

**CHHATTISGARH
INDUSTRIES LIMITED**

**ANNUAL REPORT
2015-2016**

BOARD OF DIRECTORS

| | |
|--------------------------------|--------------------|
| MR. MANOJ HARISHCHANDRA TIWARI | EXECUTIVE DIRECTOR |
| MR. KESHAV GOYAL | DIRECTOR |
| MR. ARUN KUMAR GOYAL | DIRECTOR |
| MRS. GAYATRI DEVI GOYAL | LADY DIRECTOR |
| MR. PREM NATH MISHRA | DIRECTOR |

BANKERS

DENA BANK
ALLAHABAD BANK

REGISTERED OFFICE

NEAR BALAJI TRANSPORT
COMPANY, OPP. AMARNATH
DHARMKANTA HIRAPUR,
RING ROAD NO. -2, RAIPUR,
CHHATTISGARH - 492099

AUDITORS

M/S U.K. RATHI & CO.
CHARTERED ACCOUNTANTS
3A R.K. CHATTERJEE ROAD,
KOLKATA - 700 042.

CORPORATE OFFICE

109 195(PT) 828(PT) B-CABIN-1
NR INDIAN OIL NAGAR
OPP-MADHUBAN BUILDING,
SHIV SHAKTI CHS.,
4BUNGLOW,ANDHERI (W)
MUMBAI - 400058.
Phone No.022-42153479

FACTORY ADDRESS: -

SURVEYNO. 522 / PAIKY, VILL
SIKRA, TAL- BHACHAU, KUTCH,
GUJRAT – 23

REGISTRAR AND TRANSFER AGENT

PURVA SHAREGISTRY (INDIA) PVT. LTD.
UNIT NO. 9 SHIV SHAKTI IND. ESTATE.
J .R. BORICHA MARG
OPP. KASTURBA HOSPITAL LANE
LOWER PAREL (E) MUMBAI- 400 011

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CHHATTISGARH INDUSTRIES LIMITED

Reg. Office: Near Balaji Transport Company Opp. Amarnath Dharmkanta Hirapur,
Ring Road No. - 2, Raipur, Chhattisgarh- 492099

Cin No: L21015CT1984PLC002416

Email Id: contact@chhattisgarhindustries.com Website: www.chhattisgarhindustries.com

Ph No.: 022- 42153479

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 32ND ANNUAL GENERAL MEETING OF CHHATTISGARH INDUSTRIES LIMITED WILL BE HELD ON FRIDAY, SEPTEMBER 23, 2016 AT 10 A.M. AT REGISTERED OFFICE OF THE COMPANY AT NEAR BALAJI TRANSPORT COMPANY, OPP- AMARANTH DHARMAKANTA, HIRAPUR, RING ROAD, NO.2, RAIPUR, CHHATTISHGARH-492099.

TO TRANSACT THE FOLLOWING BUSINESS: -

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on March 31, 2016 and Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Keshav Goyal, who retires by rotation and, being eligible, offers himself for re-appointment

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

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013 Mr. Keshav Goyal, who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a director of the company liable to be retire by rotation .”

SPECIAL BUSINESS:

3. **Appointment of Secretarial Auditors:**

To consider and if thought fit, to pass with or without modifications the following resolution as ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 204(1) of the Companies Act 2013 rule 9 of the Companies (Appointment and Remuneration personnel) Rules 2014 and other applicable provisions if any of the Companies Act, 2013, **M/s Neelam Master & Associates, Practicing Company Secretaries (CP.No.11192)** within the meaning of Section 2(25) of the Companies Act, 2013 be and is hereby appointed as secretarial auditor of the company for the financial Year 2015-16 on the terms of remuneration as agreed by the Board of directors and the Board of directors of the company be and is authorized to fix the remuneration from time to time in consultation with Audit Committee and the conclusion of this annual general meeting until the conclusion of next annual general meeting.”

4. Appointment of Mr. Manoj Harishchandra Tiwari as an Executive Director of the Company.

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

"RESOLVED THAT pursuant to Sections 196, 197 and any other applicable provisions of the Companies Act, 2013 ("**Act**") and the Rules made thereunder, as amended from time to time, read with Schedule V to the Act, the Company hereby approves the appointment and terms of remuneration of Manoj Harishchandra Tiwari (DIN: 07095276) as an Executive Director of the Company for the period from 2nd August, 2016 for the period of Three years, not liable to retire by rotation, and upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year, with liberty to the Directors to alter and vary the terms and conditions of the said appointment in such manner so as to not exceed the limits specified in Schedule V to the Act, as may be agreed to between the Directors and Mr. Manoj Harishchandra Tiwari.

5. Appointment of New Statutory Auditor of the Company

To appoint M/s K.M. Tapuria & Co, Chartered Accountants, Mumbai a New Statutory Auditor of the Company to hold office from conclusion of this Annual General Meeting until conclusion of the next Annual General Meeting of the company and fix their Remuneration.

"WHEREAS M/s. U.K Rathi & Co, Chartered Accountants the retiring auditor of The company has express her willingness to get herself Re-appoint as a Statutory auditor of the company due to her personal reason & request to the Board to relief her from her responsibilities with the conclusion of ensuring Annual General Meeting of the company.

"RESOLVED THAT M/s K.M. Tapuria & Co, Chartered Accountants having Membership No:048111 with Firm Reg No.314043E, be and are hereby appointed Auditors of the Company in place of M/s U.K Rathi & Co to hold office from the conclusion of ensuing Annual General Meeting until the conclusion of the next Annual General Meeting at the remuneration to be fixed by the Board of Directors of the Company and said appointment was by way of resolution subject to confirmation at the AGM".

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

By Order of the Board
Sd/-
Manoj Harishchandra Tiwari
Director

Place: Raipur
Date: August 13, 2016

NOTES:

1. The relative explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of business under Item No. 5 of the Notice, is annexed hereto.

2. **A member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.**

The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as a proxy on behalf of members not exceeding fifty (50) in number and holding in the aggregate not more than 10% of the total share capital of the company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy of any other person or shareholder.

3. The Register of, Members and the Share Transfer Books of the company will remain closed from September 17, 2016 to September 23, 2016 (both days inclusive).
4. The payment of dividend, for the financial year 2015-16 your directors have decided not to declare any dividend,
 - a) To all those beneficial owners holding shares in electronic form as per the beneficial ownership data as may be available to the Company by National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") as at the end of the day on September 16, 2016. (between the book closing period)
 - b) To all those members holding shares in physical form after giving effect to all the valid share transfers lodged with the Company before the closing hours on September 16, 2016.
5. Shareholders are requested to intimate, indicating their folio number, the changes, if any, of their registered addresses to the Company at its registered office or to the Company's Registrar and Share Transfer Agents ("RTA") viz. PURVA SHAREGISTRY (INDIA) PVT. LTD. situated at Shiv Shakti Ind. Estt. J.R. Boricha marg Opp. Kasturba Hospital Lane Lower Parel (E) Mumbai 400 011, in case shares are held in physical form or to their respective Depository Participant ("DP") in case the shares are in dematerialized form. The particulars recorded with the DPs will be considered for making the payment of Dividend either by issuing physical instruments or through Electronic Clearing System ("ECS"). The Shareholders are requested to take appropriate action in the matter, in their own interest, to avoid delay in receiving the payment of dividend. Where dividend payments are made through ECS, intimations regarding such remittances would be sent separately to the shareholders.
6. Trading in the Company's shares through stock exchanges is permitted only in dematerialized/electronic form. The equity shares of the Company have been registered with both NSDL as well as CDSL to enable shareholders to hold and trade the securities in dematerialized/electronic form. In view of the numerous advantages offered by the depository system, members holding shares in the Company in physical form are requested to avail of the facility of dematerialization.
7. Shareholders desiring any information regarding the accounts are requested to write to the Company Secretary at least 7 days prior to the Annual General Meeting, so as to enable the Company to keep the information ready.
8. In accordance with the provisions of Section 123 of the Companies Act, 2013, the Company has transferred unclaimed dividends for the year ended March 31, 2008 to the year 31st March 2010 to the "Investor Education and Protection Fund" (IEPF), constituted by the Central Government.

9. The Ministry of Corporate Affairs (MCA) on 10th May, 2012 notified the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules), which is applicable to the Company. The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc.
10. In terms of Sections 123 of the Companies Act, 2013, any dividend remaining unpaid for a period of seven years from the due date of payment is required to be transferred to the IEPF. Members, who have not encased their final dividend warrants for any year or thereafter, are requested to write to the Company or the RTA.

