, introduction of new products and offering quality products. The basic raw material availability poses a big challenge for us to buy reliably and on time.

1.3 SEGMENT-WISE PERFORMANCE

Electronics Division:

The performance of the company was relatively less satisfactory during the year in comparison to last year turnover. The segment result, before adjustment for unallocated expenses (net) and provisions for taxation, marginally decreased to Rs.484.46 Lacs as compared to Rs. 797.80 Lacs in the previous year.

Chemical Division:

The biggest competition for our industry is from China. Presently, Chinese dyestuff manufacturers are more economical because of economies of large scale. China is the main source of raw material for the industry. The Chinese authorities have taken very stringent action against polluting units resulting in shortages and high prices of intermediates. China is slowly losing its advantage owing to Gradual reduction of subsidies and increase in energy, labour costs. Judicious selection of products with

specialized applications has enabled us to retain our place in the market.

In spite of decrease in turnover in comparison to last year's turnover the company has managed to escalate the margin for the period under review. The segment result, before adjustment for unallocated expenses (net) and provisions for taxation, marginally increased to Rs.24.92 Lacs as compared to Rs.24.44 Lacs in the previous year.

1.4 FUTURE OUTLOOK

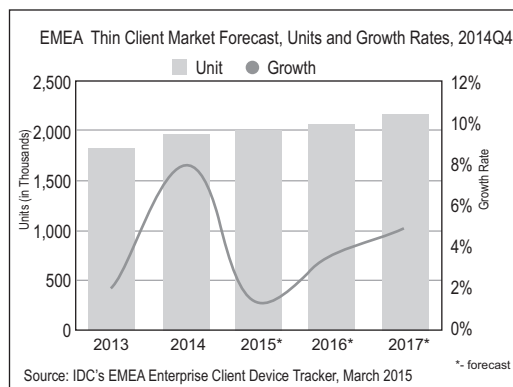
Electronics Division:

The Europe, Middle East, and Africa (EMEA) thin client market is settling down after a brisk 2014, which witnessed 7.9% year-on-year unit growth and 1.97 million units shipped, according to the *EMEA Quarterly Enterprise Client Device Tracker* published by global IT market research firm International Data Corporation (IDC).

"The EMEA thin-client market will return to its long-term one-digit growth trajectory by the end of 2015," says Oleg Sidorkin, senior research analyst at IDC. "Global factors which gave a boost to thin-client shipments in 2014, such as end of support for Windows XP and postponed commercial PC upgrades, have basically died away, and the market is seeking out new drivers to sustain growth momentum."

In 2014, shipments in Western Europe (WE) exceeded prior expectations, growing dynamically at double-digit rates during the first three quarters. This pace will be a challenge for the major market players to match in 2015. As a result, the overall market is likely to contract marginally in the first half of the year and return to moderate growth in the following quarters.

In Central and Eastern Europe (CEE), the outlook is still uncertain. On one side, we have healthy economic growth in Central Europe, but on the other side, the current economic and political situation in Russia and Ukraine have created negative pressure on thin-client demand in the region. The Russian market's volume share of the total EMEA market contracted from 9.0% in 2013 to 5.0% in 2014, and the decline continues. Overall, the Russian market is not expected to return to growth before 2016.



Chemical Division:

Constant search for new product requirements and expansion of customer base will be your company's thrust to increase business. We are having discussions with existing customers to explore new areas of dyestuff applications to increase business.

1.5 RISKS AND CONCERNS

Electronics Division:

The increasing global trends in digitization driven by the forces of social, mobility, analytics and cloud coupled with the large size of the addressable global market and the relatively low current levels of penetration of the target markets suggest significant headroom for future growth. The Company has positioned itself well for the growth in business with an aligned strategy, structure and capabilities. A comprehensive and integrated risk management framework forms the basis of all the de-risking efforts of the Company. Formal reporting and control mechanisms ensure timely information availability and facilitate proactive risk management. These mechanisms are designed to cascade down to the level of the line managers so that risks at the transactional level are identified and steps are taken towards mitigation in a decentralized fashion.

The Board of Directors is responsible for monitoring risk levels on various parameters and the Whole Time Director & CFO ensures implementation of mitigation measures. The Audit Committee provides the overall direction on the risk management policies.

Chemical Division:

Recession like scenario across the world has made this a buyer's market. Overcapacity in the industry prevents good margins. There is a acute shortage and price hike in various raw materials owing to implementation of stringent environmental norms. Recessionary trends have forced overseas buyers to curtail their stocks and order only when needed as the thrust is to work on low inventories. The Euro/USD conversion has made matters worse for the European buyers.

1.6 INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your company has adequate internal control system including suitable procedures which commensurate with its size and the nature of the business. The Company's appropriate internal control systems for business processes, with regard to efficiency of operations, financial reporting, compliance with applicable laws and regulations ensure that all assets are protected against losses and unauthorized use. Regular internal audits and checks ensure that responsibilities are executed efficiently. No significant internal control lapses were identified.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening them from time to time. The Audit Committee of the Board met 4 (Four) times during the period under review.

1.7 DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Company has achieved a sales turnover of Rs.13215.39 Lacs in the year 2014-15 as compared Rs.17720.72 Lacs in 2013-2014, depicting a fall in the electronic export business. The Company has earned a profit (before tax and extra ordinary items) of Rs.106.16 Lac as compared to a profit (before tax and extra ordinary items) of Rs. 286.28 Lac in the previous year.

1.8 MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED
HUMAN RESOURCES

All the employee of your Company are covered under Group Insurance scheme, the premium of which is borne by the company. The Company has incentive schemes for its marketing staff which acts as a morale booster and driving force for the employees to perform better. The Company has initiated various HR strategies to attract, motivate, develop and retain staff in order to make it a productive workplace. Employee training and development, Employee Selection and Recruitment, Employee Engagement and rewards, Performance Appraisal and communication are the critical issues HR targets to accomplish.

CAUTIONARY STATEMENT

The projections made in this report may constitute forward-looking statements within the meaning of applicable laws and regulations. However, Actual results may differ from those expressed in this report due to the influence of external and internal factors that are beyond the control of the Company such as demand, supply, climatic conditions, economic conditions, political scenario, Government regulations and policies, taxation and other conditions.

ANNEXURE-A

SECRETARIAL AUDIT REPORT

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

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

To,

The Members,

Priya Limited

4th Floor, Kimatrai Building, 77-79,

Maharshi Karve Marg,

Marine Lines (E), Mumbai - 400002

Dear Sirs,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **M/s. Priya Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Priya Limited ("the Company") as given in **Annexure I**, for the financial year ended on 31st March, 2015, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder for specified sections notified and came into effect from 12th September, 2013 and sections and Rules notified and came into effect from 1st April, 2014;

- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder (not applicable to the Company during the Audit Period);
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder (not applicable to the Company during the Audit Period);
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment (not applicable to the Company during the Audit Period);
- (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(not applicable to the Company during the Audit period);
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Regulations, 2009, and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October 2014(not applicable to the Company during the Audit period);
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the Company during the Audit period);
 - f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 (not applicable to the Company during the Audit period), and
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares)

Regulations, 2009 (not applicable to the Company during the Audit period), and;

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

- a. Secretarial Standards issued by The Institute of Company Secretaries of India. (not notified hence not applicable the Company during the Audit Period); and
- b. The Listing Agreements.

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

We further report that:

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

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

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

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

We further report that during the audit period of the Company has:-

- i. Adopted new set of Articles of Associations of the Company vide passing Special Resolution in its Annual General Meeting; and
- ii. The Company has obtained approval of the members under Section 180(1)(a)& 180(1)(c) of the Companies Act, 2013 vide passing Special Resolution in its Annual General Meeting for increase in borrowing limits up to Rs.100 Crores and to give authority to create charge on the assets of the company.

This report is to be read with our letter of even date which is annexed as **Annexure III** and forms an integral part of this report.

For **Sonal Kothari & Associates**

Sd/-
Sonal Kothari
 Proprietor

ACS No.24216 CP No.8769

Date:- 26th May, 2015

Place :- Mumbai

ANNEXURE - I

List of documents verified:

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the financial year ended 31st March, 2014.
3. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination & Remuneration Committee, Share Transfer Committee, Stakeholders' Relationship Committee along with Attendance Register held during the financial year under report.
4. Minutes of General Body Meetings held during the financial year under report.
5. Statutory Registers viz.
 - Register of Directors & KMP
 - Register of Directors' Shareholding
 - Register of loans, guarantees and security and acquisition made by the Company.
 - Register of Investments not held in its own name by the Company
 - Register of contracts with related party and contracts and bodies etc. in which directors are interested.
 - Register of charges
6. Agenda papers submitted to all the directors / members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to the provisions of Section 299 of the Companies Act, 1956 and 184 of the Companies Act, 2013.
8. Intimations received from directors under the prohibition of Insider Trading Code.
9. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 1956 and Companies Act, 2013 and attachments thereof during the financial year under report.
10. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement during the financial year under report.

11. Filings made with Reserve Bank of India under the Foreign Direct Investment Guidelines and for Overseas Direct Investments made by the Company.
12. Documents related to payments of dividend made to its shareholders during the financial year under report.

ANNEXURE - II

List of applicable laws to the Company under the Major Group and Head

1. Factories Act, 1960;
2. Industries (Development & Regulation) Act, 1951
3. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
4. Acts prescribed under Environmental protection;
5. Acts as prescribed under Direct Tax and Indirect Tax;
6. Labour Welfare Act of respective States;
7. The Information Technology Act, 2000;

For Sonal Kothari & Associates

Sd/-
Sonal Kothari
Proprietor

ACS No.24216 CP No.8769

Date:- 26th May, 2015
Place :- Mumbai

Annexure III

To,

The Members,

Priya Limited

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

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

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

For Sonal Kothari & Associates

Sd/-

Sonal Kothari

Proprietor

ACS No.24216 CP No.8769

Date:- 26th May, 2015

Place :- Mumbai

ANNEXURE -B
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2015

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

I. REGISTRATION & OTHER DETAILS

CIN	L99999MH1986PLC040713
Registration Date	22/08/1986
Name of the Company	PRIYA LIMITED
Category/Sub-category of the Company	Company Limited by shares
Address of the Registered office & contact details	4 th Floor, Kimatrai Building, 77-79, Maharshi Karve Marg, Marine Lines (E) Mumbai 400002. Tel. 91-22-4220 3100, Fax- 91-22-4220 3197
Whether listed company	Yes
Name, Address & contact details of the Registrar & Transfer Agent, if any.	Bigshare Services Pvt. Ltd., E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai-400 072. Tel. 91-22- 4043 0200, Fax- 91-22- 2847 5207

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Electronics	996118	97%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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

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

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	19,59,360	0	19,59,360	65.26	19,59,360	0	19,59,360	65.26	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	2,75,800	0	2,75,800	9.19	2,75,800	0	2,75,800	9.19	0.00

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A)	22,35,160	0	22,35,160	74.45	22,35,160	0	22,35,160	74.45	0.00
(1):-									
(2) Foreign									
a) NRIs- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A)	0	0	0	0.00	0	0	0	0.00	0.00
(2):-									
Total shareholding of Promoter (A)= (A)(1)+(A)(2)	22,35,160	0	22,35,160	74.45	22,35,160	0	22,35,160	74.45	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	100	100	0.01	0	100	100	0.01	0.00
b) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FII's	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)	0	100	100	0.01	0	100	100	0.01	0.00
(1):-									
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	56,583	8,600	65,183	2.17	53,034	8,600	61,634	2.05	(0.12)
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2,72,955	1,63,938	4,36,893	14.55	2,65,453	1,60,838	4,26,291	14.20	(0.35)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1,39,742	0	1,39,742	4.65	1,54,014	0	1,54,014	5.13	0.48
c) Others (specify)									
Non Resident Indians	222	0	222	0.01	101	0	101	0.00	(0.01)
Overseas Corporate Bodies	1,25,000	0	1,25,000	4.16	1,25,000	0	1,25,000	4.16	0.00
Sub-total (B) (2):-	5,94,502	1,72,538	7,67,040	25.54	5,97,602	1,69,438	7,67,040	25.54	0.00
Total Public Shareholding (B)=(B)(1)+(B)(2)	5,94,502	1,72,638	7,67,140	25.55	5,97,602	1,69,538	7,67,140	25.55	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	28,29,662	1,72,638	30,02,300	100.00	28,32,762	1,69,538	30,02,300	100.00	0.00

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Arun Kumar Bhuwania	3,66,210	12.20	0.00	3,66,210	12.20	0.00	0.00
2	Priya International Limited	2,75,800	9.19	0.00	2,75,800	9.19	0.00	0.00
3	Ashish Bhuwania	2,80,200	9.33	0.00	2,80,200	9.33	0.00	0.00
4	Arun Kumar Bhuwania	2,00,500	6.68	100.00	2,00,500	6.68	100.00	0.00

