

23rd ANNUAL REPORT 2015-16



SHILP™
GRAVURES
LIMITED

Financial Highlights

DEBT EQUITY RATIO



GROSS ASSETS

(Rupees in Lacs)



NETWORTH

(Rupees in Lacs)



TURNOVER

(Rupees in Lacs)



SHILP™
GRAVURES
LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Ambar J. Patel (DIN 00050042)	Managing Director
Mr. Chinubhai R. Shah (DIN 00558310)	Independent Director
Mr. Shailesh C. Desai (DIN 00169595)	Independent Director
Mr. Jainand G. Vyas (DIN 02656340)	Independent Director
Mr. Nipam R. Shah (DIN 00093697)	Non - Executive Director
Mrs. Monica H. Kanuga (DIN 06919996)	Non - Executive Director

CHIEF EXECUTIVE OFFICER

Mr. Roshan H. Shah

CHIEF TECHNICAL OFFICER

Mr. Narendra R. Patil

CHIEF OPERATING OFFICER

Mr. Atul M. Vinchhi

CHIEF MARKETING OFFICER

Mr. Gajanan V. Bhavsar

CHIEF FINANCIAL OFFICER

Mr. Amit P Agrawal

CIN NO. : L27100GJ1993PLC020552

REGISTERED OFFICE & WORKS

778/6 Pramukh Industrial Estate,
Sola - Santej Road,
Village: Rakanpur, Taluka: Kalol,
District: Gandhinagar - 382 721, Gujarat, India
Ph. No.: 02764 - 286323, 286324, 286866
Fax No: 02764 - 286335
Website: www.shilpgravures.com
Email: Admin@shilpgravures.com

CORPORATE OFFICE :

101, Shri Kashi Parekh Complex,
B/h. Bhagwati Chambers,
C.G. Road, Navrangpura,
Ahmedabad - 380 009, Gujarat, India

REGISTRAR & SHARE TRANSFER AGENT :

Link Intime (India) Pvt. Ltd.
303, 3rd Floor, Shopper's Plaza - V,
Opp. Municipal Market, Behind Shopper's Plaza II
C G Road, Ahmedabad 380 009
Phone: +91-79-26465179
Email: ahmedabad@linkintime.co.in

COMPANY SECRETARY

Ms. Gurnish T. Chhabda

AUDITORS :

Deloitte Haskins & Sells
Chartered Accountants
19th Floor, Shapath-V
S. G. Highway,
Ahmedabad 380 015

BANKERS :

The Ahmedabad Mercantile Co-Operative Bank Limited
HDFC Bank
ICICI Bank
Axis Bank
Bank of Baroda

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NOTICE

Of the Annual General Meeting

NOTICE is hereby given that, the **TWENTY THIRD ANNUAL GENERAL MEETING** of the members of **SHILP GRAVURES LIMITED** will be held on **Friday, the 23rd day of September, 2016 at 4:00 p.m.** at the Registered Office of the Company at 778/6, Pramukh Industrial Estate, Village Rakanpur, Taluka Kalol, Dist. Gandhinagar, Gujarat to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone as well as Consolidated Balance Sheet of the Company as at 31st March, 2016 and Statement of Profit & Loss for the year ended on that date together with Reports of the Board of Directors and the Auditors thereon.
2. To declare a Final Dividend on Equity Shares for the Financial Year 2015-16, if any.
3. To appoint a Director in place of Mrs. Monica Kanuga, who retires by rotation and being eligible offers herself for re - appointment.
4. To ratify the appointment of Statutory Auditors and to fix their remuneration and to pass, the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, pursuant to the recommendations of the Audit Committee of the Board of Directors, and pursuant to the resolution passed by the members at the AGM held on September 3, 2014, the appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants, Ahmedabad a firm bearing Registration Number 117365W as the auditors of the Company to hold office till the conclusion of Annual General Meeting (AGM) to be held in the Calendar year 2018 be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending March 31, 2017 as may be determined by the Audit Committee in consultation with the Auditors, and that such remuneration plus service tax, out of pocket and travelling expenses, etc. as may be mutually agreed between the Board of Directors of the Company and the Auditors.

SPECIAL BUSINESS

5. To transact with Related Party u/s 188 of the Companies Act, 2013

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

"**RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013, and the relevant regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent be and is hereby accorded for entering into Related Party Transaction by the Company with effect from 01st April, 2016 upto the Maximum per annum amount for the transaction as appended below:

DIRECTORS/ KMPs/ RELATIVE OF DIRECTORS AND KMPs/ OTHER FIRMS AND COMPANIES in which Directors have some interest as per the provisions of Section 2(76) of the Companies Act, 2013

Related Party - Mrs. Monica Kanuga

Nature of transaction - Availing or rendering of any services as defined u/s 188(1) of the Companies Act, 2013

Amount of transaction - Rs. 7.00 Lacs

RESOLVED FURTHER THAT to give effect to this resolution the Board of Directors and/ or any Committee thereof be and is hereby authorised to settle any question, difficulty or doubt that may arise with regard to giving effect to the above resolution and to do all acts, deeds, things, as may be necessary in its absolute discretion deem necessary, proper, desirable and to finalise any documents and writings relating thereto."

By Order of the Board
For Shilp Gravures Limited

Place: Rakanpur

Date: 30.07.2016

Corporate Identification Number (CIN): L27100GJ1993PLC020552

Sd/-
Gurnish Chhabda
Company Secretary

NOTES

1. The relevant details of Mrs. Monica Kanuga, Director of the Company seeking re-appointment under item no. 3 of this Notice is provided hereunder as Annexure to Notice.
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 such proxy need not be a member of the company.**
3. Pursuant to Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case 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 for any other person or shareholder.

4. 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.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, the 17th September, 2016 to Friday, 23rd September, 2016 (both days inclusive) for the purpose of Dividend, if declared, at the Annual General Meeting.
6. If the final Dividend as recommended by the Board of Directors is approved at the AGM, will be payable on or after 23rd September, 2016 as under:
 - a) To all beneficial owners in respect of shares held in dematerialized form as per the data made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on 16th September, 2016.
 - b) To all members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer request lodged with the Company on or before the close of business hours on 16th September, 2016.

7. Following is the name and address of the Registrar & Share Transfer Agents:

Link Intime (India) Private Limited [LIIPL]
 303, 3rd Floor, Shopper's Plaza - V,
 Opp. Municipal Market, Behind Shopper's Plaza II
 Off C G Road, Ahmedabad - 380 009
 Tel: 079 - 26465179

Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearance Services (NECS), Electronic Clearing Services (ECS), mandates, nominations, power of attorney, change of address, change of name, Email address, contact numbers, etc. to their Depository Participants (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Share Transfer Agents, Link Intime (India) Private Limited (LIIPL) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changed to (LIIPL).

8. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or LIIPL for assistance in this regard.
9. In case of joint holders attending the meeting, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
10. Members seeking any information with regard to the Accounts, are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / SSIPL.
12. The Notice of the AGM along with the Annual Report 2015 – 16 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/ depositories, unless any member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
13. **To support "Green Initiative", the members who have not registered their e-mail addresses so far, are requested to register the same with LIIPL/ depositories.**
14. Members are requested to bring their copy of the Annual Report and Attendance Slip to the Annual General Meeting.
15. **Voting Process:-**

In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 and as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its members the facility to exercise their vote by electronic means. The facility of casting votes using an electronic voting system from a place other than the AGM venue ("remote e-voting") will be provided to the members by Central Depository Services (India) Limited (CDSL).

The Company is providing facility for voting by electronic means and the business may be transacted through such electronic voting. The facility for voting through poll paper shall also be made available at the meeting and members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

The instructions for shareholders voting electronically are as under:

- (i) Log on to the e-voting website www.evotingindia.com

- (ii) Click on “Shareholders” tab.
- (iii) Now, select the “COMPANY NAME” from the drop down menu and click on “SUBMIT”
- (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*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/ folio number in the PAN field. • In case the folio number is less than 8 digits enter the applicable number of 0’s before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB#	<p>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.</p>
Dividend Bank Details#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> • 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 member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (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 <Company Name> 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 out 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) **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non – Individual Shareholders and Custodians:**
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) 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 the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

E-voting Period:

- i) The E-voting period commences on 20th September, 2016 (09.00 a.m.) and ends on 22nd September, 2016 (05.00 p.m.). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the relevant date (Cut-off) of 16th September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- ii) The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the relevant date of 16th September, 2016.
- iii) Mrs. Monica Kanuga, Company Secretary in Practice has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- iv) The scrutinizer shall unblock the votes in the presence of atleast two (2) witnesses not in the employment of the Company and within a period not exceeding three (3) days from the conclusion of the meeting, make a scrutinizer’s report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- v) The results shall be declared alongwith the scrutinizer’s report on the Company’s website www.shilpgravures.com and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the stock exchange.

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

As required by Section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under item No. 5 of the accompanying notice:

Item No. 5

Transactions with Related Parties u/s 188 of the Companies Act, 2013

The provisions of Section 188(1) of the 2013 Act that govern the following Related Party Transactions require a Company to obtain prior approval of the Board of Directors and in case the paid-up share capital of a Company is Rs. 10 Crores or more, to obtain the prior approval of Shareholders by way of Special Resolution:

- (a) Sale, purchase of supply of any goods or materials.
- (b) Selling or otherwise disposing of, or buying property of any kind.
- (c) Leasing of property of any kind.
- (d) Availing or rendering of any services
- (e) Appointment of any agent for purchase or sale of goods, materials, services or property.
- (f) Such related party’s appointment to any office or place of profit in the Company, its subsidiary company or associate company : and
- (g) Underwriting the subscription of any securities or derivatives thereof of the Company.

Whereas, Regulation 23(4) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, requires all Material Related Party Transactions to be approved by the Shareholders.

Now, in our case the appended Related Party Transaction(s) does not fall under the criteria of the aforesaid provisions and the amount of transaction is also not significant, however the Company wishes to obtain the approval of shareholders for the sake of abundant caution and good corporate governance.

In the light of provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Members of the Audit Committee and the Board of Directors of your Company have approved the proposed transactions along with annual limits that your Company may enter into with the said Related Party (as defined under the Companies Act, 2013) for the Financial Year 2016-2017.

All prescribed disclosures as required to be given under the provisions of the 2013 Act and the Companies (Meetings of Board and its Powers) Rules, 2014 are given herein below for kind perusal of the members.

DIRECTORS/ KMPs/ RELATIVE OF DIRECTORS AND KMPs/ OTHER FIRMS AND COMPANIES in which Directors have some interest as per the provisions of Section 2(76) of the Companies Act, 2013

Related Party	-	Mrs. Monica Kanuga
Nature of transaction	-	Availing or rendering of any services as defined u/s 188(1) of the Companies Act, 2013
Amount of transaction	-	Rs. 7.00 Lacs
Tenure of transaction	-	1 st April, 2016 to 31 st March, 2017

- Name of the related party and nature of relationship: As provided in the details above.
- Nature, duration of the contract and particulars of the contract or arrangement:
Mrs. Monica Kanuga is a Practicing Company Secretary. She provides professional, advisory services to the Company since over two decades and has also been the secretarial auditor under the provisions of the Companies Act, 2013. The Company proposes to continue with her services at such professional fees which do not exceed Rs. 7.00 Lacs per annum.

Members are hereby informed that pursuant to second proviso of section 188 (1) of the 2013 Act, no member of the Company shall vote on such special resolution to approve any contract or arrangement which may be entered into by the Company, if such member is a related party.

The Board of Directors of your Company has approved this item in the Board Meeting held on 30th April, 2016 and recommends the Resolution as set out in the accompanying Notice for the approval of the Shareholders as a Special Resolution.

Except Mrs. Monica Kanuga, no other Director is concerned or interested in this Resolution.

ANNEXURE TO NOTICE

Details of Director seeking appointment / re-appointment at the Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions are as under:

Name	:	Mrs. Monica Kanuga (DIN: 06919996)
Date of Appointment	:	26 th July, 2014
Date of Birth	:	07/09/1968
Educational Qualification	:	B. Com., L.L.B. (Special), FCS
Expertise in specific Functional Area	:	Mrs. Monica Kanuga is a Fellow member of the Institute of Company Secretaries of India (ICSI) by qualification and has an experience spanning over two decades across the sectors in providing consultation in the fields of Company Law, SEBI laws, Capital Market, Corporate Restructuring and Joint Venture formations. She has also been actively involved with drafting of Funding Agreements for venture or angel investors. At present she runs her own proprietorship firm of Practicing Company Secretaries and is associated with number of business houses in the private sector as well as in the public sector as Corporate Consultant rendering exclusive, qualitative professional services to the clients. She is also a regular speaker at various forums like educational institutions, the Institute of Company Secretaries and other professional bodies.
Directorships held in other public Companies (Excluding foreign and private Companies)	:	None
Committee Memberships/ Chairmanship in other public Companies	:	None
Shareholding (no. of shares held as on 31.03.2016)	:	None
Disclosure of relationships between Directors inter-se	:	No inter-se relations

DIRECTORS' REPORT

To
The Members,
SHILP GRAVURES LIMITED

Your Directors have pleasure in presenting the 23rd Annual Report on the working of the Company together with the Audited Accounts of the Company for the year ended on 31st March, 2016.

FINANCIAL HIGHLIGHTS

(a) Standalone Financial Results of Shilp Gravures Limited

(Rs. in Lacs)

Particulars	For the year ended on 31 st March, 2016	For the year ended on 31 st March, 2015
Revenue from Operations and Other Income	6189.90	5819.62
Profit Before Depreciation and Amortisation expenses, Finance Cost and Tax	1578.87	1453.78
Less: Depreciation and Amortisation expenses	606.92	623.98
Finance Cost	169.55	215.16
Exceptional Items	267.19	-
Profit before Tax	535.21	614.64
Less: Current tax expense for current year	266.13	164.20
Short provision for tax relating to prior years	2.70	0.99
Deferred tax	(36.64)	(4.64)
Net Profit after Tax	303.02	454.09
Balance Brought Forward	2555.14	2279.16
Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (net of deferred tax)	-	(64.55)
Amount available for appropriations	2858.16	2668.70
Appropriation:		
General Reserves	25.00	25.00
Proposed Dividend	73.80	73.80
Corporate Dividend Tax	15.02	14.76
Balance Carried to Balance Sheet	2744.34	2555.14

(b) Consolidated Financial Results of Shilp Gravures Limited, its Subsidiary Company and Joint Venture Company

(Rs. in Lacs)

Particulars	For the year ended on 31 st March, 2016	For the year ended on 31 st March, 2015
A - CONTINUING OPERATIONS		
Revenue from Operations and Other Income	6198.60	5819.62
Profit Before Depreciation and Amortisation expenses, Finance Cost and Tax	1587.57	1453.77
Less: Depreciation and Amortisation expenses	606.92	623.98
Finance Cost	169.55	215.16
Profit before Tax	811.10	614.64
Less: Current tax expense for current year	263.13	164.20
Short provision for tax relating to prior years	2.70	0.99
Deferred tax	(36.64)	(4.64)
Profit from Continuing Operations	578.91	454.09
B - DISCONTINUING OPERATIONS		
Loss from discontinuing operation	85.01	73.25
Gain on disposal of assets / settlement of liabilities attributable to the discontinuing operations	68.93	-
Tax expenses attributable to ordinary activity of discontinuing business	4.81	(17.90)
Loss from discontinuing operations	20.89	55.35
Less: Minority Interest	4.97	19.60
Profit Attributable to Shareholders of the Company	553.05	379.14
Balance Brought Forward	2305.11	2250.12
Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (net of deferred tax)	-	(65.17)
Amount available for appropriations	2858.16	2418.66
Appropriation:		
General Reserves	25.00	25.00
Proposed Dividend	73.80	73.80
Corporate Dividend Tax	15.02	14.76
Balance Carried to Balance Sheet	2744.34	2305.11

OPERATIONS & STATE OF AFFAIRS

Your Company has achieved a gross turnover of Rs. 6579.81 Lacs as compared to that of Rs. 6143.36 Lacs in the previous year. However, considering the consolidated losses incurred during the year, the Profit after Tax has been affected and due to which the Net Profit has decreased to Rs. 303.02 Lacs for the year under review as compared to Rs. 454.08 Lacs in the previous year. While during the year, the Company has paid off its long-term liabilities aggregating to Rs. 434.23 Lacs and thus the debt equity ratio of the Company emerges to 0.55. With this the Management is able to achieve the position of a debt free company.

DIVIDEND & RESERVES

In consideration to the stagnant performance of the Company for the financial year 2015 – 16, the Board of Directors (“the Board”) have decided to recommend a final dividend of Rs. 1.20/- per share, being 12.00% (at par with the previous year) on the face value of Rs. 10/- per share on 6,149,800 Equity Shares of the Company to be appropriated from the profits of the Company for the financial year 2015 – 16. In compliance to the provisions of section 123 (1) of the Companies Act, 2013, the Company proposes to transfer a sum of Rs. 25.00 Lacs to the General Reserve being 8.25% of the Current year’s profit.

FIXED DEPOSITS

The Company has not accepted any public deposits and as such no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

DIRECTORS & KEY MANAGERIAL PERSONNEL

(a) Resignations

During the year under review, the following Directors have resigned from the Directorship of the Company due to their other pre-occupation(s):

Sr. No.	Name of the Director	DIN	Designation
1.	Mr. Gajanan V. Bhavsar	00349658	Wholetime Director
2.	Mr. Roshan H. Shah	00093647	Wholetime Director
3.	Mr. Baldev V. Patel	00126972	Chairman
4.	Mr. Rajendra Shah	00061922	Independent Director
5.	Mr. Navin Patel	00093859	Independent Director

(b) Retirement By Rotation

Mrs. Monica Kanuga (DIN: 06919996)

In accordance with the provisions of Section 152(6) and Articles of Association of the Company, Mrs. Monica Kanuga will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offer herself for re-appointment. The Board recommends her re-appointment.

(c) Appointment

Mr. Roshan Shah – Key Managerial Personnel

During the year under review, Mr. Roshan Shah was appointed by the Board at its meeting held on 10th July, 2015 as the Chief Executive Officer of the Company.

Mr. Amit Agrawal – Key Managerial Personnel

During the year under review, Mr. Amit Agrawal was designated by the Board at its meeting held on 2nd May, 2015 as the Chief Financial Officer of the Company effective from same date.

(d) Declaration by Independent Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as laid out under sub-section (6) of Section 149 of the Companies Act, 2013 and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

DIRECTORS’ RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 134(3)(c) of the Companies Act, 2013, the Directors hereby state and confirm that:

- in the preparation of annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;

- b) the accounting policies have been applied consistently and reasonable and prudent estimates have been made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2015-2016 and the profit of the Company for that period;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Annual Accounts have been prepared on a 'going concern basis';
- e) the internal financial controls followed by the Company are adequate and has been operating effectively; and
- f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and have been operating effectively.

AUDITORS AND COMMENTS ON AUDITORS' REPORT

(a) Statutory Auditors

M/s. Deloitte Haskins & Sells (DHS), (ICAI firm Registration Number 117365W), Chartered Accountants (CAs), Ahmedabad, were appointed as the Statutory Auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2018. In terms of the first proviso to Section 139 of the Companies Act, 2013 and the Rules framed thereunder, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. In this regard, the Board based on the recommendation of the Audit Committee recommends the appointment of M/s. Deloitte Haskins & Sells "DHS" as statutory auditors of the Company for the financial year 2016 – 17.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report. The notes on the financial statement referred to in the Auditor's Report are self-explanatory and do not call for any further comments.

(b) Secretarial Auditors

The Board had appointed Mrs. Monica Kanuga, Practicing Company Secretary, Ahmedabad as the Secretarial Auditor to conduct Secretarial Audit for the financial year 2015 – 16 under the provisions of Section 204 of the Companies Act, 2013.

The report of Secretarial Auditor is annexed to this report as **Annexure - I**. The observations made by the Auditor in the Report relates to the Insider Trading by the Connected Person. The Management submits that the opposite transaction done by the connected person was for the nominal number of shares and the value of the transaction was also insignificant. Further the connected person has provided a declaration to the Management that he was not in receipt of any unpublished price sensitive information, for the trading done during the closed window.

DISCLOSURES UNDER THE COMPANIES ACT, 2013

(a) Extract of Annual Return

The details forming part of the extract of the Annual Return in Form MGT-9 as required under Section 92(3) and Rule 12 of the Companies (Management and Administration) Rules, 2014 is annexed to this report as **Annexure – II**.

(b) Number of Board Meetings

The Board of Directors met 5 (five) times during the year 2015 – 16. The details of the Board Meetings and the attendance of the Directors are provided in the Corporate Governance Report.

(c) Composition of Audit Committee

During the year under review, there was an addition in the members of the Audit Committee. Mr. Nipam Shah, a non-executive director was appointed as a member of the Committee. More details on the committee are given in the Corporate Governance Report. All the recommendations by the Audit Committee were accepted by the Board.

(d) Particulars of Loan given , Guarantees given, Securities provided and Investments made

During the year under review, there are no particulars of the loan given, guarantees given, securities provided or investments made by the Company in pursuance to the provisions of Section 186 of the Companies Act, 2013.

(e) Related Party Transactions

In line with the requirements of the Companies Act, 2013 and Listing Regulations, the Company has formulated a Policy on Related Party Transactions after being approved by the Board; it is uploaded on the Company's website www.shilpgravures.com. The web-link to the Policy is <http://www.shilpgravures.com/pdf/Related%20Party%20Transaction%20Policy.pdf>. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All the related party transactions entered by the Company during the financial year were on an arm's length basis and in compliance with the applicable provisions of the Act and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. All the Related Party Transactions are presented before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions on an annual basis for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

During the year, the Company had not entered into any materially significant related party transactions which have potential conflict with the interest of the Company at large and hence there is no information to be provided under section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014.

(f) Internal Control Systems

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors and covers the entire business area. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations. With the formalized systems and procedures, the Company is able to continuously monitor the efficacy of internal controls and to provide to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the organization's risk management, control and governance processes.

All significant audit observations and follow-up actions therein were reported to the Audit Committee. The Audit Committee also met the company's Statutory auditors to ascertain their views on the financial statements, including the financial reporting system, compliance to accounting policies and procedures, the adequacy and effectiveness of the internal controls and systems followed by the Company. The Company manages cash and cash flow processes diligently, involving all parts of the business. There was a net cash surplus of Rs. 765.88 Lacs (2014-15: Rs. 81.26 Lacs), as on 31st March, 2016. The Company's low debt equity ratio provides ample scope for gearing the Balance Sheet, should the need arise.

(g) Vigil Mechanism / Whistle Blower

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a Vigil Mechanism or Whistle Blower Policy for directors and employees to report genuine concerns has been established. The same is also uploaded on the website of the Company – www.shilpgravures.com and can be accessed at the web link <http://www.shilpgravures.com/pdf/Whistle%20Blower%20Policy.pdf>

(h) Performance Evaluation

As a part of good governance and Board process and also in accordance with the requirement of the Act and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company carried out the Board, its Committee(s) and Directors' evaluation during the year. As per the requirement of the Act, the Board Report includes a statement indicating how the Board has evaluated its performance; and that of its committees and individual directors. More detail on the same is given in the Corporate Governance Report.

(i) Material Changes

The Company during the year had divested its stake from the following:

▪ **Disinvestment from ReShilp Equipments (India) Private Limited – Subsidiary Company**

During the year the Company had disinvested its entire stake of 2,91,867 Equity shares of Rs. 10.00 each (i.e. 51%) from Re-Shilp Equipments (India) Private Limited. The Company by way of transfer of Equity shares had sold 1,83,132 Equity shares aggregating to 32% to Mr. Shailesh K. Shah, the Executive Director of ReShilp and his wife Mrs. Nila Shailesh Shah at a price consideration of Rs. 27.46 Lacs. The remaining 1,08,735 Equity shares aggregating to 19% were sold to M/s. Re S.P.A. Controlli Industriali, the co-partner in ReShilp at a price consideration of Rs. 19.57 Lacs.

▪ **Disinvestment from HMSU Rollers (India) Private Limited – Joint Venture Company**

During the year the Company had disinvested its entire stake of 20% i.e. 29,97,800 Equity shares of Rs. 10.00 each and 7,50,000 Preference shares of Rs. 10.00 each by way of transfer of shares to the co-partners of the Joint Venture Company (that includes: M/s Unimark International Pvt. Ltd., M/s. Hannecard N. V. and M/s. Mitex GmbH) at a price consideration of Rs. 14.73 Lacs and Rs. 75.00 Lacs against the Equity Shares and the Preference Shares, respectively. The unsecured loan offered to HMSU has also been paid back by HMSU.

The Company has completely dissociated itself from ReShilp and HMSU. The accounting details for the sale of shares is available in the Note no. 28. It is hereby confirmed that there has been no change in the nature of business of the Company and there have been no commitments affecting the financial position of the Company since the close of financial year March 31, 2016.

(j) CSR Policy

As a responsible corporate citizen, we continue to be partners in growth. The Company believes that the ultimate objective of your Company is to benefit local communities through initiatives, which contribute to nation-building. Our leadership takes active responsibility in our outreach and engagement initiatives.

In compliance with requirements of Section 135 of the Companies Act, 2013, the Company has laid down a CSR Policy. The composition of the Committee, contents of CSR Policy and report on CSR activities carried out during the financial year ended on March 31, 2016 in the format prescribed under Rule 9 of the Companies (Accounts) Rules, 2014 is annexed herewith as **Annexure III**.

(k) Nomination and Remuneration Policy

The Company has a Nomination and Remuneration Committee (NRC) and the details of the Committee and the terms of reference of the NRC policy are set out in the Corporate Governance Report, which is part of the Board's Report.

The Company's Policy for selection and appointment of Directors and their remuneration is based on its NRC policy which, inter alia, deals with the manner of selection of the Board of Directors and such other matters as provided under section 178(3) of the Act and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. This Policy is accordingly devised by the Nomination & Remuneration Committee and thereafter approved by the Board. More details on the same are provided in the Corporate Governance Report.

The Company's shareholders may refer the Company's website for the detailed Nomination & Remuneration Policy of the Company on the appointment and remuneration of Directors including criteria for determining qualifications, positive attributes, independence of a Director; and other matters provided under sub-section (3) of Section 178.

(l) Prevention of Sexual Harassment at Workplace

The Company has endeavored to encourage women employees by creating proper policies to tackle issues relating to safe and proper working conditions, and create and maintain a healthy and conducive work environment that is free from discrimination on any basis including gender or any form of sexual harassment. As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made thereunder, the Company is in process of constituting an Internal Complaints Committees (ICC). During the year, no complaints of sexual harassment were filed by any of the women employee of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed report on Management Discussion and Analysis Report is presented in a separate section forming part of the Annual Report.

CORPORATE GOVERNANCE REPORT

The Company is renowned for classic governance standards since inception and continues to lay a strong emphasis on transparency, accountability and integrity. The Corporate Governance Code adopted by the Board of Directors of the Company is a statement of Company's practices and procedures in the area of governance. The Companies Act, 2013 and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 have strengthened the governance regime in the country. The Company is in compliance with the governance requirements provided under the new law and listing regulations.

The Company complies with the Securities Exchange Board of India (SEBI's) guidelines on Corporate Governance. The Company has also documented internal policies on Corporate Governance. A separate report on Corporate Governance is provided together with a Certificate from the Statutory Auditors of the Company in compliance of terms of the Corporate Governance as stipulated under the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. A certificate of the CEO and CFO of the Company in terms of Listing Regulations, inter alia, confirming the correctness of the financial statements and cash flow statements, adequacy of internal control measures and reporting of matters to the Audit Committee is also annexed.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The table containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as **Annexure IV** to the Board's Report.

During the year under review, there are no employees in respect of whom the information as per Section 197 of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is required to be disclosed. However, the names of the top 10 employees of the Company in terms of remuneration drawn by them is provided in Disclosure no. 5 in the appended **Annexure IV**.

SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANY AND ITS CONSOLIDATED FINANCIAL STATEMENT

The Company has no Subsidiary, Associate or Joint Venture Company as on March 31, 2016. During the year, the Company has divested its stake from its Subsidiary Company - "ReShilp" and also from its Associate / Joint venture Company - "HMSU". The Consolidated Financial Statements of the Company till the date its association with the said companies is prepared in accordance with the relevant Accounting Standards and are provided in the Annual Report.

The requirement of providing a statement containing salient features of the financial statement of the Subsidiaries / Associate Companies / Joint Ventures Companies in pursuance to the provisions of Section 129(3) of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014 does not arise. However a statement prescribing the details of the Subsidiaries / Associate Companies / Joint Venture Companies that ceased during the year are provided in the **Annexure A** to the Consolidated Financial Statements of the Company and hence not repeated for the sake of brevity.

The Policy for determining material subsidiaries as approved by the Board is uploaded on the Company's website www.shilpgravures.com and can be accessed on the web link <http://www.shilpgravures.com/pdf/Policy%20on%20Material%20Subsidiary.pdf>

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

The information to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is enclosed as **Annexure - V** to this report.

DETAILS OF UNCLAIMED SUSPENSE ACCOUNT

Disclosure pertaining to Unclaimed Suspense Account as required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is not applicable as there is no suspense account required to be maintained by the Company.

INSURANCE

All the insurable interests of the Company including Inventories, Buildings, Plant & Machinery and Liabilities under legislative enactments are adequately insured.

ACKNOWLEDGMENTS

The Company has maintained healthy, cordial and harmonious relations at all levels throughout the year.

The Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The Directors gratefully acknowledge the trust and confidence and look forward for their continued support in the future.

The Directors also take this opportunity to thank all Auditors, Bankers, Consultants, Investors, Clients, Vendors, Customers, Government and Regulatory Authorities and Stock Exchanges, for their continued support during the year.

On the behalf of The Board of Directors

Ambar Patel
(Managing Director)

Shailesh Desai
(Director)

Place: Rakanpur
Date: 30.07.2016

ANNEXURE – I
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 Members,
Shilp Gravures Limited
778/6, Pramukh Industrial Estate,
Sola-Santej Road,
Village: Rakanpur, Taluka : Kalol,
District : Gandhinagar - 382721

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has generally, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. 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;
- (vi) No specific laws are applicable to the industry in which the Company operates. The same has also been confirmed by the Management.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) Listing Agreement entered into by the Company with BSE Limited.

During the period under review, provisions of the following regulations were not applicable to the Company:

- (i) The Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014;
- (ii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (iii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (iv) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

During the period under review the Company has generally complied with the applicable provisions of the Act, Rules Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- (i) One opposite transaction by a connected person has been noticed. The said connected person has also traded during closed windows during the year.

I further report that:

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

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

All decisions at the meeting of the Board of Directors / Committees of the Board were taken unanimously as recorded in the minutes of the meetings and no dissenting views have been recorded.

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

I further report that during the audit period the Company has:

- (i) Exited from HMSU Rollers (India) Private Limited and Reshilp Equipments (India) Private Limited as Joint Venture Partner by termination of the Joint Venture Agreements and transfer of stakes to other partners in the respective companies.
- (ii) Received a Notice from the Gujarat Pollution Control Board with relation to discharge of domestic wastewater, installation of DG set and Nickel and Copper bath without necessary approvals and higher levels of AR of untreated domestic wastewater in January, 2016. The Company has taken the necessary corrective actions and complied with the requirements with simultaneous submissions to GPCB by March, 2016.

Place : Ahmedabad
Date : 7th July, 2016

Signature :
Name of PCS : Monica Kanuga
FCS No. : 3868
C P No. : 2125

To,
The Members,
Shilp Gravures Limited
778/6, Pramukh Industrial Estate,
Sola-Santej Road,
Village: Rakanpur, Taluka : Kalol,
District : Gandhinagar - 382721

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

1. Management's Responsibility

Management is responsible for the maintenance of the Secretarial records and for the preparation and filing of forms, returns, documents for compliances and to ensure that they are free from material non compliance, whether due to fraud or error.

2. Secretarial Auditor's Responsibility

Secretarial Audit is a process of verification of records and documents on sample or test basis. My responsibility is to express an opinion on the secretarial compliances of certain laws by the Company on the basis of my audit. The audit practices and processes have been followed as deemed appropriate to provide reasonable assurance about the correctness of the records and the confirmation of compliance. My audit process has involved verification of records and dependence on Management representation and my opinion is based thereupon.

3. Conduct of Company's Affairs

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

Place : Ahmedabad
Date : 7th July, 2016

Signature :
Name of PCS : Monica Kanuga
FCS No. : 3868
C P No. : 2125

ANNEXURE – II
Form MGT – 9
EXTRACT OF ANNUAL RETURN

As on the Financial Year ended on 31st March, 2016

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

I. REGISTRATION AND OTHER DETAILS

1. CIN	:	L27100GJ1993PLC020552
2. Registration Date	:	29 th October, 1993
3. Name of the Company	:	Shilp Gravures Limited
4. Category / Sub-Category of the Company	:	Company limited by shares
5. Address of the Registered office and contact details	:	778/6 Pramukh Industrial Estate, Sola – Santej Road, Village Rakanpur, Tal. Kalol, Dist. Gandhinagar – 382 721
6. Whether Listed Company	:	Yes
7. Name, Address and Contact details of Registrar	:	Link Intime (India) Pvt. Ltd. 303, Shopper's Plaza - V, Opp. Municipal Market, Behind Shopper's Plaza II, C G Road, Ahmedabad 380 009 Phone: 079 – 26465179

II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

All the Business activities contributing 10% or more of the total Turnover of the Company shall be stated:

Sr. No.	Name and description of main products/ services	NIC Code of the Product / Service	% of total turnover of the Company
1	Engraved Copper Rollers	29294	95.62%
2	Printing Plates	29294	04.38%
	Total		100.00%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate Co.	Applicable Section
Not Applicable				

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

i) Category wise Shareholding

Category of Shareholders	No. of Shares held at the Beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter and Promoter Group									
(1) Indian									
i) Individual / HUF	1938166	4000	1942166	31.58	1943235	-	1943235	31.60	(0.02)
ii) Central Govt.	-	-	-	-	-	-	-	-	-
iii) State Govt. (s)	-	-	-	-	-	-	-	-	-
iv) Bodies Corporate	-	-	-	-	-	-	-	-	-
v) Banks / FI(s)	-	-	-	-	-	-	-	-	-
vi) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)	1938166	4000	1942166	31.58	1943235	-	1943235	31.60	(0.02)
(2) Foreign									
i) NRIs –Individuals	1756478	-	1756478	28.56	1756478	-	1756478	28.56	-
ii) Other –Individuals	-	-	-	-	-	-	-	-	-
iii) Bodies Corporate	-	-	-	-	-	-	-	-	-
iv) Banks/ FI(s)	-	-	-	-	-	-	-	-	-
v) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	1756478	-	1756478	28.56	1756478	-	1756478	28.56	-
TOTAL Shareholding of Promoter (A) = (A) (1) + (A) (2)	3694644	4000	3698644	60.14	3699713	-	3699713	60.16	(0.02)

Category of Shareholders	No. of Shares held at the Beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
1. Institutions									
i) Mutual Funds	-	-	-	-	-	-	-	-	-
ii) Banks / FI(s)	-	-	-	-	-	-	-	-	-
iii) Central Govt.	-	-	-	-	-	-	-	-	-
iv) State Govt. (s)	-	-	-	-	-	-	-	-	-
v) Venture Capital Funds	-	-	-	-	-	-	-	-	-
vi) Insurance Companies	-	-	-	-	-	-	-	-	-
vii) FIIs	-	-	-	-	-	-	-	-	-
viii) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
ix) Others (specify)	-	-	-	-	-	-	-	-	-
Sub – Total (B)(1)	-	-	-	-	-	-	-	-	-
2. Non - Institutions									
i) Bodies Corporate									
a) Indian	162717	10400	173117	2.81	160549	10400	170949	2.78	(0.03)
b) Overseas	-	-	-	-	-	-	-	-	-
ii) Individuals									
a) Individual shareholders holding nominal share capital upto Rs. 1 Lacs	973097	285300	1258397	20.46	1264887	267100	1531987	24.91	4.45
b) Individual shareholders holding nominal share capital in excess of Rs. 1 Lacs	631580	20000	651580	10.60	413638	20000	433638	7.05	(3.55)
c) Others (specify)									
NRI (Repatriation)	63614	233200	296814	4.83	36819	222400	259219	4.22	(0.61)
NRI (Non-Repatriation)	2090	-	2090	0.03	2761	-	2761	0.04	0.01
Directors & their Relatives & Friends	62454	-	62454	1.01	45753	-	45753	0.75	(0.27)
Shares in transit	-	-	-	-	-	-	-	-	-
Others	6704	-	6704	0.11	5780	-	5780	0.09	(0.02)
Sub – Total (B)(2)	1902256	548900	2451156	39.85	1930187	519900	2450087	39.84	-
TOTAL Shareholding of Public (B) = (B)(1) + (B)(2)	1902256	548900	2451156	39.85	1930187	519900	2450087	39.84	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL(A + B + C)	5596900	552900	6149800	100.00	5629900	519900	6149800	100.00	-

ii) Shareholding of Promoters
Details of shareholding of Promoters and Promoter's group

Sr. No.	Category of Shareholders	Shareholding at the beginning of the year			Shareholding at the end of the year			% change during the year
		No. of Shares	% of Total Shares of the Company	% of Total Shares pledged/encumbered to total shares	No. of Shares	% of Total Shares of the Company	% of Total Shares pledged/encumbered to total shares	
1.	Patel Vithaldas Hemdas	765756	12.45	0.00	765756	12.45	0.00	0.00
2.	Hiraben Vithaldas Patel	584314	9.50	0.00	584314	9.50	0.00	0.00
3.	Hiraben Vithaldas Patel / Vithaldas Hemdas Patel	382262	6.22	0.00	382262	6.22	0.00	0.00
4.	Roshan Harshvadan Shah / Aarti Roshan Shah	313404	5.10	0.00	313404	5.10	0.00	0.00
5.	Atul Manilal Vinchhi / Renuka A. Vinchhi	289364	4.71	0.00	289364	4.71	0.00	0.00
6.	Ambar Jayantilal Patel / Amita A. Patel	243910	3.97	0.00	243910	3.97	0.00	0.00
7.	Narendra Ramkrishna Patil / Chhaya N. Patil	182500	2.97	0.00	182500	2.97	0.00	0.00
8.	Gajanan Vamanrao Bhavsar / Sangita G. Bhavsar	180700	2.94	0.00	180700	2.94	0.00	0.00
9.	Gajanan Vamanrao Bhavsar	128710	2.09	0.00	128710	2.09	0.00	0.00
10.	Amita Ambarbhai Patel / Ambar J. Patel	76290	1.24	0.00	76290	1.24	0.00	0.00
11.	Chhaya Narendra Patil / Narendra R. Patil	75000	1.22	0.00	75000	1.22	0.00	0.00
12.	Renuka Atul Vinchhi / Atul M. Vinchhi	72088	1.17	0.00	73182	1.19	0.00	0.02
13.	Siddharth Narendra Patil	54200	0.88	0.00	54200	0.88	0.00	0.00
14.	Deval Ambarbhai Patel / Amita Ambar Patel	53981	0.88	0.00	53981	0.88	0.00	0.00
15.	Siddharth Narendra Patil	51500	0.84	0.00	51500	0.84	0.00	0.00
16.	Narendra R. Patil (HUF)	46300	0.75	0.00	46300	0.75	0.00	0.00
17.	Priyank Gajanan Bhavsar	36455	0.59	0.00	36455	0.59	0.00	0.00
18.	Rachit Gajanan Bhavsar / Gajanan V. Bhavsar	26502	0.43	0.00	26502	0.43	0.00	0.00
19.	Vithaldas Hemdas Patel / Hiraben Vithaldas Patel	24146	0.39	0.00	24146	0.39	0.00	0.00
20.	Neil Roshan Shah / Roshan Harshvadan Shah	22981	0.37	0.00	22981	0.37	0.00	0.00
21.	Sangita Gajanan Bhavsar / Gajanan V. Bhavsar	21671	0.35	0.00	21671	0.35	0.00	0.00
22.	Sangita Gajanan Bhavsar / Gajanan V. Bhavsar	16900	0.27	0.00	16900	0.27	0.00	0.00
23.	Sundeep Harshvadan Shah / Shefali Sundeep Shah	13400	0.22	0.00	13400	0.22	0.00	0.00
24.	Aarti Roshan Shah	11155	0.18	0.00	11155	0.18	0.00	0.00
25.	Kumudben H. Shah / Sundeep H. Shah	7000	0.11	0.00	7000	0.11	0.00	0.00
26.	Satish V. Patil	6200	0.10	0.00	6200	0.10	0.00	0.00
27.	Hemal Ambar Patel / Ambar Jayantilal Patel	2501	0.04	0.00	2501	0.04	0.00	0.00
28.	Bhanumatiben Jayantilal Patel / Ambar J. Patel	2309	0.04	0.00	2309	0.04	0.00	0.00
29.	Ravindra Ramkrishna Patil / Sunanda R. Patil	1300	0.02	0.00	1300	0.02	0.00	0.00
30.	Sumit Patil	1000	0.02	0.00	1000	0.02	0.00	0.00
31.	Amisha Jayprakash Patel / Jayprakash Patel	925	0.02	0.00	925	0.02	0.00	0.00
32.	Ambar Jayantilal Patel (HUF)	901	0.01	0.00	901	0.01	0.00	0.00
33.	Sangita Gajanan Bhavsar	870	0.01	0.00	870	0.01	0.00	0.00
34.	Jayprakash Gordhandas Patel / Ulca Jayprakash Patel	700	0.01	0.00	675	0.01	0.00	0.00
35.	Anal Jayprakash Patel / Ulca Jayprakash Patel	650	0.01	0.00	650	0.01	0.00	0.00
36.	Ulca Jayprakash Patel	500	0.01	0.00	500	0.01	0.00	0.00
37.	Aditya Jayprakash Patel / Jayprakash Patel	299	0.00	0.00	299	0.00	0.00	0.00

iii) Change in Promoters' Shareholding

Sr. No.	Name of the Shareholder	Shareholding at the Beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Renuka Atul Vinchhi / Atul M. Vinchhi				
	At the beginning of the year	72088	1.17	72088	1.17
	Acquired from market	1094	0.02	73182	1.19
	At the end of the year	-	-	73182	1.19
2.	Jayprakash Gordhandas Patel / Ulca Jayprakash Patel				
	At the beginning of the year	700	0.01	700	0.01
	Transferred	25	0.00	675	0.01
	At the end of the year	-	-	675	0.01

iv) Shareholding pattern of top ten shareholders (other than Directors/ promoters and holders of GDRs and ADRs)

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the Beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Seema Goel				
	At the beginning of the year	90000	1.46	90000	1.46
	Change during the year	-	-	-	-
	At the end of the year	-	-	90000	1.46
2.	Saraswatiben Dahyabhai Patel				
	At the beginning of the year	19200	0.31	19200	0.31
	Acquired during the year	67098	1.09	86298	1.40
	At the end of the year	-	-	86298	1.40
3.	Anil Kumar Goel				
	At the beginning of the year	110000	1.79	110000	1.79
	Transferred during the year	41500	0.68	68500	1.11
	At the end of the year	-	-	68500	1.11
4.	Naresh Umedlal Shah				
	At the beginning of the year	91491	1.49	91491	1.49
	Transferred during the year	26667	0.44	64824	1.05
	At the end of the year	-	-	64824	1.05
5.	Pravin Kantilal Shah				
	At the beginning of the year	46700	0.76	46700	0.76
	Change during the year	-	-	-	-
	At the end of the year	-	-	46700	0.76
6.	Sunil M. Porecha				
	At the beginning of the year	31200	0.51	31200	0.51
	Change during the year	-	-	-	-
	At the end of the year	-	-	31200	0.51
7.	Babubhai Ishwarlal Patel				
	At the beginning of the year	31100	0.51	31100	0.51
	Change during the year	-	-	-	-
	At the end of the year	-	-	31100	0.51
8.	Rameshchandra T. Shah				
	At the beginning of the year	36132	0.59	36132	0.59
	Transferred during the year	13451	0.22	22681	0.37
	At the end of the year	-	-	22681	0.37
9.	Nita Shah				
	At the beginning of the year	24322	0.40	24322	0.40
	Transferred during the year	2250	0.04	22072	0.36
	At the end of the year	-	-	22072	0.36
10.	Vishnubhai Baldevdas Patel				
	At the beginning of the year	21000	0.34	21000	0.34
	Change during the year	-	-	-	-
	At the end of the year	-	-	21000	0.34

v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	For each of the Directors and KMP	Shareholding at the Beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Ambar Jayantilal Patel				
	At the beginning of the year	243910	3.97	243910	3.97
	Change during the year	-	-	-	-
	At the end of the year	-	-	243910	3.97
2.	Roshan Harshvadan Shah ¹				
	At the beginning of the year	313404	5.10	313404	5.10
	Change during the year	-	-	-	-
	At the end of the year	-	-	313404	5.10
3.	Gajanan Vamanrao Bhavsar ¹				
	At the beginning of the year	128710	2.09	128710	2.09
	Change during the year	-	-	-	-
	At the end of the year	-	-	128710	2.09
5.	Shailesh Chimanlal Desai				
	At the beginning of the year	1000	0.01	1000	0.01
	Change during the year	500	0.00	500	0.00
	At the end of the year	-	-	1500	0.01
6.	Jainand Gajanand Vyas				
	At the beginning of the year	1000	0.01	1000	0.01
	Change during the year	-	-	-	-
	At the end of the year	-	-	1000	0.01

¹ The Directors were associated with the Company for part of the year

² The following Directors / Key Managerial Personnel (KMP) did not hold any shares during the year:

Mrs. Monica Kanuga

Mr. Chinubhai Shah

Mr. Nipam Shah

Mr. Rajendra Shah ¹

Mr. Navin Patel ¹

Mr. Baldev Patel ¹

Ms. Gurnish Chhabda – KMP

Mr. Amit Agrawal – KMP

V. INDEBTEDNESS

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

(Rs in Lacs)

	Secured Loans excluding deposits		Unsecured Loans		Deposits	Total Indebtedness
	Long Term	Short Term	Long Term	Short Term		
Indebtedness at the beginning of the financial year						
i) Principal Amount	434.23	840.18	0.00	0.00	0.00	1274.41
ii) Interest due but not paid	0.00	0.00	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL (i + ii + iii)	434.23	840.18	0.00	0.00	0.00	1274.41
Change in Indebtedness during the financial year						
Addition	180.05	124.38	0.00	0.00	0.00	304.43
Reduction	475.92	0.00	0.00	0.00	0.00	475.92
Net Change	295.87	124.38	0.00	0.00	0.00	(171.49)
Indebtedness at the end of the financial year						
iv) Principal Amount	138.36	964.56	0.00	0.00	0.00	1102.92
v) Interest due but not paid	0.00	0.00	0.00	0.00	0.00	0.00
vi) Interest accrued but not due	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL (i + ii + iii)	138.36	964.56	0.00	0.00	0.00	1102.92

I. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director/ Whole – Time Directors and / or Manager
(Rs. in Lacs)

Sr. No.	Particulars of Remuneration	Name of MD / WTD/ Manager			Total Amount
		Ambar Patel	Roshan Shah	Gajanan Bhavsar	
1	Gross Salary	<i>i, ii</i>	<i>i, iii</i>	<i>i, iv</i>	
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	53.02	13.16	4.72	70.90
	b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- As % of profit	-	-	-	-
	- Others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	TOTAL (A)	53.02	13.16	4.72	70.90
	Ceiling as per Act *				

- The period for the payment of remuneration to the Directors is 1st July to 30th June, while the period for disclosure of the remuneration paid is 1st April to 31st March; hence the figures are derived proportionately.
- The remuneration paid to the Managing Director for the year 2015-16 is under the ceiling as approved by the shareholders at the 22nd Annual General Meeting of Company held on 23rd September, 2015.
- Mr. Roshan Shah was associated as Whole-time Director of the Company till 30th June, 2015 and thus the detail of remuneration paid to him is provided till that date.
- Mr. Gajanan Bhavsar was associated as Whole-time Director of the Company till 2nd May, 2015 and thus the detail of the remuneration paid to him is provided till that date.
- The above stated figures for remuneration are extracted from Form 16 of the individual Managerial Personnel and Key Managerial Personnel for the F.Y. 2015-16. Whereas the figures for the managerial remuneration in Corporate Governance Report are prepared on the basis of accrual accounting principle and hence are not comparable.

B. Remuneration to other Directors
(Rs. in Lacs)

Sr. No.	Particulars of Remuneration	Name of Directors							Total Amount
		Chinubhai Shah	Shailesh Desai	Navin Patel	Jainand Vyas	Rajendra Shah			
1	Independent Directors								
	- Fees for attending Board and Committee Meetings	1.55	1.75	0.25	0.75	0.25	-	-	4.55
	- Commission	-	-	-	-	-	-	-	-
	- Others, please Specify	-	-	-	-	-	-	-	-
	TOTAL (1)	1.55	1.75	0.25	0.75	0.25	-	-	4.55
2.	Other Non – Executive Directors						Nipam Shah	Monica Kanuga	
	- Fees for attending Board and Committee Meetings	-	-	-	-	-	0.75	0.75	1.50
	- Commission	-	-	-	-	-	-	-	-
	- Others, please Specify (i)	-	-	-	-	-	8.04	5.14	13.18
	TOTAL (2)	-	-	-	-	-	8.79	5.89	14.68
	TOTAL B = (1) + (2) TOTAL Managerial Remuneration	1.55	1.75	0.25	0.75	0.25	8.79	5.89	19.23
	Overall ceiling as per the Act	-	-	-	-	-	-	-	-

- Fees have been paid to the Other Non-Executive Directors for the professional services availed from them during the year.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ MANAGER/ WTD

(Rs. in Lacs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	TOTAL
		Ms. Gurnish Chhabda	Mr. Amit Agrawal	
1	Gross Salary			
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	4.40	6.83	11.23
	b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-
	c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- As % of profit	-	-	-
	- Others, specify	-	-	-
5.	Others, please specify	-	-	-
	TOTAL	4.40	6.83	11.23

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT/ Court]	Appeal made, if any (give details)
A. Company					
Penalty			None		
Punishment					
Compounding					
B. Directors					
Penalty			None		
Punishment					
Compounding					
C. Other Officers in Defaults					
Penalty			None		
Punishment					
Compounding					

ANNEXURE – III

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2015 - 2016

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

The Company is committed to operate and grow its business in a socially responsible way and has a simple but clear purpose – to make sustainable living common place. The Company is involved in the Corporate Social Responsibility and considers it as a management tool to achieve success in a sustainable society while fulfilling its business purpose.

The Company approaches corporate social responsibility (CSR) strategically – in order to ensure a sustainable future for people and planet. By focusing our talent, technology, and capital on social welfare, health care issues and educational concerns, we strive to enact positive social change in the society.

There are a few broad categories of social responsibility that the Company is practicing:

- 1. Health care and Welfare efforts:** One primary focus of corporate social responsibility is the Health care and Welfare of the local populace.
- 2. Philanthropy:** The Company practices social responsibility by donating to local trusts, institutions and NGOs. The motive behind such charity is to serve the society at large.
- 3. Volunteering:** Attending volunteer events says a lot about a company's sincerity. By doing good deeds without expecting anything in return, company is able to express their concern and support for the well-being.

The Company's CSR Policy provides for carrying out the CSR activities in the areas of:

Education	Environment
Health Care & Welfare	Rural Development
Social and Women Empowerment	Sports & Culture / Heritage
Infrastructure	Various other social matters

by way of donation to a reliable and respectable corpus, trust, society or institution or organisation.

The main focus of the Company is on "Preventive Healthcare". Preventive healthcare is an important dimension of health that needs significant attention and investment from all sections of the society. It is a national health priority and a notified area under Schedule VII of the CSR Section 135 of the Companies Act, 2013. Preventive healthcare directly improves health, well-being and productivity of community/ population, families and individuals, and promotes equity by benefiting most the disadvantaged and marginalized groups. It covers range of public health activities focused on prevention of diseases, promotion of good health and strengthening of health systems. This directly and indirectly improves the health of fellow citizens, especially the socially and economically relegated groups.

During the year, the Company has contributed to various organisations like Polio Foundation, India Renal Foundation, Aastha Charitable Trust, and many more for the purpose of CSR.