In case of non-receipt of the dividend warrants, the shareholders are requested to contact the Company's RTA/the Registrar of Companies as under:

| Dividend for the financial year | Contact | Action by shareholder |
|---------------------------------|--|--------------------------------|
| If Any Year | PURVA SHAREGISTRY (INDIA) PVT. LTD. Shiv Shakti Ind. Estt., J .R. Boricha marg Opp. Kasturba Hospital Lane, Lower Parel (E). Mumbai 400011 | Request letter on plain paper. |

11. Share Transfer documents and all correspondence relating thereto, should be address to the Registrar & Share Transfer Agents ("RTA") of the company viz. PURVA SHAREGISTRY (INDIA) PVT. LTD. Shiv Shakti Ind. Estt., J .R. Boricha Marg Opp. Kasturba Hospital Lane, Lower Parel (E) Mumbai 400 011.
12. Members who hold shares in physical form are requested to notify immediately any change in their addresses to the Registrars and Share Transfer Agents of the Company at the above address and to their respective Depository Participants, in case shares are held in electronic mode.
13. The Company, consequent upon the introduction of the Depository System ('DS'), entered into agreements with National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL'). The Members, therefore, have the option of holding and dealing in the shares of the Company in electronic form through NSDL or CDSL.
14. The DS envisages elimination of several problems involved in the scrip-based system such as bad deliveries, fraudulent transfers, mutilation of share certificates, etc. Simultaneously, DS offer several advantages like exemption from stamp duty, elimination of concept of market lot, elimination of bad deliveries, reduction in transaction costs, improved liquidity, etc.
15. To prevent fraudulent transactions, we urge the Members to exercise due diligence and notify the Company of any change in address/stay abroad or demise of any shareholder as soon as possible. Members are requested not to leave their demat account dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
16. The Company has designated an exclusive e-mail ID called contact@chhattisgarhindustries.com for redressal of shareholders' complaints/grievances. In case you have any queries/complaints or grievances, then please write to us at www.chhattisgarhindustries.com
17. For the convenience of the Members, an Attendance Slip is annexed to the Proxy Form. Members are requested to affix their signature at the space provided and fill up the particulars and hand over the attendance slip at the place of the Meeting.
18. Members desiring any information on the Accounts are requested to write to the Company at least one week before the meeting so as to enable the Management to keep the information ready and replies will be provided at the meeting.
19. At the ensuing Annual General Meeting, Mr. Keshav Goyal shall retire by rotation and being eligible, offers himself for re-appointment. Pursuant to Clause 49 of the Listing Agreement.

20. Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, members can exercise their right to vote at the 32nd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting facility made available by the Company through Central Depository Services Limited (CDSL): The instructions for e-voting are as under :

The instructions for e-voting are as under:

- (i) The voting period begins on September 19, 2016 at 9.a.m to September 22, 2016 at 6 p.m. during this period shareholder's of the Company, holding shares either in physical form or in dematerialized form, and record date is 16.9.2016 and the cut-off date of e-voting is September 16, 2016 of may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.
- (vii) If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|---|--|
| PAN | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> x Members who have not up to dated of their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. x In case the Folio number is less then 8 digit 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 Rajesh Kumar with folio number 100 then enter RA00000100 in the PAN field. |
| DOB | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. |
| Dividend Bank Details | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> x Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field. |

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant 'CHHATTISGARH INDUSTRIES LIMITED' on which you choose to vote.

- (xii) 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.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians.
- Non – Individual shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of 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) which they wish to vote on.
 - The List of accounts 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 Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com
- II. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of September 15, 2016.
- III. Shraavan A. Gupta, Company secretary in practice (CP.No.9990) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- IV. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.
- V. The results shall be declared at or after the Annual General Meeting of the Company. The results declared along with The Scrutinizer’s Report shall be placed on the Company’s website www.chhattisgarhindustries.com and on the website of CDSL within two (2) days of passing of the resolutions at the Annual General Meeting of the Company and communicated to the BSE Limited.

Electronic copy of the Notice of the 32nd Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Notice of the 32nd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

13. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the 32nd Annual General Meeting of the Company.
14. The shareholders holding shares in physical form can avail of the nomination facility by filing Form SH-13 (in duplicate) pursuant to Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debenture) Rules, 2014 with the Company or its RTA and, in case of shares held in demat form, the nomination has to be lodged with their DP. For convenience, nomination form is attached at the end of the Annual Report.

Pursuant to amended Clause 5A of the listing agreement, shares held physically and remaining unclaimed by shareholders due to insufficient/incorrect information or any other reason, have been transferred (in the demat mode) to one folio in name of 'Unclaimed Suspense Account' with one of the depository participants.

15. Members may also note that the Notice of the 32nd Annual General Meeting and the Annual Report for F.Y. 2015-16 will also be available on the Company's website www.chhattisgarhindustries.com. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Raipur for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post, free of cost. For any communication, the shareholders may also send requests to the Company's investor email: contact@chhattisgarhindustries.com
16. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the 32nd Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.

By Order of the Board
Sd/-
Manoj Harishchandra Tiwari
Director

Place: Raipur
Date: August 13, 2016

Annexure to the Notice**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

As required by Section 102 of the Companies Act, 2013 (the "Act"), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 5 & 6 of the accompanying Notice:

Item No. 3

Pursuant to section 204 of the Companies Act, 2013, every listed Company has to provide Secretarial Audit Report given by Company Secretary in Practice.

The Board of Directors of the Company at its meeting held on 13th August, 2016 has considered and approved appointment of M/s Neelam Master & Associates, Practicing Company Secretaries (CP.No.11192) for the financial year 2015-2016 at agreed remuneration.

The proposed change will in no way be detrimental to the interest of any member of public, Employees or other associates of the Company in any manner whatsoever.

None of the Directors of the Company is deemed to be interested or concerned in the proposed resolution.

Item No.4

Pursuant to section 204 of the Companies Act, 2013, every listed Company has to provide Secretarial Audit Report given by Company Secretary in Practice

The Board of Directors of the Company at its meeting held on 13th August, 2016 has considered and approved appointment of M/s Neelam Master & Associates, Practicing Company Secretaries (CP.No.11192) for the financial year 2015-2016 at agreed remuneration.

The proposed change will in no way be detrimental to the interest of any member of public, Employees or other associates of the Company in any manner whatsoever.

None of the Directors of the Company is deemed to be interested or concerned in the proposed resolution.

Item No. 5

Pursuant to provision of Sections 196,197,198 & 203 and read with Schedule V of the companies Act, 2013 all other applicable provisions, if any including any statutory modification or re-enactment thereof for the time being in force & subject to such consent (s),approval(s) and permission(s) as may be necessary in this regards & subject to such conditions as may be imposed by any authority while granting such consent (s) permission(s),and approval(s) and as are agreed to by the Board of Directors (hereinafter refer to as the Board ,which terms shall be unless repugnant to the context and Meaning thereof be deemed to be include any committee thereof and any person authorized by Board in this behalf consent of the members be and is hereby accorded to the Appointment of Mr.Manoj Harishchandra Tiwari as an Executive Director of the Company, for a period of Three years with effect from 2nd August, 2016 and other terms and conditions as set out in the Explanatory Statement annexed hereto as approved by the Remuneration Committee and the Board Meeting held on 13th August,2016.

The Board of Directors of your Company after considering his qualifications and experience as well as the substantial increase in the activities/operations of the Company and the additional responsibilities undertaken by him, it is thought it fit to appoint Mr.Manoj Harishchandra Tiwari as an Executive Director with the designation of Executive Director for a period of Three years with effect from 2nd August, 2016.

The particulars of the terms of appointment of and remuneration payable to Mr. Manoj Harishchandra Tiwari is as under:

(a) Remuneration: 15000/- per month

(b) The Executive Director shall have the right to manage the day-to-day business and affairs of the Company subject to the superintendence, guidance, control and direction of the Board of Directors of the Company

(c) The Executive Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.

(d) The Executive Director shall adhere to the Company's Code of Business Conduct & Ethics for Directors and Management Personnel.

(e) The office of the Executive Director may be terminated by the Company or the concerned Director by giving the other 3 (three) months' prior notice in writing.

(f) Mr. Manoj Tiwari satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Directors in terms of Section 164 of the Act. The above may be treated as a written memorandum setting out the terms of appointment of Mr. Manoj Tiwari under Section 190 of the Act

Item No. 5

The Board has proposed the appointment of M/s K.M. Tapuria & Co, Chartered Accountants at Mumbai having Membership No:048111 with Firm Reg. No.314043E as a New Statutory Auditor of the Company in place of Existing Auditor M/s. U.K Rathi & Co, Chartered Accountants who express her inability to continue because of her pre-occupation Subjects to approval of shareholders in the Annual General Meeting of the company.

To appoint M/s K.M. Tapuria & Co as a New Auditors of the company to hold office from Conclusion of this Annual General Meeting Until conclusion of next Annual General Meeting of the company and fix their remuneration.

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice /documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to give their consent by providing their e - mail Id to the Company or to the ABS CONSULTANT PRIVATE LIMITED, Registrar and Share Transfer Agent of the Company.

By Order of the Board
Sd/-
Manoj Harishchandra Tiwari
Director

Place: Raipur
Date: August 13, 2016

DIRECTORS REPORT

To,

The Members of

Chhattisgarh Industries Limited

Your Directors have pleasure in presenting the 32nd Annual Report with the Audited Accounts of the Company for the year ended March 31, 2016.

1. FINANCIAL RESULTS

Turnover

| Current Period (In Rs.) | Previous Year (In Rs.) |
|-------------------------|------------------------|
| 00 | 9,55,218 |

During the financial year 2015-2016 the turnover of the Company is lesser as compare to the previous year. The financials for the financial year 2015-16 is as follows:

| PARTICULARS | YEAR ENDED | |
|------------------------------|--------------------------------|--------------------------------|
| | 31 st March 2016 | 31 st March 2015 |
| | (Rs.) | (Rs.) |
| Sales and Other Income | 00 | 9,55,218 |
| Total Expenditure | 22,96,937 | 41,81,695 |
| Profit before Tax | -22,96,937 | -32,26,477 |
| Profit/(Loss) for the period | -22,96,937 | -32,26,477 |

2. DIVIDEND

Considering the losses from last few years the Directors of the Company has not recommended dividend for the current period.

3. TERM DEPOSITS:

During the period under review, your Company has not accepted any deposit under section 73 & 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 1975.

Section 73 to 76 (both inclusive) read with Companies (Acceptance of deposits) Rules, 2013 regulates the invitation, acceptance and repayment of deposits by the Companies.

4. Information under Section 196 – 202 of the Companies Act, 2013 and rule 3-10 of the Companies (Appointment and remuneration of Managerial Personnel) Rule, 2014.