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
5	Saroj Bhuwania	5,41,750	18.04	0.00	5,41,750	18.04	0.00	0.00
6	Aditya Bhuwania	2,60,300	8.67	0.00	2,60,300	8.67	0.00	0.00
7	Shruti Bhuwania	1,67,600	5.58	0.00	1,67,600	5.58	0.00	0.00
8	Arunkumar Bhuwania(HUF)	1,00,000	3.33	0.00	1,00,000	3.33	0.00	0.00
9	Mini Bhuwania	38,300	1.28	0.00	38,300	1.28	0.00	0.00
10	Arun Kumar Bhuwania	4,500	0.15	0.00	4,500	0.15	0.00	0.00
	TOTAL	22,35,160	74.45	0.00	22,35,160	74.45	0.00	0.00

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

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	No changes in Promoters shareholding during the year			
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	No changes in Promoters shareholding during the year			
3	At the end of the year	No changes in Promoters shareholding during the year			

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

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Daymount Limited	1,25,000	4.16	1,25,000	4.16
2	Sangeetha S	31,070	1.03	31,070	1.03
3	Sanjaykumar Sarawagi	29,781	0.99	29,781	0.99
4	Ankur Poddar	28,160	0.94	28,160	0.94
5	Maliram Makharia Finstock Pvt. Ltd.	25,000	0.83	25,000	0.83

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6	Pritty Devi Sarawagi	16,551	0.55	17,068	0.57
7	Jayanti Hastimal Jain	11,980	0.40	11,980	0.40
8	Harilal N Dalal	11,200	0.37	11,200	0.37
9	Anuradha Chaudhary	11,000	0.37	11,000	0.37
10	Sunil Kathuria	9,102	0.30	6,377	0.21

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
A. DIRECTORS					
1	Arunkumar Bhuwania - Chairman	5,71,210	19.03	5,71,210	19.03
2	Ashish Bhuwania	2,80,200	9.33	2,80,200	9.33
3	Aditya Bhuwania- Whole Time Director	2,60,300	8.67	2,60,300	8.67
4	Saroj Bhuwania	5,41,750	18.04	5,41,750	18.04
5	R. K. Saraswat	0	0.00	0	0.00
6	M. K. Arora	0	0.00	0	0.00
7	Anuj Bhargava	0	0.00	0	0.00
8	P. V. Hariharan	1,500	0.04	1,500	0.04
B. KEY MANAGERIAL PERSONNEL					
1	Rakesh Jain - Chief Financial Officer	0	0.00	0	0.00
2	Saishwar Dalvi - Company Secretary	0	0.00	0	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.
(Rs. in lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2121.25	308.33	0	2429.58
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	25.96	0	25.96
Total (i+ii+iii)	2121.25	334.29	0	2455.54
Change in Indebtedness during the financial year				
* Addition	0	0	0	0
* Reduction	0	334.29	0	334.29
Net Change	0	334.29	0	0

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the end of the financial year				
i) Principal Amount	2005.03	0	0	2005.03
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0.09	0	0	0.09
Total (i+ii+iii)	2005.12	0	0	2005.12

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Aditya Bhuwania- WTD	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	18,00,000	18,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission - as % of profit - others, specify...	0	0
5	Others, please specify	0	0
	Total (A)	18,00,000	18,00,000
	Ceiling as per the Act		

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	R. K. Saraswat	M. K. Arora	Anuj Bhargava	P. V. Hariharan	
	Fee for attending board committee meetings	90,000	90,000	52,500	15,000	2,47,500
	Commission	0	0	0	0	0
	Others, please specify	0	0	0	0	0
	Total (1)	90,000	90,000	52,500	15,000	2,47,500

SN.	Particulars of Remuneration	Name of Directors				Total Amount
2	Other Non-Executive Directors	A. K. Bhuwania	Saroj Bhuwania	-	-	
	Fee for attending board committee meetings	0	0	-	-	0
	Commission	0	0	-	-	0
	Others, please specify	0	0	-	-	0
	Total (2)	0	0	-	-	0
	Total (B)=(1+2)	90,000	90,000	52,500	15,000	2,47,500
	Total Managerial Remuneration					20,47,500
	Overall Ceiling as per the Act					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD
(Rs. in lacs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		3.33	16.99	20.32
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		0.11	3.03	3.14
2	Stock Option	Not Applicable	0	0	0
3	Sweat Equity		0	0	0
4	Commission				
	- as % of profit		0	0	0
	others, specify...		0	0	0
5	Others, please specify		0	0	0
	Total		3.44	20.02	23.46

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

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

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY

The Company is committed to adopt the best Corporate Governance practices and endeavors continuously to implement the code of Corporate Governance in its true spirit. The philosophy of the Company in relation to Corporate Governance is to ensure transparency in all its operations, make disclosures and enhance shareholders' value without compromising in any way in complying with the laws, rules and regulations.

The Board of Directors acknowledges that it has a fiduciary relationship and a corresponding duty towards the stakeholders to ensure that their rights are protected. Through the Governance mechanism in the Company, the Board along with its Committees endeavors to strike a right balance with its various stakeholders.

2. RIGHTS OF THE SHAREHOLDERS

The Company believes in protecting the rights of the shareholders. It ensures adequate and timely disclosure of all information to the shareholders in compliance with the applicable laws. Shareholders are furnished with sufficient and timely information concerning the general meetings, issues to be discussed thereat and rules regarding holding and conducting the general meetings. All shareholders are treated equitably.

3. ROLE OF THE STAKEHOLDERS

The Company recognises the rights of the stakeholders who are provided opportunity to obtain effective redressal for violation of their rights. Keeping the same in view, the Company has laid down an effective whistle blower policy enabling stakeholders, including employees to freely communicate their concerns about illegal or unethical practices.

4. BOARD OF DIRECTORS

a) Composition and category of Directors:

The Board of Directors of the Company have an optimum combination of Executive, Non-Executive and Independent Directors who represents the optimum mix of professionalism, knowledge and experience.

The Board's composition is in accordance with the requirements of Clause 49 of the Listing agreement.

As on 31st March, 2015, the Board of the Company comprises Eight Directors - Two Executive Directors and Six Non-Executive Directors, of whom Four are Independent Directors. The current strength of the Board includes One Women Director as required under applicable legislation. The Chairman of the Board is a Promoter- Non-Executive Chairman.

Directors' Attendance Record and Directorship / Committee Membership / Chairmanship held as on 31.03.2015

Name of Director	Category	Relationship Inter-se	Attendance		Number of other Directorship and Committee Membership / Chairmanship		
			BM	Last AGM	Others Company Directorship#	Committee Membership@	Committee Chairmanship@
Mr. A. K. Bhuwania	Promoter / Non-Executive Chairman	Father of Ashish Bhuwania and Aditya Bhuwania and Husband of Saroj Bhuwania	3	Yes	2	1	1
Mr. R. K. Saraswat	Independent / Non-Executive Director	None	5	Yes	4	1	4

Name of Director	Category	Relationship Inter-se	Attendance		Number of other Directorship and Committee Membership / Chairmanship		
			BM	Last AGM	Others Company Directorship#	Committee Membership@	Committee Chairmanship@
Mr. M. K. Arora	Independent / Non-Executive Director	None	5	Yes	9	3	0
Mr. Anuj Bhargava	Independent / Non-Executive Director	None	5	Yes	1	-	-
Mr. P. V. Hariharan	Independent/ Non-Executive Director	None	3	Yes	1	-	-
Mr. Ashish Bhuwania	Promoter / Executive Director	Son of A. K. Bhuwania & Saroj Bhuwania and Brother of Aditya Bhuwania	1	No	0	-	-
Mr. Aditya Bhuwania	Promoter / Executive Director	Son of A. K. Bhuwania & Saroj Bhuwania and Brother of Ashish Bhuwania	5	Yes	1	-	-
Mrs. Saroj Bhuwania*	Promoter / Non-Executive Director	Mother of Ashish Bhuwania and Aditya Bhuwania and Wife of A. K. Bhuwania	0	N.A.	1	-	-

* Appointed as Women Director w.e.f. 2nd March, 2015.

Excludes Directorship in Private Limited Companies, Foreign Companies, Companies under section 8 of the Companies Act, 2013.

@ Only Chairmanship / Membership of Audit Committee and Stakeholders Relationship Committee have been considered, excluding in Priya Limited.

b) Appointment / Re-appointment of Directors

Mr. Aditya Bhuwania is proposed to be re-appointed as Whole time Director and Mr. P. V. Hariharan is proposed to be appointed as Independent Director at the ensuing Annual General meeting.

Mrs. Saroj Bhuwania is appointed as Additional Director and she shall hold office only up to the date of this Annual General Meeting and being eligible offer herself for re-appointment as Director

Mr. A. K. Bhuwania, retire by rotation at the ensuing Annual General meeting and being eligible, offer himself for re-appointment. Approval of the shareholders is sought at the ensuing Annual General Meeting for their re-appointment as Directors of the Company.

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

Particulars	Mr. Aditya Bhuwania (DIN:00018911)	Mr. P. V. Hariharan (DIN:03196975)	Mrs. Saroj Bhuwania (DIN: 00018978)	Mr. A. K. Bhuwania (DIN: 00387445)
Date of Birth	13.02.1973	13.01.1954	30.06.1958	30.08.1947
Date of Appointment	13.08.2005	01.07.2010	02.03.2015	22.08.1986
Qualification	B.Sc.(Business Computer System) from Bradley University, Pearie, Illinois (U S A)	B. Sc., Diploma in administration	B.Com.	B.Sc. from University of Calcutta in Maths (Presidency College, Calcutta)
Expertise	Hardware Industry	Chemical Industry	Wide business experience	Hardware Industry
List of other public limited companies (in India) in which outside directorship held	Priya International Ltd.	Priya International Ltd.	Priya International Ltd.	i) Priya International Ltd. ii) VXL Instruments Ltd.
Member of the committee/s of Board of Member of the committee/s of Board of Directors of other companies in which he is a Director	None	None	None	Priya International Ltd:- a) Member of Audit Committee b) Member of Nomination & Remuneration Committee VXL Instruments Ltd.-: a) Chairman of Audit Committee b) Member of Nomination & Remuneration Committee
Relationship with other Director	Son of A. K. Bhuwania & Saroj Bhuwania and Brother of Ashish Bhuwania	None	Mother of Ashish Bhuwania and Aditya Bhuwania and Wife of A. K. Bhuwania	Father of Ashish Bhuwania and Aditya Bhuwania and Husband of Saroj Bhuwania

c) Independent Directors

The Independent Directors of the Company fully meet the requirements laid down under Clause 49 II (B) of the Listing Agreement. As mandated by Clause 49 of the Listing Agreement :

An independent director in relation to a company, means a non executive director other than a nominee director of the Company,

- who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- (i) is or was not a promoter of the company or its holding, subsidiary or associate company;
(ii) is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- apart from receiving director's remuneration, who has or had no material pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher

amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

- who, neither himself nor any of his relatives-
 - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
 - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of-
 - A. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - B. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;
- holds together with his relatives two per cent or more of the total voting power of the company; or
- is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent. or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the company;
- is a material supplier, service provider or customer or a lessor or lessee of the company;
- who is not less than 21 years of age.

Notes:

- 1) **“associate company”**, in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company.

Explanation.-For the purposes of this clause, “significant influence” means control of at least twenty per cent of total share capital, or of business decisions under an agreement.

- 2) **“relative”**, with reference to any person, means anyone who is related to another, if-

- (i) they are members of a Hindu Undivided Family;
- (ii) they are husband and wife; or
- (iii) one person is related to the other in such manner as may be prescribed;

- 3) **“key managerial personnel”**, in relation to a company, means-

- (i) the Chief Executive Officer or the managing director or the manager;
- (ii) the company secretary;
- (iii) the whole-time director;
- (iv) the Chief Financial Officer; and
- (v) such other officer as may be prescribed;

The tenure of the Independent Directors is fixed in accordance with the requirements laid down in the Companies Act, 2013 and clarifications / circulars issued by the Ministry of Corporate Affairs, in this regard, from time to time.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013. The company issued formal letters of appointment to independent directors in the manner as provided in the Companies Act, 2013. The terms and conditions of appointment are disclosed on the website of the company.

d) Performance Evaluation of Directors

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Non Executive Directors. The parameters of performance evaluation of the Non Executive Directors will capture the following points:

- Attendance at meetings of the Board and Committee thereof,
- Participation in Board meetings or Committee thereof,
- Contribution to strategic decision making,
- Review of risk assessment and risk mitigation,
- Review of financial statements, business performance, and
- Contribution to the enhancement of brand image of the Company.