The Policy on CSR as approved by the Board is uploaded on the Company's website www.shilpgravures.com and can be accessed at <http://www.shilpgravures.com/pdf/CSR%20Policy.pdf>

2. The Composition of CSR Committee:

- Mr. Nipam Shah - Chairman
Mr. Ambar Patel - Member
Mr. Shailesh Desai - Member

3. Average Net Profit of the Company for last three Financial Years : Rs. 809.97 Lacs

4. Prescribed CSR Expenditure (2% of the amount mentioned in 3 above) : Rs. 16.20 Lacs

5. Details of CSR spent during the Financial Year :

- (a) Total amount spent for the Financial Year: Rs. 16.22 Lacs
(b) Amount Unspent, if any: Nil
(c) Manner in which the amount spent during the Financial Year is detailed below:

(1) Sr. No.	(2) CSR Project or activity identified	(3) Sector in which the project is covered	(4) Projects or Programs (1) Local area or other (2) Specify the state and district where the projects or programs were undertaken	(5) Amount outlay (budget) project or programs wise (Rs. in Lacs)	(6) Amount spent on the projects or programs subheads (1) Direct expenditure on projects or programs (2) Overheads (Rs. in Lacs)	(7) Cumulative expenditure up to the reporting period (Rs. in Lacs)	(8) Amount spent: Direct or through implementing agency
1.	Dardionu Rahat Fund	Healthcare	Ahmedabad, Gujarat	2.50	2.50	2.50	Through Implementing Agency
2.	Polio Foundation	Healthcare	Ahmedabad, Gujarat	1.00	1.00	1.00	
3.	India Renal Foundation	Healthcare	Ahmedabad, Gujarat	1.00	1.00	1.00	
4.	Shree Brahmani Mataji Health Charitable Trust	Healthcare	Gandhinagar, Gujarat	5.00	5.00	5.00	
5.	Aastha Welfare Charitable Trust for welfare of the mentally challenged.	Healthcare & Welfare	Ahmedabad, Gujarat	5.00	5.00	5.00	
6.	Vicharta Samuday Samarthan Manch	Education	Uvarsad, Gandhinagar, Gujarat	0.51	0.51	0.51	
7.	Ambaben Maganbhai Patel Public Charitable Trust	Education	Ahmedabad, Gujarat	1.21	1.21	1.21	

6. In case of Company has failed to spend the 2%, of the average net profit of the last three Financial Year or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report: Not Applicable

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR activities and Policy of the Company: Duly complied

Sd/-
Mr. Ambar Patel
Managing Director

Sd/-
Mr. Nipam Shah
Chairman – CSR Committee

ANNEXURE – IV

Information required under the provisions of Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:-

Disclosure no. 1

Variations in the market capitalization	:	Rs. 876.35 Lacs
Price Earnings Ratio as at the closing date of current financial year	:	12.13
Price Earnings Ratio as at the closing date of previous financial year	:	6.17
Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which company came out with the last public offer	:	198.75%

Disclosure no. 2

Ratio of the Remuneration of each Director to the median remuneration of the employees of the Company for the financial year

Mr. Ambar Patel	:	1 : 0.0417
Mr. Roshan Shah *	:	1 : 0.046
Mr. Gajanan Bhavsar **	:	1 : 0.045

* associated as a Director with the Company till 30/06/2015

** associated as a Director with the Company till 02/05/2015

Disclosure no. 3

Percentage increase in the Remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year

Name of the KMP	:	% increase
Mr. Ambar Patel – Managing Director	:	12.00%
Mr. Roshan Shah – Wholetime Director / Chief Executive Officer *	:	12.00%
Mr. Gajanan Bhavsar – Wholetime Director **	:	12.00%
Ms. Gurnish Chhabda – Company Secretary	:	6.00%
Mr. Amit Agrawal – Chief Financial Officer ***	:	Not Applicable

* associated as a Director with the Company till 30/06/2015 and thereafter as a Chief Executive Officer of the Company

** associated as a Director with the Company till 02/05/2015

*** appointed with effect from 10th April, 2015

Disclosure no. 4

Percentage increase in the median remuneration of the employees in the financial year	:	10.49%
No. of permanent employees on the rolls of the Company	:	252 employees
Explanation on the relationship between average increase in remuneration and company performance	:	Increase in the overall remuneration – 8.05% Increase in the turnover of the company – 6.13%
Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	:	Increase in remuneration of KMP – 10% Increase in the turnover of the company – 6.13%
Average percentile increase already made in the salaries of the employees other than the Managerial Personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof	:	10.24% (Non-Managerial Personnel) 11.64% (Managerial Personnel)
Key parameters for any variable components of remuneration availed by the directors	:	Company Performance, Periodical Reviews, Skills and Competence
Ratio of the Remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid director during the year	:	None

Disclosure no. 5: The name of the top 10 employees in terms of remuneration drawn during the year

Sr. No.	Name of the Employee	:	Remuneration drawn (Rs. in Lacs)
1.	Mr. Ambar Patel	:	59.66
2.	Mr. Roshan Shah / Mr. Narendra Patil / Mr. Atul Vinchhi / Mr. Gajanan Bhavsar /	:	58.95
3.	Mrs. Garima Pandey	:	15.68
4.	Mr. Tarun Patel	:	13.79
5.	Mr. Pankaj Shah	:	11.20
6.	Mr. Sumit Patil	:	9.96
7.	Mr. Ramesh Patil	:	9.68
8.	Mr. Rajendra Adalja	:	8.70
9.	Mr. Amit Agrawal	:	8.65
10.	Mr. Lloyd Pereira	:	8.41

On the behalf of The Board of Directors

Place: Rakanpur
Date: 30.07.2016

Ambar Patel
(Managing Director)

Shailesh Desai
(Director)

ANNEXURE – V

Information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended on 31st March, 2016:

(A) Conservation of Energy

(i) The steps taken or impact on conservation of energy:

a. Time switch installed at Engraving UPS AHU

Motor Rating 2.2 Kw , Total Working Hrs. 24Hrs.	Set Time switch for ½ Hrs. ON & OFF
Before Installation Of Time Switch	2.2 Kw x 24Hrs = 52.8 Kwh
After Installation of Time Switch	2.2 Kw x 12 Hrs = 26.4 Kwh
Total Saving / Day	26.4 Kwh
Total Saving for 180 Days	4752 Kwh
Saving (in Rs.)	4752 Kwh.x@Rs.7.50 = Rs. 35,640.00

b. Replacement of Conventional 40 Watts Lighting Fixtures By LED Fixtures in following Areas and the saving observed was as follows:

i. Dechrome area 150Watts Mercury Vapour Lamp replaced by 60 Watts Total Saving / Day Total saving for 180 Days	26.4 Kwh 810 Kwh
ii Fabrication area 40 Watts Fixtures replaced by 15 Watts Total Saving / Day Total saving for 180 Days	3.0 Kwh 540 Kwh
iii Various other areas 11 Watts fixtures replaced by 5 Watts Total Saving / Day Total saving for 180 Days	1.44 Kwh 259 Kwh
iv Various other areas 40 Watts fixtures replaced by 18 Watts Total Saving / Day Total saving for 180 Days	10.5 Kwh 1890 Kwh
Total Kwh Units Saved (i+ii+iii+iv)	3499 Kwh
Total saving @ Rs. 7.50/Kwh	Rs. 26,242.00

(ii) The steps taken by the Company for utilizing alternate sources of energy: None

(iii) The capital investment on energy conservation equipments: None

(iv) Total energy consumption during the year:-

Particulars	Current Year April 2015 to March 2016			Previous Year April 2014 to March 2015			
	Period	Units (KWH)	Amt. in Rs.	Rs. Per Unit	Units (KWH)	Amt. in Rs.	Rs. Per Unit
(a) Electricity							
Purchased		42,76,590	3,24,38,689	7.58 Rs./Kwh	41,39,640	3,12,54,261	7.55 Rs./Kwh
Own Generation		37,11,746	2,54,09,807	6.84 Rs./Kwh	35,95,505	2,52,50,727	6.66 Rs./Kwh
(b) Diesel for DG Sets*		31800 Ltr	16,48,644	2.48Ltr/Kwh	25600 Ltr	17,21,727	2.48Ltr/Kwh

*Note: For —F.Y.2015-16 - 70840 Units Generated at the Cost of Rs. 16,48,644 (31800 Ltrs Diesel)

For —F.Y.2014-15 - 63710 Units Generated at the Cost of Rs. 17,21,727 (25600 Ltrs Diesel)

The Company continues to give due priority to conservation of energy on continuous basis.

(A) Technology Absorption

(i) The efforts made towards technology absorption: None

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution: None

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): None

(iv) The expenditure incurred on Research and Development: During the year under review, no new specific Research & Development activities were carried out.

(B) FOREIGN EXCHANGE EARNINGS AND OUTGO:

Particulars regarding Foreign Exchange Earnings and Outgo appear in Note 40 & 41 in the Notes to Financial Statements.

On the behalf of The Board of Directors

Place: Rakanpur
Date: 30.07.2016

Ambar Patel
(Managing Director)

Shailesh Desai
(Director)

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate governance is about commitment to values and ethical business conduct. It is about how an organisation is managed. Timely and accurate disclosure of information regarding the financial situation, performance, ownership and Management of the Company is an important part of corporate governance. The Company has always been committed to the principles of good corporate governance. Shilp, while striving to achieve financial targets, seeks to follow the business principles and ethics in all its dealings and believes in customer orientation, teamwork, commitment, growth and trust as its corporate values. The Board of Directors strives to represent the shareholders' interest to ensure optimal returns. At the same time, it is also responsible to all the other stakeholders including customers, employees, suppliers and to the communities where it operates.

Shilp endeavors to make its management team empowered to take the Company forward within the framework of effective accountability, which in turn enables the conversion of opportunities into achievements for the betterment of the Company and its stakeholders. The Board has also institutionalized good management practices to bring about an atmosphere of accountability. Systems are being put into place to ensure effective strategic planning, optimum risk management, financial plans and budgets, integrity of internal controls and reporting with emphasis on transparency and full disclosure on the various facts of the Company's operations, its functioning and its financial and compliance with all statutory / regulatory requirements not only in the letter of the law but also in its spirit.

2. BOARD OF DIRECTORS:

- i) As on 31st March, 2016, the Company's Board is comprised of 6 (Six) Directors, with a Managing Director, 2 (Two) Non-Executive Directors (including one Woman Director) and 3 (Three) Independent Non-Executive Directors. The composition of the Board meets the requirement of having atleast 1 (one) Woman Director and is in conformity with the Regulations of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. None of the Non-Executive Directors is responsible for the day to day affairs of the Company.
- ii) The names and categories of the Directors on the Board, their attendance at the Board Meetings held during the year, Annual General Meeting, and the number of Directorships and committee Chairmanships held by them in other public Companies as on March 31, 2016, are given hereinbelow. The other disclosures regarding the Directorship of the Directors are as under:
 - Other directorship do not include alternate directorships, directorships of private limited Companies, section 25 Companies and of Companies incorporated outside India.
 - Chairmanships/ memberships of Board committees include only Audit Committee and Stakeholder's Relationship Committee.
 - As required by Section 165(1) of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, none of the Directors holds Directorships in more than 20 Companies (Public or Private).
 - Necessary disclosures regarding committee positions in other public Companies as on March 31, 2016, have been made by the Directors.
 - None of the Directors on the Board is a member of more than 10 committees or act as a Chairman of more than 5 committees across all the public Companies in which he is a Director.
 - None of the Directors serve as an Independent Director in more than 7 listed Companies.
 - None of the Director who serves as Whole Time Director in any Listed Company serves as an Independent Director in more than three Listed Companies.

The Composition of the Board, attendance at the Meetings of Board of Directors held during the year and at the last Annual General Meeting (AGM) and shareholding of each Director as on 31st March, 2016 is as follows:

Name of Director	Category of Directorship	No. of Board Meetings attended	Attendance at Last AGM	No. of Equity shares held
Mr. Ambar Patel	MD	5/5	Yes	243910
Mr. Shailesh Desai	NED (I)	5/5	Yes	1500
Mr. Chinubhai Shah	NED (I)	5/5	Yes	—
Mr. Jainand Vyas	NED (I)	5/5	Yes	1000
Mrs. Monica Kanuga	NED (P)	5/5	Yes	—
Mr. Nipam R. Shah	NED (P)	4/5	No	—
Mr. Roshan Shah *	NED (Pr)	1/1	Yes	313404
Mr. Gajanan Bhavsar **	NED (Pr)	1/1	Yes	309410
Mr. Baldev Patel ***	NED (Pr)	2/3	No	—
Mr. Rajendra Shah ***	NED (I)	2/3	No	—
Mr. Navin Patel ***	NED (I)	2/3	Yes	—

MD = Managing Director; NED = Non-Executive Director, I = Independent, P = Professional, Pr = Promoter

Number of Other Directorships and Memberships of Committees:

Name of Director	Other Directorships	Committee Memberships	Committee Chairmanships
Mr. Ambar Patel	03	02	-
Mr. Shailesh Desai	-	-	-
Mr. Chinubhai Shah	11	05	04
Mr. Jainand Vyas	-	-	-
Mrs. Monica Kanuga	1	-	-
Mr. Nipam R. Shah	-	-	-
Mr. Roshan Shah *	-	-	-
Mr. Gajanan Bhavsar *	-	-	-
Mr. Baldev Patel *	-	-	-
Mr. Rajendra Shah *	06	01	04
Mr. Navin Patel *	-	-	-

* The aforesaid Directors were associated with the Company for part of the year and hence the details provided for them is till their association with the Company

Last date of association

Mr. Roshan Shah	30/06/2015
Mr. Gajanan Bhavsar	02/05/2015
Mr. Baldev Patel	31/10/2015
Mr. Rajendra Shah	31/10/2015
Mr. Navin Patel	31/10/2015

- iii) During the year under review, 5 (Five) Board Meetings were held on 2nd May, 2015, 8th August, 2015, 31st October, 2015, 30th January, 2016 and 17th March, 2016. The Company's last Annual General Meeting was held on 23rd September, 2015. The maximum time gap between 2 Board meetings was not exceeding 120 days.

The Board discusses amongst other business, the quarterly performance of the Company and financial results. The Agenda papers along with agenda notes are circulated well in advance to the Members of the Board for their review and to facilitate them to take informed decisions, if any.

- iv) During the year 2015-16, the information as mentioned in Part A of Schedule II to the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 has always been placed before the Board for its consideration at the Board Meeting.

- v) **Disclosure of relationships between Directors inter-se**

None of the Directors are related to each other.

- vi) **Appointment / Re-appointment of Directors:**

According to Articles of Association, one third of the directors retire by rotation every year and if eligible, offer himself for re-appointment at the Annual General Meeting. As per Article 126 of Articles of Association, Mrs. Monica Kanuga will retire at the ensuing Annual General Meeting and being eligible has offered herself for re-appointment.

The Board has recommended to the shareholders the appointment / re-appointment of the aforesaid director retiring by rotation, as in the opinion of the Board, she fulfills the condition specified in the Act for holding the office of Director. The Detailed resume of the aforesaid proposed appointee who has offered herself for appointment / reappointment is provided in the Annexure to the Notice of the Annual General Meeting dated 30th July, 2016.

- vii) **Separate Meeting of Independent Directors:**

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors was held on 17th March, 2016 to carry out the evaluation for the financial year 2015-16. The Independent Directors discussed on the following:

- Reviewed the performance of Non-Independent Directors (including the Chairman);
- Reviewed the performance of Non-Independent Directors on the Board, as a whole.
- Reviewed the quality, content and timeliness of the flow of information between the Management and the Board and it's Committees which is necessary to effectively and reasonably perform and discharge their duties.

All the Independent Directors of the Company were present at the Meeting. Mr. Chinubhai Shah was elected as the Chairman of the Meeting.

viii) **Familiarization Programmes / Induction to Independent Directors:**

On appointment, the concerned Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments.

Each newly appointed Independent Director will be taken through a formal induction (familiarization) program including the presentation from the Managing Director / CEO on the Company's manufacturing, marketing, finance and other important aspects. The Company Secretary will brief the Director about their legal and regulatory responsibilities as a Director. The induction for Independent Directors includes interactive sessions with Executive Committee Members, Business and Functional Heads, visit to the manufacturing site, etc.

As there was neither any appointment of new Independent Director, nor any new development took place in the Company that arises a need of holding a Familiarization Programme during the year.

ix) **Evaluation of the Board's Performance:**

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues, etc. Separate exercise was carried out to evaluate the performance of individual Directors, who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgement, safeguarding of minority shareholder's interest, etc.

The evaluation of the Independent Directors was carried out by the entire Board on the parameters such as : Knowledge & Skills; Professional Conduct; Duties, Role and Functions and the evaluation of Non-Independent Directors was carried out by the Independent Directors. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

x) **Code of Conduct:**

The Board of Directors has laid down a Code of Conduct for Business and Ethics (the Code) for all the Board members and all the employees in the management grade of the Company. The Code covers amongst other things the Company's commitment to honest & ethical personal conduct, fair competition, corporate social responsibility, sustainable environment, transparency and compliance of laws & regulations, etc. The Code has also been posted on the website of the Company www.shilpgravures.com.

All the Board Members and Senior Management Personnel have confirmed compliance with the Code. A declaration to that effect signed by the Chief Executive Officer is attached and forms part of this Report.

xi) **Prevention of Insider Trading Code:**

As per SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a code of Internal Procedure & Conduct for Regulating, Monitoring and Reporting of Trading by the Insiders for Prevention of Insider Trading. All the Specified persons who could have access to the unpublished price sensitive information of the Company are governed by this Code. During the year under review, the trading window remained closed at the time of declaration of results and occurrence of any material events as per the code. The Compliance officer of the Company is responsible for setting forth procedures and implementation of the code of trading in Company's securities.

3. COMMITTEES OF THE BOARD:

A. Audit Committee:

- i) The Audit Committee of the Company is constituted in line with the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013 ("Act").
- ii) During the year, there was a re-constitution of the Audit Committee. Mr. Nipam Shah was designated as the Member of the Committee w.e.f 1st November, 2015.
- iii) Four Audit Committee Meetings were held during the year. The dates on which the said meetings were held are as follows:
2nd May, 2015; 8th August, 2015; 31st October, 2015; and 30th January, 2016

The necessary quorum was present for all the meetings.

- iv) The composition of the Audit Committee and the details of meetings attended by its members as on March 31, 2016 are given below:

Name	Position	Category	Number of meetings during the year 2015-16	
			Held	Attended
Mr. Chinubhai Shah	Chairman	Independent, Non – Executive	4	4
Mr. Shailesh Desai	Member	Independent, Non – Executive	4	4
Mr. Ambar Patel	Member	Non – Independent, Executive (Managing Director)	4	4
Mr. Nipam Shah	Member	Non – Executive Director	1	1

- v) The Audit Committee invites such of the executives, as it considers appropriate particularly the head of the Finance Function, representatives of the Statutory Auditors and representative of the Internal Auditors to be present at its meetings. The Company Secretary acts as the Secretary to the Audit Committee.
- vi) The previous Annual General Meeting (AGM) of the Company was held on 23rd September, 2015 and was attended by Mr. Chinubhai R. Shah, Chairman of the Audit Committee.
- vii) The terms of reference of the Audit Committee broadly includes:
- Overseeing the Company’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
 - Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditors and the fixation of audit fees.
 - Approval of remuneration to be paid to Statutory Auditors for any other services rendered by the Statutory Auditors.
 - Appointment, removal and terms of remuneration of Internal Auditors.
 - Reviewing with the Management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - Matters included in the Directors’ Responsibility Statement
 - Changes, if any, in Accounting Policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgement by Management;
 - Significant adjustments made in the financial statements arising out of Audit findings;
 - Compliance with Listing and other Legal requirements relating to the financial statements;
 - Disclosure of any related party transactions;
 - Qualifications in the draft Audit Report.
 - Reviewing with the Management, the quarterly financial statements before submission to the Board for approval.
 - Reviewing with the Management performance of Statutory and Internal Auditors and adequacy of the internal control systems.
 - Reviewing the adequacy of Internal Audit function, if any, including the structure of the Internal Audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of Internal Audit.
 - Discussions with Internal Auditors on any significant findings and follow up thereon.
 - Reviewing Internal Audit Reports in relation to internal control weaknesses.
 - Reviewing the findings of any internal investigation by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 - Discussion with Statutory Auditors, before the Audit commences, about the nature and scope of Audit as well as Post-Audit discussion to ascertain any area of concern.
 - To look into the reasons for substantial defaults in the payment to the Depositors, Debenture Holders, Shareholders (in case of non-payment of declared dividends) and Creditors, if any.

B. Nomination & Remuneration Committee:

- i) Constitution of Nomination & Remuneration Committee:
- The Nomination & Remuneration Committee comprises of 3 members.
 - During the year, there was a re-constitution of the Committee due to the resignation of Mr. Navin Patel from the Directorship of the Company.
 - Mr. Nipam Shah was designated as the Member of the Committee w.e.f 1st November, 2015.
 - As on March 31, 2016, all the members (including Chairman) of the Committee are Non-executive Directors and out of which 1 Member and Chairman are Independent Directors of the Company.
- ii) The broad terms of reference of the Nomination & Remuneration Committee includes:
- To formulate criteria for determining qualifications, positive attributes, Independence of Directors and to evaluate the performance of the Board of Directors.
 - To identify and assess potential individuals with respect to their expertise, skills, attributes, personal and professional standing for appointment and re-appointment as Directors / Independent Directors on the Board and as Key Managerial Personnel(s).
 - To determine Company's Policy on specific remuneration packages for Executive Directors as well as Non - Executive Directors including pension rights and any compensation payment.
 - To support Board in evaluation of performance of all the Directors and in annual self-assessment of the Board's overall performance.
 - To conduct annual performance of all the Directors, Committees and also the Senior Management Employees.
 - To formulate a policy relating to remuneration for the Directors, Committee and also the Senior Management Employees.
 - Such other matters as the Board may from time to time request the Nomination & Remuneration Committee to examine and recommend/ approve.
- iii) Two meetings of the Nomination & Remuneration Committee were held during the year on 2nd May, 2015 and 8th August, 2015. Necessary quorum was present at the meetings held.
- iv) The composition of the Nomination & Remuneration Committee and the details of meetings attended by its members are given below:

Name	Position	Category	Number of meetings during the year 2015-16	
			Held	Attended
Mr. Shailesh Desai	Chairman	Independent, Non - Executive	2	2
Mr. Chinubhai Shah	Member	Independent, Non - Executive	2	2
Mr. Navin Patel*	Member	Independent, Non - Executive	2	2
Mr. Nipam Shah	Member	Non - Executive	0	0

* Mr. Navin Patel was associated with the Company till 31st October, 2015.

- v) The Company does not have any Employee Stock Option Scheme.
- vi) **Policy on Director's Appointment and Remuneration:**
- ◆ **Appointment Criteria and qualifications:**
- A person who is proposed to be appointed as Director of the Company should be eligible to be appointed as Director and must hold Director Identification Number issued by the Central Government and possess such qualification, expertise and experience as prescribed under the Act.
 - Without prejudice to generality of the above, a person who is proposed to be appointed as an Independent Director shall also be subject to compliance of provisions of section 149(6).
 - KMP or Senior Management personnel shall have adequate qualification, expertise and experience in the relevant field for which the appointment is proposed to be made.
 - The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

◆ **Term / Tenure**

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

Independent Director : Subject to the provisions of the applicable Regulations, an Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure(s) of such appointment in the Board's report.

Provided that a person who has already served as an independent director for five years or more in a company as on October 1, 2014 shall be eligible for appointment, on completion of his present term, for one more term of up to five years only.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed Company or such prescribed period by the Statutory Authority from time to time.

◆ **Evaluation**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

◆ **Removal**

The Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions of the Companies Act, 2013, and all other applicable Acts, Rules and Regulations, if any.

◆ **Retirement**

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

◆ **Remuneration Policy**

The Company's remuneration policy is driven by the success and performance of the individual employee and the Company. Through its compensation programme, the Company endeavors to attract, retain, develop and motivate a high performance workforce.

◆ **Remuneration to Whole-time / Executive / Managing Director(s)**

The Company pays remuneration by way of salary, benefits & perquisites and allowances to its Managing Director and the Executive Directors. An annual increment are decided by the Nomination & Remuneration Committee out of the profits of the Company, based on the performance of the Company as well as that of the Managing Director and each Executive Director, which is within the salary scale approved by the Members and are effective from 1st July every year.

◆ **Remuneration to Non-Executive / Independent Directors**

The Non-executive Independent Directors of the Company shall be paid sitting fees as per the applicable Regulations and shall also be paid to Non-executive Non Independent Directors, provided he / she is not in receipt of any remuneration or commission from the Company on regular basis. The quantum of sitting fees will be determined as per the recommendation of Nomination and Remuneration Committee and approved by the Board of Directors of the Company. Further the boarding and lodging expenses shall be reimbursed to the Directors based out of Ahmedabad.

The profit-linked Commission if paid would be within the monetary limit as recommended by the Board and approved by the shareholders of the Company.

Pursuant to the provisions of the Act, an Independent Director shall not be entitled to any stock option of the Company. Only such employees of the Company and its subsidiaries as approved by the Nomination and Remuneration Committee will be granted ESOPs.

◆ **Remuneration to KMP / SMP / other Employees**

Remuneration of employees largely consists of basic remuneration and perquisites. The components of the total remuneration varies based on the grades and are governed by industry patterns, qualification and experience of the employee, responsibilities handled by him, his individual performance, etc.

vii) **Details of Remuneration for the year ended March 31, 2016 are given below:**

◆ **Executive Directors:**

(Rs. In Lacs)

Particulars	Name of Directors		
	Mr. Ambar Patel [Managing Director]	Mr. Roshan Shah [Whole – Time Director]	Mr. G. V. Bhavsar [Whole – Time Director]
Salary	35.45	8.03	2.88
Perquisites & Allowances	17.13	2.96	1.79
Retirement Benefits	5.47	2.17	0.05
Total	58.05	13.16	4.72
No. of Shares	243910	313404	309410

- 1) *Notice period for Executive Directors is 3 months.*
- 2) *The Company has not issued any stock options to the Directors.*
- 3) *The period for the payment of remuneration to the executive directors is effective from 1st July every year and hence the aforesaid figures are derived proportionately for the year ended on March 31, 2016.*
- 4) *Mr. Roshan Shah was associated as a Whole-time Director of the Company for part of the year till 30th June, 2015, so the remuneration details are disclosed till that date.*
- 5) *Mr. Gajanan Bhavsar was associated as a Whole-time Director of the Company for part of the year till 2nd May, 2015, so the remuneration details are disclosed till that date.*

◆ **Non-Executive Directors:**

During the year 2015-16, the Company has paid sitting fees of Rs. 15,000/- per meeting to its Non – Executive Directors for attending meetings of the Board of Directors and Audit Committee meetings whereas Rs. 10,000/- per meeting were paid for attending the meetings of Stakeholders’ Relationship Committee and Nomination & Remuneration Committee of the Company.

The sitting Fees / remuneration paid to Non Executive Directors and their Shareholding in the Company as on March 31, 2016 is as follows:

Name of Director	Particulars		
	Sitting Fees Paid (Rs. In Lacs)	Remuneration (Rs. In Lacs)	No. of Shares
Mr. Shailesh Desai	1.75	—	1500
Mr. Jainand Vyas	0.75	—	1000
Mr. Chinubhai Shah	1.55	—	—
Mrs. Monica Kanuga **	0.75	5.14	—
Mr. Nipam R. Shah **	0.75	8.04	—
Mr. Rajendra Shah *	0.25	—	—
Mr. Navin Patel *	0.25	—	—
Mr. Baldev Patel *	—	—	—

** *Paid as Professional Consultancy Fee (Including TDS).*

* *Mr. Rajendra Shah, Mr. Navin Patel and Mr. Baldev Patel were associated with the Company for part of the year till 31st October, 2015.*

Non – Executive Directors does not have any material pecuniary relationship or transactions except those mentioned under Related Party Transactions.

C. Stakeholders’ Relationship Committee:

i) **Constitution of Stakeholder’s Relationship Committee:**

The Company has a Stakeholders’ Relationship Committee of Directors to look into the redressal of complaints of investors such as transfers or credit of shares, non – receipt of dividends/ notices/ annual reports, etc. and take necessary steps for redressal thereof. The Company has taken necessary steps to adequately comply with the Regulations of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

- ii) Two meetings of the Stakeholders' Relationship Committee were held during the year on 2nd May, 2015 and 31st October, 2015. Necessary quorum was present for all the meetings.
- iii) During the year, there was a reconstitution of the Committee. The Changes in the composition of the Committee are as under:

Position	Old Members till 31 st October, 2015	New Members (w.e.f. 1 st November, 2015)
Chairman	Mr. Rajendra Shah	Mr. Chinubhai Shah
Member	Mr. Ambar Patel	Mrs. Monica Kanuga
Member	Mr. Shailesh Desai	Mr. Jainand Vyas

- iv) The composition of the Stakeholders' Relationship Committee and the details of meetings attended by its members are given below:

	Name	Category	Number of meetings during the year 2015-16	
			Held	Attended
Till 31 st October, 2015	Mr. Rajendra Shah (Chairman)	Independent, Non - Executive	2	1
	Mr. Shailesh Desai	Independent, Non - Executive	2	2
	Mr. Ambar Patel	Non - Independent, Executive	2	2
w.e.f. 1 st November, 2015	Mr. Chinubhai Shah (Chairman)	Independent, Non - Executive	0	0
	Mr. Jainand Vyas	Independent, Non - Executive	0	0
	Mrs. Monica Kanuga	Non - Executive	0	0

The Company Secretary is designated as the Compliance officer and Secretary of the Committee.

The Board has delegated the powers to approve transfers of shares / transmissions to Company Secretary and one Senior Executive of the Company.

- v) **Name and designation of Compliance Officer:**
Ms. Gurnish Chhabda - Company Secretary
- vi) **Details of Investors' complaints received and redressed during the year 2015-16 are as follows:**
No. of Shareholders' complaints received: 1
No. not solved to the satisfaction of shareholders: Nil
No. of pending complaints: Nil

D. CSR Committee:

- i) In compliance with requirements of Section 135 of the Companies Act, 2013, the Company has laid down a CSR Policy and has also constituted a CSR Committee.
- ii) The composition of the CSR Committee and the details of meetings attended by its members are given below:

Name	Category	Number of meetings during the year 2015-16	
		Held	Attended
Mr. Nipam Shah (Chairman)	Non - Executive	4	4
Mr. Shailesh Desai	Independent, Non - Executive	4	4
Mr. Ambar Patel	Non - Independent, Executive	4	4

- iii) Four meeting of the CSR Committee were held during the year 2015-16 on 18th April, 2015, 1st August, 2015, 31st October, 2015 and 1st February, 2016. Necessary quorum was present for all the meetings.
- iv) The broad terms of reference of the CSR Committee includes:
- To frame the CSR Policy and its review from time – to – time.
 - To ensure effective implementation and monitoring of the CSR activities as per the approved policy, plans and budget.
 - To ensure compliance with the laws, rules & regulations governing the CSR and to periodically report to the Board of Directors.
- v) The CSR Report for the year ended March 31, 2016 is attached as an Annexure to the Board's Report.