None of the employees was in receipt of remuneration exceeding the limit specified under section 196-202 of Companies Act, 2013.

5. DIRECTORS:

Pursuant to section 152 of the companies Act, 2013 (the 'Act') and under Article (Article No. if any) of the Company's Articles of Association Mr. Keshav Goyal, who retires by rotation and, being eligible, offers himself for re-appointment is reappointed as a Director of the Company.

Mr. Manoj Harishchandra Tiwari is been appointed as an Executive Director of the Company with effect from 2nd August, 2016 with the terms agreed between Board of Directors and Mr. Manoj Harishchandra Tiwari.

Mr. Anil Kumar Sharma, Managing Director of the Company has resigned From the Directorship of the company with effect from 2nd August 2016.

6. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to in terms of clause (c) of Sub Section 3 of Section 134 of the Companies Act, 2013, the Directors, based on the representations received from the management, confirm:

That in the preparation of the Annual Accounts, the applicable accounting standards have been followed, That we 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 March 2016 and of the Profits /Loss of the Company for that period,

That we have taken proper and sufficient care for the maintenances 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,

That we have prepared the Annual accounts on a going concern basis.

7. AUDITORS:

The Board has proposed the appointment of M/s U.K. Rathi & Co., Chartered as a Statutory Auditors of the Company until the conclusion of next Annual General Meeting of the company at remuneration as the Board of Directors may determine. "Subject to the approval of the shareholders in the Annual General Meeting of the company."

8. CONVERSATION OF ENERGY, RESERCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information required under the companies Act, 2013 with respect to conversation of energy, technology absorption and foreign exchange earnings / outgo is appended hereto as Annexure: "A" and it forms part of this Report.

9. EMPLOYEE RELATIONS:

The employee relations in the company continued to be positive, information as per Section 134 of the Companies Act, 2013 (the 'Act') read with the Companies (Particulars of Employees) rule, 1975 forms part of this Report. As per the provisions of the Section 136(1) of the Act, the Report and Accounts are being sent to the shareholders of the Company excluding the statement on particulars of employees under Section 134 of the Act. Any shareholder interested in obtaining a copy of the said statement may write to the Secretarial Department at the Registered Office of the Company.

10. TRADE RELATIONS:

Your Directors wish to record appreciation of the continued unstinted support and co – operation from its Customers, suppliers of goods / services, clearing and forwarding agents and all others associated with it. Your Company will continue to build and maintain strong association with its business partners.

Your Company also has policy on prevention of Sexual Harassment which is reviewed by the internal Complaints Committee at regular intervals. Your Company recognizes its responsibility and continues to provide a safe working environment for women, free from sexual harassment and discrimination and to boost their confidence, morale and performance.

11. CORPORATE GOVERNANCE:

As per clause 49 of the Listing Agreement entered into with the Stock Exchanges, Corporate Governance Report with auditors' certificate thereon and management Discussion and Analysis are attached and form part of this report.

As per clause 55 of the Listing Agreement entered into with the Stock Exchanges, a Business Responsibility Report is attached and form part of the annual report.

12. ACKNOWLEDGEMENTS:

The Directors thank the Company's customers, vendors, investors, business associates, bankers for their support to the company. The Directors appreciate and value the contributions made by every member of the "Chhattisgarh" family across the country.

13. PARTICULARS OF EMPLOYEES

There was no employee in respect of whom information is required to be given pursuant to Section 134 of the Companies Act, 2013 read with the Companies (Particulars of Employees) Amendment Rules, 1999 as amended up-to-date.

14. AUDITOR REPORT

The Auditors' Report to the shareholders did not contain any adverse or qualification remarks.

15. INDUSTRIAL RELATIONS

During the year under review, your company has cordial and harmonious industrial relations at all levels of the Organization.

16. PUBLIC DEPOSITS

During the year under review, your Company has not accepted any Fixed Deposits from public within the meaning of the provisions of the Section 73 & 76 of the Companies Act, 2013 and the Rules made there under.

Your Directors place on record their appreciation of the dedication and commitment of your Company's employees and look forward to their support in the future as well.

By Order of the Board
Sd/-
Manoj Harishchandra Tiwari
Director

Place: Raipur
Date: August 13, 2016

ANNEXURE TO DIRECTORS REPORT**INFORMATION REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988**

Particulars with respect to Conservation of Energy, Technology Absorption as per section 134(m) of the Companies Act, 2013 read with Company's (Disclosure of particulars in the Board of Directors) Rule, 1988 for the year ended 31st March 2016 are annexed to this report.

CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO**(A) CONSERVATION OF ENERGY**

The operations of the company are not energy intensive. However wherever possible the company strives to curtail the consumption of energy on continued basis. Further company has absorbed latest technology which is helpful in conserving energy.

(B) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

The Company over the years through its experience has developed modified and adopted unique technique of stamping of LAM Coke which increases the efficiency of Coke.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign exchange earnings and outgo during the year 2015 -2016 are as under.

| Particulars | 2015-16 | 2014-15 |
|---------------------------|----------------|----------------|
| Foreign Exchange Earnings | Nil | Nil |
| Foreign Exchange Outgo | Nil | Nil |

By Order of the Board
Sd/-
Manoj Harishchandra Tiwari
Director

Place: Raipur
Date: August 13, 2016

Management Discussion & Analysis Report Business Outlook**BUSINESS OVERVIEW:**

M/s. Chhattisgarh Industries Limited is looking for new business avenues in various areas like Manufacturing of Coke, hard coke and other coal / coke related products.

Industry Dynamics

Coke - a derivative of metallurgical coking coal is particularly a raw material used by various industries. Being a vital component in the process of conversion of metallurgical ores into metal, coke plays an important role in the metal industry. The coke industry is dominated by large integrated steel plants (ISPs). Traditionally, coke production has been captive, thus ISPs leaving a meager surplus for merchant trading. But during the last 10 years, a number of pig iron plants have been built in India without captive coke making facilities. Also, most coke oven batteries are located in the eastern region of the country in proximity to steel units. As a result, coke consumers in the western and southern regions have to rely primarily on imported coke.

Major Coke consuming industries.

- ◆ Pig iron producers and Steel Industry
- ◆ Foundry industry
- ◆ Ferro- alloys industry
- ◆ Blast Furnaces
- ◆ Zinc and lead producers
- ◆ Cement Industry

Current Dynamics

With the global slowdown engulfing the world, the infrastructure sector has also suffered contraction and consequently steel producer's world over have cut down production. This has caused a direct impact on coke demand and pulled down prices. Being cautious in the fragile market scenario, players are keeping low inventory levels and thus the coke demand has seen downturn. However, steel demand in India is far from softening on long term basis, and with inventory levels turning near to ground, the demand is once again expected to resurface. We expect the coke prices to lower at current level in the near term due to weak sentiments but recover to sustainable levels in the medium to long term.

RISK AND THREATS TO BUSINESS:

The steel sector has been severely impacted due to the economic slowdown and the coal consumption as raw material also fell down. This sector requires large amount of funds for investment which has further brought the sector under pressure. Slowdown in industry is generally and specifically to the industry and job losses are having adverse impact on the sector. Difficulty in getting finance at reasonable cost may hamper the business. While these concerns are valid to some extent, the Company believes that in near future we will be able to control the situation because of their skills, competencies, and demand supply gap.

HUMAN RESOURCE MANAGEMENT:

A strong brand image has been built thanks to the high standard of quality products delivered by the Company. This could not have been possible but for the dedicated professional and experienced manpower resources of the company. The Company ensures best manpower resources of the company. The Company ensures best work environment and equal opportunities with better prospects of career development to all its employees.

Since the Company is engaged in trading activity therefore minimum number of staff and workers has been retained in the Company to oversee day to day operations. The Company cares for its personnel and considers them as their assets. The Company is exposed to risks from market fluctuation of interest rate and stock market fluctuation of the share price.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an in house internal audit department which examines and ensures adequate internal checks and control procedures. It also ensures proper accounting, records authorization, control of operations and compliance with law. Further the Company is continuously working to improve and strengthen internal check and control system to align with the expected growth in operations.

RISK MANAGEMENT:

The Company is taking care of its risk management through robust risk management system. Risks are being identified to achieve its strategic business objective, plans are made, implemented and monitored to mitigate such risks.

COMPLIANCE WITH LOCAL LAWS:

THE Company believes strongly in complying with the laws of various states where it operates. The Company has legal set up for ensuring compliance with all statutes which are applicable periodically to its operations/ ventures. Any approvals or permissions related to specific operations are either handled by legal cell or by the concerned department.

CAUTIONARY STATEMENT:

In accordance with the code of corporate governance approved by the Securities and Exchange Board of India, shareholders and readers are cautioned that in case of data and information external to the Company, no representation is made on its accuracy or comprehensiveness through the same are based on sources believed to be reliable. Utmost care has been taken to ensure that the opinions expressed by the management herein contains its perception on the material impacts on the Company's operations but it is not exhaustive as they contain forward – looking statement which are extremely dynamic and increasingly fraught with risks and uncertainties, Actual results, performances, achievements or sequence of events may be materially different from the views and expressed herein.

By Order of the Board
Sd/-
Manoj Harishchandra Tiwari
Director

Place: Raipur
Date: August 13, 2016

CORPORATE GOVERNANCE REPORT

Chhattisgarh Industries Limited has been adopting the best Governance Practices so as to promote ethical values, social responsibility, transparency; accountability, fairness, integrity and compliance with existing legislation. Our Corporate Governance mechanism is being implemented in its true letter and spirit so as to ensure that all the stakeholders of the company maximize their value legally, ethically and benefit in the long run, by way of sustained growth and value addition.