The Board of Directors (excluding the Director being evaluated) had, in their Meeting held on 05th February, 2015 evaluated the performance of all the Directors on the Board.

e) Separate meetings of the Independent Directors

The Independent Directors held a Meeting on 05th February, 2015, without the attendance of Executive Directors and members of Management. At the Meeting, they :

- (i) Reviewed the performance of non-independent directors and the Board as a whole;
- (ii) Reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- (iii) 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 reasonably perform their duties.

f) Familiarisation Programme for Independent Directors

Whenever any person joins the Board of the Company as an Independent Director, an induction programme is arranged. The Company conduct programmes/ presentations periodically to familiarise the Independent Directors with the strategy, operations and functions of the Company through its Executive Directors or Senior Management Personnel. The details of such familiarisation programmes have been disclosed on the Company's website at www.priyagroup.com.

5. BOARD MEETINGS AND GENERAL MEETINGS

A) BOARD MEETINGS

The Board meets at least four times in a year with a maximum time gap of one hundred and twenty days between two Board Meetings is not more than 4 months as per the Clause 49 of the Listing Agreement.

The meetings of the Board of Directors/Committee are held in Mumbai. The Board meets at least once in a quarter interalia to review the quarterly performance and financial results. A total of Five Board Meetings were held during the year 2014-2015 on the following dates:

16th May, 2014, 12th August, 2014, 22nd October, 2014, 5th February, 2015 and 26th March, 2015.

The Board is apprised and informed of all the important matters relating to the business of the Company including those information as prescribed in Annexure X of the Clause 49 of the Listing Agreement. The Whole Time Director finalises the items to be included in the agenda of the meeting and the same is sent to the members of the Board well in advance along with the relevant details and explanatory notes wherever required.

Information Supplied to the Board / Committees

Among others, information supplied to the Board / Committees includes:

- Annual operating plans and budgets and any update thereof.
- Capital budgets and any updates thereof.
- Quarterly results of the Company and its operating divisions or business segments.
- Minutes of the Meetings of the audit committee and all other Committees of the Board.
- The information on recruitment and remuneration of senior officers just below the Board level, including the appointment or removal, if any, of Chief Financial Officer and Company Secretary.
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order, which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards royalty, goodwill, brand equity or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- Sale of material nature of investments, assets which are not in the normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Non-Compliance status of any regulatory, statutory nature or listing requirements and shareholders' service, such as non-payment of dividend, delay in share transfer etc.
- Compliance with all the laws as applicable to the Company.

B) GENERAL MEETING

Details of Annual General Meetings held during the preceding 3 (Three) years are as follows:-

AGM reference	Location	Date	Time	No. of Special Resolutions passed
2013-14 27 th AGM	"Hall of Quest", Nehru Planetarium, Nehru centre Dr. Annie Besant Road, Worli, Mumbai – 400018	20 th August, 2014	11.00 A.M.	3
2012-13 26 th AGM	"Hall of Quest", Nehru Planetarium, Nehru centre Dr. Annie Besant Road, Worli, Mumbai – 400018	6 th September, 2013	11.00 A.M.	Nil
2011-12 25 th AGM	"Hall of Quest", Nehru Planetarium, Nehru centre Dr. Annie Besant Road, Worli, Mumbai – 400018	23 rd August 2012	11.00 A.M.	1

The following Special Resolutions were passed at the AGM held on **20th August, 2014.**

- (i) Approval of Borrowing limits of the Company u/s 180(1)(c) of the Companies Act, 2013.
- (ii) Creation of Charges/ mortgage etc. on the assets of the Company u/s 180 (1)(a) of the Companies Act, 2013.
- (iii) Adopting new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013

There are no Special Resolutions passed at the AGM held on **6th September, 2013.**

The following Special Resolutions were passed at the AGM held on **23rd August 2012.**

- (i) Re-appointment of Mr. Ashish Bhuwania as a Whole Time Director designated as Executive Director.

Postal Ballots

No resolutions are proposed to be conducted through postal ballot at the ensuing AGM.

C) EXTRA ORDINARY GENERAL MEETING

No Extra Ordinary General Meeting of the Shareholders was held during the financial year ended 31st March, 2015.

6. BOARD COMMITTEES:

As mandated by the revised Clause 49 which has become applicable to the Company with effect from 1st October, 2014, none of the Directors on the Board is a Member of more than ten (10) Committees and none is a Chairman of more than five (5) Committees across all the Indian Public Limited Companies in which they are Directors. All the Directors have made necessary disclosures regarding Committee positions held by them in other Companies.

To align with the requirements prescribed for such Board Committees under the provisions of the Companies Act, 2013 and the revised Clause 49 of the Listing Agreement, during the year ended 31 March, 2015, the Board of Directors amended the terms of references, wherever required.

The Board has constituted the following committees of Directors:-

- I. Audit Committee
- II. Nomination and Remuneration Committee
- III. Stakeholders Relationship Committee
- IV. Share Transfer Committee.

I) AUDIT COMMITTEE

a) Terms of Reference

The term of reference of the Audit Committee include the matters specified under sub clause (III) of clause 49 of the Listing Agreement.

b) Composition

The Audit Committee comprises of three Directors two of whom are Non Executive Independent Directors including the Chairman of the Audit Committee. The details of the members are as under:

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

The Company Secretary and Compliance Officer: Mr. Saishwar Dalvi, acts as Secretary of the Audit Committee. The members of the Audit Committee are financially literate and two members has accounting and related financial management expertise. The Statutory Auditor, Internal Auditor and Chief Financial Officer are invitees to the meetings.

c) Power of Audit Committee

The audit committee has the following powers:-

- i) To investigate any activity within its terms of reference;
- ii) To seek information from any employee;
- iii) To obtain outside legal or other professional advice;
- iv) To secure attendance of outsiders with relevant expertise, if it considers necessary.

d) Role of Audit Committee:

- i) Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- ii) Recommending the appointment, re-appointment and if required, the replacement or removal of the statutory auditor and the fixation of audit fee.
- iii) Approval of payment to statutory Auditors for any other services rendered by the statutory auditors.
- iv) Reviewing with management the annual financial statements before submission to the board for approval, with particular reference to:
 - a) Matter required to be included in the Directors Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of related party transactions.
 - g) Qualifications in draft audit report.
- v) Reviewing with the management, the quarterly financial statements before submission to the board for approval
- vi) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- vii) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- viii) Approval or any subsequent modification of transactions of the company with related parties;
- ix) Scrutiny of inter-corporate loans and investments;
- x) Valuation of undertakings or assets of the company, wherever it is necessary;
- xi) Evaluation of internal financial controls and risk management systems;
- xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of the internal audit.

- xiv) Discussion with internal auditors any significant findings and follow up thereon.
- xv) 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.
- xvi) Discussion with statutory auditors before the audit commences about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- xviii) To review the functioning of the Whistle Blower Mechanism,
- xix) Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- xx) Carrying out any other function(s) as is mentioned in the terms of reference of the audit committee.

e) Review of Information by the Audit Committee

The audit committee reviews the following information:

- i) Management discussion and analysis of financial condition and results of operation.
- ii) Statement of significant related party transaction (as defined by audit committee) submitted by the management.
- iii) Management letters/letters of internal control weaknesses issued by the statutory auditors.
- iv) Internal audit reports relating to internal control weaknesses and
- v) The appointment, removal and terms of remuneration of the internal auditors shall be subject to review by the audit committee.

f) Audit Committee meetings and attendance

The Audit Committee generally meets once in a quarter to inter-alia, to review the quarterly performance and the financial results.

The Audit Committee met 4 (four) times during the year.

NAME	CATEGORY	Audit committee meeting held during 2014-2015			
		16.05.14	12.08.14	22.10.14	05.02.15
Mr. R.K. Saraswat	Chairman	Present	Present	Present	Present
Mr. M.K Arora	Member	Present	Present	Present	Present
Mr. A.K Bhuwania	Member	Present	Present	Present	Absent

The Chairman of the Audit Committee was present in the last Annual General Meeting, and replied to the queries of shareholders of the Company.

II) NOMINATION AND REMUNERATION COMMITTEE

a) Terms of Reference

The Company's Nomination and Remuneration Committee is vested with all the necessary powers and authority to ensure appropriate disclosure on the remuneration of whole-time director and to deal with all the elements of remuneration package of Directors and Management Personnel.

- (i) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.

- (ii) Formulation of criteria for evaluation of Independent Directors and the Board;
- (iii) Devising a policy on Board diversity.
- (iv) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

b) Composition and Attendance at Meeting

The Nomination and Remuneration Committee comprises of 4 (Four) Non-Executive Members out of which 3 (Three) are Independent Directors.

Mr. M. K. Arora, Non - Executive Independent Director of the Company is the Chairman of the Committee.

The details of the composition, categories and attendance during the year are as under.

Name of Director/ Member	Designation	Category	Committee Meeting held on 16 th May, 2014
Mr. M. K. Arora	Chairman	Independent / Non-Executive Director	Present
Mr. R.K. Saraswat	Member	Independent / Non-Executive Director	Present
Mr. A. K. Bhuwania	Member	Non Executive Chairman	Present
Mr. Anuj Bhargava	Member	Independent / Non-Executive Director	Present

c) Remuneration Policy

The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent. The remuneration policy is in consonance with the existing practice in the Industry.

d) Details of remuneration paid to the directors during the year 2014-15 are given below:-
A. Non Executive Director's Remuneration

The Non Executive Directors of the Company do not draw any remuneration from the Company other than sitting fees for attending Board and Audit Committee Meeting. The payment of remuneration by way of sitting fees is as under:

Name of Director	Category	Sitting Fees(Rs.)
Mr. A. K. Bhuwania	Promoter/Non-Executive Chairman	Nil
Mr. R K Saraswat	Independent/ Non Executive Director	90,000
Mr. M K Arora	Independent/ Non Executive Director	90,000
Mr. Anuj Bhargava	Independent/ Non Executive Director	52,500
Mr. P. V. Hariharan	Independent /Non Executive Director	15,000
Total		2,47,500

B. Executive Director's Remuneration

The Whole Time Directors (designated as Executive Directors) are being paid in accordance with and subject to the limits laid down in the Schedule V of the Companies Act, 2013. The remuneration to the Whole time Directors are approved by the Board of Directors and subsequently ratified by the shareholders in their general meeting. The payment of remuneration to Executive Director is as under:

Name of Director	Category	Remuneration (Rs.)
Mr. Aditya Bhuwania	Promoter / Executive Director	18,00,000
TOTAL		18,00,000

1. The Company does not have policy of paying commission on profits to any of the Directors of the Company.
2. Presently, the Company does not have a scheme for grant of stock options either to the whole-time Directors or Employees of the Company.
3. There is no separate provision for payment of severance fees.

III) STAKEHOLDERS RELATIONSHIP COMMITTEE

a) Terms of reference

The terms of reference of the Committee include redressing Shareholders/ Investors complaints like transfer and transmission of shares, issue of duplicate share certificate, non-receipt of balance sheet, non-receipt of dividend etc. and to ensure expeditious share transfer process.

b) Composition of the committee

The Stakeholders Relationship Committee comprises of 3 (Three) members viz. Mr. M. K. Arora, Mr. A. K. Bhuwania & Mr. R. K. Saraswat

Mr. M. K. Arora, Non- Executive and Independent Director is the Chairman of the Shareholders / Investors Grievance Committee.

Mr. Saishwar Dalvi, Company Secretary of the Company is Compliance Officer of the Company. The Company Secretary is the secretary to the Stakeholders Relationship committee. During the year under review, 1 (One) meeting of Stakeholders Relationship Committee was held on 16th May 2014.

During the year under review 3 (Three) complaints have been received by the Company from Investor(s) & no complaints were pending at end of the year.

IV) SHARE TRANSFER COMMITTEE

a) Terms of reference

The terms of reference of the Committee include giving effects to the shares transfer and transmission of shares, issue of duplicate share certificate etc.

Bigshare Services Private Limited is the Registrar and Share Transfer Agent of the Company and the Committee oversees the performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement in the quality of investor services.

b) Composition of the committee

The Committee comprises of 3 (Three) members and Mr. Aditya Bhuwania, Executive Director of the Company is the Chairman of the Share Transfer Committee.

The Composition of the Share Transfer Committee is as under:

Name of the Director	Executive/ Non-Executive
Mr. A. K. Bhuwania	Promoter/ Non-Executive Director
Mr. Aditya Bhuwania	Promoter/ Executive Director
Mr. Saishwar Dalvi	Company Secretary & Compliance Officer

During the year under review, the Committee met 8 (Eight) times on 11.07.2014, 16.09.2014, 05.11.2014, 25.11.2014, 02.12.2014, 05.12.2014, 12.12.2014 and 30.12.2014.

No request for share transfer/ transmission etc. received during the financial year was pending for more than two weeks and no transfer / transmissions of shares etc. were pending as on 31st March 2015.