4. INFORMATION RELATING TO GENERAL BODY MEETINGS:

i) General Meeting

a. Annual General Meeting

Financial Year	Date	Time	Venue
2014-2015	23 rd September, 2015	04.00 p.m.	778/6, Pramukh Industrial Estate, Sola – Santej Road, Village: Rakanpur, Tal. Kalol, Dist. Gandhinagar - 382 721, Gujarat, India
2013-2014	3 rd September, 2014	05.00 p.m.	
2012-2013	14 th August, 2013	05.00 p.m.	

b. Extra Ordinary General Meeting :- No Extra – Ordinary General Meeting of the members was held during the year 2015-16

ii) Postal Ballot: No Special Resolution was passed through Postal Ballot during the year 2015-16.

iii) The following Special Resolutions were passed in last three Annual General Meetings:

Date of Meeting	Resolutions
23 rd September, 2015	- Revision in the terms of appointment and the remuneration payable to Mr. Ambar Patel, Managing Director of the Company.
03 rd September, 2014	- Revision in terms of appointment of Mr. Gajanan Bhavsar - Revision in terms of appointment of Mr. Roshan Shah - Transaction with Related Party u/s 188 of the Companies Act, 2013
14 th August, 2013	Nil

5. MEANS OF COMMUNICATION:

i. Quarterly results	:	The quarterly, half yearly and annual results of the Company are published in leading newspapers in India
ii. Newspapers wherein results are normally published	:	"Indian Express" in English "Financial Express" in local language, i.e. Gujarati editions
iii. Website, where displayed	:	"www.shilpgravures.com"
iv. Displays official news releases	:	Yes
v. The presentations made to institutional investors or to the analysts	:	No

6. GENERAL SHAREHOLDER INFORMATION:

i) **Annual General Meeting:**

Date : 23rd September, 2016

Time : 4:00 p.m.

Venue : 778/6, Pramukh Industrial Estate, Sola – Santej Road, Village Rakanpur, Tal. Kalol, Dist. Gandhinagar - 382 721, Gujarat

ii) **Financial Year** : 2015 - 2016

iii) **Book Closure** : Saturday, the 17th day of September, 2016 to Friday, the 23rd day of September, 2016 (both days inclusive).

iv) **Dividend Payment Date** : on or after 23rd September, 2016

v) **Listing on Stock Exchanges** : Bombay Stock Exchange (BSE)
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
The Company has paid the Listing fee for the financial year 2015-2016 to the Stock Exchange.

vi) **Stock Code/ Symbol:**

Stock Code : 513709

Stock Symbol : SHILGRAVQ

ISIN : INE960A01017

vii) **Registrar and Share Transfer Agent :**

Name and Address : **M/s. Link Intime (India) Private Limited**
 303, 3rd Floor, Shopper's Plaza - V,
 Opp. Municipal Market, Behind Shopper's Plaza II
 Off. C G Road, Ahmedabad 380 009
 Phone: 079 - 26465179
 Email: ahmedabad@linkintime.co.in
 Website: www.linkintime.co.in

viii) **Share Transfer System:**

Share Transfer Agent attends to the share transfer work and shares are transferred within a period of fifteen days from the date of lodgment, if the documents are accurate in all respects. Requests for Issue of Duplicate Shares / Fresh Share Certificate / Transmission / Consolidation of Shares are under the authority of Company Secretary. Pursuant to Regulation 40(9) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, certificate on half yearly basis, has been issued by a Company Secretary in Practice for due compliance of share transfer formalities.

All requests for dematerialisation of shares are processed and the confirmation is generally given to the Depositories within 15 days. Pursuant to SEBI directive, certificate on quarterly basis is received from Company Secretary in Practice for timely dematerialisation of shares and reconciliation of the share capital of the Company.

ix) **Market price data – high, low during each month in last financial year:**

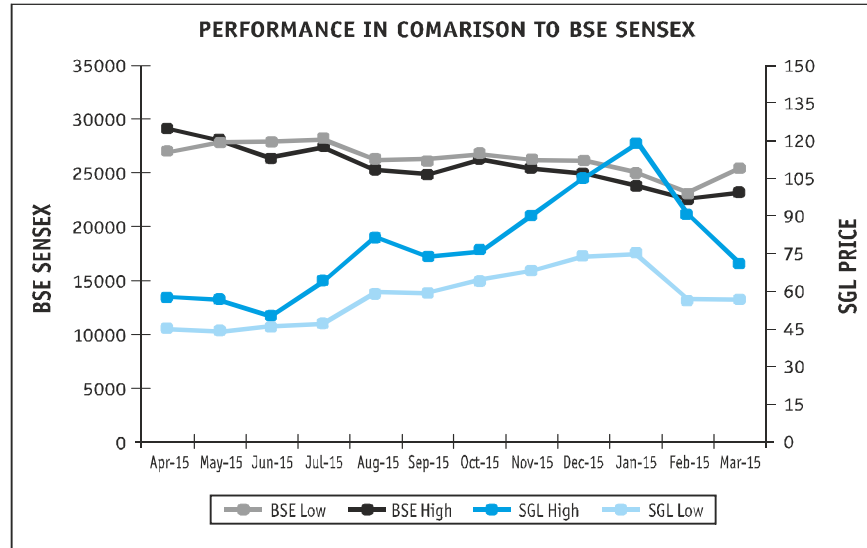
Market price data of the Company's shares traded on BSE Limited (BSE) during the financial year 2015-16

Month - Year	High Price	Low Price
April – 2015	57.50	44.90
May – 2015	56.35	44.00
June – 2015	50.00	46.00
July – 2015	63.80	47.15
August – 2015	81.40	59.00
September – 2015	73.90	58.75
October – 2015	76.00	64.00
November – 2015	90.00	68.25
December – 2015	105.00	74.15
January – 2016	118.50	75.00
February – 2016	90.50	56.00
March – 2016	71.00	56.65

x) **Share Performance of the Company in comparison to BSE Sensex:**

Monthly High and Low (based on daily closing prices) of the Company's Equity shares traded at BSE Limited and its performance in comparison to BSE SENSEX for the financial year ended 31st March, 2016 is given below:

Month	SGL (High)	SGL (Low)	BSE (High)	BSE (Low)
April – 2015	57.50	44.90	29094.61	27011.31
May – 2015	56.35	44.00	28071.16	27828.44
June – 2015	50.00	46.00	26307.07	27780.83
July – 2015	63.80	47.15	27416.39	28114.56
August – 2015	81.40	59.00	25298.42	26283.09
September – 2015	73.90	58.75	24833.54	26154.83
October – 2015	76.00	64.00	26168.71	26656.83
November – 2015	90.00	68.25	25451.42	26145.67
December – 2015	105.00	74.15	24867.73	26117.54
January – 2016	118.50	75.00	23839.76	24870.69
February – 2016	90.50	56.00	22494.61	23002.00
March – 2016	71.00	56.65	23133.18	25341.86



xi) **Shareholding as on March 31, 2016:**

a) Distribution of equity shareholding as on March 31, 2016:

Number of Shares Category (shares)	Shareholders		Shareholding	
	No. of Holders	%	No. of shares	%
1 – 500	4264	87.00	585381	9.52
501 – 1000	255	5.20	209754	3.41
1001 – 2000	161	3.29	244081	3.96
2001 – 3000	68	1.39	171904	2.80
3001 – 4000	33	0.67	115414	1.88
4001 – 5000	23	0.47	107961	1.76
5001 – 10000	48	0.98	343183	5.58
10001 - 20000	18	0.37	254619	4.14
20001 and Above	31	0.63	4117503	66.95
Total	4901	100.00	6149800	100.00

b) Categories of equity shareholders as on March 31, 2016:

Category	No. of Shares	(%)
Indian Promoters	1943235	31.60
Foreign Promoters	1756478	28.56
Financial Institutions/Banks	0	0
Body Corporate	170949	2.78
Indian Public	1965625	31.96
NRI (Repatriable)	259219	4.22
NRI (Non-Repatriable)	2761	0.04
Director(s) & their Relatives	45753	0.75
Others	5780	0.09
Grand Total	6149800	100.00

c) Distribution of physical & dematerialized shares on March 31, 2016:

Total Paid-up & Listed Capital	Physical Holding			Demat Holding		
	No. of Shares	%	No. of Shareholders	No. of Shares	%	No. of Shareholders
61,49,800 Shares	519900	8.45	1723	5629900	91.55	3178

xii) **Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any Convertible Instruments, conversion date and likely impact on equity:** Not Applicable

xiii) **Commodity price risk or foreign exchange risk and hedging activities:** Not Applicable

xiv) **Plant Location:**

The Company's plant is located at:

Factory & Registered Office: Shilp Gravures Limited
778/6, Pramukh Industrial Estate, Sola – Santej Road,
Village Rakanpur, Taluka Kalol, Dist. Gandhinagar – 382 721, Gujarat, India.

iv) **Address of Correspondence: Shilp Gravures Limited**
778/6 Pramukh Industrial Estate, Sola – Santej Road, Village Rakanpur,
Tal. Kalol, Dist. Gandhinagar – 382 721, Gujarat, India
Tel. No.: +91 2764 286323, Fax No. : +91 2764 286335

Designated e-mail address for Investor Services: purvipatel@shilpgravures.com Website: www.shilpgravures.com

7. OTHER DISCLOSURES:

i) **Related Party Transactions**

There were no materially significant related party transactions that may have conflict with the interest of the Company. The related party transactions which are disclosed in the Notes to Financial Statements for the year 31st March, 2016, are non-material in nature.

The Board has approved a policy for related party transactions and which has been uploaded on the Company's website. The web-link as required under Listing Agreement is as under: <http://www.shilpgravures.com/pdf/Related%20Party%20Transaction%20Policy.pdf>. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and / or entered in the ordinary course of business and are at Arm's Length. All Related Party Transactions entered during the year were in Ordinary Course of the Business and on Arm's Length basis

ii) **Compliance**

Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to Capital markets, during the last three years : Nil

iii) **Whistle Blower Policy**

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a vigil mechanism and Whistle Blower Policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Ethics and Compliance Task Force which operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employees were denied to access to the Audit Committee. The Whistle Blower Policy is placed on the website of the Company and web-link to the same is as under- <http://www.shilpgravures.com/pdf/Whistle%20Blower%20Policy.pdf>

iv) **The compliance with regard to the Mandatory requirements and adoption of Non-mandatory requirements are specified hereunder:**

Mandatory Requirements:-

The Company complies with all the mandatory requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 with regard to Corporate Governance. A Certificate from the Statutory Auditors of the Company to this effect has been included in this Report

Non- Mandatory Requirements:-

The status of compliance with non-mandatory recommendations as per SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is provided below:-

- a) Office for non-executive Chairman at company's expense: Not Applicable
- b) Shareholders' Rights: As the quarterly and half yearly financial performance are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders.

- c) Modified opinion(s) in Audit Report: Complied as there is no modified opinion in Audit Report.
- d) Separate posts of Chairman and CEO: The post of Chairman of the Board and his position is separate from that of the Managing Director & CEO.
- e) Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.
- v) **Policy for determining “Material Subsidiary” Company**
The Company has framed the policy for determining “Material Subsidiaries”. The same has been placed on the website of the Company and the web-link to the same is as under: <http://www.shilpgravures.com/pdf/Policy%20on%20Material%20Subsidiary.pdf>.
- vi) **Disclosure of commodity price risks and commodity hedging activities:** Not Applicable
- vii) Disclosure of the compliance with Corporate Governance Requirements specified in Regulation 17 to 27 and Clause (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015:

Regulation No.	Particulars	Compliance Status (Yes / No / NA)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	NA
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of the Company	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to Directors and Senior Management	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i)	Website	Yes

8. CEO & CFO CERTIFICATION:

The requisite certification from the Chief Executive Officer and Chief Financial Officer of the Company as per Regulation 17(8) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 has been placed before the Board of Directors of the Company and is being reproduced hereunder for your reference.

CERTIFICATION

To,
The Board of Directors
Shilp Gravures Limited

We, Mr. Roshan Shah, Chief Executive Officer and Mr. Amit Agrawal, Chief Financial Officer of the Company, hereby certify that:

- a) We have reviewed the Financial Statements and the Cash Flow Statement for the year 2015-2016 and that to the best of our knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company’s affairs and are in compliance with existing Accounting Standards, applicable Laws and Regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of Company’s Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

- d) We have indicated to the Auditors and the Audit Committee:
- (i) Significant changes in internal control over financial reporting during the year;
 - (ii) Significant changes in Accounting Policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Mr. Ambar J. Patel
Chief Executive Officer

Place: Rakanpur
Date: 30th July, 2016

Mr. Amit Agrawal
Chief Financial Officer

Place: Rakanpur
Date: 30th July, 2016

On the behalf of The Board of Directors

Place: Rakanpur
Date: 30.07.2016

Ambar Patel
(Managing Director)

Shailesh Desai
(Director)

DECLARATION BY CHIEF EXECUTIVE OFFICER

This is to confirm that the Company has adopted Code of Conduct for its Directors & Senior Management Personnel. Both these codes are available on the Company's website.

I confirm that the Company has in respect of the financial year ended March 31, 2016, received from the Members of the Board and Senior Management Personnel a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Personnel mean the Chief Financial Officer, Employees heading various departments and Company Secretary as on March 31, 2016.

Place: Rakanpur
Date: 30th July, 2016

Roshan Shah
Chief Executive Officer

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

1. We have examined the compliance of conditions of Corporate Governance by **SHILP GRAVURES LIMITED** ("the Company"), for the year ended on March 31, 2016, as stipulated in:
 - Clause 49 (excluding clause 49(VII) (E)) of the Listing Agreements of the Company with stock exchange(s) for the period from April 01, 2015 to November 30, 2015.
 - Clause 49(VII) (E) of the Listing Agreements of the Company with the stock exchange(s) for the period from April 01, 2015 to September 01, 2015.
 - Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) for the period from September 02, 2015 to March 31, 2016 and
 - Regulations 17 to 27 (excluding regulation 23(4)) and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the period from December 01, 2015 to March 31, 2016.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended March 31, 2016.
5. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 117365W)

Place: Rakanpur
Date: 30th July, 2016

Kartikeya Raval
Partner
(Membership No. 106189)

MANAGEMENT DISCUSSION & ANALYSIS REPORT

ECONOMY OVERVIEW:

India is among the world's fastest growing economies; having recorded a decadal growth rate of 7.6 per cent during FY05-FY14. It embarked on this high growth trajectory during the tenth five year plan with a growth rate of more than 8 per cent in FY04 and reached a peak of 9.6 per cent in FY07. The growth in the eleventh five year plan also made several headlines for being the highest ever five year plan in India. The Indian economy has witnessed momentum; as per the advanced estimates, GDP growth in FY15 is projected to be at 7.4 per cent. The GoI announced a series of initiatives and policies such as the 'Swachh Bharat Abhiyan' (Clean India campaign), 'Make in India', 'Clean Ganga' campaign, 'Smart Cities' project, and 'Pradhan Mantri Jan Dhan Yojana' (Prime Minister's People Money Scheme) among others to boost economic growth and investor sentiment in the country. The economic policy reforms introduced by the government have increased everyone's expectations, especially those of investors', which can be gauged from the improvement in the performance of Sensex, increasing FDI and FII inflows.

Manufacturing has emerged as one of the high growth sectors in India. The Government of India has set an ambitious target of increasing the contribution of manufacturing output to 25 per cent of Gross Domestic Product (GDP) by 2025, from 16 per cent currently. India's manufacturing sector has the potential to touch US\$ 1 trillion by 2025. There is potential for the sector to account for 25-30 per cent of the country's GDP and create up to 90 million domestic jobs by 2025. Business conditions in the Indian manufacturing sector continue to remain positive.

India's economy is forecast to expand at a faster pace in the full year to March although gross domestic product (GDP) growth slowed in the fiscal third quarter. Manufacturing, presumably buoyed by a significant fall in inputs costs following the collapse of global commodity prices, registered a sharp pickup in the third quarter.

India has emerged as one of the strongest performers with respect to deals across the world in terms of Mergers and Acquisitions (M&A). The total transaction value of M&A involving Indian companies stood at US\$ 26.3 billion with 930 deals in 2015 as against US\$ 29.4 billion involving 870 deals in 2014. In the M&A space, Telecom was the dominant sector, amounting to 40 per cent of the total transaction value. Also, Private equity (PE) investments increased 86 per cent y-o-y to US\$ 1.43 billion.

Total private equity (PE) investments in India for 2015 reached a record high of US\$ 19.5 billion through 159 deals, according to the PwC Money Tree India report. According to The World Bank, India's per capita income is expected to cross Rs 100,000 (US\$ 1,505.4) in FY 2017 from Rs 93,231 (US\$ 1,403.5) in FY 2016.

The International Monetary Fund (IMF), United Nations World Economic Situation and Prospects, the Moody's Investors Service and World Bank in its Global Economic Prospects Report, have forecasted that India is leading the chart for major economies and have forecasted that India will witness a GDP growth rate of 7.5 per cent in 2016, due to improved investor confidence, lower food prices and better policy reforms.

Furthermore, initiatives like Make in India and Digital India will play a vital role in driving the Indian economy. We are well on the way to become the fourth largest economy in the world in a decade.

INDUSTRY STRUCTURE & DEVELOPMENT:

Packaging Industry:

The Indian Packaging Industry is growing at an exceptional pace. Packaging is an integral part of many sectors across the country and across sectors. The Flexible packaging industry has been constantly developing innovative packaging solutions for various sectors and applications. The industry is expected to register further growth fueled by demand for more expensive films and coatings for longer shelf lives of products packaged. Also a trend in the food industry of going away from bulk food packaging to single-serve products will also be an advantage for the packaging manufacturers.

The Indian packaging industry constitutes about 4 percent of the global packaging industry. The per capita packaging consumption in India is quite low at 4.3 kgs, compared to countries like Germany and Taiwan where it is 42 kgs and 19 kgs respectively. However, organized retail and boom in e-commerce, which offer huge potential for future growth of retailing, is giving a boost to the packaging sector. "India is expected to be among the top ten packaging consumers in the world by 2016. The low level of per capita plastics consumption in India is indicative of the massive growth potential of the plastic industry. Given the rising consumerism and modern lifestyles, it is expected that per capita consumption will be doubled in the next five years." (Source: Business Standard Report)

Gravure Industry:

The Gravure printing technology takes us back in time around 100 AD in China with hand-made engraving. Gravure remains a form of Art until Chemical Etching was discovered in the 16th century to allow printers to make engraved plates.

In 1875 the utilisation of Gelatine allows the possibility of photography duplication on a plate (photogravure). Until 1930 shall the rotogravure process only be used for publication application.

Nowadays, rotogravure is used to print magazines, labels, gift wrap, catalogs, etc. It is a mature printing technology used for long printing runs, at high speed with an excellent printing quality. Gravure printing is mostly used in food packaging, wrapping papers, greeting cards, magazines, and furniture laminates among several other applications. Gravure printing inks have several niches and cater to different printing needs.

For years, gravure faced stiff competition from flexo, but new press and cylinder technologies have shortened lead times and cut costs. As a

result, gravure printers are anticipating improving opportunities and market share. Flexible packaging has been a strong area for gravure. “Flexible packaging is one of the high growth markets for packaging, and gravure has grown along with this market segment.”

The share of different print processes in the production of flexible-packaging material—used in huge quantities by brand owners to pack food products and confectionery—shows gravure to be well positioned. Gravure’s USPs, such as excellent quality and high consistency, even with very long print runs, favors its position in these markets. Particularly in packaging production for large brand owners and retail chains, “Gravure” is going strong.

Your Company serves complete cross-section of the gravure industry such as:

- Flexible Packaging
- Anilox Rollers
- PVC Flooring
- Decorative Laminates
- Specialty Coatings
- Artificial Leather
- Gift Wrapper
- Security printing
- Transfer printing

India has an advantage of large volume consumption of consumer products and therefore gravure is the most preferred technology to handle such volumes due to economy of scale, availability of skilled manpower and high quality printing.

OPPORTUNITY:

The Indian packaging industry is growing at 14-15% annually. The growth in the packaging industry in India is mainly driven by the food and the pharmaceutical packaging sectors. The large and growing Indian middle class, along with the growth in organized retailing in the country are fueling growth in the packaging industry. Another factor which has provided substantial stimulus to the packaging machinery industry is the rapid growth of exports, which requires superior packaging standards for the international market.

While concentrating on supplying the flexible packaging needs of a growing domestic food processing industries amid rapidly growing economies and increasing levels of disposable income, exports from many emerging markets are also rising.

Your company continues to cater the Indian Packaging Industry with its dedicated endeavors which in turn stimulates the growth of the Company in the future.

Your company has been investing in training the manpower and upgrading the technology from time to time to keep the pace with the changing trends.

THREATS, RISKS AND CONCERNS:

1. Inflation – especially energy costs – leading to increase in the cost of raw materials and other inputs as well as negatively impacting consumer demand.
2. Inadequate infrastructure – especially power – leading to increased use of captive power resulting in increased cost of manufacturing.
3. Our customers – FMCG producers – shifting suppliers purely on price considerations and this trend can intensify further.
4. The Global Flexible Packaging market has also been witnessing the growing concern for environmentally friendly packaging. However, the highly fragmented market could pose a challenge to the growth of this market.
5. The depreciating rupee and uncertainty of crude prices affects the raw material prices and pressure on the working capital requirements thereby putting pressure on the margins of our customers.

OUTLOOK:

Flexo Printing:

Flexo Printing is undergoing constant development, both quantitatively and qualitatively, through up-to-date and increasingly automated machines and new types of printing plates. Flexographic printing is continuing to improve as a result of various developments. These include advancements in plate technology and exposure methods, improved methods to mount plates, print unit and press design, anilox rollers, inks and curing/drying systems. In the coming years, there will be continuous improvements in the processes as suppliers continue to innovate to win share of the market. Whether an individual flexographic printing concern will flourish or not in the new environment will depend to a large extent on its technological investment decisions and how it adapts to changes in technology.

Gravure Printing:

Gravure continues to enjoy many advantages over other print techniques, like better speed, color consistency, infinitely variable cut-off, excellent repro and half tones, and the capability of handling a wide substrate range. With the rapid growth areas of Asia and India being major users, the future for technology manufacturers looks bright. Since the new quality demands of the industry has raised it to the level of the brand manufacturers, the possibility of substantial new growth for gravure printing is strong.

With the above in consideration, a number of practices are designed to take advantage of these changes in the future and to drive the business of your Company to an accelerated growth mode.

SEGMENT WISE PERFORMANCE:

As on March 31, 2016, the Company has only two reportable segments, that of i) manufacture of engraved copper rollers and ii) energy generation through wind mill. The segment revenue, results, assets, and liabilities include the respective amounts identifiable to each of the segment and amount allocated to it. The figurative parameter in detail is provided in Note no. 35 in the Note to Financial Statements.

FINANCIAL PERFORMANCE:

An overview of the financial performance is given in the Director's Report. The Audit Committee constituted by the Board of Directors periodically reviews the financial performance and reporting systems.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Your Company has strong and adequate internal control system commensurate with the size of its operations and nature of its business that provides the framework for the accomplishment of management objectives, safeguarding of assets, accurate financial reporting and compliance with laws and regulations. Your Company has a separate Audit Team comprising of experts in the field of Audit and systems. The team carries extensive Audit of Systems and Accounts throughout the year and submits their report, suggestions, remarks, findings to management regularly.

Your Company has an audit committee of Board of directors, the details of which have been provided in the Corporate Governance Report. The Audit Committee is regularly reviewing the Internal Audit Reports and after the audit carried out by an Independent Chartered Accountant firm in all the key areas of the operations of the Company, the Audit Committee approves all the audit plans and reports for significant issues raised by the Internal and External Auditors. The recommendations of the Internal Auditors and the Audit Committee are followed up effectively for implementation.

HUMAN RESOURCES / INDUSTRY RELATIONS:

Your Company's Human Resource agenda continues to remain focused on reinforcing the key thrust areas i.e. "OUR EMPLOYEES" and being the employer of choice, building an inclusive culture and a strong talent pipeline, building capabilities in the organization and continuing to focus on progressive employee relations policies.

Your Company continues to build on the Diversity and Inclusion agenda. A series of programmes like Garba Event, Safety Programme, Health Check-up camps, Supporting Staff Developments, Fire Fighting Training and First Aid Training to the new workers, Programmes on Worker's Development and many other such events have helped in further driving the agenda. Regular in-house and external training which includes knowledge and skill development are provided to enhance their progress. Your Company continues to focus on driving inclusion through building leadership capability and recognizing line managers who provide a simple, flexible and respectful work environment for their teams.

Your Company is focused on building a high performance culture with a growth mindset. Developing and strengthening capabilities for all employees in your Company has remained an ongoing priority. Your Company continues to drive the simplification agenda and deliver substantial cost and time savings. Your Company strives to maintain a professional, value-driven work environment where every employee feels satisfied and appreciated. Our positive approach towards competency development allows us to attract, retain and build the best team.

CAUTIONARY STATEMENT:

Statements in the Management Discussion & Analysis Report describing the Company's objectives, projections, expectations, opinion and predictions may please be considered as "forward looking statements" only. Actual results could differ materially from those expressed or implied. Company's operations should be viewed in light of changes in market conditions, prices of raw materials, economic developments in the country, changes in the government regulations, tax laws and other statutes and such other incidental factors.

On the behalf of The Board of Directors

Place: Rakanpur
Date: 30.07.2016

Ambar Patel
(Managing Director)

Shailesh Desai
(Director)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SHILP GRAVURES LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Shilp Gravures Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 prescribed under section 133 of the Act, as applicable.

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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone 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 and the Order under section 143 (11) of the Act.

We conducted our audit of the standalone financial statements 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. 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 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by 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 prescribed under section 133 of the Act, as applicable.
 - e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position in to its standalone financial statements;
 - The Company did not have any long term contracts including derivative contracts for which there were material foreseeable losses;
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 117365W)

Kartikeya Raval
Partner
Membership No. 106189

Place : Ahmedabad
Date: 30th April, 2016

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Shilp Gravures Limited** ("the Company") as of 31st March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in said the Guidance Note.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 117365W)

Kartikeya Raval
Partner
Membership No. 106189

Place : Ahmedabad
Date: 30th April, 2016

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

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

Report of even date on Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ("the Act")

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / Index Copy provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2014, as amended, would apply. Accordingly, paragraph 3(v) of the order is not applicable to the Company.
- (vi) According the information and explanations given to us, maintenance of cost records has not been specified for the Company by the Central Government under section 148(1) of the Companies Act, 2013 and hence reporting under clause (iv) of the Order is not applicable.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it to the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at 31st March, 2016 for a period of more than six months from the date they became payable.