The Company strives to adopt the best governance and disclosure practise with the following principles in mind:

- a) The management of the Company is the trustees of the shareholders funds and not the owners of the same.
- b) Keep a clear distinction between personal and corporate resources.
- c) Disseminate clearly the internal function of the Company to the outside world.
- d) Comply with all applicable laws of land in which the Company operates.
- e) Maintain high degree of integrity in its disclosure.

In line with the Statutory Compliances as stated in Clause 49 of the Listing Agreement(s), the company has fully complied with the same.

1. Composition of Board of Directors:

The Companies policy is to maintain optimum combination of Executive and Non- Executive Directors. The Non- Executive Directors with their diverse knowledge, experience and expertise bring in their independent judgment in the deliberations and decisions of the Board.

The composition of the Board is in accordance with the requirements of the corporate Governance code of Listing Agreement with the Stock exchanges. The Board of Directors consists of optimal combination of non executive and Independent directors during the period.

The Company has a Non Executive Chairman and number of Independent directors is one third of the total number of Directors.

None of the Directors on the Board is a member on more than 10 committees and chairman of more than 5 committees (as specified in clause 49 of the listing Agreement), across all the Companies in which he is Director.

a) Attendance of Board of Directors:

Our Board of Directors are comprise of the following members and the details of meeting attended by Directors are as under:-

| Sr. No. | Name of Director | Category | Attendance | |
|---------|----------------------------|-------------------|------------|----------|
| | | | Board | Last AGM |
| | | | (Yes/No) | (Yes/No) |
| 1 | Mr. Anil Kumar Sharma | Managing Director | Y | Y |
| 2 | Mr. keshav Goyal | Director | Y | Y |
| 3 | Mr. Arun Kumar Goyal | Director | Y | Y |
| 4 | Mrs. Gayatri Devi Goyal | Director | Y | Y |
| 5 | Manoj Harishchandra Tiwari | Director | N | N |

b) Board Procedure:

During the financial Period 2015-2016, The Board of Directors met on the following dates: 30/05/2015, 13/08/2015, 28/08/2015, 13/11/2015, 11/02/2016, 09/03/2016. The gap between any two meetings did not exceed four months, as mentioned in clause 49 of the listing agreement. The dates of the meeting were generally decided in advance. Key information is placed before Board of Directors to appraise corporate governance.

BOARD COMMITTEES

Presently the Board has four Committees, Audit Committee and, Stakeholders Relationship Committee, Nominations and Remunerations and CSR Committee, Members of Audit Committee consist of non-executive Chairman with combination of executive and non-executive directors as Member while investor grievances / share transfer committee/CSR Committee consist of non-executive Chairman with combination of executive and non-executive directors as Member.

The following committees have been formed in compliance with the Corporate Governance norms:

1. AUDIT COMMITTEE

Audit committee of the Board has been constituted in compliance with the provisions of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement relating to the composition and terms of reference of the Audit Committee. Audit Committee is, inter alia, responsible for the financial reporting and ensuring compliance with the Accounting Standard and reviewing the financial policies of our company and to recommend the appointment of statutory auditors and internal auditors and to fix their remuneration. The Committee is responsible for reviewing the reports from internal auditors as well as the group Companies. The Committee will review all quarterly reports before submission of the same to the Board. Name of the directors who are members of the Committee and the details of meeting attended by directors are as under:

Members of committee:

| | |
|-------------------------|--|
| Mrs. Gayatri Devi Goyal | Chairman (Appointed w.e.f. 13 July, 2015) |
| Mr. Anil Kumar Sharma | Member (Appointed w.e.f. 15 May, 2013) |
| Mr. Keshav Goyal | Member (Appointed w.e.f. 20 June, 2013) |
| Mr. Arun Kumar Goyal | Member (Appointed w.e.f. 07 October, 2014) |

- a) Audit committee comprises of executive and non executive directors as a member.
- b) Attendance at the audit committee meeting: The committee met four times during the period and quorum was present for every meeting.
- c) Dates of the Audit Committee meeting held: Audit committee meetings were held during the year on 30/05/2015, 13/08/2015, 13/11/2015, and 11/02/2016. Chief accounts officer of our company attended the Committee meetings, Representatives of Statutory Auditors and Internal Auditors are invited to attend the meeting.
- d) Brief terms of reference:
 - i) Oversight of company's financial reporting process.
 - ii) Recommendation of appointment of Statutory Auditors.
 - iii) Review of Quarterly, Half yearly and annual financial statements.
 - iv) Review of internal control system and internal audit function.
 - v) Management discussion and analysis of financial condition and results of operation.
 - vi) Significant related party transactions.

2. NOMINATION AND REMUNERATION COMMITTEE:

Remuneration committee of the Board has been constituted in compliance with the provisions of Section 178(3) of the Companies Act, 2013 and Clause 49 of the Listing Agreement relating to the composition and terms of reference of the Remuneration Committee and ensuring compliance with and to recommend the appointment of Director & to fix their remuneration. The Committee is responsible for reviewing the remuneration of the Director. The Committee will review all remuneration before submission of the same to the Board. Name of the directors who are members of the Committee and the details of meeting attended by directors are as under:

Members of Committee:

| | |
|-------------------------|---|
| Mrs. Gayatri Devi Goyal | Chairman (appointed w.e.f July 13, 2015) |
| Mr. Keshav Goyal | Member (appointed w.e.f. June 20, 2013) |
| Mr. Anil kumar Sharma | Member (appointed w.e.f. May 15, 2013) |
| Mr. Arun Kumar Goyal | Member (appointed w.e.f October 10, 2014) |

Nomination and Remuneration Committee meetings were held four times during the year 30/05/2015, 13/08/2015, 13/11/2015, and 11/02/2016.

The committee expressed its satisfaction with the Company's performance in dealing with the Investor's Grievances.

The compensation to the Directors is approved by the Shareholders and disclosed separately in Notes to Accounts. Compensation to the Managing Director(s) consists of fixed salary and/or performance incentive. Sitting Fees payable to the Independent Directors is limited to a fixed amount per year approved by the Board and the shareholders

3. STAKEHOLDER RELATIONSHIP COMMITTEE:

Our Company has constituted an Stakeholders relations committee comprising of directors for speedy disposal of the share transfer requests received by our company. The committee along with overseeing share transfer work looks into the complaints received from investors. The names of directors who are members of the Committee and the details of meeting attended by directors are as under:-

Members of Committee:

| | |
|-------------------------|---|
| Mrs. Gayatri Devi Goyal | Chairman (appointed w.e.f July 13, 2015) |
| Mr. Keshav Goyal | Member (appointed w.e.f. June 20, 2013) |
| Mr. Anil kumar Sharma | Member (appointed w.e.f. May 15, 2013) |
| Mr. Arun Kumar Goyal | Member (appointed w.e.f October 10, 2014) |

Share / debenture Transfer and Investor's Grievance Committee meeting were held during 30/05/2015, 28/08/2015, 13/11/2015, 11/02/2016, and 09/03/2016.

The committee expressed its satisfaction with the Company's performance in dealing with the Investor's Grievances.

4. CSR COMMITTEE :

The committee expresses its satisfaction with the Company's performance in dealing with the CSR.

Members of Committee:

| | |
|-------------------------|---|
| Mrs. Gayatri Devi Goyal | Chairman (appointed w.e.f July 13, 2015) |
| Mr. Keshav Goyal | Member (appointed w.e.f. June 20, 2013) |
| Mr. Anil kumar Sharma | Member (appointed w.e.f. May 15, 2013) |
| Mr. Arun Kumar Goyal | Member (appointed w.e.f October 10, 2014) |

SHAREHOLDING OF THE DIRECTORS IN OUR COMPANY:

The Articles of association do not require the directors to hold any qualification shares. The present shareholding of Directors is detailed below:

| Name of the Director | Designation | No. of shares held | %of paid up Share capital |
|-------------------------|-------------|--------------------|---------------------------|
| Mrs. Gayatri Devi Goyal | Chairman | NIL | NIL |
| Mr. Keshav Goyal | Director | NIL | NIL |
| Mr. Anil kumar Sharma | Director | NIL | NIL |
| Mr. Arun Kumar Goyal | Director | NIL | NIL |

INTEREST OF DIRECTORS

All Directors of our company may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration, reimbursement of expenses payable to them under the Articles of Association of our company. All our Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them or their relatives in our company or that may be subscribed for and allotted to them and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

The Directors may also be regarded as interested in the Equity Shares, if any, held by or that may be subscribed by and allotted to the Companies, firms and trust, in which they are interested as Directors, Members, Partners or Trustees

GENERAL BODY MEETINGS:

Details of last three Annual General Meetings are as follows:

| No of AGM | Date | Time | Venue | Special Resolution |
|------------------|----------------------------------|-----------|---|--------------------|
| 31 st | 30 th September, 2015 | 10.00 A.M | Near Balaji Transport Company Opp-Amaranth Dharmakanta , Hirapur, Ring Road, No.2, Raipur, Chhattishgarh 4920099. | ** |
| 30 th | 29 th September, 2014 | 1.00 P.M | Near Balaji Transport Company Opp-Amaranth Dharmakanta , Hirapur, Ring Road, No.2, Raipur, Chhattishgarh 4920099. | |
| 29 th | 27 th September ,2013 | 5.00 P.M | Near Balaji Transport Company Opp-Amaranth Dharmakanta , Hirapur, Ring Road, No.2, Raipur, Chhattishgarh 4920099. | *** |

** To appoint of a Lady Director Mrs. Gayatri Devi Goyal as Non Executive Director of the company.

***Appointment of Mr. Anil Kumar Sharma As managing Director of the company."

MEANS OF COMMUNICATION:

Information like quarterly / half yearly / annual financial results and press releases on significant developments in the company that has been made available from time to time, has been submitted to the stock exchanges to enable them to put them on their websites and communicate to their members. The quarterly / half yearly / annual financial results are published in English and regional Newspapers. Moreover, a report on management discussion and analysis has been given elsewhere in this report.