7. DISCLOSURES:

a) Whistle Blower Policy/Vigil Mechanism

In line with the best Corporate Governance practices, Priya Limited, has put in place a system through which the Directors, employees and business associates may report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct without fear of reprisal. The Company has put in place a process by which employees and business associates have direct access to the Higher level and Compliance Officer. The Whistle-blower Policy is placed on the website of the Company.

b) Subsidiary Company

The Company does not have any subsidiary Company.

c) Related Party Transactions

The Company has formulated a policy on Related Party Transactions and also on dealing with Related Parties which is disclosed on the website of the Company and the weblink is http://www.priyagroup.com/pdf/pl_Related_Party_Transaction_policy.pdf

All Related Party Transactions have been approved by the Audit Committee. The Company has taken omnibus approval of Audit Committee for a period of one year. The Audit Committee has reviewed on quarterly basis the details of Related Party Transactions entered into by the Company pursuant to such omnibus approval.

8. OTHER DISCLOSURES

- a) There are no materially related party transactions. Related party transactions are disclosed in Note No. 33 to the financial statement in the Annual Report. The Audit Committee had reviewed and approved the related party transactions as mandatory requirement under clause 49 of the Listing Agreement. The policy of related party transactions is available on the website of the Company.
- b) The Company has prepared the financial statements in compliance with the Accounting Standards applicability to the Company. There is no material departure from the accounting treatment prescribed under the Accounting Standards.
- c) The Company had complied with the requirement of the Stock Exchange, SEBI and other statutory authorities on all matters relating to capital market during the last three years. No pecuniary structures have been imposed on the Company by any of the above mentioned authorities.
- d) The Company has complied with all the mandatory requirements and has also disclosed information relating to non-mandatory requirements.
- e) Management Discussion and Analysis Report forms part of the Annual Report.

9. MEANS OF COMMUNICATION

The Un-audited and Audited Financial Results of the Company for each Quarter and for the year ended as the case may be were published in Free Press Journal (English) and Navshakti (Marathi).

The said financial results were also displayed on the Company's website i.e. www.priyagroup.com.

10. NON-MANDATORY REQUIREMENTS:

(1) Shareholder Rights

The Quarterly, Half yearly and Annual Financial Results of the Company are published in the Newspapers, besides notifying to the Stock Exchanges where the Company shares are listed. The Quarterly, Half yearly and Annual Financial Results are also available on Company's website. The Audited annual report is also sent to every shareholders of the Company.

(2) Audit qualifications

There are no qualifications in the Auditors' Report to the Members on the Financial Accounts for the year ended 31.03.2015.

(3) Reporting of Internal Auditor

The Internal Auditor directly reports to the Audit Committee

(4) Other Non-Mandatory Requirements

The other Non-mandatory requirements will be implemented in due course as and when required and/or deemed necessary by the Board.

11. SECRETARIAL AUDIT

The secretarial audit report by M/s. Sonal Kothari & Associates, a Practising Company Secretary, forms part of the Annual Report, have no adverse remarks for the year ended 31st March, 2015. The report is self-explanatory.

12. GENERAL SHAREHOLDERS INFORMATION:

- a. Date and time of AGM** : Thursday, 20th August, 2015 at 11.00 A.M.
- b. Venue** : "Hall of Quest", Nehru Planetarium, Nehru Centre,
Dr. Annie Besant Road, Worli, Mumbai – 400 018
- c. Financial Year** : 1st April 2014 to 31st March 2015
- d. FINANCIAL CALENDAR (Provisional) for 1st April, 2015 – 31st March, 2016**
 - 1st Quarterly Result : On or before 14th August, 2015.
 - 2nd Quarterly Result : On or before 14th November, 2015.
 - 3rd Quarterly Result ; On or before 14th February, 2016.
 - Annual Results : On or before 30th May, 2016
- e. Book Closure dates** : 13th August, 2015 to 20th August, 2015 (both days inclusive)
- f. Dividend Payment date** : Within 30 days from the date of declaration
- g. Listing on Stock Exchanges:**
 - 1. The Bombay Stock Exchange Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 023
 - 2. The Calcutta Stock Exchange Limited* (applied for delisting), 7, Lyons Range, Kolkata – 700 001
- h. Listing Fees**
 - i. Listing fees of BSE have been paid.
 - ii. Fees of CSE has not been paid*
- i. Stock Code (BSE)** : 524580
- j. ISIN No. :** : **INE686C01014** (For dematerialization of shares)
- k. Registered Office :** : 4TH Floor, Kimatrai Building, 77-79 Maharshi Karve Marg,
Marine Lines (E) Mumbai 400002

*Application for delisting of equity shares of the Company from Calcutta Stock Exchange Limited has made long back but the said exchange has not granted in-principle permission of de-listing till date.

l. Market Price Data:

The monthly high and low prices of Equity Shares of the Company on The Bombay Stock Exchange Limited (BSE), and BSE Sensex during the year 2014-2015 are as under:

MONTH	RATES (Rs.)		BSE SENSEX (Rs.)	
	HIGH	LOW	HIGH	LOW
APRIL, 14	25.20	24.00	22,939.31	22,197.51
MAY, 14	27.00	20.75	25,375.63	22,277.04
JUNE, 14	33.95	25.75	25,735.87	24,270.20
JULY, 14	34.20	29.65	26,300.17	24,892.00
AUGUST, 14	38.35	27.20	26,674.38	25,232.82
SEPTEMBER, 14	33.40	27.00	37,354.99	26,220.49
OCTOBER, 14	30.45	23.10	27,894.32	25,910.77
NOVEMBER, 14	38.20	25.00	28,822.37	27,764.75
DECEMBER, 14	37.45	25.05	28,809.64	26,469.42
JANUARY, 15	35.90	27.15	29,844.16	26,776.12
FEBRUARY, 15	43.05	31.00	29,560.32	28,044.49
MARCH, 15	42.50	29.10	30,024.74	27,248.45

m. Distribution of shareholding: as on 31st March, 2015

Distribution range of Shares	No of Shareholders	% of shareholders	No. of shares held	% of shareholding
1 to 500	2166	94.22	255709	8.53
501 to 1000	65	2.83	49906	1.66
1001 to 2000	20	0.87	29733	0.99
2001 to 3000	10	0.44	25057	0.83
3001 to 4000	4	0.17	16000	0.53
4001 to 5000	7	0.30	33447	1.11
5001 to 10000	7	0.30	45789	1.53
10001 & Above	20	0.87	2546659	84.82
Total	2299	100.00	3002300	100.00

n. Categories of Shareholding as on 31st March, 2015

SHAREHOLDING PATTERN		
Category of Shareholders	No. of shares held	%
Promoters and Promoters Group	2235160	74.45
Mutual Funds and UTI	100	00.01
Bodies Corporate	61634	02.05
Indian Public	580305	19.33
NRI/OCB	125101	04.16
TOTAL	3002300	100.00

- o. Registrar and Share Transfer :** Bigshare Services Pvt. Ltd. E-2/3,
Agents (Common agency for Demat and Share Transfer) Ansa Industrial Estate, Sakivihar Road,
 Saki Naka, Andheri(E), Mumbai- 400 072.
 Tel: 022-4043 0200
 022-2847 0652
 Fax: 022-2847 5207
 Email: info@bigshareonline.com

- p. Dematerialization of shares & liquidity** : The Equity Shares of Company are dematerialized with National Security Depository Limited and Central Depository Services (India) Limited and the total number of Shares dematerialized as on 31.03.2015 is 28,32,762.
- q. Share Transfer System** : Trading in Equity Shares of the Company is permitted in dematerialized form. Shares sent for transfer in physical form are registered and returned in a period of fifteen days of the receipt of the document, provided the documents are valid and complete in all respect.
- r. Out-standing GDRs/ADRs/ Warrants or any Convertible Instruments** : NIL
- s. Plant Location** : Not applicable as the Company has no Plant.
- t. Address for correspondence** **Priya Limited**
 4TH Floor, Kimatrai Building, 77/79 Maharshi Karve Marg, Marine Lines (E), Mumbai 400 002.
 Tel. No. 022 4220 3100

COMPLIANCE WITH CODE OF CONDUCT

As the Chief Financial Officer of the Company and as required by the clause 49 of Listing Agreement, I hereby certify that all the Board Members and Senior Management personnel have affirmed their compliance with the code of conduct as laid down by the Board for the Financial year ended 31st March 2015.

Place: Mumbai
 Date: 26th May, 2015

Rakesh Jain
 Chief Financial Officer

CERTIFICATION BY WHOLE TIME DIRECTOR AND CHIEF FINANCIAL OFFICER

We, the undersigned of the Company hereby certify that :

1. We have reviewed the financial statements and the cash flow statement for the year 31st March 2015 and that to the best of their knowledge and belief :
 - These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. That there are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies and
4. We have indicated to the auditors and the Audit committee that there are:
 - significant changes in internal control over financial reporting during the year ,if any;
 - significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any; and
 - No instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Aditya Bhuwania
Whole Time Director

Rakesh Jain
Chief Financial Officer

Place : Mumbai

Date : 26th May 2015

CERTIFICATE FROM AUDITORS REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of **PRIYA LIMITED**

We have examined the compliance of conditions of Corporate Governance by **PRIYA LIMITED**, for the year ended on 31st March, 2015, 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 was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of the Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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

For **M. L. Bhuwania & Co.**
Chartered Accountants

sd/-
Ashish Bairagra

Partner

Place: Mumbai

Date: 26th May, 2015

Membership No.109931

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF PRIYA LIMITED****Report on the Financial Statements**

We have audited the accompanying standalone financial statements of PRIYA LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2015 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No.19 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

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

Sd/-
Ashish Bairagra
Partner
Membership No.109931

Place: Mumbai
Date: 26th May, 2015

Annexure referred to in paragraph titled as “Report on other legal and regulatory requirement” of Auditor’s report to the members of Priya Limited for the year ended on 31st March, 2015.

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

- (i) (a) The company is maintaining the proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the Company are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and discrepancies noticed between the book records and the physical inventories were not material and have been properly dealt with in the accounts.
- (ii) (a) During the year, the inventories have been physically verified by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of 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 records of inventories, we are of the opinion that the Company is maintaining proper records of inventories. The discrepancies noticed on physical verification of inventories as compared to the book records were not material and have been properly dealt with in the books of account.
- (iii) During the year, the Company has not granted any loan, secured or unsecured, to companies, firms and other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Accordingly clause (iii) of the Order is not applicable to the Company.
- (iv) 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 for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit no continuing failure to correct major weakness in such internal controls system has been observed.
- (v) The Company has not accepted any deposits from the public during the year. Accordingly, clause 4 (v) of the Order is not applicable to the Company.
- (vi) The Central Government has not prescribed maintenance of cost records under Section 148 (1) of the Companies Act, 2013, for any of the products of the Company. Accordingly, clause 4 (vi) of the Order is not applicable to the Company.
- (vii) (a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Excise Duty, Customs Duty, Cess and other statutory dues applicable to it with the appropriate authorities except undisputed amounts were outstanding at the year end for a period of more than six months from the date they became payable in respect of Works Contract Rs. 1,274, Sales Tax Rs. 210,277 and Income Tax of Rs. 116,437.
- (b) According to the records of the Company, there are no dues of Excise duty, Wealth Tax, Service Tax, Customs Duty and Cess, which have not been deposited on account of any dispute.

The disputed amounts that have not been deposited in respect of Income Tax and sales tax are as under:

Name of Statute	Nature of Dues	Financial Year	Amount (Rs.)	Forum where dispute is pending
Income Tax Act, 1961	Demand for tax liability	2010-11	6,83,140	Commissioner of Income Tax (Appeal)
Income Tax Act, 1961	Demand for tax liability	2011-12	1,33,480	Commissioner of Income Tax (Appeal)
Bihar Finance Act, 1981	Demand for Sales Tax	2003-04 to 2005-06	2,45,182	Deputy Commissioner of Sales Tax

Name of Statute	Nature of Dues	Financial Year	Amount (Rs.)	Forum where dispute is pending
Kochi Value Added Tax, 2003	Demand for Sales Tax	2006-07	2,728	The Intelligence Officer of Commercial Tax
Central Sales Tax Act, 1956	Demand for Sales Tax	2001-02 to 2006-07	69,03,551	Deputy Commissioner of Commercial Taxes
West Bengal Sales Tax Act, 1954	Demand for Sales Tax	2003-04 to 2007-08	6,44,322	Deputy Commissioner of Commercial Taxes

- (c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- (viii) The Company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the current and immediately preceding financial year.
- (ix) The Company has not defaulted in repayment of dues to the banks. The Company has not borrowed from the financial institutions and does not have any borrowings by way of debentures.
- (x) According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Accordingly, clause 3 (x) of the order is not applicable to the Company.
- (xi) On the basis of our examination of the documents and records and according to the information and explanations given to us, we are of the opinion that term loans have been applied for the purposes for which they were obtained.
- (xii) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit for the year ended March 31, 2015.