- (c) Details of dues of Income-tax and Service Tax which have not been deposited as on 31st March, 2016 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved and Unpaid (Rs. in Lacs)
The Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	A.Y. 2009-10	13.46
The Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	A.Y. 2010-11	5.15
The Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	A.Y. 2013-14	37.41
Finance Act, 1994	Service Tax	Custom Excise and Service Tax Commissioner (Appeals)	From October 1, 2014 to June 30, 2015	1.42
Finance Act, 1994	Service Tax	Commissioner of Customs Excise and Service Tax	From January 1, 2014 to January 31, 2015	7.68

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks. The Company has not issued any debentures and has not taken any loans from the government.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Act are not applicable.
- (xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 117365W)

Kartikeya Raval
Partner
Membership No. 106189

Place : Ahmedabad
Date: 30th April, 2016



STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2016

(₹ in Lacs)

Particulars	NOTE NO.	AS AT 31st MARCH, 2016	AS AT 31st MARCH, 2015
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share capital	3	614.98	614.98
Reserves and surplus	4	4,069.10	3,854.91
		4,684.08	4,469.89
NON-CURRENT LIABILITIES			
Long-term borrowings	5	138.36	434.23
Deferred tax liabilities (net)	6	493.68	530.32
Long-term provisions	7	135.15	82.51
		767.19	1,047.06
CURRENT LIABILITIES			
Short-term borrowings	8	964.56	840.18
Trade payables	9	-	-
Micro, Small and Medium Enterprises (Refer Note 37)		-	-
Others		702.56	596.50
Other current liabilities	10	132.91	399.44
Short-term provisions	11	101.64	99.29
		1,901.67	1,935.41
TOTAL		7,352.94	7,452.36
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	12		
Tangible assets		4,420.04	4,556.31
Capital work-in-progress		9.48	7.04
Non-current investments	13	-	403.97
Long-term loans and advances	14	98.65	213.36
		4,528.17	5,180.68
CURRENT ASSETS			
Current investments	15	154.45	1.75
Inventories	16	492.81	604.95
Trade receivables	17	1,284.72	1,396.20
Cash and cash equivalents	18	765.88	81.26
Short-term loans and advances	19	113.90	136.82
Other Current Assets	20	13.01	50.70
		2,824.77	2,271.68
TOTAL		7,352.94	7,452.36
See accompanying notes forming part of the financial statements			

In terms of our report attached

**For and on behalf of the Board of Directors of
Shilp Gravures Limited**

For Deloitte Haskins & Sells
Chartered Accountants

Ambar J. Patel
Managing Director

Shailesh C Desai
Director

Kartikeya Raval
Partner

Amit Agrawal
Chief Financial Officer

Gurnish Chhabda
Company Secretary

Place : Ahmedabad
Date : 30th April, 2016

Place : Rakanpur
Date : 30th April, 2016

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in Lacs)

Particulars	NOTE NO.	YEAR ENDED 31st MARCH, 2016	YEAR ENDED 31st MARCH, 2015
Revenue from Operations (Gross)	21	6,579.81	6,143.36
Less: Excise Duty		496.14	410.97
Revenue from Operations (Net)		6,083.67	5,732.39
Other Income	22	106.23	87.23
TOTAL REVENUE		6,189.90	5,819.62
EXPENSES			
Cost of raw materials consumed	23	1,663.37	1,569.73
Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	(9.54)	(9.32)
Employee benefits expense	25	1,715.53	1,465.85
Finance costs	26	169.55	215.16
Depreciation and amortisation expense	12	606.92	623.98
Other expenses	27	1,241.67	1,339.58
TOTAL EXPENSES		5,387.50	5,204.98
Profit before exceptional items and tax		802.40	614.64
Exceptional items (Net)	28	267.19	-
Profit before Tax		535.21	614.64
Net Tax Expenses			
Current tax		266.13	164.20
Short provision for tax relating to prior years		2.70	0.99
Deferred tax		(36.64)	(4.64)
		232.19	160.55
Profit for the year		303.02	454.09
Earnings per Share (of Rs. 10 each)			
Basic and Diluted	29	4.93	7.38
See accompanying notes forming part of the financial statements			

In terms of our report attached

 For and on behalf of the Board of Directors of
Shilp Gravures Limited

 For Deloitte Haskins & Sells
Chartered Accountants

 Ambar J. Patel
Managing Director

 Shailesh C Desai
Director

 Kartikeya Raval
Partner

 Amit Agrawal
Chief Financial Officer

 Gurnish Chhabda
Company Secretary

 Place : Ahmedabad
Date : 30th April, 2016

 Place : Rakanpur
Date : 30th April, 2016

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2016

(₹ in Lacs)

Particulars	YEAR ENDED 31st MARCH, 2016	YEAR ENDED 31st MARCH, 2015
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	535.21	614.64
Adjustments for :		
Depreciation and amortisation	606.92	623.98
Bad debts	31.52	37.61
Finance Cost	169.55	215.16
Interest Income from Joint Venture	(12.01)	(14.70)
Interest income from banks	(14.45)	-
Profit on sale of Mutual Funds	(5.31)	-
Dividend Income	(1.14)	(0.21)
Loss on sale of fixed assets	4.85	1.56
Net unrealised exchange (gain)/loss	0.74	(1.78)
Discount on sales	37.24	47.14
Laibilities / Provisions no longer required written back	5.31	-
Profit on sale of Shares of Subsidiary Company	(17.86)	-
Loss on sale of shares of Joint Venture Company	285.05	-
Provision for Leave and Gratuity	54.72	(9.04)
Provisions no longer required written back	-	(29.83)
	1,145.13	869.89
Operating profit/(loss) before working capital changes	1,680.34	1,484.53
Changes in Working Capital:		
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	105.28	135.33
Long-term Provisions	(2.08)	(2.02)
Short-term Provisions	2.07	2.02
Other Current Liabilities	(44.85)	(10.74)
Adjustments for (increase) / decrease in operating assets:		
Trade Receivables	42.61	(202.54)
Inventories	112.14	(157.87)
Long-term Loans and Advances	(3.58)	(0.26)
Short-term Loans and Advances	22.92	32.56
Other Current Assets	20.62	(20.58)
	255.13	(224.10)
Cash Generated from Operations	1,935.47	1,260.43
Net income tax refund/ (paid)	(259.00)	(181.44)
Net Cash flow from Operating Activities (A)	1,676.47	1,078.99
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets	(477.47)	(384.25)
Proceeds from Sale of Fixed Assets	24.54	14.74
Investments in Joint venture	-	(125.00)
Proceeds from sale of shares of Joint venture	89.74	-
Proceeds from sale of shares of Subsidiary Company	47.04	-
Investment in Mutual Funds	(152.70)	-
Loans given to Joint venture	(25.00)	-
Loans repaid by Joint Venture	125.00	-
Interest received from Joint ventures	42.09	1.47
Fixed Deposit placed with Banks	(655.00)	-
Profit on sale of Mutual Funds	5.31	-
Dividend from current investment	1.14	0.21
Net Cash Flow (used in) Investing Activities (B)	(975.31)	(492.83)

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2016 (contd...)

(₹ in Lacs)

Particulars	YEAR ENDED 31st MARCH, 2016	YEAR ENDED 31st MARCH, 2015
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	180.04	-
Repayment of Long Term Borrowings	(719.23)	(491.80)
Net increase in working capital borrowings	124.38	186.62
Financial Cost	(168.33)	(215.16)
Dividend Paid	(73.80)	(73.80)
Tax on Dividend	(14.76)	(12.54)
Net Cash Flow used in Financing Activities (C)	(671.70)	(606.68)
Net Increase in Cash & Cash Equivalents (A+B+C)	29.46	(20.52)
Cash and Cash Equivalents at the beginning of the year	81.26	102.11
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	(0.16)	0.33
Cash and Cash Equivalents at the end of the year	110.88	81.26
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note 18)	110.88	81.26
Less: Bank balances not considered as Cash and cash equivalents (as defined in AS 3 Cash Flow Statements)	-	-
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note	110.88	81.26
Add: Current investments considered as part of Cash and cash equivalents (as defined in AS 3 Cash Flow Statements)	-	-
Cash and cash equivalents at the end of the year comprises of		
(a) Cash on hand	6.26	4.71
(b) Cheques/Drafts on hand	4.89	38.22
(c) Balances with Banks		
(i) In Current Accounts	87.53	23.50
(ii) In earmarked accounts		
- Unpaid Dividends Accounts	12.20	14.83
	110.88	81.26

Note :

Cash and cash equivalents includes Rs. 12.20 Lacs (P.Y. 14.83 Lacs) in earmarked account balances with banks can be utilised only for the specific identified purposes.

In terms of our report attached

**For and on behalf of the Board of Directors of
Shilp Gravures Limited**

For Deloitte Haskins & Sells
Chartered Accountants

Ambar J. Patel
Managing Director

Shailesh C Desai
Director

Kartikeya Raval
Partner

Amit Agrawal
Chief Financial Officer

Gurnish Chhabda
Company Secretary

Place : Ahmedabad
Date : 30th April, 2016

Place : Rakanpur
Date : 30th April, 2016

NOTES TO STANDALONE FINANCIAL STATEMENTS

1. BACKGROUND OF THE COMPANY

Shilp Gravures Limited is a public limited company, incorporated in the year 1993 under the provisions of the Companies Act, 1956. The Company has set up, the first gravure roller manufacturing house in India. The Company is engaged in engraving of rollers using three different engraving technologies i.e. electronic, laser and chemical etching. The engraved rollers are used in printing and packaging industries.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 (“the 2013 Act”). The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.2 Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialize.

2.3 Inventories

Raw materials, packing materials, stores, spares and consumables are valued at lower of cost (net of refundable taxes and duties) or net realizable value. The cost of these items of inventory comprises of cost of purchase and other incidental costs incurred to bring the inventories to their present location and condition.

Work in progress and finished goods are valued at lower of cost or net realizable value. The cost of work in process and finished goods includes cost of conversion and other costs incurred to bring the inventories to their present location and condition.

Cost of inventories is determined on “First In First Out” basis.

Excise Duty in respect of finished goods lying in factory premises are provided for and included in valuation of inventory.

2.4 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.5 Cash flow statement

Cash flows are reported using the indirect method, whereby loss before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.6 Depreciation and amortization

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful lives of assets as prescribed in Schedule II to the Companies Act, 2013.

2.7 Revenue Recognition

Sale of Goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax.

Income from services

Revenues from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred.

Other Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividend income from investments is recognized when the shareholders’ rights to receive payment have been established.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

2.8 Tangible Fixed Assets

Fixed assets are stated at cost of acquisition / construction less accumulated depreciation, amortization and impairment loss (if any). Cost comprises of purchase price, import duties and other non-refundable taxes or levies and any directly attributable cost to bring the assets ready for its intended use.

Direct expenses, as well as pro rata identifiable indirect expenses on projects during the year of construction are capitalized.

Capital assets under erection / installation are stated in the Balance Sheet as "Capital Work in Progress."

2.9 Foreign Currency Transactions

Initial Recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at Balance Sheet Date

Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

Treatment of Exchange Differences

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

2.10 Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments includes acquisition charges such as brokerage, fees and duties.

2.11 Employee Benefits

Defined contribution plans

The Company's contribution to provident fund is considered as defined contribution plans and is charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise is amortized on a straight-line basis over the average period until the benefits become vested.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized as a liability at the present value of the defined benefit obligation as at the balance sheet.

2.12 Borrowing Costs

Borrowing costs include interest, amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.

2.13 Segment Reporting Policy

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue / expenses / assets / liabilities”.

2.14 Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of the leased items are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss accounts on a straight-line basis over the lease term.

2.15 Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

2.16 Provision for Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. Deferred tax assets arising from carry forward losses and unabsorbed depreciation, are recognized and carried forward only to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

2.17 Impairment of assets

The carrying values of assets at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceeds the estimated recoverable amount, an impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

2.18 Provisions and Contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)
3 SHARE CAPITAL

PARTICULARS	AS AT 31ST MARCH, 2016		AS AT 31ST MARCH, 2015	
	(NUMBER)	(₹ in Lacs)	(NUMBER)	(₹ in Lacs)
Authorised:				
Equity Shares of Rs.10 each with voting rights	65,00,000	650.00	65,00,000	650.00
Issued, Subscribed and Paid-up:				
Equity Shares of Rs. 10 each fully paid up with voting rights	61,49,800	614.98	61,49,800	614.98
Total	61,49,800	614.98	61,49,800	614.98

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

PARTICULARS	AS AT 31ST MARCH, 2016		AS AT 31ST MARCH, 2015	
	(NUMBER)	(₹ in Lacs)	(NUMBER)	(₹ in Lacs)
Equity Shares with voting rights at the beginning of the year	61,49,800	614.98	61,49,800	614.98
Issued during the year	-	-	-	-
Bought back during the year	-	-	-	-
At the end of the year	61,49,800	614.98	61,49,800	614.98

(ii) Terms/Rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

During the year ended 31st March 2016, the amount of per share dividend recognised as distributions to equity shareholders was Rs.1.20(31st March 2015: Rs.1.20).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of shareholders holding more than 5% shares in the Company

NAME OF SHAREHOLDER	AS AT 31ST MARCH, 2016		AS AT 31ST MARCH, 2015	
	NO. OF SHARE HELD	% OF HOLDING	NO. OF SHARE HELD	% OF HOLDING
Vitthaldas H. Patel	7,65,756	12.45%	7,65,756	12.45%
Vitthaldas H. Patel jointly with Hiraben V. Patel	24,146	0.39%	24,146	0.39%
Hiraben V. Patel Jointly with Vitthaldas H. Patel	3,82,262	6.22%	3,82,262	6.22%
Hiraben V. Patel	5,84,314	9.50%	5,84,314	9.50%
Roshan Harshvardhan Shah	3,13,404	5.10%	3,09,404	5.03%
Gajanan Vaman Bhavsar	3,09,410	5.03%	3,09,410	5.03%

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)
4 RESERVES AND SURPLUS

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Capital Reserves		
Opening Balance	15.00	15.00
Add : Addition during the year	-	-
	15.00	15.00
General Reserve		
Opening Balance	1,284.76	1,259.76
Add : Transfer from the surplus in Statement of Profit & Loss	25.00	25.00
Closing Balance	1,309.76	1,284.76
Surplus in Statement of Profit and Loss		
Opening Balance	2,555.14	2,279.16
Less : Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (net of deferred tax)	-	64.55
Add : Net Profit for the year	303.02	454.09
Less: Appropriations:		
Proposed Dividend (Amount per share Rs.1.20 (Previous Year Rs. 1.20))	73.80	73.80
Tax on Proposed Dividend	15.02	14.76
Transfer to General Reserve	25.00	25.00
Net surplus in the Statement of Profit and Loss	2,744.34	2,555.14
Total	4,069.10	3,854.90

5 LONG TERM BORROWINGS

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Secured term loans from Bank (Refer Note (i) to (iv) below)	-	434.23
Secured term loans from Financial Institutions (Refer Note (v) below)	138.36	-
Total	138.36	434.23
Secured		
(i) Loan from The Ahmedabad Mercantile Co-operative Bank Limited amounting to Rs. NIL (P.Y. Rs. 133.76 Lacs), out of which Rs. NIL (P.Y. Rs. 103.40 Lacs) is classified as current maturity. The entire outstanding has been repaid as on 13/10/2015. The loan was secured by exclusive charge over windmills acquired out of the said loan. Further, the loan was guaranteed by the personal guarantee of some of the promoter directors.		
(ii) Loan from The Ahmedabad Mercantile Co-operative Bank Limited amounting to Rs. NIL (P.Y. Rs. 353.65 Lacs), out of which Rs. NIL (P.Y. Rs. 105.14) is classified as current maturity. The entire outstanding loan has been repaid as on 29/02/2016. The loan was secured by exclusive charge over the new Imported Machineries acquired out of the said loan. Further, the loan was guaranteed by the personal guarantee of some of the promoter directors.		
(iii) Loan from The Ahmedabad Mercantile Co-operative Bank Limited amounting to Rs. NIL (P.Y. Rs. 209.12 Lacs), out of which Rs. NIL (P.Y. Rs. 60.22 Lacs) is classified as current maturity. The entire outstanding loan has been repaid as on 02/02/2016. The loan was secured by exclusive charge over a windmill acquired out of the said loan. Further, the loan was guaranteed by the personal guarantee of some of the promoter directors.		
(iv) Hire purchase finances from The Ahmedabad Mercantile Co-operative Bank Limited for Car amounting to Rs. NIL (P.Y. Rs. 9.58 Lacs), out of which Rs. NIL (P.Y. Rs. 3.12 Lacs) is classified as current maturity, is secured by hypothecation of the Car. The entire outstanding loan amount has been paid as on 31/12/2015.		
(v) Hire purchase finance from the Daimler Financial Services India Private Limited for 5 Motor Cars amounting to Rs. 166.92 Lacs (P.Y. Rs. Nil), out of which Rs. 28.56 Lacs (P.Y. Rs. Nil) are classified as current maturity, are secured by hypothecation of the Cars.		

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)
6 DEFERRED TAX LIABILITY

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
The deferred tax liability/asset comprises of tax effect of timing differences on account of:		
Deferred Tax Liability		
Difference between book and tax depreciation	511.87	534.28
	511.87	534.28
Deferred Tax Asset		
Disallowance under the Income Tax Act, 1961	(18.19)	(3.96)
	(18.19)	(3.96)
Deferred Tax Liability (net)	493.68	530.32

7 LONG TERM PROVISIONS

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Provision for employee benefits		
Provision for gratuity	101.73	55.27
Provision for compensated absences	33.42	27.24
Total	135.15	82.51

8 SHORT TERM BORROWINGS

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Secured Loans repayable on demand		
Cash Credit from Banks	760.56	840.18
Over Draft from Banks	204.00	-
Total	964.56	840.18
(i) Working capital loan from The Ahmedabad Mercantile Co. Op. Bank Ltd. of Rs. 760.56 Lacs (P.Y. Rs. 840.18 Lacs). The same is secured by present and future trade receivable and inventories of the Company, personal guarantee of some of the promoter directors.		
(ii) Fixed Deposits of Rs. 650.00 Lacs (P.Y. NIL) are pledged against overdraft from AMCO bank.		

9 TRADE PAYABLES

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Trade payables other than acceptances (Refer Note 37)	702.56	596.50
Total	702.56	596.50

10 OTHER CURRENT LIABILITIES

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Current maturities of secured long-term debt (Refer note 5(i) to 5(v))	28.56	271.88
Interest accrued but not due	1.22	-
Unpaid dividends	12.20	14.83
Statutory remittances	16.97	44.00
Payables for purchase of fixed assets	35.24	20.13
Advances from customers	38.72	48.60
Total	132.91	399.44

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)
11 SHORT TERM PROVISIONS

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Provision for compensated absences	12.82	10.74
Provision for proposed equity dividend	73.80	73.80
Provision for tax on proposed equity dividend	15.02	14.75
Total	101.64	99.29

12 FIXED ASSETS
(₹ in Lacs)

Fixed Assets	Gross Block				Accumulated Depreciation / Amortization					Net Block	
	As at 1st April, 2015	Additions during the year	Disposals during the year	As at 31st March 2016	As at 1st April 2015	Depreciation/ Amortization charge for the year	Transfer from Retained Earnings	On disposals during the year	As at 31st March 2016	As at 31st March 2016	As at 31st March 2015
a Tangible Assets											
Freehold Land	142.98 (142.98)	-	-	142.98 (142.98)	-	-	-	-	-	142.98 (142.98)	142.98 (142.98)
Buildings	917.22 (917.22)	16.24	-	933.46 (917.22)	216.28 (177.85)	28.08 (29.57)	- (8.86)	-	244.36 (216.28)	689.10 (700.94)	700.94 (739.37)
Plant and Machineries	7,457.32 (7,109.95)	224.68 (347.37)	4.55	7,677.45 (7,457.32)	5,010.73 (4,574.20)	445.85 (422.35)	- (14.18)	0.89	5,455.69 (5,010.73)	2,221.76 (2,446.59)	2,446.59 (2,535.75)
Windmills	1,381.18 (1,381.18)	-	-	1,381.18 (1,381.18)	303.68 (245.62)	58.06 (58.06)	-	-	361.74 (303.68)	1,019.44 (1,077.50)	1,077.50 (1,135.56)
Furniture and Fixtures	158.97 (158.97)	0.79	-	159.76 (158.97)	122.95 (92.22)	8.61 (18.58)	- (12.15)	-	131.56 (122.95)	28.20 (36.02)	36.02 (66.75)
Vehicles	188.10 (199.45)	234.57 (25.56)	90.66 (36.91)	332.01 (188.10)	76.77 (67.80)	40.72 (28.63)	- (0.95)	64.93 (20.61)	52.56 (76.77)	279.45 (111.33)	111.33 (131.65)
Office Equipments and Computers	546.49 (533.42)	23.76 (13.07)	-	570.25 (546.49)	505.54 (386.74)	25.60 (59.39)	- (59.42)	-	531.14 (505.55)	39.11 (40.94)	40.94 (146.68)
Total	10,792.26 (10,443.17)	500.04 (386.00)	95.21 (36.91)	11,197.09 (10,792.26)	6,235.95 (5,544.43)	606.92 (616.58)	- (95.56)	65.82 (20.61)	6,777.05 (6,235.96)	4,420.04 (4,556.30)	4,556.30 (4,898.74)
b Intangible Assets											
Goodwill	560.44 (560.44)	-	-	560.44 (560.44)	560.44 (553.03)	- (7.41)	-	-	560.44 (560.44)	-	- (7.41)
Total	560.44	-	-	560.44	560.44	-	-	-	560.44	-	-
Grand Total	11,352.70 (11,003.61)	500.04 (386.00)	95.21 (36.91)	11,757.53 (11,352.70)	6,796.40 (6,097.46)	606.92 (623.99)	- (95.56)	65.82 (20.61)	7,337.49 (6,796.40)	4,420.04 (4,556.30)	4,556.30

- Figures in the brackets represent the previous year figures.
- Plant and Machinery includes softwares being an integral part of plant and machinery.
- From 1st April, 2014, the Company had charged depreciation based on remaining useful life of the assets as per the requirements of Schedule II of the Companies Act, 2013 ("the Act"). In accordance with the transitional provisions provided in Note 7(b) of Schedule of the Act, an amount of Rs. 95.56 lacs had been adjusted on 1st April, 2014 against the opening balance of retained earnings in respect of assets wherein remaining useful life of the assets is Nil.

13 NON-CURRENT INVESTMENTS

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Trade Investments - Unquoted (at Cost)		
Investment in Equity Shares of Subsidiary Company		
NIL (As at 31st March 2015 - 2,91,867) Equity Shares of ReShilp Equipments (India) Pvt Ltd at Rs. 10 each fully paid up	-	29.19
Investment in Joint Venture Company		
NIL (As at 31st March 2015 - 29,97,800) Equity Shares of HMSU Rollers (India) Pvt Ltd. at Rs. 10 each fully paid up	-	299.78
NIL (As at 31st March 2015 - 7,50,000) Preference Shares of HMSU Rollers (India) Pvt Ltd. at Rs. 10 each fully paid up	-	75.00
Total	-	403.97

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)
14 LONG TERM LOANS AND ADVANCES (Unsecured, Considered good)

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Security deposits	54.79	51.21
Advance income tax (net of provisions of Rs.579.88 lacs)	43.86	52.25
Loans to related party	-	100.00
Capital advances (note 33)	-	9.90
Total	98.65	213.36

15 CURRENT INVESTMENTS

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Investment in Equity instruments - Unquoted (at Cost) 3,500 (As at 31st March 2015 - 3,500) Equity Shares of The Ahmedabad Mercantile Co-operative Bank Ltd. at Rs.50 each fully paid up	1.75	1.75
Investments in Mutual Funds - Quoted (at Cost or NRV whichever is lower)		
Rs.27.52 ICICI - Focus Bluchip Equity Fund *# 27,091.29 units (P.Y. NIL)	7.46	-
Rs.213.51 ICICI - Saving Fund R.P. Growth *# 68,023.47 units (P.Y. NIL)	145.24	-
Total	154.45	1.75
* Aggregate market value quoted current mutual fund investments	160.27	-
# Net assets value of quoted mutual fund investments		
ICICI - Focus Bluchip Equity Fund	27.52	-
ICICI - Saving Fund R.P. Growth	226.64	-

16 INVENTORIES (At lower of Cost or Net Realisable Value)

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Raw materials	242.06	370.51
Raw materials - Goods-in transit	-	10.17
Work-in-progress	139.56	128.73
Finished goods	6.97	8.43
Stores and spares	101.65	85.60
Packing materials	2.57	1.51
Total	492.81	604.95

17 TRADE RECEIVABLES

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	21.77	23.64
Doubtful	-	-
	21.77	23.64
Less: Provision for doubtful trade receivables	-	-
	21.77	23.64
Other trade receivables		
Unsecured, considered good	1,262.95	1,372.56
Total	1,284.72	1,396.20

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)
18 CASH AND CASH EQUIVALENTS

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Cash on hand	6.26	4.71
Cheques, drafts on hand	4.89	38.22
Balances with banks	-	-
In Current accounts	87.53	23.50
In Earmarked accounts	-	-
- Unpaid dividend accounts	12.20	14.83
	110.88	81.26
Other Bank Balances		
- Bank Deposits with more than 3 months, but below 12 months maturity	655.00	-
Total	765.88	81.26

(i) Out of the above balances Rs. 110.88 Lacs (P.Y. 81.27 Lacs) that meet the definition of cash and cash equivalents as per AS -3 "Cash Flow Statement".

(ii) Bank Deposit of Rs. 650.00 Lacs out of other bank balance, has been pledged with bank as a security against bank overdraft.