CORPORATE ETHICS:

The company adheres to the highest standard of business ethics, compliance with statutory and legal requirements and commitment to transparency in business dealings. A code of conduct for Board Members and Senior management and Code of Conduct for Prevention of Insider trading has been adopted.

(a) Code of Conduct for Board members and Senior management:

The Board of Directors of Company adopted Code of Conduct for its Members and Senior Management at their meeting of the Company. The Code highlights Corporate Governance as the cornerstone for sustained management performance, for serving all the stakeholders and for instilling pride of association.

The code is applicable to all Directors and specified Senior Management executives the code impresses upon directors and senior management executives to uphold the interest of the company and its stakeholders and to endeavor to fulfill all the fiduciary obligations forward them. Another important principle on which the code is based is that the Directors and senior management Executives shall act in accordance with the highest standard of honesty, integrity, fairness, and ethical conduct and shall exercise utmost good faith, due care and integrity in performing their duties.

Declaration affirming compliance of Code of Conduct

A declaration by the Board of Directors affirming Compliance of Board members and senior management personnel to the code are also annexed herewith.

(b) Code of Conduct for prevention of Insider Trading

The company has adopted a code of conduct for prevention of insider trading for its management, staff and Directors. The code lays down guidelines and procedures to be followed and disclosures to be made by directors, top level executives and staff whilst dealing in shares.

DISCLOSURES:

- a) There are no transactions, which have a potential conflict with the interest of the company at large.
- b) The Company has complied with the requirements of the Stock Exchanges/SEBI/any other Statutory Authority on all the matters related to capital markets.
- c) The company affirms that no employees have been denied access to the Audit Committee.
- d) The company has complied with all mandatory requirements as stipulated in clause 49 of the listing agreement with stock exchange.
- e) The company has fulfilled the following non mandatory requirements:

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The management discussion and analysis forms part of this Annual Report.

COMPANY'S CORPORATE WEBSITE

The company's corporate website provides the comprehensive reference on Chhattisgarh Industries Limited's management, Board members, vision, mission, and policies and the financials etc. of the company, in compliance with the provisions of listing Agreement.

GENERAL SHAREHOLDERS INFORMATION:

| | |
|---|---|
| Registered Office of the Company | Near Balaji Transport Company Opp. Amarnath Dharmkanta Hirapur, Ring Road No. - 2, Raipur, Chhattisgarh- 492099 |
| 32nd Annual General Meeting | Chhattisgarh industries Limited |
| Date | 23rd September 2016 |
| Time | 10 A.M |
| Venue | Near Balaji Transport Company Opp. Amarnath Dharmkanta Hirapur, Ring Road No. - 2, Raipur, Chhattisgarh- 492099. |
| Date of Book Closure | September 17, 2016 to September 23, 2016 (both days inclusive). |

Listing of shares on stock exchanges and stock code

| Sr. No | Name of the Stock Exchanges / Date | Stock Code |
|---------------|--|-------------------|
| 1. | (c) The Bombay Stock Exchange Limited | 530495 |

Listing Fees for the year 2015-2016

Annual listing fees has been paid to BSE

Market Price Data – BSE

Company – Chhattisgarh Industries Limited

Period: April 2015 to March 2016

Stock Prices Period: From April 2015 to March 2016**All Prices in ₹**

| Month | High | Low | Close | No. of shares | Total Turnover |
|----------|------|------|-------|---------------|----------------|
| April 15 | 6.78 | 6.45 | 6.45 | 421 | 2,788 |
| July 15 | 6.76 | 6.43 | 6.43 | 3 | 18 |
| Sep 15 | 6.11 | 6.11 | 6.11 | 1 | 6 |
| Oct 15 | 5.81 | 5.52 | 5.52 | 47 | 272 |
| Dec 15 | 5.25 | 4.99 | 4.99 | 1002 | 5259 |
| Jan 16 | 4.75 | 4.52 | 4.52 | 1100 | 5087 |
| Feb 16 | 4.30 | 4.30 | 4.30 | 200 | 860 |

Note: The information of the Stock price of the company for the month of May 2015, June 2015, August, 2015, November, 2015, & March, 2016 are not available in the BSE website, therefore we are unable to give the information.

Registrar and Transfer Agents for shares held in Physical as well as Depository mode:

Purva Sharegistry (India) Pvt. Ltd.

Unit no. 9

Shiv Shakti Ind. Estt.

J.R. Boricha marg

Opp. Kasturba Hospital Lane

Lower Parel (E)

Mumbai 400 011

Tel : 91-22-2301 6761 / 8261

Fax : 91-22-2301 2517

(a) Dematerialization of Securities

The Company's shares are available for trading in the Depository System both at National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Internet Security Identification Number (ISIN) allotted by NSDL and CDSL to Chhattisgarh Industries Limited is INE473C01017.

(b) Outstanding GDRs/ADRs/Warrants or any other Convertible Instrument.

Company has not issued any GDRs/ADRs/Warrants or any other convertible instruments or any issue (public issue, right issue, preferential issue etc.) to have impact on Equity Share Capital of the Company.

(c) Address for Correspondence: Chhattisgarh Industries Limited

109 195(PT) 828(PT) B-CABIN-1, NR INDIAN OIL NAGAR, OPP MADHUBAN BLDG, SHIV SHAKTI CHS, 4BUNGLOW, ANDHERI (W) MUMBAI MH 400058 INDIA.

By Order of the Board
Sd/-
Manoj Harishchandra Tiwari
Director

Place: Raipur

Date: August 13, 2016

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT POLICY

The Board Members and the senior management Personnel have confirmed compliance with the Code of Conduct and Ethics for the period ended March 31, 2016, as provided under clause 49 of the Listing Agreements with the Stock Exchange to the best of their efforts.

**By Order of the Board
Sd/-
Manoj Harishchandra Tiwari
Director**

**Place: Raipur
Date: August 13, 2016**

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2016
[Pursuant to section 204(1) of the Companies Act, 2013 and rule
No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

TO

The Board of Directors

M/s. CHHATTISGARH INDUSTRIES LIMITED

CIN: LL21015CT1984PLC002416

Near Balaji Transport Company, Ring Road no. 2, Raipur,
Chattisgarh, India- 492099

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. CHHATTISGARH INDUSTRIES 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 my opinion thereon.

Based on my/our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on 31st March 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the 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 Company for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act 2013 and the Rules made thereunder ;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; Not Applicable
- (iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iv) Foreign Exchange Management Act, 1999 and the applicable rules and regulations made there under; Not Applicable as there was no Foreign Direct Investment , Overseas Direct Investment or External Commercial Borrowing During the Period under review
- (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 during the period under Review
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Not Applicable during the period under Review
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not Applicable during the period under Review
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable during the period under Review
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- Not Applicable during the period under Review
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- Not Applicable during the period under Review
- (vi) The laws as are applicable specifically to the Company are as under:
 - a. The Companies Act, 2013
 - b. The Income Tax Act, 1961
 - c. The Environment Protection Act, 1986
- (vii) The Listing Agreements entered into by the Company with BSE Listed

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

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India-
- (ii) Corporate Governance Voluntary Guidelines- 2009 issued by Ministry of Corporate Affairs Government of India ,
- (iii) Corporate Social Responsibility Voluntary Guidelines, 2009 issued by the Ministry of Corporate Affairs, Government of India;
- (iv) The Company has not been a holding & Subsidiary of another companies.
- (v) The company has non Government Company /non financial company.

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

We Further report that, during the year under review:

The status of the Company during the financial year has been that of a Equity Listed Public Company.

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 period under review were carried out in compliance with the provisions of the Companies Act, 2013.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent at least seven days in advance, 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 are captured and recorded as part of the minutes.

Majority decision is carried through while the dissenting members' views 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 the Company has complied with the provisions of the Act and Rules made under that Act in carrying out the No changes:

We Further Report that:

- a) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the code of Business Conduct & Ethics for Directors and Management Personnel.
- b) The Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings/debenture holdings and directorships in other companies and interests in other entities.
- c) The company has advanced loans, given guarantees and provided securities amounting to to companies in which directors were interested, and has complied with the provisions of the Companies Act, 2013. Not Applicable as no such Transaction took place
- d) The Company has made loans and investments; or given guarantees or provided securities to other business entities and has complied with the provisions of the Companies Act, 2013 and any other statutes as may be applicable. Not Applicable as no such Transaction took place
- e) The amount borrowed by the Company from its directors, members, bank(s)/ financial institution(s) and others were within the borrowing limits of the Company. Such borrowings were made by the Company in compliance with applicable laws.
- f) The Company has not defaulted in the repayment of public deposits, unsecured loans and debentures, facilities granted by bank(s)/financial institution(s) and non-banking financial companies.
- g) The Company has created, modified or satisfied charges on the assets of the company and complied with the applicable laws.
- h) All registrations under the various state and local laws as applicable to the company are valid as on the date of report.
- i) The Company has not allotted the securities to the persons-entitled thereto and has also issued letters and certificates thereof as applicable to the concerned persons its shares within the stipulated time in compliance with the provisions of the Companies Act, 2013 and other relevant statutes during the period under review.
- j) The Company has paid all its Statutory dues During the Period under review Except the Following under.
- k) The Company has complied with the provisions of the Listing Regulations during the period under review.
- l) The Company has provided a list of statutes in addition to the laws as mentioned above and it has been observed that there are proper systems in place to ensure compliance of all laws applicable to the company.