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

Sd/-
Ashish Bairagra
Partner
Membership No.109931

Place: Mumbai
Date: 26th May, 2015

BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Note No.	March 31, 2015 Rs.	March 31, 2014 Rs.
I EQUITY AND LIABILITIES			
(1) Shareholder's funds			
(a) Share capital	1	30,023,000	30,023,000
(b) Reserves & surplus	2	295,847,991	292,965,708
(2) Non- current liabilities			
(a) Long - term borrowings	3	951,298	3,240,131
(b) Other long - term liabilities	4	435,960	785,960
(c) Long - term provisions	5	8,987,672	7,025,088
(3) Current liabilities			
(a) Short-term borrowings	6	199,552,441	239,717,454
(b) Trade payables	7	168,497,317	324,758,664
(c) Other current liabilities	8	5,161,065	7,379,524
(d) Short - term provisions	9	5,096,581	4,279,877
TOTAL		714,553,325	910,175,406
II ASSETS			
(1) Non - current assets			
(a) Fixed assets			
(i) Tangible assets	10	25,602,973	30,777,872
(ii) Intangible Assets	10	98,565	168,141
(b) Non - current investment	11	36,049,450	36,049,450
(c) Deferred tax assets	12	6,757,701	6,552,105
(d) Long - term loans and advances	13	13,691,596	9,206,402
(2) Current assets			
(a) Inventories	14	25,909,351	16,937,979
(b) Trade receivables	15	536,479,712	731,699,094
(c) Cash & bank balances	16	28,840,519	32,051,923
(d) Short- term loans and advances	17	40,677,332	46,108,349
(e) Other current assets	18	446,126	624,091
TOTAL		714,553,325	910,175,406
Contingent Liabilities and Commitments	19		
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS	1 to 41		

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

As per our report attached of even date

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

FOR AND ON BEHALF OF THE BOARD

Sd/-
ASHISH BAIRAGRA
 PARTNER
 MEMBERSHIP NO.109931

Sd/-
R.K.SARASWAT
 DIRECTOR

Sd/-
ADITYA BHUWANIA
 WHOLE TIME DIRECTOR

PLACE : MUMBAI
 DATED : 26th May, 2015

Sd/-
RAKESH JAIN
 CHIEF FINANCIAL
 OFFICER

Sd/-
SAISHWAR DALVI
 COMPANY SECRETARY

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	Note No.	2014-15 Rs.	2013-14 Rs.
Revenue from operations	20	1,321,539,248	1,772,072,527
Other income	21	6,973,928	23,443,379
Total Revenue		1,328,513,176	1,795,515,906
Expenses			
Purchases of stock - in - trade	22	1,239,613,905	1,667,775,454
Changes in inventories of stock - in - trade	23	(8,971,372)	(5,873,317)
Employee benefit expenses	24	26,987,574	21,850,757
Finance costs	25	12,058,296	23,762,249
Depreciation & amortization expense	10	5,350,279	3,439,748
Other expenses	26	42,858,198	55,932,765
Total Expenses		1,317,896,880	1,766,887,656
Profit before exceptional and extraordinary items & tax		10,616,296	28,628,250
Exceptional items		-	-
Profit before extraordinary items and tax		10,616,296	28,628,250
Extraordinary items		-	-
Profit before tax		10,616,296	28,628,250
Less: Tax expense			
(1) Current tax			
of Current years		4,047,000	9,573,000
of Earlier years		63,246	1,963,595
(2) Deferred tax		(135,557)	(47,371)
Profit for the year		6,641,607	17,139,026
Basic & Diluted Earning Per Share	27	2.21	5.71
Face Value Per Equity Share		10.00	10.00

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS

1 to 41

The notes referred above form an integral part of the Statement of Profit and Loss

As per our report attached of even date
FOR M. L. BHUWANIA & CO.
CHARTERED ACCOUNTANTS
Firm Registration Number : 101484W

FOR AND ON BEHALF OF THE BOARD

Sd/-
ASHISH BAIRAGRA
PARTNER
MEMBERSHIP NO.109931

Sd/-
R.K.SARASWAT
DIRECTOR

Sd/-
ADITYA BHUWANIA
WHOLE TIME DIRECTOR

PLACE : MUMBAI
DATED : 26th May, 2015

Sd/-
RAKESH JAIN
CHIEF FINANCIAL
OFFICER

Sd/-
SAISHWAR DALVI
COMPANY SECRETARY

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	2014-15 Rs.	2013-14 Rs.
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax & Extraordinary Items	10,616,296	28,628,250
Adjustment for :		
Depreciation	5,350,279	3,439,748
Bad Debts Written Off (Net)	108	11,805
Interest income	(1,972,549)	(1,960,033)
Interest expenses	10,148,517	21,830,375
(Profit)/Loss on Sale of Assets (Net)	-	(59,955)
Sundry balance written off (Net)	86,219	(1,042,267)
Exchange Rate Fluctuation (Net)	(1,997,139)	(2,532,996)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	22,231,731	48,314,927
ADJUSTMENTS FOR WORKING CAPITAL CHANGES :		
Inventories	(8,971,372)	(5,873,316)
Trade receivables	197,265,787	(45,416,290)
Short- term Loans and Advances	5,768,815	(30,884,505)
Long - term Loans and Advances	(4,527,818)	63,591,783
Other Current Assets	34,225	(511,327)
Trade Payable	(156,605,963)	(38,485,064)
Short - term Provision	531,602	390,839
Long - term Provision	1,962,584	(189,424)
Other Current Liabilities	571,127	(5,682,121)
Other Long - term Current Liabilities	(356,823)	785,960
Cash Generated from Operations	57,903,895	(13,958,538)
Direct Taxes Refund (Net)	(3,865,512)	(12,929,794)
NET CASH FROM OPERATING ACTIVITIES	54,038,383	(26,888,332)
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(321,670)	(10,265,768)
Sale of Fixed Assets	-	64,344
Interest Received	2,007,135	1,954,569
NET CASH USED IN INVESTING ACTIVITY	1,685,465	(8,246,855)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Borrowings	(42,453,846)	(2,694,697)
Proceeds from Borrowings	25,004	50,776,872
Interest Paid	(12,754,016)	(21,699,318)
Dividend Paid (Including Dividend Tax)	(3,414,596)	(3,385,693)
NET CASH USED IN FINANCING ACTIVITY	(58,597,454)	22,997,164
NET CHANGES IN CASH & CASH EQUIVALENTS(A+B+C)	(2,873,606)	(12,138,024)
OPENING BALANCE OF CASH & CASH EQUIVALENTS	11,066,075	23,204,099
CLOSING BALANCE OF CASH & CASH EQUIVALENTS	8,192,469	11,066,075
	(2,873,606)	(12,138,024)

Notes

- CASH AND CASH EQUIVALENTS INCLUDES (Refer Note No. 16) :
Cash in Hand 78,148 57,211
Balance with Scheduled Banks
In current account 8,114,321 11,008,864
8,192,469 11,066,075
- Interest Received excludes interest received on account of Income tax refund of Rs. Nil (Previous Year Rs. Nil) and on account from parties Rs.85,654/- (Previous Year Rs. 68,180/-), which has been considered from operational activities of the company.
- Previous year figures have been regrouped and rearranged wherever considered necessary to make them comparable with those of the current year.

As per our report attached of even date

FOR M. L. BHUWANIA & CO.
CHARTERED ACCOUNTANTS
Firm Registration Number : 101484W
FOR AND ON BEHALF OF THE BOARD
Sd/-
ASHISH BAIRAGRA
PARTNER
MEMBERSHIP NO.109931
Sd/-
R.K.SARASWAT
DIRECTOR
Sd/-
ADITYA BHUWANIA
WHOLE TIME DIRECTOR
PLACE : MUMBAI
DATED : 26th May, 2015
Sd/-
RAKESH JAIN
CHIEF FINANCIAL OFFICER
Sd/-
SAISHWAR DALVI
COMPANY SECRETARY

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

1 SHARE CAPITAL

Particulars	As at March 31, 2015	As at March 31, 2014
Authorized Shares		
6,500,000 Equity shares, Rs. 10 /-par value		
(Previous Year : 6,500,000 Equity shares, Rs. 10 /- par value)	65,000,000	65,000,000
1,000,000 Unclassified Shares Of Rs. 10/- par value	10,000,000	10,000,000
(Previous Year : 1,000,000 Unclassified shares, Rs. 10 /- par value)		
	75,000,000	75,000,000
Issued, Subscribed and Fully Paid Up Shares		
3,002,300 Equity shares, Rs. 10 /- par value	30,023,000	30,023,000
(Previous Year : 3,002,300 Equity shares, Rs. 10 /-par value)		
Total Issued, Subscribed and Fully Paid Up Share Capital	30,023,000	30,023,000

Note No. 1.1 The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31-03-2015 :

Particulars	As at March 31, 2015		As at March 31, 2014	
	No. of shares	Amount (Rs.)	No. of shares	Amount (Rs.)
Number of shares at the beginning	3,002,300	30,023,000	3,002,300	30,023,000
Add: Shares issued during the year	-	-	-	-
Less : Shares Bought back (if any)	-	-	-	-
Number of shares at the end	3,002,300	30,023,000	3,002,300	30,023,000

Note No. 1.2 Terms/rights attached to Equity Shares

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

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

Name of the shareholders	No. of shares held	% held as at March 31, 2015	No. of shares held	% held as at March 31, 2014
Arun Kumar Bhuwania	571,210	19.03	571,210	19.03
Saroj Bhuwania	541,750	18.04	541,750	18.04
Ashish Bhuwania	280,200	9.33	280,200	9.33
Priya International Limited	275,800	9.19	275,800	9.19
Aditya Bhuwania	260,300	8.67	260,300	8.67
Shruti Bhuwania	167,600	5.58	167,600	5.58

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (Contd.)

2 RESERVES & SURPLUS

Particulars	As at March 31, 2015	As at March 31, 2014
Securities Premium Reserve (As per last year balance sheet)	40,092,000	40,092,000
Less : Utilisation	-	-
	<u>40,092,000</u>	<u>40,092,000</u>
General Reserve (As per last year balance sheet)	157,023,002	157,023,002
Add: Transferred from surplus	-	-
Less: Adjustment of carrying amount (Net of Deferred tax) as per Schedule II of Companies Act 2013 (Refer Note No. 10.1)		
Carrying Amount 215,866 (Net of residual value)		
Less : Adjustment of Deferred Tax 70,038	145,828	157,023,002
	<u>156,877,174</u>	
Surplus - Opening balance	95,850,706	82,224,220
Add: Net profit after tax transferred from statement of profit & loss	6,641,607	17,139,026
Amount available for appropriation	<u>102,492,313</u>	<u>99,363,246</u>
Less : Appropriations		
Proposed Dividend	3,002,300	3,002,300
Dividend Tax	611,196	510,241
Surplus Closing Balance	<u>98,878,817</u>	<u>95,850,706</u>
Total of Reserves & Surplus	<u>295,847,991</u>	<u>292,965,708</u>

3 LONG TERM BORROWINGS

Particulars	As at March 31, 2015	As at March 31, 2014
Secured Loans		
<u>Term Loan from bank</u>		
Vehicle Loan (Refer Note No. 3.1)	186,355	968,220
<u>Term Loan from others</u>		
Loans from Finance Companies (Refer Note No. 3.1)	764,943	2,271,911
	<u>951,298</u>	<u>3,240,131</u>

Note No. 3.1

1. Secured by hypothecation of Vehicle.
2. The above vehicle Loan was originally payable in 36 Installments and no default in repayment of Principal & Interest has been made by company as on Balance Sheet date. The rate of interest ranges between 1.99 % to 10.51 %.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (Contd.)

4 OTHER LONG TERM LIABILITIES

Particulars	As at March 31, 2015	As at March 31, 2014
<u>Others</u>		
Securities Deposits (Refer Note No. 4.1)	435,960	785,960
	435,960	785,960

Note No. 4.1
Other Long Term Liabilities due by directors or other officers, etc.

Rental Deposits - Company in which directors are interested	-	350,000
	-	350,000

5 LONG TERM PROVISIONS

Particulars	As at March 31, 2015	As at March 31, 2014
<u>Provisions for Employee Benefits</u>		
Leave Encashment (Refer Note No. 32)	1,567,966	1,158,304
Gratuity (Refer Note No. 32)	7,050,121	5,546,852
<u>Others</u>		
Warranty (Refer Note No. 35)	369,585	319,932
	8,987,672	7,025,088

6 SHORT TERM BORROWINGS

Particulars	As at March 31, 2015	As at March 31, 2014
Secured Loans		
<u>Other Loans and Advances</u>		
<u>From Banks</u>		
Working Capital Facilities From Company's Bankers (Refer Note No. 6.1)	199,552,441	208,884,871
Unsecured Loans		
<u>Loans and Advance from Related Parties</u>		
Inter Corporate Deposits	-	30,832,583
	199,552,441	239,717,454

Note No. 6.1

Secured against Hypothecation of Goods & Book Debts, Equitable mortgage on specific immovable properties of the company & related parties, Hypothecation of other Movable Assets of the company, personal guarantee of some directors of the company and corporate guarantee for the balance outstanding at the year end and Pledge of shares of the company by the Promoters.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (Contd.)