19 SHORT TERM LOANS AND ADVANCES (Unsecured, Considered good)

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Advance to suppliers	17.92	5.04
Security deposits	2.97	2.97
Prepaid expenses	25.00	37.01
Cenvat credit receivable	0.21	2.64
Service tax credit receivable	11.76	39.58
Receivable from Uttar Gujarat Vij Company Limited for wind power generation	34.05	18.07
Cenvat Receivable on Capital Goods to the extent credit not available in the current year	17.88	26.66
Others	4.11	4.85
Total	113.90	136.82

20 OTHER CURRENT ASSETS (Unsecured, Considered good)

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Interest accrued on fixed deposit	13.01	-
Receivable for business support services from related party	-	20.62
Interest receivable from related party	-	30.08
Total	13.01	50.70

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)
21 REVENUE FROM OPERATIONS

PARTICULARS	YEAR ENDED 31st MARCH, 2016 (₹ in lacs)	YEAR ENDED 31st MARCH, 2015 (₹ in lacs)
Sale of products	4,579.35	4,211.32
Less : Excise Duty	496.14	410.97
	4,083.21	3,800.35
Sale of services	2,237.77	2,125.98
Less : Service Tax	274.55	234.77
	1,963.22	1,891.21
Trading sales	-	0.68
Other operating revenue		
- Scrap Sales	74.48	87.29
Less: Discount on sales	37.24	47.14
Total	6,083.67	5,732.39
Sales of products and services comprises of:		
Manufactured goods		
- Engraved Copper Rollers	3,816.61	3,516.90
- Printing Plates	266.22	283.45
- Others	0.38	-
	4,083.21	3,800.35
Sale of services		
- Job work sales	1,963.22	1,891.21
	1,963.22	1,891.21
Traded Goods		
- Others	-	0.68
	-	0.68

22 OTHER INCOME

PARTICULARS	YEAR ENDED 31st MARCH, 2016 (₹ in lacs)	YEAR ENDED 31st MARCH, 2015 (₹ in lacs)
Interest income from banks	14.45	1.72
Interest income from - Joint Venture Entity	12.01	14.70
Interest income on deposit	3.88	2.93
Dividend income from current investments	1.14	0.21
Recovery of bad debts written off in earlier years	0.93	-
Rent income	1.20	1.20
Gain on foreign exchange rate fluctuation (net)	1.95	5.71
Business support services	-	18.84
Net gain on sale of current investments	5.31	-
Liabilities / Provisions no longer required written back	5.31	29.83
Profit on sale of machines tools	-	10.11
Maturity proceeds of Keyman insurance policy	59.38	-
Miscellaneous income	0.67	1.98
Total	106.23	87.23

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)
23 COST OF RAW MATERIAL CONSUMED

PARTICULARS	YEAR ENDED 31st MARCH, 2016 (₹ in lacs)	YEAR ENDED 31st MARCH, 2015 (₹ in lacs)
Opening stock	380.68	259.67
Add : Purchases during the year	1,524.75	1,690.74
	1,905.43	1,950.41
Less : Closing Stock	242.06	380.68
Cost of raw materials consumed	1,663.37	1,569.73
Raw materials consumed comprises of:		
M.S. rollers	125.29	106.40
M.S. pipe, plates and bars	801.84	693.82
Copper	488.50	528.39
Others	247.74	241.12
	1,663.37	1,569.73

24 CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

PARTICULARS	YEAR ENDED 31st MARCH, 2016 (₹ in lacs)	YEAR ENDED 31st MARCH, 2015 (₹ in lacs)
INVENTORIES AT THE BEGINNING OF THE YEAR		
Finished goods of engraved rollers	8.43	6.45
Work-in-progress of engraved rollers	128.73	120.55
Stock-in-trade	-	0.84
	137.16	127.84
INVENTORIES AT THE END OF THE YEAR		
Finished goods of engraved rollers	7.14	8.43
Work-in-progress of engraved rollers	139.56	128.73
Stock-in-trade	-	-
	146.70	137.16
CHANGE IN INVENTORIES	(9.54)	(9.32)

25 EMPLOYEE BENEFITS EXPENSES

PARTICULARS	YEAR ENDED 31st MARCH, 2016 (₹ in lacs)	YEAR ENDED 31st MARCH, 2015 (₹ in lacs)
Salaries, wages and bonus	1,531.32	1,288.49
Contributions to provident fund and other funds	63.82	54.35
Contributions to gratuity fund	15.00	15.00
Staff welfare expenses	105.39	108.01
Total	1,715.53	1,465.85

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)
26 FINANCE COSTS

PARTICULARS	YEAR ENDED 31st MARCH, 2016 (₹ in lacs)	YEAR ENDED 31st MARCH, 2015 (₹ in lacs)
Interest expense		
On term loans	51.59	111.25
On working capital loans	102.03	95.00
On vehicles loans	11.86	1.13
	165.48	207.38
Other borrowing costs	4.07	7.78
Total	169.55	215.16

27 OTHER EXPENSES

PARTICULARS	YEAR ENDED 31st MARCH, 2016 (₹ in lacs)	YEAR ENDED 31st MARCH, 2015 (₹ in lacs)
Consumption of stores and spare parts	325.65	435.72
Consumption of packing materials	88.44	85.11
Increase/(decrease) of excise duty on inventory	0.17	(0.23)
Power & fuel (Net of energy income from windmill)	107.62	126.16
Rent	11.87	11.50
Repairs and maintenance	-	-
Plant & machinery	15.27	45.38
Building	63.84	68.72
Others	86.19	74.62
Factory expenses	41.44	36.93
Insurance premium	33.96	35.38
Rates & Taxes	0.46	1.29
Conveyance and travelling	58.24	67.90
Communication expenses	17.60	17.87
Printing and stationary	16.46	13.53
Freight and forwarding	90.47	78.26
Sales commission	70.11	34.62
Advertisement and business promotion	4.66	8.00
Selling expenses	16.53	24.48
Donation	-	4.41
Expenditure on corporate social responsibility	16.22	16.00
Legal consultancy and professional charges	77.18	72.24
Auditors' remuneration	11.44	8.49
Computer expenses	15.34	10.61
Bad trade and other receivables, loans and advances written off	31.52	37.61
Loss on sale of fixed assets	4.85	1.56
Miscellaneous expenses	36.14	23.42
Total	1,241.67	1,339.58
Auditors' Remuneration comprises of:		
Statutory audit fees	10.25	7.50
Tax audit fees	0.75	0.75
Certification fees	0.25	0.05
Reimbursement of expenses	0.19	0.20
Total	11.44	8.50

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

28 EXCEPTIONAL ITEMS

PARTICULARS	YEAR ENDED 31st MARCH, 2016 (₹ in lacs)	YEAR ENDED 31st MARCH, 2015 (₹ in lacs)
Profit on sale of Shares of Subsidiary Company (Reshilp Equipments India Private Limited) *	17.86	-
Loss on sale of shares of Joint Venture Company (HMSU Rollers (India) Private Limited) **	(285.05)	-
	(267.19)	-

* Till 18th July, 2015, Shilp Gravures Limited(SGL) held 291,867 Equity shares in Reshilp Equipments (India) Private Limited(Reshilp) (equivalent to 51% of the total Equity share capital issued by Reshilp). After receiving the approval from Board of Directors on 15th July, 2015, the company sold 183,132 Equity shares held by SGL(equivalent to 32% of the total Equity share capital issued by Reshilp) at Rs.15 per share. Consequently, Reshilp ceased to be a subsidiary of SGL w.e.f 18th July, 2015. The company sold remaining 108,735 Equity shares on 30th March, 2016 at Rs.18 per share. Pursuant to both these transactions, the company has realised a gain of Rs.17.86 lacs.

** Till 30th March, 2016, SGL held 2,997,800 Equity shares and 750,000 Preference shares in HMSU Rollers (India) Private Limited(HMSU) (equivalent to 20% of the total Equity and Preference share capital issued by HMSU). After receiving approval from Board of Directors on 30th March, 2016, the company sold 2,997,800 Equity shares and 750,000 Preference shares held by SGL at Rs.0.49 per share and Rs.10 per share respectively. Consequently, HMSU ceased to be a Joint Venture entity of SGL w.e.f. 30th March, 2016. Pursuant to the above transaction, the company has incurred a loss of Rs. 285.05 lacs.

29 EARNING PER SHARE (EPS)

PARTICULARS	YEAR ENDED 31st MARCH, 2016 (₹ in lacs)	YEAR ENDED 31st MARCH, 2015 (₹ in lacs)
Basic and Diluted		
Profit attributable to equity share holders (Rs. in Lacs)	303.02	454.09
Nominal Value of equity share (Rs./Share)	10	10
Weighted average number of ordinary equity share for Basic EPS (Nos.)	61,49,800	61,49,800
Basic and Diluted EPS (Rs./Share)	4.93	7.38

30 EMPLOYEE BENEFITS

The Company makes Provident Fund and Superannuation Fund contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 59.22 Lacs (Year ended 31 March, 2015 - Rs. 44.98 Lacs) for Provident Fund contributions, and Rs. 4.60 Lacs (Year ended 31 March, 2015 - Rs. 6.24 Lacs) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below:

1. Defined Benefit Plans

I. Expenses recognized in the Statement of Profit and Loss for the year:

PARTICULARS	Gratuity (₹ in lacs)	
	YEAR ENDED 31st MARCH, 2016	YEAR ENDED 31st MARCH, 2015
Current service cost	18.49	12.36
Interest Cost	13.64	14.21
Expected return on plan assets	(8.96)	(9.83)
Net actuarial losses (gains)	24.42	14.40
Total	47.59	31.14

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

II. Reconciliation of opening and closing balances of defined benefit obligation:

PARTICULARS	Gratuity (₹ in lacs)	
	YEAR ENDED 31st MARCH, 2016	YEAR ENDED 31st MARCH, 2015
Defined benefit obligation at beginning of the year	174.82	177.55
Service cost	18.49	12.36
Interest cost	13.64	14.21
Actuarial losses (gains)	24.59	13.52
Benefits paid	(9.91)	(42.82)
Defined benefit obligation at the end of the year	221.63	174.82

III. Reconciliation of Opening and Closing balances of fair value of plan assets:

PARTICULARS	Gratuity (₹ in lacs)	
	YEAR ENDED 31st MARCH, 2016	YEAR ENDED 31st MARCH, 2015
Fair value of plan assets at beginning of the year	119.55	104.33
Expected return on plan assets	8.96	9.83
Actuarial gains and (losses)	0.17	(0.88)
Contributions by employer	1.13	49.10
Benefits paid	(9.91)	(42.83)
Adjustment to fund	-	-
Fair value of plan assets at year end	119.90	119.55

IV. Investment details:

PARTICULARS	% invested as at 31st MARCH, 2016	% invested as at 31st MARCH, 2015
Insurance Company	100%	100%

V. Actuarial Assumptions:

PARTICULARS	Gratuity (₹ in lacs)	
	YEAR ENDED 31st MARCH, 2016	YEAR ENDED 31st MARCH, 2015
Mortality Table (LIC)	2006-08 (Ultimate)	2006-08 (Ultimate)
Discount Rate (per annum)	7.70%	7.80%
Expected Return on plan assets (per annum)	7.80%	9.15%
Rate of escalation in salary (per annum)	6.00%	6.00%

VI. Experience Adjustments

PARTICULARS	2011-12 (Rs. in Lacs)	2012-13 (Rs. in Lacs)	2013-14 (Rs. in Lacs)	2014-15 (Rs. in Lacs)	2015-16 (Rs. in Lacs)
Present value of defined benefit obligations at the end of the year (Independent actuary)	128.52	163.14	177.55	174.82	221.63
Fair value of plan assets at the end of the year	71.15	83.43	104.33	119.55	119.90
Net assets / (Liability) at the end of the year	57.37	79.71	73.22	55.27	101.73

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

2. Defined Contribution Plans.

Contribution of Defined Contribution Plan, recognized as expense for the year are as under: (₹ in lacs)

PARTICULARS	YEAR ENDED 31st MARCH, 2016	YEAR ENDED 31st MARCH, 2015
Employer's Contribution to Provident Fund	59.22	44.98
Employers' Contribution to Superannuation Fund	4.60	6.24

VII. Actuarial Assumptions:

PARTICULARS	Compensated Absences (₹ in lacs)	
	YEAR ENDED 31st MARCH, 2016	YEAR ENDED 31st MARCH, 2015
Mortality Table (LIC)	2006-08 (Ultimate)	2006-08 (Ultimate)
Discount Rate (per annum)	7.70%	7.80%
Expected Return on plan assets (per annum)	-	-
Rate of escalation in salary (per annum)	6.00%	6.00%

31 LEASES

The Company has taken immovable properties on non-cancellable operating lease and lease rent amounting to Rs. 11.87 Lacs (P.Y. Rs. 11.50 Lacs) has been charged to the Statement of Profit and Loss. The future minimum lease rent is as under:

Particulars	As at 31st March, 2016 (₹ in Lacs)	As at 31st March, 2015 (₹ in Lacs)
Not later than 1 year	7.62	9.78
Later than 1 year but not later than 5 years.	-	-

32 CAPITAL AND OTHER COMMITMENTS

Particulars	As at 31st March, 2016 (₹ in Lacs)	As at 31st March, 2015 (₹ in Lacs)
Estimated amount of contracts remaining to be executed on capital accounts not provided for	16.76	9.13

33 CONTINGENT LIABILITIES

Particulars	As at 31st March, 2016 (₹ in Lacs)	As at 31st March, 2015 (₹ in Lacs)
Disputed demand of income tax against which the Company has preferred appeal	56.02	75.49
Disputed amount of service tax credit where company has gone to Commissioner Appeals of Custom Excise and Service Tax	1.42	2.48
Disputed amount of service tax credit where company has gone to Commissioner of Custom Excise and Service Tax	7.68	-
Corporate Guarantee given*	-	238.00

*The Company had provided Corporate Guarantee for an amount of Rs. 238.00 Lacs in favour of Axis Bank Limited for the Term Loan provided to HMSU Rollers (India) Private Limited, a Joint Venture Company. However, on 30th March, 2016, the company sold shares of HMSU and subsequently guarantee was revoked.

**Future cash outflows in respect of the above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

34 RELATED PARTY DISCLOSURES

a) Related parties and their relationship

Name of the related party	Relationship
Reshilp Equipments (India) Private Limited	Subsidiary Company (upto July 17, 2016)
HMSU Rollers (India) Private Limited	Joint Venture Company (upto March 30, 2016)
Hannecard N.V. Mitex GMBH Unimark International Private Limited	Co-Venturers of HMSU Rollers (India) Private Limited - Jontly Controlled Entity
Mr. Ambar J. Patel Mr. Roshan Shah Mr. G.V. Bhavsar Mr. Narendra Patil Mr. Atul Vinchhi	Key Management Personnel
Mr. Vitthaldas H. Patel	Individual exercising significant influence over the enterprise
Shilp Ultra-tech Private Limited Stylus Infrastructure Private Limited Carol Enterprise Carol Hira Corporation	Entity controlled by one or more Key Management Personnel
Mr. Deval A. Patel Mr. Siddharth N. Patil Mr. Rachit Bhavsar Mrs. Madhuri A. Vinchhi	Relative of Key Management Personnel

b) Details of related party transactions during the year ended March 31, 2016 and balances outstanding as at March 31, 2016

Nature of transactions	Name of the related party	Amount (₹ in Lacs)	Outstanding balance as at 31st March, 2016 (₹ in Lacs)
ReShilp Equipments (India) Pvt. Ltd.	Rent Received	1.37	-
		(1.35)	-
	Investment in equity share capital	-	(29.19) Dr.
	Expenses Reimbursement	-	-
	Sale of Goods	(2.06)	-
		(0.08)	-
HMSU Rollers (India) Pvt. Ltd.	Investment in equity share capital	-	-
		(50.00)	(299.78) Dr.
	Invstment in preference share capital	-	-
		(75.00)	(75.00) Dr.
	Sale of goods	-	-
		(0.64)	-
	Sale of fixed assets	-	-
		(12.55)	-
	Services Provided	-	-
		(24.67)	(20.62) Dr.
	Expenses reiumbursed by	-	-
		(12.91)	-
	Expenses reiumbursed to	-	-
		(0.38)	-
Bad debts written off	20.62	(-)	
	(-)	(-)	
Interest Received	12.01	-	
	(14.70)	(30.08) Dr.	
Loan Given	25.00	-	
	105.00	(100.00) Dr.	
Loan Repayment received	125.00	-	
	(105.00)	-	

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

Nature of transactions	Name of the related party	Amount (₹ in Lacs)	Outstanding balance as at 31st March, 2016 (₹ in Lacs)
Hannecard N.V.	Money Received on Sale of Shares	35.98 -	- -
Mitex GMBH	Money Received on Sale of Shares	35.98 -	- -
Unimark International Private Limited	Money Received on Sale of Shares	17.94 -	- -
Mr. Ambar J. Patel	Remuneration Paid	58.06 (51.53)	10.51 Cr. (7.81) Cr.
	Dividend Paid	2.93 (2.93)	- -
Mr. Roshan Shah	Remuneration Paid	57.37 (50.92)	8.73 Cr. (7.77) Cr.
	Dividend Paid	3.76 (3.70)	- -
Mr. G.V. Bhavsar	Remuneration Paid	57.37 (50.92)	8.73 Cr. (7.77) Cr.
	Dividend Paid	3.71 (3.71)	- -
Mr. Vitthaldas H. Patel	Remuneration Paid	- (15.00)	- (15.00) Cr.
	Dividend Paid	9.48 (9.48)	- -
Mr. Narendra Patil	Remuneration Paid	57.37 (50.92)	10.38 Cr. (7.72) Cr.
	Dividend Paid	2.19 (2.19)	- -
Mr. Atul Vinchhi	Remuneration Paid	57.37 (50.92)	8.73 Cr. (7.72) Cr.
	Dividend Paid	3.47 (3.47)	- -
Mr. Deval A. Patel	Remuneration Paid	4.60 (4.26)	0.69 Cr. (0.55) Cr.
Mr. Siddharth N. Patil	Remuneration Paid	4.44 (3.95)	0.73 Cr. (0.55) Cr.
Mrs. Madhuri A. Vinchhi	Remuneration Paid	2.46 (1.78)	0.45 Cr. (0.31) Cr.
Mr. Rachit Bhavsar	Remuneration Paid	0.23 -	0.07 Cr. -

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

35 SEGMENT REPORTING

The Company has identified two reportable segments viz (i) manufacture of engraved copper rollers and (ii) energy generation through wind mill.

The segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segment and amount allocated on a reasonable basis by management.

Disclosures required under AS 17 – Segment Reporting are as under:

(Figures in brackets represent previous year numbers)

Particulars	Engraved Copper Roller (Rs. in lacs)	Wind Mill (Rs. in lacs)	Others (Rs. in lacs)	Total (Rs. in lacs)
Revenue	5,817.45 (5,448.93)	254.10 (224.86)	266.22 (283.45)	6,337.77 (5,957.24)
Less: Inter segment Revenue		254.10 (224.86)		254.10 (224.86)
Total	5,817.45 (5,448.93)	- -	266.22 (283.45)	6,083.67 (5,732.38)
Segment results	436.87 (579.67)	150.15 (124.67)	11.51 (38.22)	598.53 (742.56)
Unallocable expenses (net)				169.55 (215.16)
Operating income				428.98 (527.40)
Other income (net)				106.23 (87.23)
Profit before taxes				535.21 (614.63)
Tax expense				232.19 (160.55)
Profit for the year				303.02 (454.08)
Segment assets	3,862.69 (4,951.31)	1,041.37 (1,086.25)	274.50 (313.54)	5,178.56 (6,351.10)
Unallocable assets				2,174.39 (1,101.26)
Total assets				7,352.95 (7,452.36)
Segment liabilities	777.01 (695.80)	3.03 16.07	26.89 (44.31)	806.92 (724.04)
Unallocable liabilities				1,861.94 (2,258.43)
Total liabilities				2,668.86 (2,982.47)
Other information				
Capital expenditure (allocable)	500.04 (247.47)	- -	- (138.53)	500.04 (386.00)
Depreciation and amortisation (allocable)	510.94 (532.72)	58.06 (58.06)	37.65 (33.20)	606.92 (623.98)

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

36 FINANCIAL AND DERIVATIVE INSTRUMENTS

The year end foreign currency exposures that have not been hedged by any derivate instrument or otherwise are as under:

Particulars		Foreign Currency	Indian Currency Equivalent (Rs. in Lacs)
Amounts receivable in foreign currency	AS AT 31ST MARCH, 2016	USD 21240.61	14.07
	AS AT 31ST MARCH, 2015	USD 8266.54	5.17
Amounts payable in foreign currency	AS AT 31ST MARCH, 2016	USD 4400.00	2.91
		EURO 7858.75	5.93
		CHF 9508.25	6.56
	AS AT 31ST MARCH, 2015	USD 4400.00	2.75
		EURO 11250.00	7.56
		CHF 21930.71	14.09

37 DISCLOSURES UNDER THE MSMED ACT, 2006

In the absence of any information from vendors regarding the status of their registration under the "Micro Small and Medium Enterprise Development Act 2006" the company is unable to comply with the disclosures required to be made under the said Act.

38 CONSUMPTION OF RAW MATERIALS, STORES AND SPARES

PARTICULARS	YEAR ENDED 31ST MARCH, 2016		YEAR ENDED 31ST MARCH, 2015	
	%	(₹ in Lacs)	%	(₹ in Lacs)
Raw Materials				
Imported	5.67	0.34%	9.19	0.59%
Indigenous	1,657.71	99.66%	1,560.64	99.41%
Total	1,663.38	100%	1,569.83	100%
Stores and Spares				
Imported	48.12	14.78%	56.95	13.07%
Indigenous	277.53	85.22%	378.77	86.93%
Total	325.65	100%	435.72	100%

39 VALUE OF IMPORTS CALCULATED ON CIF BASIS

PARTICULARS	YEAR ENDED 31st MARCH, 2016 (Rs. in lacs)	YEAR ENDED 31st MARCH, 2015 (Rs. in lacs)
Capital Goods	85.82	247.04
Raw Material	8.42	8.39
Stores, Spares & Components	36.73	67.20
Total	130.97	322.63

40 EXPENDITURE IN FOREIGN CURRENCY

PARTICULARS	YEAR ENDED 31st MARCH, 2016 (Rs. in lacs)	YEAR ENDED 31st MARCH, 2015 (Rs. in lacs)
Traveling	9.58	3.89
Advertisement & business promotion	0.11	-
Repairs and maintenance	0.79	34.84
Total	10.48	38.73

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

41 EARNINGS IN FOREIGN CURRENCY

PARTICULARS	YEAR ENDED 31st MARCH, 2016 (Rs. in lacs)	YEAR ENDED 31st MARCH, 2015 (Rs. in lacs)
F.O.B. Value – Sales	170.91	87.53

42 REMITTANCE ON ACCOUNT OF DIVIDEND TO NON-RESIDENT SHAREHOLDERS

(i) Remitted in Foreign Currency

PARTICULARS	YEAR ENDED 31st MARCH, 2016 (Rs. in lacs)	YEAR ENDED 31st MARCH, 2015 (Rs. in lacs)
Year to which Dividend relates	Year Ended March 31, 2015	Year Ended March 31, 2014
Amount of Dividend remitted (₹ In Lacs)	2.79	2.79
Number of Non-Resident Shareholders to whom remittance was made	23	23
Number of Shares held on which Dividend was due and remitted	2,33,200	2,33,200
Face Value of each share (₹ 10 each)	10	10

(ii) Remitted to their Banks in India

PARTICULARS	YEAR ENDED 31st MARCH, 2016 (Rs. in lacs)	YEAR ENDED 31st MARCH, 2015 (Rs. in lacs)
Year to which Dividend relates	Year Ended March 31, 2015	Year Ended March 31, 2014
Amount of Dividend remitted (₹ In Lacs)	0.78	0.67
Number of Non-Resident Shareholders to whom remittance was made	19	13
Number of Shares held on which Dividend was due and remitted	65,560	56,414
Face Value of each share (₹ 10 each)	10	10

43 INTEREST IN JOINT VENTURE

The Company had entered into a Joint Venture Agreement with three Companies namely, Hannecard N.V., Mitex GMBH and Unimark International Private Limited to incorporate a Joint Venture Company in the name of HMSU Rollers (India) Private Limited on 1st February, 2012. The said Joint Venture Company was engaged in the manufacturing of Rubber Rollers and Poly Urethane Rollers. The Company had commenced its commercial operations with effect from 18th April, 2013. During the year, pursuant to approval from Board of Directors, the company has sold all shares of HMSU Rollers (India) Private Limited on 30th March, 2016 and from that date HMSU Rollers (India) Private Limited ceased to be joint venture of the company.

The Company has interests in the following jointly controlled entity:

(Figures in brackets represent previous year numbers)

Name of companies and country of incorporation	% of interest / ownership	Amount of interest based on accounts for the year ended 31st March, 2016 (₹ in lacs)					
		Assets (₹ in lacs)	Liabilities (₹ in lacs)	Income (₹ in lacs)	Expenditure (₹ in lacs)	Capital commitments (₹ in lacs)	Contingent Liability (₹ in lacs)
HMSU Rollers (India) Pvt. Ltd.	- (20%)	- (523.92)	- (388.75)	133.75 (110.05)	233.69 (221.44)	- (1.45)	- -

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd...)

44 DISCLOSURES AS PER CLAUSE 32 OF THE LISTING AGREEMENTS WITH THE STOCK EXCHANGE

Loans and Advances in the nature of loans given to joint venture :

(Figures in brackets represent previous year numbers)

Name of the Company	Relationship	As at 31st March, 2016 (Rs. in Lacs)	Maximum Balance outstanding during the year (Rs. in Lacs)
HMSU Rollers (India) Pvt. Ltd, India	Joint Venture	- (100.00)	163.39 (160.00)

45 CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

Expenditure related to CSR as per section 135 of Companies act,2013 read with schedule VII thereof, againts the mandatory spend of Rs. 16.22 Lacs

Sector Activity Identified	CSR Project	Implementing Agency and Location	Budget Rs in Lakhs	Amount Spent Rs in Lakhs
Hospital / Rural Healthcare	Contribution for Medical Relief Project	Dardionu Rahat Fund, Ahmedabad, Gujarat	2.50	2.50
Hospital / Rural Healthcare	Contribution for Medical Relief Project	Polio Foundation	1.00	1.00
Hospital / Rural Healthcare	Contribution for Medical Relief Project	Indian Renal Foundation	1.00	1.00
Hospital / Rural Healthcare	Contribution for Medical Relief Project	Ashtha	5.00	5.00
Hospital / Rural Healthcare	Contribution for Medical Relief Project	Shree Bhramani Mataji Helth	5.00	5.00
Skill Development	Contribution for Skill Development	Vicharta Samuday Samarthan Manch	0.51	0.51
Skill Development	Contribution for Skill Development	Ambaben Maganbhai Patel Public Charitable Trust	1.21	1.21

46 Figures of previous year have been regrouped / reclassified, wherever necessary, to make them comparable with current year figures.

**For and on behalf of the Board of Directors of
Shilp Gravures Limited**

Ambar J. Patel
Managing Director

Shailesh C Desai
Director

Amit Agrawal
Chief Financial Officer

Gurnish Chhabda
Company Secretary

Place : Rakanpur
Date : 30th April, 2016

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SHILP GRAVURES LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **SHILP GRAVURES LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") and jointly controlled entity, comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, as applicable. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 of the Consolidated Financial Statements 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group and jointly controlled entity as at 31st March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of one subsidiary, whose financial statements reflect, total revenues of Rs.182.83 and net cash outflows amounting to Rs.18.21 for the period from 1st April, 2015 to 17th July, 2015, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our Report on Other Legal and Regulatory Requirements below is not modified in respect of the above matter with respect to our reliance on the work done and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, as applicable.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations in the consolidated financial position of the Group.
 - ii. The Group and the jointly controlled entity did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company incorporated in India.