Neelam Master & Associates
Practicing Company Secretary

Sd/-

Neelam Master
ACS: 25006, CP: 11192
Place: Mumbai
Date: 13th August 2016

COMPLIANCE CERTIFICATE OF THE AUDITORS

A certificate from the auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is attached to this report.

Auditors Certificate on Corporate Governance

To,
The Members,
CHHATTISGARH INDUSTRIES LIMITED

We have examined the compliance of conditions of corporate governance by Chhattisgarh Industries Limited for the year ended 31st March, 2016, as stipulated in clause 49 of the Listing Agreement of the said company with stock exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us:

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the 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 and on behalf of

M/s U.K.Rathi & Co.
Chartered Accountants

Sd/-
Rahul Bansal
(Partner)
Membership no: 068619
Firm No:326128E
Place: Kolkata
Date: August 13, 2016

Independent Auditor's Report**TO THE MEMBERS OF CHHATTISGARH INDUSTRIES LIMITED****Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements CHHATTISGARH INDUSTRIES LIMITED ("the Company"), which comprises the balance sheet as at 31 March 2016, the statement of profit and loss, the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone 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 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.

Auditor's Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under 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 in place an adequate internal financial controls system over financial reporting 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 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 31 March 2016 and its Loss 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, 2016 ("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 the paragraph 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 purposes of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid 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 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act; and
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company does not have any pending litigations which would impact its financial position.
 - ii) The Company did not have any long term contracts, including derivative contracts for which there were any material foreseeable losses.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

As per our report of date attached

For **U.K.Rathi & Co.**
Chartered Accountants
Firm No:326128E

Sd/-
Rahul Bansal
(Partner)
Membership no: 068619

Place: Kolkata
Date: 13/08/2016

ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2016, we report that:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As per the information and explanations given to us, the fixed assets have been physically verified by the management during the year in accordance with the phased programme of verification adopted by the Company and no material discrepancies were noticed on such verification;

2. As the Company had no inventories during the year, clause (ii) of paragraph 3 of the Order is not applicable to the company.

3. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, Clause 3(iii) (a), (b) and (c) of the order are not applicable for the year.

4. In our opinion and according the information and explanation given to us, there are no loans, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.

5. The company has not accepted any deposits from the public.

6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, 2013 for any of the services rendered by the Company

7. (a) According to the information and explanations given to us and the records examined by us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income-tax, sales-tax, wealth-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues and there are no undisputed statutory dues outstanding as at 31st March 2016, for a period of more than six months from the date they became payable.

(b) According to the records of the Company, there are no dues of Income Tax, sales tax, wealth tax, service tax, custom duty, excise-duty, cess which have not been deposited on account of disputes.

(c) According to the information and explanations given to us there are no amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under.

(d) The Company has accumulated loss of Rs. 211.61 Lacs (Previous period loss Rs. 787.79 Lacs) and has incurred a net loss of Rs 22.96 Lacs and has incurred cash loss of Rs. 4.53 Lacs during the reporting period covered by our audit.

8. Based on the information and explanations given to us, the Company has not defaulted in repayment of any dues to financial institutions and banks;

9. Clause (ix) of the order is not applicable to the company and hence not commended upon.

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

11. Clause (xi) of the order is not applicable to the company and hence not commended upon.

12. In our opinion, the company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the company and hence not commented upon.

13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For **U.K.Rathi & Co.**
Chartered Accountants
Firm No:326128E

Sd/-
Rahul Bansal
(Partner)
Membership no: 068619

Place: Kolkata
Date: August 13, 2016

BALANCE SHEET AS AT 31ST MARCH, 2016

Amount in Rs.

| Particulars | Note No. | Figures as at the end of 31st March 2016 | Figures as at the end of 31st March 2015 |
|---|----------|--|--|
| I. EQUITY AND LIABILITIES | | | |
| <u>(1) Shareholder's Funds</u> | | | |
| (a) Share Capital | 1 | 14,978,800 | 74,894,000 |
| (b) Reserves and Surplus | 2 | (21,161,297) | (78,779,560) |
| (c) Money received against share warrants | | | |
| <u>(2) Non-Current Liabilities</u> | | | |
| (a) Long-Term Borrowings | | | |
| (b) Deferred Tax Liabilities (Net) | | 784,997 | 784,997 |
| (c) Other Long Term Liabilities | | | |
| (d) Long Term Provisions | | | |
| <u>(3) Current Liabilities</u> | | | |
| (a) Short-Term Borrowings | 3 | 29,968,163 | 29,621,231 |
| (b) Trade Payables | 4 | 362,264 | 338,837 |
| (c) Other Current Liabilities | 5 | 361,930 | 239,776 |
| (d) Short-Term Provisions | 6 | 66,279 | 66,279 |
| Total Equity & Liabilities | | 25,361,136 | 27,165,560 |
| II. ASSETS | | | |
| <u>(1) Non-Current Assets</u> | | | |
| <u>(a) Fixed Assets</u> | | | |
| (i) Gross Block | 7 | 30,594,820 | 30,594,820 |
| (ii) Depreciation | | 9,335,911 | 7,491,962 |
| (iii) Net Block | | 21,258,909 | 23,102,858 |
| (b) Non-current investments | | - | - |
| (c) Deferred tax assets (net) | | - | - |
| (d) Long term loans and advances | | - | - |
| (e) Other non-current assets | | - | - |
| <u>(2) Current Assets</u> | | | |
| (a) Current investments | | - | - |
| (b) Inventories | | - | - |
| (c) Trade receivables | 8 | 46,172 | 46,172 |
| (d) Cash and cash equivalents | 9 | 144,379 | 142,830 |
| (e) Short-term loans and advances | 10 | 3,833,341 | 3,833,341 |
| (f) Other current assets | | 78,335 | 40,359 |
| Total Assets | | 25,361,136 | 27,165,560 |
| NOTES TO ACCOUNTS | 11 | | |

Additional Notes forming part of Accounts

As per our report of date attached

For U.K.Rathi & Co.
(Chartered Accountants)Sd/-
Rahul Bansal
(Partner)

FOR CHHATTISGARH INDUSTRIES LIMITED

Sd/
MANOJ TIWARI
(DIRECTOR)Sd/
ARUN KUMAR GOYAL
(DIRECTOR)

Membership no: 068619

Firm No:326128E

Place: Kolkata

Date : 13.08.2016

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH, 2016

Amount in Rs.

| Sr. No | Particulars | Sch. No. | Figures for the end of 31st March 2016 | Figures for the end of 31st March 2015 |
|--------|---|----------|--|--|
| I | Revenue from operations | 12 | - | 955,218 |
| | Total Revenue | | - | 955,218 |
| II | <u>Expenses:</u> | | | |
| | Purchases | | - | 1,177,200 |
| | Depreciation & amortisation | 7 | 1,843,949 | 2,137,990 |
| | Cost of materials consumed | | - | - |
| | Employee Benefit Expense | 13 | 90,825 | 259,625 |
| | Other Administrative Expenses | 14 | 362,163 | 606,880 |
| | Total Expenses | | 2,296,937 | 4,181,695 |
| III | Profit before Tax | (I - II) | (2,296,937) | (3,226,477) |
| IV | <u>Tax expense:</u> | | | |
| | (1) Current tax | | - | - |
| | (2) Deferred tax | | - | - |
| V | Profit/(Loss) for the period (XI + XIV) | | (2,296,937) | (3,226,477) |
| VI | Earning per equity share: | | | |
| | (1) Basic | | - 0.31 | - 0.43 |
| | (2) Diluted | | - 0.31 | - 0.43 |

Notes forming part of the Accounts

11

*Additional Notes forming part of Accounts**As per our report of date attached*

For U.K.Rathi & Co.

(Chartered Accountants)

SD/-

Rahul Bansal

(Partner)

Membership no: 068619

Firm No:326128E

Place: Kolkata

Date : 13/08/2016

FOR CHHATTISGARH INDUSTRIES LIMITED

Sd/-

MANOJ TIWARI

(DIRECTOR)

Sd/-

ARUN KUMAR GOYAL

(DIRECTOR)

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2016
PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT**

Amount in Rs.

| PARTICULARS | 31st March 2016 (Rs) | 31st March 2015 (Rs) |
|---|-------------------------------------|-------------------------------------|
| A. CASH FROM OPERATING ACTIVITIES | | |
| Net Profit before extra ordinary items and Tax | (2,296,937) | (3,226,477) |
| Adjustment for: | | |
| Depreciation | 1,843,949 | 2,137,990 |
| Preliminary Expenses written off | - | - |
| Interest debited to Profit and loss account | - | - |
| Non Operating Items | - | - |
| Loss on sale of Assets(Net) | - | - |
| Interest Credit to Profit and Loss Account | - | - |
| Operating Profit Before Working Capital Changes | (452,988) | (1,088,487) |
| Adjustment for: | | |
| (Increase)/Decrease in Trade and other Receivables | - | (2) |
| (Increase)/Decrease in Inventories | - | - |
| (Increase)/Decrease in other Current Assets | (37,976) | (40,359) |
| Increase/(Decrease) Current Liabilities and Provisions | 492,513 | 2,042,139 |
| Cash Generated From Other Operations | (A) 1,549 | 913,291 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Fixed asset(capital WIP) | - | (885,763) |
| Interest/Dividend received | | |
| Investment Sold | | |
| Net Cash Used in Investing activities | (B) - | (885,763) |
| C. CASH FROM FINANCING ACTIVITY | | |
| Net Proceeds from Borrowings | - | - |
| Interest paid | | |
| Net Cash Used in Financing Activities | (C) - | - |
| Net Increase in Cash and Cash Equivalents (A)+(B)+(C) | 1,549 | 27,528 |
| Cash & Cash Equivalents (Opening Balance) | 142,830 | 115,302 |
| Cash & Cash Equivalents (Closing Balance) | 144,379 | 142,830 |