7 TRADE PAYABLES

Particulars	As at March 31, 2015	As at March 31, 2014
Sundry Creditors For Goods (Refer Note No. 7.1)	162,083,052	317,431,046
Sundry Creditors For Expenses (Refer Note No. 7.1)	6,414,265	7,327,618
	168,497,317	324,758,664

Note No. 7.1

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

8 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2015	As at March 31, 2014
Current Maturities of Long Term Debt (Refer Note No. 3.1)	2,288,833	2,263,829
Interest Accrued but not due on borrowings	8,870	2,596,406
Unpaid Dividends	471,271	373,326
<u>Other Liabilities</u>		
Bank Overdraft	29,272	602,068
Securities Deposits (Refer Note No. 8.1)	350,000	-
Advances From Customers	19,257	45,126
Statutory Dues Payable	1,993,562	1,498,769
	5,161,065	7,379,524

Note No. 8.1**Other Long Term Liabilities due by directors or other officers, etc.**

Rental Deposits - Company in which directors are interested

	350,000	-
	350,000	-

9 SHORT TERM PROVISIONS

Particulars	As at March 31, 2015	As at March 31, 2014
<u>Provision for Employee Benefits</u>		
Leave Encashment (Refer Note No. 32)	566,177	400,772
Gratuity (Refer Note No. 32)	651,633	259,920
<u>Others</u>		
Provision For Income Tax	184,147	-
{Net of Advance Tax Rs. 15,033,297/- (Previous Year Rs. Nil)}		
Proposed Dividends (Refer Note No. 9.1)	3,002,300	3,002,300
Corporate Dividend Tax (Refer Note No. 9.1)	611,196	510,241
Warranty (Refer Note No. 35)	81,128	106,644
	5,096,581	4,279,877

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (Contd.)
Note No. 9.1

The amount of per share dividend of Re. 1.00 (Previous year Re. 1.00) has been proposed to be distributed to equity shareholders for the year ended 31/03/2015. The total amount of dividend shall be Rs. 3,613,496/- (Including Dividend Distribution Tax Rs. 611,196/-). (Previous year Re. 3,512,541/- (Including Dividend Distribution Tax Rs. 510,241/-)

10 FIXED ASSETS

PARTICULARS DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	OP. BAL.		DEDUCTIONS / ADJUSTMENTS	CL. BAL.	OP. BAL.	FOR THE YEAR	DEDUCTIONS / ADJUSTMENTS	CL. BAL.	AT YR. END	
	AS AT 1/4/2014	ADDITIONS	(Refer Note No.10.1)	AS AT 31/3/2015	AS AT 1/4/2014	(Refer Note No.10.1)	(Refer Note No.10.1)	AS AT 31/3/2015	AS AT 31/3/2015	AS AT 31/3/2014
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
TANGIBLE ASSETS										
OFFICE PREMISES	36,922,605	-	-	36,922,605	17,607,047	965,442	-	18,572,489	18,350,116	19,315,558
LABORATORY EQUIPMENT	22,566	-	-	22,566	20,452	-	(1,078)	21,530	1,036	2,114
OFFICE & OTHER EQUIPMENT	1,640,797	69,587	-	1,710,384	825,059	402,617	(112,694)	1,340,370	370,014	815,738
FURNITURE & FIXTURE	2,566,964	-	-	2,566,964	1,427,789	304,342	(8,897)	1,741,028	825,936	1,139,175
COMPUTER	8,150,850	252,083	-	8,402,933	6,363,161	1,146,813	(93,197)	7,603,171	799,762	1,787,689
VEHICLES	9,646,326	-	-	9,646,326	1,928,728	2,461,489	-	4,390,217	5,256,109	7,717,598
TOTAL TANGIBLE ASSETS	58,950,108	321,670	-	59,271,778	28,172,236	5,280,703	(215,866)	33,668,805	25,602,973	30,777,872
PREVIOUS YEAR	48,983,724	10,057,041	90,657	58,950,108	24,859,341	3,399,163	86,268	28,172,236	30,777,872	
INTANGIBLE ASSETS										
SOFTWARE	208,727	-	-	208,727	40,586	69,576	-	110,162	98,565	168,141
TOTAL INTANGIBLE ASSETS	208,727	-	-	208,727	40,586	69,576	-	110,162	98,565	168,141
PREVIOUS YEAR	-	208,727	-	208,727	-	40,586	-	40,586	168,141	
TOTAL FIXED ASSETS	59,158,835	321,670	-	59,480,505	28,212,822	5,350,279	(215,866)	33,778,967	25,701,538	30,946,013
PREVIOUS YEAR	48,983,724	10,265,768	90,657	59,158,835	24,859,341	3,439,749	86,268	28,212,822	30,946,013	-

Note No. 10.1

Pursuant to Companies Act, 2013 ('the Act') being effective from April 1, 2014, the Company has revised depreciation rates on tangible fixed assets as per useful life specified in Part 'C' of Schedule II of the Act. and due to the same there has been a change in the estimated useful life of depreciable tangible assets which affects the depreciation in the current year ending 31st March, 2015 and in each period during the remaining useful life of the assets. Accordingly, the Company has re-worked depreciation with reference to the estimated economic lives of Fixed Assets prescribed by Schedule II of the Act during the year ended 31st March, 2015. In case of any asset whose life is completed as at 1st April 2014, the carrying value (Net of residual value) amounting to Rs.1.46 Lakhs has been adjusted to the Retained Earnings (net of deferred tax impact of Rs.0.70 Lakhs) and in other cases the carrying value has been depreciated over the remaining of the revised life of the assets. As a result the charge for depreciation is higher by Rs.11.56 Lacs for the year ended 31st March, 2015.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (Contd.)

11 NON CURRENT INVESTMENT

Particulars		As at March 31, 2015		As at March 31, 2014	
NON TRADE INVESTMENTS (At Cost)	Face Value	Qty	Amount (Rs.)	Qty	Amount (Rs.)
<u>Quoted</u> (Refer Note No. 11.1)					
In Equity Instruments					
VXL Instrument Ltd.	10	900,000	35,100,000	900,000	35,100,000
Cerebra Integrated Tech. Ltd.	10	40,450	849,450	40,450	849,450
Total Value of Quoted Investments (A)			35,949,450		35,949,450
<u>Unquoted</u>					
In Equity Instruments					
Gaurav Electrochem Private Ltd.	100	500	100,000	500	100,000
Total Value of Unquoted Investments (B)			100,000		100,000
Total Value of Long Term Investments (A+B)			36,049,450		36,049,450

Note No. 11.1

Aggregate market value of Quoted Investments Rs. 10,749,953/- (Previous year Rs. 11,234,431/-)

12 DEFERRED TAX ASSETS

Particulars	As at March 31, 2015	As at March 31, 2014
on account of Expenses allowable under income tax on payment basis	3,374,826	2,714,325
on account of Provision for doubtful debts / advances	1,797,531	2,792,414
on account of Provision for warranty	139,270	138,403
on account of difference in depreciation as per books and income tax	1,446,074	906,963
	6,757,701	6,552,105

13 LONG TERM LOANS & ADVANCES

Particulars	As at March 31, 2015	As at March 31, 2014
(Unsecured, Considered Good, unless specified otherwise)		
Deposits (Refer Note No. 13.1)	11,154,519	7,081,840
<u>Other Loans and Advances</u>		
Advance Recoverable in Cash or Kind or for Value to be Received	52,606	77,424
Advances to Staff	1,354,493	874,536
Advance Income Tax And Tax Deducted At Source {Net of Provision for Tax Rs. 9,636,246/- (Previous year Rs. 9,620,000/-)}	1,129,978	1,172,602
	13,691,596	9,206,402

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (Contd.)
Note No. 13.1

	March 31, 2015	March 31, 2014
Loan and Advances due by directors or other officers, etc.		
<u>Deposits- Rental</u>		
Company in which directors are interested	6,100,000	6,100,000
	6,100,000	6,100,000

14 INVENTORIES

Particulars	As at March 31, 2015	As at March 31, 2014
<u>Stock - In - Trade</u>		
Electronics	24,005,851	16,192,979
Chemicals	1,903,500	745,000
	25,909,351	16,937,979

15 TRADE RECEIVABLES

Particulars	As at March 31, 2015	As at March 31, 2014
(Unsecured, Considered Good, unless specified otherwise)		
Outstanding for more than six months from the date they are due for payment		
Considered Doubtful	2,663,152	5,029,023
Less : Allowance for bad and doubtful debts	2,663,152	5,029,023
	-	-
Considered Good	23,241,241	45,507
Others Debts	513,238,471	731,653,587
	536,479,712	731,699,094

16 CASH & BANK BALANCES

Particulars	As at March 31, 2015	As at March 31, 2014
<u>Cash & Cash Equivalents</u>		
<u>Balances with banks in</u>		
Current Account	8,114,321	11,008,864
Cash on Hand	78,148	57,211
	8,192,469	11,066,075
<u>Other bank balances in</u>		
Unpaid Dividend Account	471,271	373,326
Margin money deposits (Refer Note No. 16.1)	20,176,779	20,612,522
	28,840,519	32,051,923

Note No. 16.1

Margin money deposits amounting to Rs. 20,176,779/- (Previous year Rs. 20,612,522/-) are lying with bank against Bank Guarantees and Letter of Credit.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (Contd.)
17 SHORT TERM LOANS & ADVANCES

Particulars	As at March 31, 2015	As at March 31, 2014
(Unsecured, Considered Good, unless specified otherwise)		
Deposits (Refer Note No. 17.1)	32,530,000	37,909,324
Other Loans and Advances		
<u>Advance Recoverable in Cash or Kind or for Value to be Received</u>		
Considered Good	3,269,031	3,717,341
Considered Doubtful	80,000	80,000
	3,349,031	3,797,341
Less : Allowance for bad and doubtful advances	80,000	80,000
	3,269,031	3,717,341
Advance Tax & Tax Deducted at Source	2,696,444	2,696,444
{Net of Provision for Tax Rs. Nil (Previous year Rs.11,170,444/-)}		
Advance to supplier		
Considered Good	60,650	53,214
Considered Doubtful	2,986,431	3,153,538
	3,047,081	3,206,752
Less : Allowance for bad and doubtful advances	2,986,431	60,650
	60,650	3,153,538
Balance with Govt authorities	1,198,196	1,213,132
Advances to Staff	923,011	518,894
	40,677,332	46,108,349

Note No. 17.1

In the previous year the company deposited an amount of Rs. 3 crores, as abundant caution, with the Department of Revenue Intelligence (DRI) against an enquiry initiated by them. No show cause notice or demand letter has been received from the authorities after the deposit and hence this deposit is shown under the head "Short Term Loans and Advances".

18 OTHER CURRENT ASSETS

Particulars	As at March 31, 2015	As at March 31, 2014
Export Incentive Receivable	245,578	386,007
<u>Incentive/ Claim Receivable</u>		
Considered Good	-	-
Considered Doubtful	87,669	344,047
	87,669	344,047
Less : Allowance for Bad and doubtful assets	87,669	344,047
	-	-
Interest Receivable on deposits	200,548	238,084
	446,126	624,091

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (Contd.)
19 CONTINGENT LIABILITIES & COMMITMENTS
a) CONTINGENT LIABILITIES

Particulars	As at March 31, 2015	As at March 31, 2014
1) Disputed Rent Liability	12,395,923	12,395,923
2) Disputed Income Tax Liability	3,328,240	3,194,760
3) Disputed Sales Tax Liability	8,190,115	8,190,115
4) Guarantees given	-	-
	23,914,278	23,780,798

b) COMMITMENTS

Particulars	As at March 31, 2015	As at March 31, 2014
	-	-
	-	-

20 REVENUE FROM OPERATIONS

Particulars	2014-2015	2013-2014
Sale of Products (Refer Note No. 20.1)	1,314,540,077	1,763,542,266
Sale of Services (Refer Note No. 20.2)	6,339,262	7,976,560
<u>Other Operating Revenue</u>		
Export Incentives	659,909	553,701
	1,321,539,248	1,772,072,527

Note No. 20.1 Sale of Products

Particulars	2014-2015	2013-2014
Thin Client Itona	1,238,133,627	1,596,334,189
Monitors	6,347,882	10,253,869
Software	25,799,930	104,012,930
Chemical	36,915,564	26,639,904
Others Products	7,343,074	26,301,374
	1,314,540,077	1,763,542,266

Note No. 20.2 Sale of Services

Particulars	2014-2015	2013-2014
AMC & Installation Charges	6,339,262	7,976,560
	6,339,262	7,976,560

21 OTHER INCOME

Particulars	2014-2015	2013-2014
Interest Income (Refer note No. 21.1)	2,058,203	2,028,213
Rent Income	4,896,300	5,179,925
Foreign Exchange Gain	-	15,049,709
Profit on Sale of Fixed Assets (Net)	-	59,955
Miscellaneous	19,425	83,310
Sundry Balance Written Back (Net)	-	1,042,267
	6,973,928	23,443,379

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (Contd.)