There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary company and jointly controlled entity incorporated in India.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 117365W)

Kartikeya Raval
Partner
Membership No. 106189

Place : Ahmedabad
Date: 30th April, 2016

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

(₹ in Lacs)

Particulars	NOTE NO.	AS AT 31st MARCH, 2016	AS AT 31st MARCH, 2015
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share capital	3	614.98	614.98
Reserves and surplus	4	4,069.10	3,604.85
		4,684.08	4,219.83
MINORITY INTEREST			
			19.96
NON-CURRENT LIABILITIES			
Long-term borrowings	5	138.36	647.01
Deferred tax liabilities (net)	6	493.68	529.85
Long-term provisions	7	135.15	83.74
		767.19	1,260.60
CURRENT LIABILITIES			
Short-term borrowings	8	964.56	869.66
Trade payables	9	-	-
Micro, Small and Medium Enterprises (Refer Note 37)		-	-
Others		702.56	942.56
Other current liabilities	10	132.91	506.85
Short-term provisions	11	101.64	114.43
		1,901.67	2,433.50
TOTAL		7,352.94	7,933.89
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	12		
Tangible assets		4,420.04	4,935.87
Intangible assets		-	8.16
Capital work-in-progress		9.48	7.04
Long-term loans and advances	13	98.64	225.56
Other non-current assets	14	-	1.17
		4,528.16	5,177.80
CURRENT ASSETS			
Current investments	15	154.45	1.75
Inventories	16	492.82	807.42
Trade receivables	17	1,284.72	1,583.36
Cash and cash equivalents	18	765.88	122.62
Short-term loans and advances	19	113.90	195.65
Other Current Assets	20	13.01	45.29
		2,824.78	2,756.09
TOTAL		7,352.94	7,933.89

In terms of our report attached

**For and on behalf of the Board of Directors of
Shilp Gravures Limited**
For Deloitte Haskins & Sells
Chartered Accountants

Ambar J. Patel
Managing Director

Shailesh C Desai
Director

Kartikeya Raval
Partner

Amit Agrawal
Chief Financial Officer

Gurnish Chhabda
Company Secretary

 Place : Ahmedabad
Date : 30th April, 2016

 Place : Rakanpur
Date : 30th April, 2016

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in Lacs)

Particulars	NOTE NO.	YEAR ENDED 31st MARCH, 2016	YEAR ENDED 31st MARCH, 2015
CONTINUING OPERATIONS			
Revenue from Operations (Gross)	21	6,579.81	6,143.36
Less: Excise Duty		496.14	410.97
Revenue from Operations (Net)		6,083.67	5,732.39
Other Income	22	114.93	87.23
TOTAL REVENUE		6,198.60	5,819.62
EXPENSES			
Cost of raw materials consumed	23	1,663.37	1,569.73
Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	(9.54)	(9.32)
Employee benefits expense	25	1,715.53	1,465.85
Finance costs	26	169.55	215.16
Depreciation and amortisation expense	12	606.92	623.98
Other expenses	27	1,241.67	1,339.58
TOTAL EXPENSES		5,387.50	5,204.98
Profit before tax from Continuing Operations		811.10	614.64
Net Tax Expenses			
Current tax		266.13	164.20
Short provision for tax relating to prior years		2.70	0.99
Deferred tax		(36.64)	(4.64)
Profit from Continuing Operations		232.19	160.55
DISCONTINUING OPERATIONS			
Loss from discontinuing operation (before tax) (Refer Note 27)	28	85.01	73.25
Gain on disposal of assets / settlement of liabilities attributable to the discontinuing operations (Refer Note 27)		68.93	-
Tax expenses attributable to ordinary activity of discontinuing business		4.81	(17.90)
Loss from discontinuing operations		20.89	55.35
Minority Interest		4.97	19.60
Profit for the year		553.05	379.14
Earnings per Share (of Rs. 10 each)			
Basic and Diluted	29		
(a) Continuing Operations		9.41	7.38
(b) Total Operations		8.98	6.17

In terms of our report attached

**For and on behalf of the Board of Directors of
Shilp Gravures Limited**

For Deloitte Haskins & Sells
Chartered Accountants

Ambar J. Patel
Managing Director

Shailesh C Desai
Director

Kartikeya Raval
Partner

Amit Agrawal
Chief Financial Officer

Gurnish Chhabda
Company Secretary

Place : Ahmedabad
Date : 30th April, 2016

Place : Rakanpur
Date : 30th April, 2016

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2016

(₹ in Lacs)

Particulars	YEAR ENDED 31st MARCH, 2016	YEAR ENDED 31st MARCH, 2015
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax from Continuing Operations	811.10	541.38
(Loss) before tax from discontinuing Operations (Refer Note 27)	(16.08)	-
Adjustments for :		
Depreciation and amortisation	635.91	654.04
Bad debts	31.59	51.27
Finance Cost	207.47	250.34
Interest Income from Joint Venture	(12.01)	(13.68)
Interest income from banks	(14.81)	-
Profit on sale of Mutual Funds	(5.31)	-
Dividend Income	(1.15)	(0.21)
Loss on sale of fixed assets	4.85	(6.45)
Net unrealised exchange (gain)/loss	12.81	(85.16)
Provision for warranty expenses	-	1.38
Discount on sales	37.24	47.14
Liabilities / Provisions no longer required written back	(0.08)	-
Profit/Loss on sale of shares of Subsidiary	(8.70)	-
Preliminary & Preoperative Exps Written off	-	4.33
Provision for Leave and Gratuity	54.72	(11.22)
Gain on disposal of assets / settlement of liabilities attributable to the discontinuing operations	(68.93)	-
Provisions no longer required written back (Refer Note 27)	-	(29.83)
	873.60	861.95
Operating profit/(loss) before working capital changes	1,668.62	1,403.33
Changes in Working Capital:		
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	148.89	86.06
Long-term Provisions	(1.65)	(2.05)
Short-term Provisions	2.18	9.56
Other Current Liabilities	(31.83)	5.96
Adjustments for (increase) / decrease in operating assets:		
Trade Receivables	84.69	(159.97)
Inventories	24.54	(131.91)
Long-term Loans and Advances	(9.51)	7.09
Short-term Loans and Advances	4.71	34.42
Other Current Assets	20.48	(53.81)
Other Non-Current Assets	-	2.94
	242.51	(201.71)
Cash Generated from Operations	1,911.12	1,201.63
Net income tax refund/ (paid)	(264.56)	(180.73)
Net Cash flow from Operating Activities (A)	1,646.56	1,020.89
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets	(492.27)	(397.35)
Proceeds from Sale of Fixed Assets	24.54	23.76
Bank balances not considered as Cash and cash equivalents - Matured	(650.25)	(2.88)
Proceeds from sale of shares of Joint venture	89.74	-
Proceeds from sale of Non-current Investments	47.04	-
Investment in Mutual Funds	(152.70)	-
Loans given to Joint venture	(25.00)	-
Loans repaid by Joint Venture	125.00	-
Interest received	0.59	-
Interest received from Joint ventures	42.09	13.68
Profit on sale of Mutual Funds	5.31	-
Dividend from current investment	1.16	0.21
Net Cash Flow (used in) Investing Activities (B)	(984.75)	(362.58)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2016 (contd...)

(₹ in Lacs)

Particulars	YEAR ENDED 31st MARCH, 2016	YEAR ENDED 31st MARCH, 2015
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital	200.00	-
Proceeds from Long Term Borrowings	257.97	34.10
Repayment of Long Term Borrowings	(912.63)	(560.38)
Net increase in working capital borrowings	101.51	201.41
Share Issue Expenses	-	(0.97)
Financial Cost	(204.73)	(248.99)
Dividend Paid	(73.80)	(73.80)
Tax on Dividend	(14.76)	(12.54)
Net Cash Flow used in Financing Activities (C)	(646.44)	(661.17)
Net decrease in Cash & Cash Equivalents (A+B+C)	15.37	(2.86)
Cash and cash equivalents of discontinuing operations transferred on disposal	(18.12)	-
Cash and Cash Equivalents at the beginning of the year	113.49	116.65
Effect of exchange differences on restatement of foreign currency		
Cash and cash equivalents	(0.15)	(0.31)
Cash and Cash Equivalents at the end of the year	110.89	113.48
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note 18)	110.88	122.62
Less: Bank balances not considered as Cash and cash equivalents (as defined in AS 3 Cash Flow Statements)	-	9.13
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note	110.88	113.49
Add: Current investments considered as part of Cash and cash equivalents (as defined in AS 3 Cash Flow Statements)	-	-
Cash and cash equivalents at the end of the year comprises of		
(a) Cash on hand	6.26	5.46
(b) Cheques/Drafts on hand	4.89	38.22
(c) Balances with Banks		
(i) In Current Accounts	87.53	54.97
(ii) In earmarked accounts		
- Unpaid Dividends Accounts	12.20	14.83
	110.88	113.48

Note :

Cash and cash equivalents includes Rs. 12.20 Lacs (P.Y. 14.83 Lacs) in earmarked account balances with banks can be utilised only for the specific identified purposes.

In terms of our report attached

**For and on behalf of the Board of Directors of
Shilp Gravures Limited**

For Deloitte Haskins & Sells
Chartered Accountants

Ambar J. Patel
Managing Director

Shailesh C Desai
Director

Kartikeya Raval
Partner

Amit Agrawal
Chief Financial Officer

Gurnish Chhabda
Company Secretary

Place : Ahmedabad
Date : 30th April, 2016

Place : Rakanpur
Date : 30th April, 2016

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Shilp Gravures Limited (the Company) is a public limited company, incorporated in the year 1993 under the provisions of the Companies Act, 1956. Its shares are listed on the Bombay Stock Exchange since 1995. The Company has set up, the first gravure roller manufacturing house in India. The Company is engaged in engraving of rollers using three different engraving technologies i.e. electronic, laser and chemical etching. The engraved rollers are using in printing and packaging industries.

The Company had a subsidiary company Re-Shilp Equipments India Private Limited (“Re-Shilp”), a company incorporated under the provisions of Companies Act, 1956. Re-Shilp is engaged in the business of manufacturing of automation equipments. On 18th July, 2015, the Company disposed off 183,182 equity shares of Reshilp. Consequently, Reshilp ceased to be the subsidiary company w.e.f. 18th July, 2015

The Company was a Joint Venture Partner in HMSU Rollers (India) Private Limited (“HMSU”), a company incorporated under the provisions of Companies Act, 1956. HMSU is engaged in the production of Rubber and PU Rollers, which is using for steel industries, textile industries, laminating industries, printing and packaging industries, etc. On 30th March, 2015, the Company disposed off 2,997,800 equity shares and 750,000 preference shares of HMSU. Consequently, HMSU ceased to be the joint venture entity w.e.f. 30th March, 2016.

2. BASIS OF CONSOLIDATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of accounting and preparation of consolidated financial statements

The consolidated financial statements of the Company and its subsidiary and jointly controlled entity (together the ‘Group’) have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 (“the 2013 Act”) / Companies Act, 1956 (“the 1956 Act”), as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

2.2 Principles of Consolidation:

The consolidated financial statements relate to Shilp Gravures Limited, (the ‘Company’), its subsidiary company and its jointly controlled entity. The consolidated financial statements have been prepared on the following basis:

- i. On 18th July, 2015, pursuant to approval of Board of Directors, the Company disposed off 183,182 equity shares of Reshilp. Consequently, Reshilp ceased to be the subsidiary company w.e.f. 18th July, 2015.
- ii. On 30th March, 2016, pursuant to approval of Board of Directors, the Company disposed off 2,997,800 equity shares and 750,000 preference shares of HMSU on 30th March, 2016. Consequently, HMSU ceased to be the joint venture entity w.e.f. 30th March, 2016.
- iii. The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.
- iv. Share of profit / loss, assets and liabilities in the jointly controlled entities, which are not subsidiary, have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses on a proportionate basis to the extent of the Group’s equity interest in such entity as per AS 27 Financial Reporting of Interests in Joint Ventures. The intra-group balances, intra-group transactions and unrealised profits or losses have been eliminated to the extent of the Group’s share in the entity.
- v. The excess of cost to the Group of its investments in the subsidiary companies / jointly controlled entities over its share of equity of the subsidiary companies / jointly controlled entities, at the dates on which the investments in the subsidiary companies / jointly controlled entities were made, is recognised as ‘Goodwill’ being an asset in the consolidated financial statements and is tested for impairment on annual basis. On the other hand, where the share of equity in the subsidiary companies / jointly controlled entities as on the date of investment is in excess of cost of investments of the Group, it is recognised as ‘Capital Reserve’ and shown under the head ‘Reserves & Surplus’, in the consolidated financial statements. The ‘Goodwill’ / ‘Capital Reserve’ is determined separately for each subsidiary company / jointly controlled entity and such amounts are not set off between different entities.
- vi. Minority Interest in the net assets of the consolidated subsidiary consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiary attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Company.
- vii. The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

- viii. Following subsidiary companies and jointly controlled entities have been considered in the preparation of the consolidated financial statements:

Name of the Company	Country of Incorporation	Percentage of holding and voting power as at 31 st March, 2016	Percentage of holding and voting power as at 31 st March, 2015
Reshilp Equipments (India) Private Limited Subsidiary	India	-	51%
HMSU Rollers (India) Private Limited Joint Venture Entity	India	-	20%

2.3 Use of Estimates

The preparation of the consolidated financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.4 Inventories

Inventories are valued at the lower of cost (FIFO / weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

2.5 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.6 Cash flow statement

Cash flows are reported using the indirect method, whereby profit before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

2.7 Depreciation and amortization

Depreciation on tangible fixed assets of the Company and its subsidiary and jointly controlled entity has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

2.8 Revenue Recognition

Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax.

Income from services

Revenues from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred.

Other Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable. Dividend income from investments is recognized when the shareholders' rights to receive payment have been established.

2.9 Tangible Fixed Assets

Fixed assets are stated at cost of acquisition / construction less accumulated depreciation, amortization and impairment loss (if any). Cost comprises of purchase price, import duties and other non-refundable taxes or levies and any directly attributable cost to bring the assets ready for its intended use.

Direct expenses, as well as pro rata identifiable indirect expenses on projects during the year of construction are capitalized.

Capital assets under erection / installation are stated in the Balance Sheet as "Capital Work in Progress."

Intangible assets are stated at cost of acquisition / cost incurred less accumulated amortization.

2.10 Foreign Currency Transactions

Initial Recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at Balance Sheet Date

Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

Treatment of Exchange Differences

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

2.11 Investments

Long-term investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

2.12 Employee Benefits

Defined Contribution Plans

The entities' contribution to provident fund is considered as defined contribution plans and is charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined Benefit Plan

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet.

2.13 Borrowing Costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.

2.14 Segment Reporting

The group identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the group as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

2.15 Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of the leased items are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss accounts on a straight-line basis over the lease term.

2.16 Earning Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

2.17 Provision for Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the entity will pay normal income tax. Accordingly, MAT is recognised as an asset in the Consolidated Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the entity.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets arising from carry forward losses and unabsorbed depreciation, are recognized and carried forward only to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

2.18 Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

2.19 Provisions and Contingencies

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)
3 SHARE CAPITAL

PARTICULARS	AS AT 31ST MARCH, 2016		AS AT 31ST MARCH, 2015	
	(NUMBER)	(₹ in Lacs)	(NUMBER)	(₹ in Lacs)
Authorised:				
Equity Shares of Rs.10 each with voting rights	65,00,000	650.00	65,00,000	650.00
Issued, Subscribed and Paid-up:				
Equity Shares of Rs. 10 each fully paid up with voting rights	61,49,800	614.98	61,49,800	614.98
Total	61,49,800	614.98	61,49,800	614.98

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

PARTICULARS	AS AT 31ST MARCH, 2016		AS AT 31ST MARCH, 2015	
	(NUMBER)	(₹ in Lacs)	(NUMBER)	(₹ in Lacs)
Equity Shares with voting rights at the beginning of the year	61,49,800	614.98	61,49,800	614.98
Issued during the year	-	-	-	-
Bought back during the year	-	-	-	-
At the end of the year	61,49,800	614.98	61,49,800	614.98

(ii) Terms/Rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

During the year ended 31st March 2016, the amount of per share dividend recognised as distributions to equity shareholders was Rs. 1.20 (31st March 2015 : Rs. 1.20)

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of shareholders holding more than 5% shares in the Company

NAME OF SHAREHOLDER	AS AT 31ST MARCH, 2016		AS AT 31ST MARCH, 2015	
	NO. OF SHARE HELD	% OF HOLDING	NO. OF SHARE HELD	% OF HOLDING
Vitthalidas H. Patel	7,65,756	12.45%	7,65,756	12.45%
Vitthalidas H. Patel jointly with Hiraben V. Patel	24,146	0.39%	24,146	0.39%
Hiraben V. Patel Jointly with Vitthalidas H. Patel	3,82,262	6.22%	3,82,262	6.22%
Hiraben V. Patel	5,84,314	9.50%	5,84,314	9.50%
Roshan Harshvardhan Shah	3,13,404	5.10%	3,09,404	5.03%
Gajanan Vaman Bhavsar	3,09,410	5.03%	3,09,410	5.03%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

4 RESERVES AND SURPLUS

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Capital Reserves		
Opening Balance	15.00	15.00
Add : Addition during the year	-	-
	15.00	15.00
General Reserve		
Opening Balance	1,284.76	1,259.76
Add : Transfer from the surplus in Statement of Profit & Loss	25.00	25.00
Closing Balance	1,309.76	1,284.76
Surplus in Statement of Profit and Loss		
Opening Balance	2,305.11	2,250.12
Less : Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (net of deferred tax)	-	(65.17)
Add : Net Profit for the current year	553.05	473.32
Less: Appropriations:		
Proposed Dividend (Amount per share Rs.1.20 (Previous Year Rs. 1.20))	73.80	73.80
Tax on Proposed Dividend	15.02	14.76
Transfer to General Reserve	25.00	25.00
Share of joint ventures - jointly controlled entity	-	(239.62)
Net surplus in the Statement of Profit and Loss	2,744.34	2,555.14
Total	4,069.10	3,604.85

5 LONG TERM BORROWINGS

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Secured term loans from Bank (Refer Note (i) to (iv) below)	-	434.23
Secured term loans from Financial Institutions (Refer Note (v) below)	138.36	-
Share of joint ventures - jointly controlled entity		
- Secured term loans from banks (Refer note (vi) below)	-	126.40
- UnSecured term loans from related parties (Refer note (vii) below)	-	86.38
Total	138.36	647.01
Secured		
(i) Loan from The Ahmedabad Mercantile Co-operative Bank Limited amounting to Rs. NIL (P.Y. Rs. 133.76 Lacs), out of which Rs. NIL (P.Y. Rs. 103.40 Lacs) is classified as current maturity. The entire outstanding has been repaid as on 13/10/2015. The loan was secured by exclusive charge over windmills acquired out of the said loan. Further, the loan has been guaranteed by the personal guarantee of some of the promoter directors.		
(ii) Loan from The Ahmedabad Mercantile Co-operative Bank Limited amounting to Rs. NIL (P.Y. Rs. 353.65 Lacs), out of which Rs. NIL (P.Y. Rs. 105.14) is classified as current maturity. The entire outstanding loan has been repaid as on 29/02/2016. The loan was secured by exclusive charge over the new Imported Machinerries acquired out of the said loan. Further, the loan has been guaranteed by the personal guarantee of some of the promoter directors.		
(iii) Loan from The Ahmedabad Mercantile Co-operative Bank Limited amounting to Rs. NIL (P.Y. Rs. 209.12 Lacs), out of which Rs. NIL (P.Y. Rs. 60.22 Lacs) is classified as current maturity. The entire outstanding loan has been repaid as on 02/02/2016. The loan was secured by exclusive charge over a windmill acquired out of the said loan. Further, the loan has been guaranteed by the personal guarantee of some of the promoter directors.		
(iv) Hire purchase finances from The Ahmedabad Mercantile Co-operative Bank Limited for Car amounting to Rs. NIL (P.Y. Rs. 9.58 Lacs), out of which Rs. NIL (P.Y. Rs. 3.12 Lacs) is classified as current maturity, is secured by hypothecation of the Car. The entire outstanding loan amount has been paid as on 31/12/2015.		
(v) Hire purchase finance from the Daimler Financial Services India Private Limited for 5 Motor Cars accounting to Rs. 166.92 Lacs (P.Y. Rs. Nil), out of which Rs. 28.56 Lacs (P.Y. Rs. Nil) are classified as current maturity, are secured by hypothecation of the Cars.		
(vi) Loan from Axis Bank Limited has an outstanding amount of Rs. NIL (P.Y. 168.40 Lacs) out of which Rs. NIL (P.Y. Rs. 42.00 Lacs) is classified as current maturity. The balance is repayable in 42 Monthly installments. The loan is secured by exclusive First Hypothecation / EM Charge of the entire movable/immovable Fixed Assets both Present and Future other than those purchase on Hire Purchase basis and including Factory Land. Further, the loan has been guaranteed by the Corporate Guarantee of all the four Promoter Companies.		
(vii) Loan from related parties include Indian Rupee loans aggregating to Rs. NIL (P.Y. Rs. 18.03 Lacs) from Indian shareholders of the company / their subsidiary / directors and foreign currency loans aggregating to Euro NIL (P.Y. Euro 0.91 Lacs) equivalent to Rs. NIL (P.Y. 68.35 Lacs) from the foreign shareholders.		

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)
6 DEFERRED TAX LIABILITY

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
The deferred tax liability/asset comprises of tax effect of timing differences on account of:		
Deferred Tax Liability		
Difference between book and tax depreciation	512.27	534.55
	512.27	534.55
Deferred Tax Asset		
Disallowance under the Income Tax Act, 1961	(18.59)	(4.70)
	(18.59)	(4.70)
Deferred Tax Liability (net)	493.68	529.85

7 LONG TERM PROVISIONS

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Provision for employee benefits		
Provision for gratuity	101.73	54.08
Provision for compensated absences	33.42	29.57
Share of joint ventures - jointly controlled entity	-	0.09
Total	135.15	83.74

8 SHORT TERM BORROWINGS

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Secured		
Loans repayable on demand		
Cash Credit from Banks	760.56	840.18
Over Draft from Banks	204.00	-
Share of joint ventures - jointly controlled entity	-	29.48
Total	964.56	869.66

(i) Working capital loan from The Ahmedabad Mercantile Co. Op. Bank Ltd. of Rs. 760.56 Lacs (P.Y. Rs. 840.18 Lacs). The same is secured by present and future trade receivables and inventories of the Company, personal guarantee of some of the promoter directors.

(ii) Fixed Deposits are pledged against overdraft from AMCO bank of Rs. 650.00 Lacs (P.Y. NIL).

9 TRADE PAYABLES

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Trade payables other than acceptances (Refer Note 37)	702.56	886.84
Share of joint ventures - jointly controlled entity	-	55.72
Total	702.56	942.56

10 OTHER CURRENT LIABILITIES

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Current maturities of secured long-term debt (Refer note 5(i) to 5(v))	28.56	271.88
Interest accrued but not due	1.22	-
Unpaid dividends	12.20	14.83
Statutory remittances	16.97	46.81
Payables for purchase of fixed assets	35.24	20.13
Advances from customers	38.72	88.61
Share of joint ventures - jointly controlled entity	-	64.59
Total	132.91	506.85

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)
11 SHORT TERM PROVISIONS

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Provision for compensated absences	12.82	10.78
Provision for Warranty Expenses	-	7.58
Provision for tax (Net of TDS Rs. 0.12 Lacs as at 31st March 2015)	-	7.50
Provision for proposed equity dividend	73.80	73.80
Provision for tax on proposed equity dividend	15.02	14.76
Share of joint ventures - jointly controlled entity	-	0.01
Total	101.64	114.43

12 FIXED ASSETS
(₹ in Lacs)

Fixed Assets	Gross Block				Accumulated Depreciation / Amortization					Net Block
	As at 1st April, 2015	Additions during the year	Disposals during the year	As at 31st March 2016	As at 1st April 2015	Depreciation/ Amortization charge for the year	Transfer from Retained Earnings	On disposals during the year	As at 31st March 2016	As at 31st March 2016
a Tangible Assets										
Freehold Land	142.98 (142.98)	-	-	142.98 (142.98)	-	-	-	-	-	142.98 (142.98)
Buildings	917.22 (917.22)	16.24	-	933.46 (917.22)	216.28 (177.85)	28.08 (29.57)	-	-	244.36 (216.28)	689.10 (700.94)
Plant and Machineries	7,435.89 (7,088.52)	224.68 (347.37)	4.55	7,656.01 (7,435.89)	5,010.73 (4,544.96)	445.85 (422.71)	-	0.89	5,455.69 (4,981.85)	2,200.33 (2,454.04)
Windmills	1,381.18 (1,381.18)	-	-	1,381.18 (1,381.18)	303.68 (245.62)	58.06 (58.06)	-	-	361.74 (303.68)	1,019.44 (1,077.50)
Furniture and Fixtures	163.40 (163.03)	0.79 (0.37)	-	164.20 (163.40)	122.95 (92.89)	8.61 (19.08)	-	-	131.56 (124.12)	32.63 (39.28)
Vehicles	193.75 (205.10)	234.57 (25.56)	90.66 (36.91)	337.66 (193.75)	76.77 (69.03)	40.72 (29.44)	-	64.93 (20.61)	52.56 (78.81)	285.10 (114.93)
Office Equipments and Computers	577.78 (562.28)	23.76 (15.50)	-	601.54 (577.78)	505.54 (417.46)	25.60 (61.30)	-	-	531.14 (539.00)	70.41 (38.77)
Share of joint ventures - jointly controlled entity	- (385.64)	- (18.21)	- (1.20)	- (402.65)	- (12.19)	- (23.24)	-	-	- (35.24)	- (367.41)
Total	10,812.20 (10,845.95)	500.04 (407.01)	95.21 (38.11)	11,217.04 (11,214.85)	6,235.95 (5,560.00)	606.92 (643.40)	- (96.38)	65.82 (20.80)	6,777.05 (6,278.98)	4,439.99 (4,935.87)
b Intangible Assets										
Goodwill	560.44 (560.44)	-	-	560.44 (560.44)	560.44 (553.03)	-	-	-	560.44 (560.44)	-
Computer software	-	-	-	-	-	-	-	-	-	-
Share of joint ventures - jointly controlled entity-	(3.25)	-	-	(3.25)	(1.00)	(1.21)	(0.94)	-	(3.15)	(0.10)
Total	560.44 (563.69)	0.00 (10.08)	0.00	560.44 (573.77)	560.44 (554.03)	0.00 (10.64)	0.00 (0.94)	0.00	560.44 (565.61)	0.00 (8.16)
Grand Total	11372.65 (11,409.64)	500.04 (417.09)	95.21 (38.11)	11777.48 (11,788.62)	6796.39 (6,114.03)	606.92 (654.04)	0.00 (97.32)	65.82 (20.80)	7337.49 (6,844.59)	4439.99 (4,944.03)

1. Figures in the brackets represent the previous year figures.

2. Plant and Machinery includes softwares being an integral part of plant and machinery

13 LONG TERM LOANS AND ADVANCES (Unsecured and Considered Good)

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Security deposits	54.79	69.24
Advance income tax (net of provisions)	43.85	52.25
MAT Credit Entitlement	-	7.20
Loans to related party	-	80.00
Capital advances (see note 33)	-	9.90
Share of joint ventures - jointly controlled entity	-	6.97
Total	98.64	225.56

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)
14 OTHER NON-CURRENT ASSETS

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Share of joint ventures - jointly controlled entity	-	1.17
Total	-	1.17

15 CURRENT INVESTMENTS

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Investment in Equity instruments - Unquoted (at Cost) 3,500(As at 31st March 2015 - 3,500) Equity Shares of The Ahmedabad Mercantile Co-operative Bank Ltd.at Rs.50 each fully paid up	1.75	1.75
Investments in Mutual Funds - Quoted (at Cost or NRV whichever is lower) Rs.27.52 ICICI - Focus Bluchip Equity Fund *# 27,091.29 units (P.Y. NIL)	7.46	-
Rs.213.51 ICICI - Saving Fund R.P. Growth *# 68,023.47 units (P.Y. NIL)	145.24	-
Total	154.45	1.75
* Aggregate market value quoted current mutual fund investments	160.27	-
# Net assets value of quoted current mutual fund investments		
ICICI - Focus Bluchip Equity Fund	27.52	-
ICICI - Saving Fund R.P. Growth	226.64	-

16 INVENTORIES (At lower of Cost or Net Realisable Value)

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Raw materials	242.06	456.93
Raw materials - Goods-in transit	-	15.66
Work-in-progress	139.56	181.42
Finished goods	6.97	8.43
Stores and spares	101.65	85.60
Packing materials	2.58	1.51
Share of joint ventures - jointly controlled entity	-	57.87
Total	492.82	807.42

17 TRADE RECEIVABLES

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	21.77	25.93
Doubtful	-	-
	21.77	25.93
Less: Provision for doubtful trade receivables	-	3.80
	21.77	22.13
Other trade receivables		
Unsecured, considered good	1,262.95	1527.67
Share of joint ventures - jointly controlled entity	-	33.56
	1,262.95	1,561.23
Total	1,284.72	1,583.36

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)
18 CASH AND CASH EQUIVALENTS

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Cash on hand	6.26	5.35
Cheques, drafts on hand	4.89	38.22
Balances with banks	-	-
In Current accounts	87.53	53.25
In Earmarked accounts	-	-
- Unpaid dividend accounts	12.20	14.83
- Bank Deposits with more than 3 months, but below 12 months maturity	655.00	4.11
Share of joint ventures - jointly controlled entity	-	6.86
Total	765.88	122.62
(i) Out of the above balance Rs. 110.87 Lacs (P.Y. 81.27 Lacs) meet the definition of cash and cash equivalents as per AS -3 "Cash Flow Statement".		
(ii) Bank Deposit of Rs. 650.00 Lacs out of other bank balance, has been pledged with bank as a security against bank overdraft.		