*Additional Notes forming part of Accounts**As per our report of date attached*

For U.K.Rathi & Co.
(Chartered Accountants)

SD/-

Rahul Bansal

(Partner)

Membership no: 068619

Place: Kolkata

Date : 13/08/2016

FOR FORCHHATTISGARH INDUSTRIES LIMITED

SD/-

MANOJ TIWARI

(DIRECTOR)

SD/-

ARUN KUMAR GOYAL

(DIRECTOR)

NOTE Forming Integral Part of the Balance Sheet as at 31st March, 2016**Notes :1 Share Capital**

Amount in Rs.

| Sr. No | Particulars | 31st March 2016 | 31st March 2015 |
|--------|--|-------------------|-------------------|
| 1 | <u>AUTHORIZED SHARE CAPITAL</u> | - | - |
| a | 79,00,000 Equity Shares of Rs. 10/- each. | 79,000,000 | 79,000,000 |
| b | 10,000 Cumulative Preference Shares of Rs. 100/- each. | 1,000,000 | 1,000,000 |
| | | 80,000,000 | 80,000,000 |
| 2 | <u>ISSUED , SUBSCRIBED & PAID UP SHARE CAPITAL</u> | - | - |
| | 74,89,400 (P.Y. 7489400) Equity Shares of Rs. 10/ - each, with voting rights | 74,894,000 | 74,894,000 |
| | Less: Reduction of capital during the year against accumulated losses | (59,915,200) | - |
| | 1497880 (P.Y. 7489400) Equity Shares of Rs. 10/ - each, with voting rights | 14,978,800 | 74,894,000 |
| | | | |
| | Total | 14,978,800 | 74,894,000 |

Notes : 2 Reserve & Surplus

| Sr. No | Particulars | 31st March 2016 | 31st March 2015 |
|--------|--|---------------------|---------------------|
| 1 | Central Government Subsidy | - | - |
| 2 | State Government Subsidy | - | - |
| 3 | Surplus/(Deficit) in Statement of Profit & Loss Account | | |
| a | Balance as per Last Financial Statement | (78,779,560) | (75,553,083) |
| b | Add : Profit /(Loss) During the Year | (2,296,937) | (3,226,477) |
| c | Less : Set off during the year on account of reduction of capital | 59,915,200 | |
| | Total | (21,161,297) | (78,779,560) |

Notes : 3 Short- term Borrowings

| Sr. No | Particulars | 31st March 2016 | 31st March 2015 |
|--------|----------------------|-------------------|-------------------|
| 1 | Simplex coke Limited | 29968163 | 29,621,231 |
| | Total | 29,968,163 | 29,621,231 |

*NOTE Forming Integral Part of the Balance Sheet as at 31st March, 2016***Notes : 4 Trades Payable****Amount in Rs.**

| Sr. No | Particulars | 31st March 2016 | 31st March 2015 |
|--------|------------------|-----------------|-----------------|
| 1. | Sundry Creditors | 362,264 | 338,837 |
| | Total | 362,264 | 338,837 |

Notes : 5 Other Current Liabilities

| Sr. No | Particulars | 31st March 2016 | 31st March 2015 |
|--------|-------------------------------|-----------------|-----------------|
| 1 | Audit Fees Payable | 37,750 | 36,300 |
| 2 | TDS Payable | 899 | 352 |
| 3 | Other Outstanding Liabilities | 323,281 | 203,124 |
| | Total | 361,930 | 239,776 |

Notes : 6 Short Term Provisions

| Sr. No | Particulars | 31st March 2016 | 31st March 2015 |
|--------|---|-----------------|-----------------|
| | <u>Provision</u> | | |
| 1 | Provision for FBT for Previous Years | 3,182 | 3,182 |
| 2 | Provision for Taxation for Previous Years | 63,097 | 63,097 |
| | Total | 66,279 | 66,279 |

Notes : 7 Fixed Asset

Amount in Rs.

| Sr No | Particulars | Gross Block | | | Depreciation | | | Net Block | | |
|-------|--------------------------------------|----------------------------|--------------------------|---------------------------|-----------------------------|-----------------------------|--------------------------|---------------------------|----------------------|----------------------|
| | | Value as at 1st April 2015 | Addition during the year | Deduction during the year | Value as at 31st March 2016 | Value as at 31st April 2015 | Addition during the year | Deduction during the year | WDV as on 31.03.2016 | WDV as on 31.03.2015 |
| I | <u>Tangible Assets</u> | | | | | | | | | |
| 1 | Land | 1,524,800 | - | - | 1,524,800 | - | - | - | 1,524,800 | 1,524,800 |
| 2 | Building | 1,058,700 | - | - | 1,058,700 | 286,908 | 77,179 | - | 694,613 | 771,792 |
| 3 | Plant and Equipment | 19,906,490 | - | - | 19,906,490 | 7,205,054 | 1,766,770 | - | 10,934,666 | 12,701,436 |
| | SUB TOTAL (A) | 22,489,990 | - | - | 22,489,990 | 7,491,962 | 1,843,949 | - | 13,154,079 | 14,998,028 |
| II | <u>Capital Work-in-progress</u> | | | | | | | | | |
| | - | 8,104,830 | - | - | 8,104,830 | - | - | - | 8,104,830 | 8,104,830 |
| | SUB TOTAL (B) | 8,104,830 | - | - | 8,104,830 | - | - | - | 8,104,830 | 8,104,830 |
| | Total [A + B] (Current Year) | 30,594,820 | - | - | 30,594,820 | 7,491,962 | 1,843,949 | - | 21,258,909 | 23,102,858 |
| | (Previous Year) | 29,709,057 | 885,763 | - | 30,594,820 | 5,353,972 | 2,137,990 | - | 23,102,858 | 24,355,085 |

NOTE Forming Integral Part of the Balance Sheet as at 31st March, 2016**Notes : 8 Trade Receivables**

Amount in Rs.

| Sr. No | Particulars | 31st March 2016 | 31st March 2015 |
|--------|--|-----------------|-----------------|
| 1 | <u>Outstanding for more than six months</u> | | |
| | a) Secured, Considered Good : | 46,172 | 46,172 |
| | b) Unsecured, Considered Good : | - | - |
| | c) Doubtful | - | - |
| 2 | <u>Others</u> | - | - |
| | a) Secured, Considered Good : | - | - |
| | b) Unsecured, Considered Good : | - | - |
| | c) Doubtful | - | - |
| | Total | 46,172 | 46,172 |

Notes : 9 Cash & Cash Equivalent

| Sr. No | Particulars | 31st March 2016 | 31st March 2015 |
|--------|--|-----------------|-----------------|
| 1 | <u>Cash-in-Hand</u> | | |
| | Cash Balance | 8,778 | 30,669 |
| | Petty Cash Balance | | |
| | Sub Total (A) | 8,778 | 30,669 |
| 2 | <u>Bank Balance</u> | | |
| | Balance with banks in current Accounts | 135,601 | 112,160.84 |
| | Sub Total (B) | 135,601 | 112,161 |
| | Total [A + B] | 144,379 | 142,830 |

NOTE Forming Part of the Profit & Loss Accounts as at 31st March, 2016**Notes :10 Short Terms Loans and Advances**

| Sr. No | Particulars | 31st March 2016 | 31st March 2015 |
|--------|--|------------------|------------------|
| 1 | Loans & Advances from related parties | | |
| | <u>a) Secured, Considered Good :</u> | | |
| | Advance to Associate Concerns | - | - |
| | <u>b) Unsecured, Considered Good :</u> | | |
| | <u>c) Doubtful</u> | - | - |
| 2 | Others | | |
| | <i>Advance Recoverable in cash or in kind or for value to be considered good</i> | | |
| | Advance to Suppliers | 3,080,083 | 3,080,083 |
| | Advance Income Tax/Refund Due | 753,258 | 753,258 |
| | Balance With Revenue Authorities (Indirect Taxes) | - | - |
| | Prepaid Expenses | - | - |
| | Total | 3,833,341 | 3,833,341 |

NOTE: 11**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016****1. CORPORATE INFORMATION**

Chhattisgarh Industries Limited is a public limited company domiciled in India under the provisions of the Companies Act, 2013 (erstwhile Companies Act 1956). The main business of the Company is trading of coal, coke, Iron & steel.

2. SIGNIFICANT ACCOUNTING POLICIES**a) BASIS OF ACCOUNTING**

The financial statements of Chhattisgarh Industries Limited ("the Company") have been prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises accounting standards notified by the Central Government of India under Section 133 of the Companies Act, 2013, other pronouncements of Institute of Chartered Accountants of India and the other provisions of Companies Act, 2013. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities. The company follows the accrual system of accounting for recognizing income and expenditure.

b) USE OF ESTIMATES

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in the current and future periods.

c) REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Sale of goods:

Revenue is recognized when the significant risks and rewards of ownership of goods have passed to the buyer.

Sale of scrap:

Revenue from sale of scrap is recognized as and when scrap is sold.

d) FIXED ASSETS AND DEPRECIATION

Tangible Assets:

Fixed assets are carried at the cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets.