Note No. 21.1

Break-up of Interest income	2014-2015	2013-2014
Interest income on Fixed Deposits with Banks	1,841,456	1,858,726
Interest income on Staff Loans	131,093	101,307
Interest income from parties	85,654	68,180
	2,058,203	2,028,213

22 PURCHASES OF STOCK IN TRADE

Particulars	2014-2015	2013-2014
Traded Items		
Traded Goods (Refer Note No. 22.1)*	1,239,613,905	1,667,775,454
	1,239,613,905	1,667,775,454

Note No. 22.1 Traded Goods

Particulars	2014-2015	2013-2014
Thin Client Itona	1,145,182,200	1,479,298,177
Monitors	6,123,233	9,848,227
Software	33,761,932	96,679,695
Chemical	34,218,710	24,117,450
Others Products	6,363,646	32,201,859
	1,225,649,721	1,642,145,408

* Includes expenses like customs duty, freight etc. amounting to Rs. 13,964,184/- (Previous year Rs. 25,630,046/-)

23 CHANGES IN INVENTORIES OF STOCK IN TRADE

Particulars	2014-2015	2013-2014
Stock In Trade - Electronics		
Opening Stock of Traded Goods	16,192,979	11,064,662
Closing Stock of Traded Goods	24,005,851	16,192,979
Change in Stock of Traded Goods - Electronics	(7,812,872)	(5,128,317)
Stock In Trade - Chemicals		
Opening Stock of Traded Goods	745,000	-
Closing Stock of Traded Goods	1,903,500	745,000
Change in Stock of Traded Goods - Chemicals	(1,158,500)	(745,000)
Total	(8,971,372)	(5,873,317)

24 EMPLOYEE BENEFIT EXPENSES

Particulars	2014-2015	2013-2014
Salaries, Wages and Bonus	24,046,302	19,326,620
Contribution to Provident and other fund	1,494,513	1,372,372
Staff Welfare Expenses	1,446,759	1,151,765
	26,987,574	21,850,757

25 FINANCE COSTS

Particulars	2014-2015	2013-2014
Interest Expenses (Refer Note No. 25.1)	10,148,517	21,830,375
Other Borrowing Cost		
Other Financial Charges	1,909,779	1,931,874
	12,058,296	23,762,249

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (Contd.)
Note No. 25.1
Break-up of Interest expenses

Interest expenses on Fixed Loans	199,401	266,296
Interest expenses to Bank	7,276,269	18,368,134
Interest expenses on Income Tax	17,963	322,633
Interest expenses on Inter Corporate Deposits	2,654,884	2,873,312
	<u>10,148,517</u>	<u>21,830,375</u>

26 OTHER EXPENSES

Particulars	2014-2015	2013-2014
Rent	6,839,082	8,157,288
Warehousing/ Demurrages Charges	421,108	287,043
Insurance and ECGC Premium	3,535,832	4,881,348
Rates and Taxes	746,150	1,317,109
Payment to Statutory Auditors (Refer Note No. 26.1)	1,253,940	1,416,238
Legal & Professional Fees	2,678,975	2,452,372
Advertisement, Publicity & Sales Promotion	1,528,722	1,981,927
Commission & Brokerage	503,852	808,615
Directors Fees	247,500	127,500
<u>Repairs & Maintenance</u>		
Building	496,764	533,609
Others	<u>719,763</u>	<u>1,800,747</u>
Freight & Forwarding cost	1,270,349	2,148,235
Travelling & Conveyance	5,467,603	5,774,290
Electricity Charges	1,156,038	1,284,008
Bank Charges	6,960,511	10,810,584
Bad Debts	2,365,980	11,805
Less: Allowance for Bad and doubtful debts written back	<u>2,365,872</u>	<u>108</u>
Loss on Exchange Rate Fluctuation	93,775	-
Trade Advances written off	167,107	-
Less : Allowance for Bad and doubtful debts Advances written back	<u>167,107</u>	<u>-</u>
Incentive /Claim Receivable written off	256,378	-
Less: Allowance for Bad and doubtful assets written back	<u>256,378</u>	<u>-</u>
Miscellaneous Expenses	8,938,126	12,140,047
	<u>42,858,198</u>	<u>55,932,765</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (Contd.)

Note No. 26.1

Payment to Statutory Auditors

Particulars	2014-2015		2013-2014	
<u>As auditor :</u>				
Audit Fee	390,000		390,000	
Tax Audit Fee	130,000		130,000	
Limited review	105,000		105,000	
Vat Audit Fee	40,000		50,000	
Service Tax	82,194	747,194	83,430	758,430
<u>In other capacity :</u>				
Taxation Matters	303,000		250,000	
Company Law Matter	20,000		20,000	
Other Services	128,000		315,500	
Service Tax	55,746	506,746	72,308	657,808
		1,253,940		1,416,238

27 EARNING PER SHARE

Particulars	2014-2015	2013-2014
(A) Profit attributable to Equity Shareholders (Rs.)	6,641,607	17,139,026
(B) No. of Equity Share outstanding during the year.	3,002,300	3,002,300
(C) Face Value of each Equity Share (Rs.)	10	10
(D) Basic & Diluted earning per Share (Rs.)	2.21	5.71

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

Particulars	2014-15	2013-14
Traded Goods	425,163,348	728,537,411
	425,163,348	728,537,411

29 DETAILS OF DIVIDEND REMITTED OUTSIDE INDIA IN FOREIGN CURRENCIES AS FOLLOWS :

Particulars	2014-15	2013-14
Total No. of Non Resident Shareholders	1	1
Total No. of Shares held by Non Resident Shareholders	125,000	125,000
Dividend Paid	125,000	125,000
Year in respect of Dividend paid	2013-14	2012-13
Nature of Dividend	Annual	Annual

30 EXPENDITURE IN FOREIGN CURRENCY

Particulars	2014-15	2013-14
Commission on Exports	314,427	174,760
Travelling Expenses	1,100,436	617,336
Sales Promotion Expenses	245,145	586,644
	1,660,008	1,378,740

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (Contd.)
31 EARNINGS IN FOREIGN CURRENCY

Particulars	2014-15	2013-14
Export [On FOB Basis]	702,163,032	915,333,702
Insurance	608,817	800,306
Freight	21,281,327	34,687,865
	724,053,177	950,821,873

32 Employee Benefits :

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

A. Defined Contribution Plan

Particulars	2014-15	2013-14
Provident Fund	1,247,307	1,114,388

B. Defined Benefit Plans

	Particulars	2014-15 Gratuity	2013-14 Gratuity	2014-15 Leave Encashment	2013-14 Leave Encashment
(i)	Assumptions				
	Mortality	IALM(2006-08)Ult	IALM(2006-08)Ult	IALM(2006-08)Ult	IALM(2006-08)Ult
	Discount Rate	7.85%	9.16%	7.85%	9.16%
	Rate of increase in compensation	5.00%	5.00%	5.00%	5.00%
	Rate of return (expected) on plan assets				
	Withdrawal rates	Up to Age 30 : 10% 31 to 40 : 5% 41 and above : 2%	Up to Age 30 : 10% 31 to 40 : 5% 41 and above : 2%	Up to Age 30 : 10% 31 to 40 : 5% 41 and above : 2%	Up to Age 30 : 10% 31 to 40 : 5% 41 and above : 2%
(ii)	Changes in present value of obligations				
	PVO at beginning of period	5,806,772	5,270,725	1,559,076	1,918,222
	Interest cost	523,370	421,658	141,098	151,021
	Current Service Cost	911,567	418,571	352,515	286,980
	Liability Transferred In / (out) - Net	-	-	-	-
	Benefits Paid	(186,245)	-	(37,414)	(60,908)
	Actuarial (gain) / loss on obligation	646,290	(304,182)	118,868	(736,239)
	PVO at end of period	7,701,754	5,806,772	2,134,143	1,559,076
(iii)	Changes in fair value of Plan Assets				
	Fair Value of Plan assets at beginning of period	-	-	-	-
	Expected Return on Plan Assets	-	-	-	-
	Contributions	186,245	-	37,414	60,908
	Benefit Paid	(186,245)	-	(37,414)	(60,908)
	Actuarial gain / (loss) on plan assets	-	-	-	-
	Fair Value of Plan assets at end of period	-	-	-	-
(iv)	Fair value of Plan Assets				
	Fair Value of Plan assets at beginning of period	-	-	-	-
	Actual Return on Plan Assets	-	-	-	-
	Contributions	186,245	-	37,414	60,908
	Benefit Paid	(186,245)	-	(37,414)	(60,908)
	Fair Value of Plan assets at end of period	-	-	-	-
	Funded Status	(7,701,754)	(5,806,772)	(2,134,143)	(1,559,076)
	Excess of actual over estimated return on Plan Assets	-	-	-	-

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (Contd.)

	Particulars	2014-15 Gratuity	2013-14 Gratuity	2014-15 Leave Encashment	2013-14 Leave Encashment
(v)	Actuarial Gain / (Loss) Recognized				
	Actuarial Gain / (Loss) for the period (Obligation)	(646,290)	304,182	(118,868)	736,239
	Actuarial Gain / (Loss) for the period (Plan Assets)	-	-	-	-
	Total Gain / (Loss) for the period	(646,290)	304,182	(118,868)	736,239
	Actuarial Gain / (Loss) recognized for the period	(646,290)	304,182	(118,868)	736,239
	Unrecognized Actuarial Gain / (Loss) at end of period	-	-	-	-
(vi)	Amounts to be recognized in the Balance Sheet and statement of Profit & Loss				
	PVO at end of period	7,701,754	5,806,772	2,134,143	1,559,076
	Fair Value of Plan assets at end of period	-	-	-	-
	Funded Status	(7,701,754)	(5,806,772)	(2,134,143)	(1,559,076)
	Unrecognized Actuarial Gain / (Loss)	-	-	-	-
	Net Asset / (Liability) recognized in the Balance Sheet	(7,701,754)	(5,806,772)	(2,134,143)	(1,559,076)
(vii)	Expenses recognized the the statement of Profit & Loss				
	Current Service Cost	911,567	418,571	352,515	286,980
	Interest Cost	523,370	421,658	141,098	151,021
	Expected Return on Plan Assets	-	-	-	-
	Net Actuarial (Gain) / Loss recognized for the period	646,290	(304,182)	118,868	(736,239)
	Expense recognized in the statement of Profit & Loss	2,081,227	536,047	612,481	(298,238)
(viii)	Movements in the Liability recognized in Balance Sheet				
	Opening Net Liability	5,806,772	5,270,725	1,559,076	1,918,222
	Expenses as above	2,081,227	536,047	612,481	(298,238)
	Contribution paid	(186,245)	-	(37,414)	(60,908)
	Liability Transferred In / (out) - Net	-	-	-	-
	Closing Net Liability	7,701,754	5,806,772	2,134,143	1,559,076
(ix)	Experience Analysis - Liabilities				
	Actuarial (Gain)/Loss due to change in bases	579,364	(444,154)	159,498	(119,233)
	Experience (Gain) / Loss due to Change in Experience	66,926	139,972	(40,630)	(617,006)
	Total	646,290	(304,182)	118,868	(736,239)
	Experience Analysis - Plan Assets	-	-	-	-
	Experience (Gain) / Loss due to Change in Plan Assets	-	-	-	-
(x)	Schedule III Details				
	Current Liability	651,633	259,920	566,177	400,772
	Non- Current Liability	7,050,121	5,546,852	1,567,966	1,158,304

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (Contd.)
33 RELATED PARTY DISCLOSURES
A. Names of related parties and description of relationship:

Name of Party	Nature of Relationship
Mr. A. K. Bhuwania	Key Management Personnel
Mr. Ashish Bhuwania	Key Management Personnel
Mr. Aditya Bhuwania	Key Management Personnel
Mrs. Saroj Bhuwania	Relative of Key Management Personnel
Priya International Ltd.	Entities where individual having control/ significant influence or key management personnel or their relatives are able to exercise significant influence
Verixo Technologies Pvt . Ltd .	
Gaurav Electrochem Pvt. Ltd.	
Halifax Properties Investment Pvt. Ltd.	
Brent Properties Investment Pvt. Ltd.	
Cheshire Properties Investment Pvt. Ltd.	