19 SHORT TERM LOANS AND ADVANCES (Unsecured, Considered good)

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Advance to suppliers	17.92	5.97
Security deposits	2.97	2.97
Prepaid expenses	25.00	38.20
Cenvat credit receivable	0.21	8.34
Service tax credit receivable	11.76	47.41
VAT tax credit receivable	-	2.07
Receivable from Uttar Gujarat Vij Company Limited for wind power generation	34.05	18.07
Cenvat Receivable on Capital Goods to the extent credit not available in the current year	17.88	26.66
Others	4.11	6.63
Share of joint ventures - jointly controlled entity	-	39.33
Total	113.90	195.65

20 OTHER CURRENT ASSETS (Unsecured, Considered good)

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Interest accrued on fixed deposit	13.01	-
Receivable for business support services from related party	-	20.62
Interest receivable from related party	-	24.07
Share of joint ventures - jointly controlled entity	-	0.60
Total	13.01	45.29

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

21 REVENUE FROM OPERATIONS

PARTICULARS	YEAR ENDED 31st MARCH, 2016 (₹ in lacs)	YEAR ENDED 31st MARCH, 2015 (₹ in lacs)
Sale of products	4,579.35	4,211.32
Less : Excise Duty	496.14	410.97
	4,083.21	3,800.35
Sale of services	2,237.77	2,125.98
Less : Service Tax	274.55	234.77
	1,963.22	1,891.21
Trading sales	-	0.68
Other operating revenue		
- Scrap Sales	74.48	87.29
Less: Discount on sales	37.24	47.14
Total	6,083.67	5,732.39

22 OTHER INCOME

PARTICULARS	YEAR ENDED 31st MARCH, 2016 (₹ in lacs)	YEAR ENDED 31st MARCH, 2015 (₹ in lacs)
Interest income from banks	14.45	1.72
Interest income from - Joint Venture Entity	12.01	14.70
Interest income on deposit	3.88	2.93
Dividend income from current investments	1.14	0.21
Recovery of bad debts written off in earlier years	0.93	-
Rent income	1.20	1.20
Gain on foreign exchange rate fluctuation (net)	1.95	5.71
Business support services	-	18.84
Net gain on sale of current investments	5.31	-
Liabilities / Provisions no longer required written back	5.31	29.83
Profit on sale of machine tools	-	10.11
Profit on sale of long term investment	8.70	-
Maturity proceeds of Keyman insurance policy	59.38	-
Miscellaneous income	0.67	1.98
Total	114.93	87.23

23 COST OF RAW MATERIAL CONSUMED

PARTICULARS	YEAR ENDED 31st MARCH, 2016 (₹ in lacs)	YEAR ENDED 31st MARCH, 2015 (₹ in lacs)
Opening stock	380.68	259.67
Add : Purchases during the year	1,524.75	1,690.74
	1,905.43	1,950.41
Less : Closing Stock	242.06	380.68
Cost of raw materials consumed	1,663.37	1,569.73
Raw materials consumed comprises of:		
M.S. rollers	125.29	106.40
M.S. pipe, plates and bars	801.84	693.82
Copper	488.50	528.39
Others	247.74	241.12
	1,663.37	1,569.73

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)
24 CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

PARTICULARS	YEAR ENDED 31st MARCH, 2016 (₹ in lacs)	YEAR ENDED 31st MARCH, 2015 (₹ in lacs)
INVENTORIES AT THE BEGINNING OF THE YEAR		
Finished goods of engraved rollers	8.43	6.45
Work-in-progress of engraved rollers	128.73	120.55
Stock-in-trade	-	0.84
	137.16	127.84
INVENTORIES AT THE END OF THE YEAR		
Finished goods of engraved rollers	7.14	8.43
Work-in-progress of engraved rollers	139.56	128.73
Stock-in-trade	-	-
	146.70	137.16
CHANGE IN INVENTORIES	(9.54)	(9.32)

25 EMPLOYEE BENEFITS EXPENSES

PARTICULARS	YEAR ENDED 31st MARCH, 2016 (₹ in lacs)	YEAR ENDED 31st MARCH, 2015 (₹ in lacs)
Salaries, wages and bonus	1,531.32	1,288.49
Contributions to provident fund and other funds	63.82	54.35
Contributions to gratuity fund	15.00	15.00
Staff welfare expenses	105.39	108.01
Total	1,715.53	1,465.85

26 FINANCE COSTS

PARTICULARS	YEAR ENDED 31st MARCH, 2016 (₹ in lacs)	YEAR ENDED 31st MARCH, 2015 (₹ in lacs)
Interest expense		
On term loans	51.59	111.25
On working capital loans	102.03	95.00
On vehicles loans	11.86	1.13
	165.48	207.38
Other borrowing costs	4.07	7.78
Total	169.55	215.16

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

27 OTHER EXPENSES

PARTICULARS	YEAR ENDED 31st MARCH, 2016 (₹ in lacs)	YEAR ENDED 31st MARCH, 2015 (₹ in lacs)
Consumption of stores and spare parts	325.65	435.72
Consumption of packing materials	88.44	85.11
Increase/(decrease) of excise duty on inventory	0.17	(0.23)
Power & fuel (Net of energy income from windmill)	107.62	126.16
Rent	11.87	11.50
Repairs and maintenance	-	-
Plant & machinery	15.27	45.38
Building	63.84	68.72
Others	86.19	74.62
Factory expenses	41.44	36.93
Insurance premium	33.96	35.38
Rates & Taxes	0.46	1.29
Conveyance and travelling	58.24	67.90
Communication expenses	17.60	17.87
Printing and stationary	16.46	13.53
Freight and forwarding	90.47	78.26
Sales commision	70.11	34.62
Advertisement and business promotion	4.66	8.00
Selling expenses	16.53	24.48
Donation	-	4.41
Expenditure on corporate social responsibility	16.22	16.00
Legal consultancy and professional charges	77.18	72.24
Auditors' remuneration	11.44	8.49
Computer expenses	15.34	10.61
Bad trade and other receivables, loans and advances written off	31.52	37.61
Loss on sale of fixed assets	4.85	1.56
Miscellaneous expenses	36.14	23.42
Total	1,241.67	1,339.58

28 Loss from discontinuing operation (before tax)

On 18th July, 2015, after receiving the approval from the Board of Directors Shilp Gravures Limited (SGL) sold 183,182 equity shares of Reshilp Equipments (India) Private Limited (Reshilp) at Rs.15 per share. Consequently, Reshilp ceased to be the subsidiary company of SGL. Reshilp was in the business of producing Automation Equipments and as per the requirements of Accounting Standard 24. Discontinuing Operations the same is being calssified as discontiued operations during the current year.

On 30th March, 2016, after receiving approval from the board of directors SGL sold 2,997,800 equity shares and 750,000 preference shares of HMSU Rollers (India) Private Limited (HMSU). Consequently, HMSU ceased to be the Jointly Controlled Entity of SGL. HMSU was in the business of manufacturing of rubber rollers and as per the requirements of Accounting Standard 24. Discontinuing Operations the same is being classified as discontinued operations during the year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

The below tables discloses the loss before tax attributable to the Discontinued Operations during the year.

PARTICULARS	YEAR ENDED 31st MARCH, 2016 (₹ in lacs)	YEAR ENDED 31st MARCH, 2015 (₹ in lacs)
Sale of products	218.30	774.73
Sale of services	89.53	84.59
Other Income	8.76	81.35
Total revenue (A)	316.59	940.67
Cost of materials consumed	164.83	678.67
Purchases of stock-in-trade	-	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(4.75)	(30.28)
Employee benefits expense	66.70	112.95
Finance costs	37.92	35.19
Depreciation and amortisation expense	28.99	30.05
Other expenses	107.91	187.34
Total expenses (B)	401.60	1013.92
Loss from discontinuing operation (before tax)	(85.01)	(73.25)
Less: Tax Expense / (Credit) on Ordinary Activities Related to Discontinuing Operations	4.81	(17.90)
Gain on disposal of assets / settlement of liabilities attributable to the discontinuing operations	68.93	-
Net Loss from Discontinuing Operations	(20.89)	(55.35)

Carrying amount of assets and liabilities

PARTICULARS	AS AT 31st MARCH, 2016 (₹ in lacs)	AS AT 31st MARCH, 2015 (₹ in lacs)
Carrying amount of assets as at the balance sheet date relating to discontinued business already disposed off	-	888.61
Carrying amount of liabilities as at the Balance Sheet date relating to the discontinued business to be settled	-	723.66

Net cash flow attributable to the discontinued business

PARTICULARS	YEAR ENDED 31st MARCH, 2016 (₹ in lacs)	YEAR ENDED 31st MARCH, 2015 (₹ in lacs)
Net cash attributable to the discontinued business	(17.80)	17.88
Net cash from operating activities	(33.61)	(36.73)
Net cash from investing activities	(9.45)	(27.37)
Net cash from financing activities	25.27	81.98

29 EARNING PER SHARE (EPS)

PARTICULARS	YEAR ENDED 31st MARCH, 2016 (₹ in lacs)	YEAR ENDED 31st MARCH, 2015 (₹ in lacs)
Basic and Diluted Continuing Operations		
Profit attributable to equity share holders (Rs. in Lacs)	578.91	454.09
Nominal Value of equity share (Rs./Share)	10	10
Weighted average number of ordinary equity share for Basic EPS (Nos.)	61,49,800	61,49,800
Basic and Diluted EPS (Rs./Share)	9.41	7.38
Total Operations		
Profit attributable to equity share holders (Rs. in Lacs)	553.05	379.14
Nominal Value of equity share (Rs./Share)	10	10.00
Weighted average number of ordinary equity share for Basic EPS (Nos.)	61,49,800	61,49,800
Basic and Diluted EPS (Rs./Share)	8.98	6.17

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

30 EMPLOYEE BENEFITS

The Company makes Provident Fund and Superannuation Fund contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 59.22 Lacs (Year ended 31 March, 2015 - Rs. 47.28 Lacs) for Provident Fund contributions, and Rs. 4.60 Lacs (Year ended 31 March, 2015 - Rs. 6.24 Lacs) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below:

1. Defined Benefit Plans

I. Expenses recognized in the Statement of Profit and Loss for the year:

PARTICULARS	Gratuity (₹ in lacs)	
	YEAR ENDED 31st MARCH, 2016	YEAR ENDED 31st MARCH, 2015
Current service cost	18.49	13.37
Interest Cost	13.64	14.38
Expected return on plan assets	(8.96)	(10.14)
Net actuarial losses (gains)	24.42	14.40
Share of joint ventures - jointly controlled entity	-	0.30
Total	47.59	32.31

II. Reconciliation of opening and closing balances of defined benefit obligation:

PARTICULARS	Gratuity (₹ in lacs)	
	YEAR ENDED 31st MARCH, 2016	YEAR ENDED 31st MARCH, 2015
Defined benefit obligation at beginning of the year	178.41	179.44
Service cost	18.49	13.37
Interest cost	13.64	14.38
Actuarial losses (gains)	24.59	13.70
Benefits paid	(9.91)	(42.83)
Share of joint ventures - jointly controlled entity	-	0.35
Reduction due to disposal of Subsidiary and Joint Control Entity	(3.59)	-
Defined benefit obligation at the end of the year	221.63	178.41

III. Reconciliation of Opening and Closing balances of fair value of plan assets:

PARTICULARS	Gratuity (₹ in lacs)	
	YEAR ENDED 31st MARCH, 2016	YEAR ENDED 31st MARCH, 2015
Fair value of plan assets at beginning of the year	121.42	104.32
Expected return on plan assets	8.96	10.14
Actuarial gains and (losses)	0.17	(0.88)
Contributions by employer	1.13	49.87
Benefits paid	(9.91)	(42.83)
Share of joint ventures - jointly controlled entity	-	0.80
Reduction due to disposal of Subsidiary and Joint Control Entity	(1.87)	-
Fair value of plan assets at year end	119.90	121.42

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)
IV. Investment details:

PARTICULARS	% invested as at 31st MARCH, 2016	% invested as at 31st MARCH, 2015
Insurance Company	100%	100%

V. Actuarial Assumptions:

PARTICULARS	Gratuity (₹ in lacs)	
	YEAR ENDED 31st MARCH, 2016	YEAR ENDED 31st MARCH, 2015
Mortality Table (LIC)	2006-08 (Ultimate)	2006-08 (Ultimate)
Discount Rate (per annum)	7.70%	7.80%
Expected Return on plan assets (per annum)	7.80%	9.15%
Rate of escalation in salary (per annum)	6.00%	6.00%

VI. Experience Adjustments past five year's data for defined benefit obligation and fair value of plan is as:

PARTICULARS	2011-12 (Rs. in Lacs)	2012-13 (Rs. in Lacs)	2013-14 (Rs. in Lacs)	2014-15 (Rs. in Lacs)	2015-16 (Rs. in Lacs)
Present value of defined benefit obligations at the end of the year (Independent actuary)	128.52	163.14	177.55	178.41	221.63
Fair value of plan assets at the end of the year	71.15	83.43	104.33	121.42	119.90
Net assets / (Liability) at the end of the year	57.37	79.71	73.22	56.99	101.73

2. Defined Contribution Plans.

Contribution of Defined Contribution Plan, recognized as expense for the year are as under: (₹ in lacs)

PARTICULARS	YEAR ENDED 31st MARCH, 2016	YEAR ENDED 31st MARCH, 2015
Employer's Contribution to Provident Fund	59.22	47.28
Employers' Contribution to Superannuation Fund	4.60	6.24
Share of joint ventures - jointly controlled entity	-	0.90

31 LEASES

The Company has taken immovable properties on non-cancellable operating lease and lease rent amounting to Rs. 11.87 Lacs (P.Y. Rs. 11.50 Lacs) has been charged to the Statement of Profit and Loss. The future minimum lease rent is as under:

Particulars	As at 31st March, 2016 (₹ in Lacs)	As at 31st March, 2015 (₹ in Lacs)
Not later than 1 year	7.62	24.37

32 CAPITAL AND OTHER COMMITMENTS

Particulars	As at 31st March, 2016 (₹ in Lacs)	As at 31st March, 2015 (₹ in Lacs)
Estimated amount of contracts remaining to be executed on capital accounts not provided for (Net of Advance)	16.76	9.13
Share of joint ventures - jointly controlled entity	-	1.45

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

33 CONTINGENT LIABILITIES

Particulars	As at 31st March, 2016 (₹ in Lacs)	As at 31st March, 2015 (₹ in Lacs)
Disputed demand of income tax against which the Company has preferred appeal	56.02	75.49
Disputed amount of service tax credit where company has gone to Commissioner Appeals of Custom Excise and Service Tax	1.42	2.48
Disputed amount of service tax credit where company has gone to Commissioner of Custom Excise and Service Tax	7.68	-
Corporate Guarantee given*	-	238.00

*The Company had provided Corporate Guarantee for an amount of Rs. 238.00 Lacs in favour of Axis Bank Limited for the Term Loan provided to HMSU Rollers (India) Private Limited, a Joint Venture Company. However, on 30th March, 2016, the company sold shares of HMSU and subsequently guarantee was revoked.

**Future cash outflows in respect of the above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities

34 RELATED PARTY DISCLOSURES

a) Related parties and their relationship

Name of the related party	Relationship
Hannecard N.V. Mitex GMBH Unimark International Private Limited	Co-Venturers of HMSU Rollers (India) Private Limited - Jontly Controlled Entity
Mr. Ambar J. Patel Mr. Roshan Shah Mr. G.V. Bhavsar Mr. Narendra Patil Mr. Atul Vinchhi	Key Management Personnel
Mr. Vitthaladas H. Patel	Individual exercising significant influence over the enterprise
Shilp Ultra-tech Private Limited Stylus Infrastructure Private Limited Carol Enterprise Carol Hira Corporation	Entity controlled by one or more Key Management Personnel
Mr. Deval A. Patel Mr. Siddharth N. Patil Mr. Rachit Bhavsar Mrs. Madhuri A. Vinchhi	Relative of Key Management Personnel

b) Details of related party transactions during the year ended March 31, 2016 and balances outstanding as at March 31, 2016

Nature of transactions	Name of the related party	Amount (₹ in Lacs)	Outstanding balance as at 31st March, 2016 (₹ in Lacs)
Hannecard N.V.	Money Received on Sale of Shares	35.98	-
		(-)	(-)
	Contribution in equity share capital received	-	-
		(15.00)	(89.93) Cr.
	Contribution in preference share capital received	-	-
		(22.50)	(22.50) Cr.
	Purchase of goods	29.58	-
Services received		(25.39)	(17.39) Cr.
		-	-
		(3.74)	(3.27) Cr.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

Nature of transactions	Name of the related party	Amount (₹ in Lacs)	Outstanding balance as at 31st March, 2016 (₹ in Lacs)
	Expenses reiumbursed to	-	-
	Interest Paid/Provided	(0.26)	(0.26) Cr.
	Purchase of know-how	2.48	-
	Loan Received / Repaid	(2.05)	(4.21) Cr.
		-	-
		(5.04)	(3.48) Cr.
		32.29	-
		(-)	(30.64) Cr.
Mitex GMBH	Money Received on Sale of Shares	35.98	-
	Contribution in equity share capital received	(-)	(-)
	Contribution in preference share capital received	-	-
	Purchase of goods	(15.00)	(89.93) Cr.
	Services received	-	-
	Expenses reiumbursed to	(22.50)	(22.50) Cr.
	Interest Paid/Provided	5.80	-
	Purchase of know-how	(9.63)	(9.37) Cr.
	Loan Received / Repaid	-	-
		(2.54)	(1.23) Cr.
		-	-
		(1.80)	(0.18) Cr.
		2.54	-
		(0.25)	(4.21) Cr.
		-	-
		(5.04)	(3.48) Cr.
		32.64	-
		(-)	(30.64) Cr.
Unimark International Private Limited	Money Received on Sale of Shares	17.94	-
	Contribution in equity share capital received	(-)	(-)
	Contribution in preference share capital received	-	-
		(10.00)	(59.96) Cr.
		-	-
		(15.00)	(15.00) Cr.
Mr. Ambar J. Patel	Remuneration Paid	58.06	10.51 Cr.
	Dividend Paid	(51.53)	(7.81) Cr.
		2.93	-
		(2.93)	(-)
Mr. Roshan Shah	Remuneration Paid	57.37	8.73 Cr.
	Dividend Paid	(50.92)	(7.77) Cr.
		3.76	-
		(3.70)	(-)
Mr. G.V. Bhavsar	Remuneration Paid	57.37	8.73 Cr.
	Dividend Paid	(50.92)	(7.77) Cr.
		3.71	-
		(3.71)	(-)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

Nature of transactions	Name of the related party	Amount (₹ in Lacs)	Outstanding balance as at 31st March, 2016 (₹ in Lacs)
Mr. Vitthal Das H. Patel	Remuneration Paid	- (15.00)	- (15.00) Cr.
	Dividend Paid	9.48 (9.48)	- (-)
Mr. Narendra Patil	Remuneration Paid	57.37 (50.92)	10.38 Cr. (7.72) Cr.
	Dividend Paid	2.19 (2.19)	- (-)
Mr. Atul Vinchhi	Remuneration Paid	57.37 (50.92)	8.73 Cr. (7.72) Cr.
	Dividend Paid	3.47 (3.47)	- (-)
Mr. Deval A. Patel	Remuneration Paid	4.60 (4.26)	0.69 Cr. (0.55) Cr.
Mr. Siddharth N. Patil	Remuneration Paid	4.44 (3.95)	0.73 Cr. (0.55) Cr.
Mrs. Madhuri A. Vinchhi	Remuneration Paid	2.46 (1.78)	0.45 Cr. (0.31) Cr.
Mr. Rachit Bhavsar	Remuneration Paid	0.23 (-)	0.07 Cr. (-)
	Stylus Infrastructure Private Limited	Rent Paid	(6.93) (-)

35 SEGMENT REPORTING

The Company has identified three reportable segments viz (i) manufacture of engraved copper rollers and (ii) energy generation through wind mill (iii) Automation Equipments.

The segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segment and amount allocated on a reasonable basis by management.

Disclosures required under AS 17 – Segment Reporting are as under:

(Figures in brackets represent previous year numbers)

Particulars	Engraved Copper Roller (Rs. in lacs)	Wind Mill (Rs. in lacs)	Automation Equipments (Rs. in lacs)	Others (Rs. in lacs)	Total (Rs. in lacs)
Revenue	5,817.45 (5,448.94)	254.10 (224.86)	181.42 (775.14)	392.63 (368.27)	6,645.60 (6,817.21)
Less: Inter segment Revenue	- (0.64)	254.10 (224.86)	- (-)	- (-)	254.10 (225.50)
Total	5,817.45 (5,448.30)	- (-)	181.42 (775.14)	392.63 (368.27)	6,391.50 (6,591.71)
Segment results	704.06 (579.05)	150.15 (124.67)	13.21 (24.09)	(58.21) (62.43)	809.21 (617.20)
Unallocable expenses (net)					207.47 (253.35)
Operating income					601.74 (363.85)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

Particulars	Engraved Copper Roller (Rs. in lacs)	Wind Mill (Rs. in lacs)	Automation Equipments (Rs. in lacs)	Others (Rs. in lacs)	Total (Rs. in lacs)
Other income (net)					119.37 (177.54)
Profit before taxes					721.11 (541.39)
Tax expense					237.00 (142.65)
Profit on Disposal of Assets					68.93 -
Profit for the year					553.04 (398.74)
Segment assets	3,862.69 (4,951.31)	1,041.37 (1,086.25)	- (391.40)	274.50 (837.45)	5,178.56 (7,266.41)
Unallocable assets					2,174.39 (667.48)
Total assets					7,352.95 (7,933.89)
Segment liabilities	777.01 (695.80)	3.03 16.07	- (349.62)	26.89 (433.06)	806.92 (1,462.41)
Unallocable liabilities					1,861.94 (2,251.65)
Total liabilities					2,668.86 (3,714.06)
Other information					
Capital expenditure (allocable)	500.04 (247.48)	- -	- (2.80)	- (166.82)	500.04 (417.10)
Depreciation and amortisation (allocable)	510.94 (532.72)	58.06 (58.06)	- (4.80)	37.65 (58.46)	606.92 (654.04)

36 FINANCIAL AND DERIVATIVE INSTRUMENTS

The year end foreign currency exposures that have not been hedged by any derivate instrument or otherwise are as under:

Particulars		Foreign Currency	Indian Currency Equivalent (Rs. in Lacs)
Amounts receivable in foreign currency	AS AT 31ST MARCH, 2016	USD 21240.61	14.07
	AS AT 31ST MARCH, 2015	USD 8266.54	5.17
Amounts payable in foreign currency	AS AT 31ST MARCH, 2016	USD 4400.00 EURO 7,858.75 CHF 9508.25	2.91 5.93 6.56
	AS AT 31ST MARCH, 2015	USD 4400.00	2.75
		EURO 298,381.48	231.65
		CHF 21,930.71	14.09
Amounts payable in foreign currency (HMSU)	AS AT 31ST MARCH, 2016	-	-
	AS AT 31ST MARCH, 2015	EURO 275,327	184.99

37 DISCLOSURES UNDER THE MSMED ACT, 2006

In the absence of any information from vendors regarding the status of their registration under the "Micro Small and Medium Enterprise Development Act 2006" the company is unable to comply with the disclosures required to be made under the said Act.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

38 INTEREST IN JOINT VENTURE

The Company had entered into a Joint Venture Agreement with three Companies namely, Hannecard N.V., Mitex GMBH and Unimark International Private Limited to incorporate a Joint Venture Company in the name of HMSU Rollers (India) Private Limited on 1st February, 2012. The said Joint Venture Company was engaged in the manufacturing of Rubber Rollers and Poly Urethene Rollers. The Company had commenced its commercial operations with effect from 18th April, 2013. During the year, pursuant to approval from Board of Directors, the company has sold all shares of HMSU Rollers (India) Private Limited on 30th March, 2016 and from that date, HMSU Rollers (India) Private Limited ceased to be joint venture of the company.

The Company has interests in the following jointly controlled entity:

(Figures in brackets represent previous year numbers)

Name of companies and country of incorporation	% of interest / ownership	Amount of interest based on accounts for the year ended 31st March, 2016 (₹ in lacs)					
		Assets (₹ in lacs)	Liabilities (₹ in lacs)	Income (₹ in lacs)	Expenditure (₹ in lacs)	Capital commitments (₹ in lacs)	Contingent Liability (₹ in lacs)
HMSU Rollers (India) Pvt. Ltd.	- (20%)	- (523.92)	- (388.75)	133.75 (110.05)	233.69 (221.44)	- (1.45)	- -

39 DISCLOSURES AS PER CLAUSE 32 OF THE LISTING AGREEMENTS WITH THE STOCK EXCHANGE

Loans and Advances in the nature of loans given to joint venture :

(Figures in brackets represent previous year numbers)

Name of the Company	Relationship	As at 31st March, 2016 (Rs. in Lacs)	Maximum Balance outstanding during the year (Rs. in Lacs)
HMSU Rollers (India) Pvt. Ltd, India	Joint Venture	- (100.00)	163.39 (160.00)

40 CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

Expenditure related to CSR as per section 135 of Companies act, 2013 read with schedule VII thereof, againsts the mandatory spend of Rs. 16.22 Lacs

Sector Activity Identified	CSR Project	Implementing Agency and Location	Budget Rs in Lakhs	Amount Spent Rs in Lakhs
Hospital / Rural Healthcare	Contribution for Medical Relief Project	Dardionu Rahat Fund, Ahmedabad, Gujarat	2.50	2.50
Hospital / Rural Healthcare	Contribution for Medical Relief Project	Polio Foundation	1.00	1.00
Hospital / Rural Healthcare	Contribution for Medical Relief Project	Indian Renal Foundation	1.00	1.00
Hospital / Rural Healthcare	Contribution for Medical Relief Project	Ashtha	5.00	5.00
Hospital / Rural Healthcare	Contribution for Medical Relief Project	Shree Bhramani Mataji Helth	5.00	5.00
Skill Development	Contribution for Skill Development	Vicharta Samuday Samarthan Manch	0.51	0.51
Skill Development	Contribution for Skill Development	Ambaben Maganbhai Patel Public Charitable Trust	1.21	1.21

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Contd...)

- 41 Figures pertaining to the subsidiary and joint venture have been reclassified wherever necessary to bring them in line with the Company's financial statements.
- 42 Figures of previous year have been regrouped / reclassified, wherever necessary, to make them comparable with current year figures.

**For and on behalf of the Board of Directors of
Shilp Gravures Limited**

Ambar J. Patel
Managing Director

Shailesh C Desai
Director

Amit Agrawal
Chief Financial Officer

Gurnish Chhabda
Company Secretary

Place : Rakanpur
Date : 30th April, 2016

ANNEXURE - A

FORM AOC -1

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of the subsidiaries / associate companies / joint ventures

PART "A" : Subsidiaries

1.	Name of the Subsidiary	None
2.	Reporting period of the subsidiary concerned	—
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year(in the case of foreign subsidiaries)	—
4.	Share Capital	—
5.	Reserves and Surplus	—
6.	Total Assets	—
7.	Total Liabilities	—
8.	Investments	—
9.	Turnover	—
10.	Profit before taxation	—
11.	Provision for taxation	—
12.	Profit after taxation	—
13.	Proposed Dividend	—
14.	% of shareholding	—

Name of subsidiaries which are yet to commence operations: None

Name of Subsidiaries which have been liquidated or sold during the year: **ReShilpEquipments (India) Pvt. Ltd.**

PART "B" :Associates & Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

1.	Name of the Joint Venture	None
2.	Last Audited Balance Sheet	—
3.	Shares of the Joint Ventures held by the Company on the year end	
	No.	
	Amount of Investment in Joint Venture	—
	Extend of holding (%)	—
4.	Description of how there is significant influence	—
5.	Reason why the Associate / Joint Venture is not consolidated	—
6.	Net worth attributable to shareholding as per last audited Balance Sheet	—
7.	Profit / Loss for the year	
	Loss considered in consolidation	—
	Loss not considered in consolidation	—

Names of associates or joint ventures which are yet to commence operations: None

Names of associates or joint ventures which have been liquidated or sold during the year: **HMSU Rollers (India) Pvt. Ltd.**

COMPLETE CROSS-SECTION OF THE GRAVURE INDUSTRY



Flexible Packaging



Anilox Rollers



PVC Flooring



PVC Flooring



Security Printing



Gift Wrapper



Artificial Leather



Transfer Printing



Transfer Printing



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