Depreciation and amortization:

Depreciation on fixed assets is charged on Straight Line basis at rates considering the useful lives prescribed in schedule II to the Companies Act, 2013.

e) EMPLOYEE BENEFITS

All short-term and long term employee benefits are recognised at their undiscounted amount in the accounting period in which they are incurred.

f) EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

g) TAXATION

Provision for current tax is made for the tax liability payable on taxable income after considering the allowances, deductions and exemptions and disallowances if any determined in accordance with the prevailing tax laws. The differences between the taxable income and the net profit or loss before tax for the period as per the financial statements are identified and the tax effect on the "timing differences" is recognised as deferred tax asset or deferred tax liability. The tax effect is calculated on the accumulated timing differences at the end of the accounting period based on the tax rates and laws, enacted or substantively enacted as of the balance sheet date.

h) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

The Company creates a provision when there is a present obligation as a result of an obligating event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the outflow. Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the company. Contingent Assets are neither recognized nor disclosed in the Financial Statements as a matter of prudence.

3. NOTES TO ACCOUNTS

- Contingent Liabilities: There are no such contingent liabilities to disclose as on the balance sheet date.
- Balances of Loans & Advances are subject to confirmation, reconciliation and adjustments if any.
- Related Party Disclosures:-

(Rupees in Lacs)

| Nature of Transactions | Key Managerial Personnel | Group Company/Associate Company |
|--------------------------------------|--------------------------|---------------------------------|
| Loan/Advances Given During the year. | -- | - |
| Loan/Advances Taken during the year | -- | - |

- The company has during the year provided depreciation on fixed assets based on estimated life and realisable value as prescribed in Schedule II of the Companies Act, 2013. Till last year, the Company was providing depreciation as per rates prescribed in Schedule XIV of the Companies Act, 1956.
- Auditors' Remuneration includes :-

| Particulars | (Amount in Rupees) | |
|-------------|--------------------|---------|
| | 2015-16 | 2014-15 |
| Audit Fees | 11450 | 12100 |

- Due to Capital Reduction Order the Numbers of shares reduce from 6,589,400 to 14,97,880 @10/- Per Share
- Previous year's figures have been re-grouped, re-classified and rearranged wherever necessary.

For U.K.Rathi & Co.
(Chartered Accountants)

FOR CHHATTISGARH INDUSTRIES LIMITED

Sd/-

Rahul Bansal

(Partner)

Membership no: 068619

Firm No:326128E

Place : Kolkata

Date: 13/08/2016

Sd/-

MANOJ TIWARI

(DIRECTOR)

Sd/-

ARUN KUMAR GOYAL

(DIRECTOR)

Form No. SH-13 Nomination Form

[Pursuant to Section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014]

To,

_____,
_____,
_____,
_____.

I/We _____

the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death:

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made):

| Nature of securities | Folio No. | No. of securities | Certificate No. | Distinctive No. |
|----------------------|-----------|-------------------|-----------------|-----------------|
| | | | | |
| | | | | |
| | | | | |

(2) PARTICULARS OF NOMINEE/S:

| | |
|---|---|
| (a) Name | : |
| (b) Date of Birth | : |
| (c) Father♦ s/Mother♦ s/Spouse♦ s name | : |
| (d) Occupation | : |
| (e) Nationality | : |
| (f) Address | : |
| (g) E-mail id | : |
| (h) Relationship with the security holder | : |

(3) IN CASE NOMINEE IS A MINOR:

| | |
|--------------------------------|---|
| (a) Date of birth | : |
| (b) Date of attaining majority | : |
| (c) Name of guardian | : |
| (d) Address of guardian | : |
| Name | : |
| Address | : |
| Name of the Security Holder(s) | : |
| Signature | : |
| Witness with name and address | : |

CHHATTISGARH INDUSTRIES LIMITED
 REGD. OFFICE: Near Balaji Transport Company
 Opp. Amarnath Dharmkanta Hirapur,
 Ring Road No. - 2, Raipur, Chhattisgarh- 492099
 CIN No: L21015CT1984PLC002416
 Email Id: contact@chhattisgarhindustries.com
 Website: www.chhattisgarhindustries.com
 32nd Annual General Meeting

ATTENDANCE SLIP**ATTENDANCE SLIP****PLEASE BRING THIS ATTENDANCE SLIP TO THE MEETING HALL AND HAND IT OVER AT THE ENTRANCE**

I/we hereby record my/our presence at the 32nd Annual General meeting of CHHATTISGARH INDUSTRIES LIMITED held at on SEPTEMBER 23, 2016 AT 10.00 A.M. AT Registered office of the company at Near Balaji Transport Company, opp- Amaranth Dharmakanta, Hirapur, Ring Road, no.2, Raipur, Chhattishgarh-492099.

Sr. No.

{for office use only}

Name of the Share Holders

Registered Address of the share Holder

Ledger Folio No./CL./ID :

D.P.Id No. if any

Number of shares Held :

Name of the proxy/
Representative if any :Signature of Member/s
Proxy :

Signature of the Representative :

FOR IMMEDIATE ATTENTION OF THE SHARE HOLDERS

Shareholders may please note that the user id and pass word given below for the purpose of e -voting in terms of section 108 of the companies Act,2013, read with rules 20 of the companies {Management and administration }Rules,2014 . detailed instructions for e-voting are given in the AGM Notice.

| EVEN (E-VOTING EVENT NUMBER) | USER ID | PASSWORD/PIN |
|---------------------------------|---------|--------------|
| | | |

*USE YOUR PASSWORD SENT BY CDSL

**Form No. MGT-11
Proxy form**

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

CIN : L21015CT1984PLC002416
 Name of the company : CHHATTISGARH INDUSTRIES LIMITED
 Registered office : Near Balaji Transport Company Opp. Amarnath Dharmkanta Hirapur,
 Ring Road No. - 2, Raipur, Chhattisgarh - 492099
 E- mail : contact@chhattisgarhindustries.com
 Website : www.chhattisgarhindustries.com

Name of the member (s) :
 Registered Address :
 E-mail Id :
 Folio No/ Client ID :
 DP ID :

I/We, being the member of ----- equityshares of the above named company, hereby appoint

Name :
 Address :
 E-mail id :

Signature :

as my/our proxy to attend and vote (on a poll) for me and on my behalf at the 31st Annual General Meeting of the company, to be held on the 30th day of September, 2015 At 10.00 A.M at Near Balaji Transport Company Opp. Amarnath Dharmkanta Hirapur, Ring Road No.- 2, Raipur, Chhattisgarh - 492099 and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business:

| Sl. No. | Resolution | Optional | |
|---------|---|----------|---------|
| | | For | Against |
| 1. | Adoption of Financial Statement of Accounts for the year ended on 31 st March, 2015. | | |
| 2. | Appointment of Auditor M/s. U K Rathi & Co. as a Statutory Auditor of the Company to hold office from conclusion of this Annual General Meeting until conclusion of the next Annual General Meeting of the company and fix their Remuneration | | |
| 3. | Appoint of Director in place of Mr. Ramesh Bhuta Aswar, who retires by rotation and, being eligible, offers himself for re-appointment | | |

Special Business:

| Sl. No. | Resolution | Optional | |
|---------|---|----------|---------|
| | | For | Against |
| 4. | Appoint of a Lady Director Mrs. Gayatri Devi Goyal as Non Executive Director of the company | | |
| 5. | Shifting of Registered office from the State of Chhattisgarh to the State of Maharashtra | | |
| 6. | Appointment of Secretarial Auditors M/s Shraavan A. Gupta & Associates, Practicing Company Secretaries for the financial Year 2014-15 | | |

Signed this.....day of..... 2015

Signature of Shareholder _____

Signature of Proxy holder(s) _____

Please
Affix
Revenue
Stamp

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.
 A Proxy need not be member of the Company.

Form No. MGT-12

Polling Paper

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company:

CHHATTISGARH INDUSTRIES LTD

Registered office:

NEAR BALAJI TRANSPORT COMPANY
OPP. AMARNATH DHARMKANTA HIRAPUR,
RING ROAD NO.- 2, RAIPUR, CHHATTISGARH-
492099

BALLOT PAPER (31st AGM 2015)

| S. No. | Particulars | Details |
|--------|---|--------------|
| 1. | Name of the First Named Shareholder (In block letters) | |
| 2. | Postal address | |
| 3. | Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form) | |
| 4. | Class of Share | Equity Share |

I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

| S. No. | Resolutions | No. of shares held by me | I assent to the resolution | I dissent from the resolution |
|--------|---|--------------------------|----------------------------|-------------------------------|
| 1. | Adoption of financial statements for the year 2014-15. | | | |
| 2. | Appointment of Auditor M/s. U K Rathi & Co. as a Statutory Auditor of the Company to hold office from conclusion of this Annual General Meeting until conclusion of the next Annual General Meeting of the company and fix their Remuneration | | | |
| 3. | Appoint of Director in place of Mr. Ramesh Bhuta Aswar, who retires by rotation and, being eligible, offers himself for re-appointment | | | |
| 4. | Appoint of a Lady Director Mrs. Gayatri Devi Goyal as Non Executive Director of the company | | | |
| 5. | Shifting of Registered office from the State of Chhattisgarh to the State of Maharashtra | | | |
| 6. | Appointment of Secretarial Auditors M/s Shraavan A. Gupta & Associates, Practicing Company Secretaries for the financial Year 2014-15 | | | |

Place:

Date :

(Signature of the shareholder)

Registered Post/Courier

If Undelivered please return to:
CHHATTISGARH INDUSTRIES LIMITED
Registered Office
Near Balaji Transport Company,
Opp. Amarnath Dharmkanta Hirapur,
Ring Road No. 2,
Raipur, Chhattisgarh - 492099