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

Name of Related Parties	Nature of Transaction during the year	2014-2015	2013-2014
Priya International Ltd	Reimbursement of Services/ Expenses incurred by Priya Ltd.	5,233,534	13,238,402
	Reimbursement of Services/ Expenses incurred on behalf of Priya Ltd.	57,175	13,230
Verixo Technologies Pvt. Ltd.	Reimbursement of Services/ Expenses incurred by Priya Ltd.	112,022	3,426,597
	Purchase of Software	35,450,026	8,916,778
	Rent Income	4,200,000	3,150,000
Gaurav Electrochem Pvt .Ltd .	Warehouse Charges	78,000	78,000
Halifax Properties Investments Pvt. Ltd.	Rent Charges	540,000	382,500
Mr. Aditya Bhuwania	Directors Remuneration	1,800,000	1,800,000
Priya International Ltd	Interest Paid	2,654,884	2,873,312
Priya International Ltd	Loan Taken During the year	4,500,000	34,525,000
Priya International Ltd	Loan Repaid During the year	35,332,583	33,100,000

C. Balance at the year end.

Halifax Properties Investments Pvt. Ltd.	Deposit Given Outstanding at the year end	2,100,000	2,100,000
Verixo Technologies Pvt .Ltd .	Deposit Received Outstanding at the year end	350,000	350,000
Gaurav Electrochem Pvt .Ltd.	Deposit Given Outstanding at the year end	4,000,000	4,000,000
Priya International Ltd	Loan Outstanding at the year end	-	30,832,583
Brent Properties Investments Pvt Ltd	Corporate Guarantee given on our behalf	199,552,441	20,884,871
Cheshire Properties Investments Pvt Ltd	Corporate Guarantee given on our behalf	199,552,441	20,884,871
Priya International Ltd	Interest Payable	-	2,585,981

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (Contd.)
34. Derivatives:

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

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

Particulars	Foreign Currency	As on 31.03.2015		As on 31.03.2014	
		Amount in Rs.	Amount in Foreign Currency	Amount in Rs.	Amount in Foreign Currency
Receivables	USD	128,924,885	2,059,832	219,116,707	3,648,297
	EURO	531,563	7,875	1,988,354	24,075

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

Particulars	Foreign Currency	As on 31.03.2015		As on 31.03.2014	
		Amount in Rs.	Amount in Foreign Currency	Amount in Rs.	Amount in Foreign Currency
Creditors	USD	40,113,688	640,078	128,110,082	2,130,198

35 Provision for Warranties: The movement in the provision for warranties is as follows :-

Particulars	As at March 31, 2015		As at March 31, 2014	
<u>Balance at the beginning</u>				
Long term	319,932		341,753	
Short term	106,644	426,576	60,309	402,062
Provision recognized/(reversal)		166,926		243,435
Provision utilised		142,789		218,921
<u>Balance at the end</u>				
Long term	369,585		319,932	
Short term	81,128	450,713	106,644	426,576

The company gives warranties at time of sales of main products to the customers. Under the terms of Contract of Sales, the company undertakes to make good by replacement or repairs, Manufacturing defects that arise within 1-3 years from the date of sale. A provision has been recognised for the expected warranty claims on products sold based on past experience.

36 Lease Disclosures for Operating Leases:
ASSETS GIVEN ON LEASE

- a) The details of Premises given on lease are as following :

PARTICULARS	2014-2015	2013-2014
Original Cost	36,922,605	36,922,605
Accumulated Depreciation	18,572,489	17,607,047
Written Down Value	18,350,116	19,315,558
Depreciation for the period recognized in the Statement of Profit and Loss	965,442	1,016,610

- b) Future minimum lease rentals receivables as on 31.03.2015 is Nil. (Previous year Nil)

- c) There is no Contingent Rent.

- d) The company has given office premises on lease for a period ranging between 11 months to 3 years. The aggregate lease rent income of Rs. 4,896,300/- (Previous Year Rs. 5,179,925/-) has been recognized as income in the Statement of Profit and Loss for the period under the Note No. 21 " Other Income".

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (Contd.)

ASSETS TAKEN ON LEASE

PARTICULARS	2014-2015	2013-2014
a) The total of Future minimum Lease payments under Non-cancelable operating leases for:		
(i) Not later than one year	7,332,000	2,538,000
(ii) Later than one year and not later than five years	1,833,000	-
(iii) Later than five years	-	-
b) Lease payment recognized in the Statement of Profit & Loss for the period under the Note No. 26 " Other Expenses"	6,839,082	8,157,288
c) Sub lease income recognized in the Statement of Profit and Loss for the period	-	-
d) There is no Contingent Rent.	-	-
e) The Company's major leasing arrangements are in respect of godowns/office premises (including furniture & fittings therein wherever applicable taken on leave and license basis). These leasing arrangements, which are mostly cancelable, range between 11 months to 3 years and are usually renewable by mutual consent at mutually agreed terms and conditions.		

37 Balances of Trade Receivables, Trade Payables and Loans and Advances are subject to confirmation and consequential adjustment, if any.

38 In the opinion of the Board, Current Assets, Loans and Advances have value in the ordinary course of business at least equal to the amount at which they are stated.

39 SEGMENT REPORTING

Segment Information for the year ended 31st March, 2015

(i) Information about primary business segment :

Particulars	2014-15				2013-14			
	Segments		Unallocated	Total	Segments		Unallocated	Total
	Electronics	Chemicals			Electronics	Chemicals		
Revenue								
External Customers	1,283,963,775	36,915,564	-	1,320,879,339	1,744,878,922	26,639,904	-	1,771,518,826
Total Revenue	1,283,963,775	36,915,564	-	1,320,879,339	1,744,878,922	26,639,904	-	1,771,518,826
Result								
Segment Results	48,446,482	2,492,183	-	50,938,666	79,780,195	2,444,923	-	82,225,118
Unallocated expenses net of unallocated income	-	-	(28,264,074)	(28,264,074)	-	-	(29,834,619)	(29,834,619)
Finance cost	-	-	(12,058,296)	(12,058,296)	-	-	(23,762,249)	(23,762,249)
Profit Before Tax	48,446,482	2,492,183	(40,322,370)	10,616,296	79,780,195	2,444,923	(53,596,868)	28,628,250
Less: Provision for Tax (Net of Deferred Tax)	-	-	3,911,443	3,911,443	-	-	9,525,629	9,525,629
Profit After Tax & Before Prior Period Adjustments	48,446,482	2,492,183	(44,233,813)	6,704,853	79,780,195	2,444,923	(63,122,497)	19,102,621
Excess/(Short) Provision for Income Tax	-	-	63,246	63,246	-	-	1,963,595	1,963,595
Profit After Prior Period Adjustments	48,446,482	2,492,183	(44,297,059)	6,641,607	79,780,195	2,444,923	(65,086,092)	17,139,026
Other Information								
Segment Assets	614,431,025	3,827,042	96,620,258	714,878,325	798,151,772	7,645,829	104,377,805	910,175,406
Segment Liabilities	362,579,885	5,697,589	20,729,860	389,007,334	522,787,704	8,984,520	55,414,474	587,186,698
Capital Expenditure	-	-	321,670	321,670	-	-	10,265,768	10,265,768

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (Contd.)

(ii) Information about secondary geographical business segment :

	2014 - 15			2013 - 14		
	Within India	Outside India	Total	Within India	Outside India	Total
Segment Revenue	596,826,162	724,053,177	1,320,879,339	781,323,359	990,195,467	1,771,518,826
Segment Assets	385,544,437	329,008,888	714,553,325	480,238,687	429,936,719	910,175,406
Capital Expenditure	321,670	-	321,670	10,265,768	-	10,265,768

Notes:-

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

Electronics - Computer peripherals and systems

Chemicals - Export of Textile Dyes and Intermediates

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

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

40 Other significant Accounting Policies :
(A) Basis of Preparation of financial statement

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

(B) Use of Estimates

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

(C) Cash and Cash equivalents

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

(D) Fixed Assets & Depreciation

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

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

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (Contd.)
(E) Inventories Valuation

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

(F) Revenue Recognition

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

(G) Foreign Currency Transactions

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

(H) Investments

Long term Investments are stated at cost. Provision for diminution in value of long term investments is made only if such decline is other than temporary in the opinion of the management.

(I) Employee Benefit

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

(J) Lease

Lease rentals in respect of assets acquired under operating leases are charged off to the Statement of Profit & Loss as incurred. Lease rentals in respect of assets given under operating leases are credited to the Statement of Profit & Loss.

(K) Provision for Current Tax

- (i) Provision for Income tax is made on the basis of the estimated taxable income for the current accounting period in accordance with the Income- tax Act, 1961.
- (ii) The deferred tax for timing differences between the book profits and tax profits for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as of the balance sheet date. Deferred tax assets arising from

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (Contd.)

timing differences are recognized to the extent there is a virtual certainty that these would be realized in future and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

(L) Impairment of Assets

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

(M) Provision & Contingent Liability

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

(N) Earnings Per Share

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

- 41 The previous year figures have been regrouped/reclassified, wherever necessary to confirm to the current presentation as per schedule III.

As per our report attached of even date

FOR M. L. BHUWANIA & CO.

CHARTERED ACCOUNTANTS

Firm Registration Number : 101484W

Sd/-
ASHISH BAIRAGRA
PARTNER
MEMBERSHIP NO.109931

PLACE : MUMBAI
DATED : 26th May, 2015

FOR AND ON BEHALF OF THE BOARD

Sd/-
R.K.SARASWAT
DIRECTOR

Sd/-
RAKESH JAIN
CHIEF FINANCIAL OFFICER

Sd/-
ADITYA BHUWANIA
WHOLE TIME DIRECTOR

Sd/-
SAISHWAR DALVI
COMPANY SECRETARY

**PRIYA LIMITED**

CIN:L99999MH1986PLC040713

Regd. Office: 4th Floor, Kimatrai Building, 77-79, Maharshi Karve Marg, Marine Lines (E), Mumbai-400002**ATTENDANCE SLIP**

(To be presented at the entrance)

Regd. Folio No. /Client ID No. _____ No. of shares held _____

DP ID No. _____

I certify that I am a Member/Proxy for the member of the Company.

I hereby record my presence at the **28TH ANNUAL GENERAL MEETING** of the Company to be held at "Hall of Quest", Nehru Planetarium, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400 018 on **Thursday, the 20th day of August, 2015 at 11. 00 A.M.**

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

Signature of Member/Proxy _____

NOTE: Please fill up this attendance slip and hand it over at the entrance of the venue for the meeting. Members are requested to bring their copy of the Annual Report to the meeting.

- Tear Here -

**PRIYA LIMITED**

CIN:L99999MH1986PLC040713

Regd. Office: 4th Floor, Kimatrai Building, 77-79, Maharshi Karve Marg, Marine Lines (E), Mumbai-400002**PROXY FORM - MGT-11**

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

Name of the Member (s) : _____

Registered address: _____

E-mail Id: _____

Folio No./ Client ID No.* _____ DP ID No.* _____

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

1. Name : _____

Address : _____

E-mail Id : _____

Signature : _____, or failing him / her

2. Name : _____

Address : _____

E-mail Id : _____

Signature : _____, or failing him / her

1. Name : _____

Address : _____

E-mail Id : _____

Signature : _____

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the **28th Annual General Meeting** of the Company, to be held on **Thursday, the 20th day of August, 2015 at 11.00 a.m.** at "Hall of Quest", Nehru Planetarium, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400 018 and at any adjournment thereof in respect of such resolutions as are indicated below:**Resolution No.**

1. Consider and adopt the Audited Financial Statement, Reports of the Board of Directors and Auditors, for the financial year ended 31st March, 2015.
2. Declaration of dividend on Equity Shares for the financial year ended 31st March, 2015.
3. Re-appointment of Mr. A. K. Bhuwania, who retires by rotation.
4. Appointment of Auditors and fixing their remuneration.
5. Regularise the Appointment of Mrs. Saroj Bhuwania as a Director of the company
6. Re-appointment of Mr. Aditya Bhuwania as Whole Time Director
7. Confirmation of Appointment of Mr. P. V. Hariharan as Independent Director of the Company.

Affix
Rupee 1/-
Revenue
Stamp

Signed this day of..... 2015.

Signature of Shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.

BOOK-POST

If underlivered, Please return to :

PRIYA LIMITED

*** REGD. OFFICE ***

4th Floor, Kimatrai Building, 77-79, Maharshi Karve Marg,
Marine Lines (E), Mumbai - 400 002.

Tel. : 91-22-4220 3100, Fax : 91-22-4220 3197.

E-mail : priyabom@priyagroup.com www. priyagroup.com

*** BRANCHES ***

Bengaluru: 080-2558 6122, Chennai: 044 - 4214 6105, Delhi: 011-2643 8555,
Hyderabad: 040-2781 0979, Kochi: 0484-308 3188, Kolkata: 033-3057 1000.