
NOTICE

NOTICE is hereby given that the **Sixty Ninth Annual General Meeting** of Shreno Limited will be held at "Sanskriti", Alembic Corporate Conference Center, Opp. Pragati Sahakari Bank Limited, Alembic Colony, Vadodara - 390 003, on Monday, the **11th August, 2014 at 4:00 P.M.** to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the financial statements of the Company for the year ended on 31st March, 2014 including Audited Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Yera Amin, who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint M/s. K. C. Mehta & Co., Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till Conclusion of Fourth AGM with this AGM being counted as the First AGM and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS :

4. To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. C. R. Mukherjee (DIN 00439613), Director of the Company whose period of office was liable to be determined by retirement of directors by rotation be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years up to 31st March, 2019."
5. To Consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Mayur Jadeja (DIN 00799518), Director of the Company whose period of office was liable to be determined by retirement of directors by rotation be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years up to 31st March, 2019."
6. To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:
To enhance borrowing powers of Board of Directors from ₹ 150 Crores ₹ 750 Crores
"RESOLVED THAT in supersession of resolution passed in this regard at the Extraordinary General Meeting of the Company held on 12th September, 2007 and pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof) ('the Act') and the Articles of Association of the Company, the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred as 'Board' which term shall include a Committee thereof authorized for the purpose) of the Company, to borrow, from time to time, any sum or sums of money (including non-fund based banking facilities) as may be required for the purpose of the business of the Company, from one or more Banks, Financial Institutions and other persons, firms, bodies corporates, whether in India or abroad, notwithstanding that the monies so borrowed together with the monies already borrowed (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) will or may at any time exceed the aggregate of the paid up Capital of the Company and its Free Reserves (reserves not set apart for any specific purpose) provided that the total amount that may be borrowed by the Board and outstanding at any point of time, shall not exceed the sum of ₹ 750 crores (Rupees Seven Hundred and fifty Crores only).
RESOLVED FURTHER THAT the Board of Directors be and are hereby severally authorized to do all acts, deeds and things necessary and expedient to give effect to the above resolution."
7. To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:
To approve creation of charge/security over the assets/undertaking of the Company, both present and future, in respect of borrowings.

“RESOLVED THAT in supersession of resolution passed in this regard at the Extraordinary General Meeting of the Company held on 12th September, 2007 and pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment) (‘the Act’), the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred as ‘Board’ which term shall include a Committee thereof authorized for the purpose) of the Company, to mortgage, hypothecate, pledge and / or charge, in addition to the mortgage, hypothecate, pledge and / or charge already created, in such form, manner and ranking and on such terms as the Board deems fit in the interest of the Company, on all or any of the movable and / or immovable properties of the Company both present and future and /or any other assets or properties, either tangible or intangible, of the Company and / or the whole or part of any of the undertaking of the Company together with or without the power to take over the management of the business or any undertaking of the Company in case of certain events of defaults, in favour of the Lender(s), Agent(s) and Trustee(s), for securing the borrowing availed or to be availed by the Company, by way of loans, debentures or any other securities or otherwise, in foreign currency or in Indian rupees, from time to time, up to the limits approved or as may be approved by the shareholders under Section 180(1)(c) of the Act along with interest, additional interest, accumulated interest, liquidated charges, commitment charges or costs, expenses and all other monies payable by the Company including any increase as a result of devaluation / revaluation / fluctuation in the rate of exchange.

RESOLVED FURTHER THAT the Board of Directors be and are hereby severally authorized to do all acts, deeds and things necessary and expedient to give effect to the above resolution.”

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

To approve alterations of Articles of Association of the Company.

“RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment) (‘the Act’), Articles 127(1) and 130C(2) of the Articles of Association of the Company be and are hereby altered by replacing it with the following articles.

127(1). Board may appoint Managing Director or Managing Directors or Whole-time Directors.

Subject to the provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment) (‘the Act’), and these Articles, the Directors shall have power to appoint from time to time one or more of their body to be Managing Director or Managing Directors or Whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

Provided that an individual can be appointed or reappointed or continue as Chairperson of the Company as well as Managing Director or Chief Executive Officer of the Company at the same time.

130C(2). Any member of the Company shall be entitled to be furnished, within the period prescribed by the Act after he has made a request in writing in that behalf to the Company, with a copy of any minutes referred to in sub-clause (1) hereof, on payment of such fees as may be decided by the Board of Directors of the Company.

Provided that the fees so decided by the Board in any case shall not exceed the maximum fees prescribed in this regard under the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment) (‘the Act’), from time to time.

RESOLVED FURTHER THAT after the article 157 of the Articles of Association, Articles 158 & 159 be and are hereby inserted as under:

158. Registered and documents to be maintained by the Company:

The Company shall keep and maintain Registers, Books and Documents required by the Companies Act, 2013 and rules made thereunder (including any statutory modification or reenactment thereof) (‘the Act’) to the extent applicable to the Company from time to time.

159. Inspection of Registers:

The Registers Books and Documents as provided in the foregoing Article shall (a) subject to such

restrictions as provided in the Companies Act, 2013 and rules made thereunder (including any statutory modification or reenactment thereof) ("the Act") and on payment of such fees as may be decided by the Board of Directors of the Company, be open to persons so authorized/entitled for inspection and extracts may be taken therefrom on working days except Saturdays and Sundays between 11.00 AM to 1.00 PM and (b) copy thereof may be required by such persons who are entitled for the same and on payment of such fees as may be decided by the Board of Directors of the Company.

Provided that the fees (in case of (a) or (b) above) so decided by the Board, in any case shall not exceed the maximum fees prescribed, in respect of inspection or for copies thereof, as the case may be, for respective document/register, under the Act.

RESOLVED FURTHER THAT the Board of Directors be and are hereby severally authorized to do all acts, deeds and things necessary and expedient to give effect to the above resolution."

NOTES :

1. **ANY MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. **A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights, A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy, provided such person shall not act as a proxy for any other person or shareholder.**
3. The Proxy form duly completed must reach the Registered Office of the Company not later than forty-eight hours before the time of holding the meeting.
4. The Register of Members and Transfer Books of the Company will remain closed from Monday, the 4th August, 2014 to Monday, the 11th August, 2014 (both days inclusive).
5. All documents referred to in the Notice are open for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on any working day except Saturdays and holidays up to the date of Annual General Meeting.
6. All work related to share registry in terms of both – physical and electronic, are being conducted by the Company's R & T Agents - M/s. Link Intime India Pvt Ltd, B-102 & 103, Shangrila Complex, First Floor, Near Radhakrishna Char Rasta, Akota, Vadodara – 390020 (Tel: (0265) 2356573, 2356794 Fax: (0265) 2356791 Email: vadodara@linkintime.co.in). The Shareholders are requested to send their communication to the aforesaid address in future.
7. **Voting through electronic means**

The Company is pleased to offer e-Voting facility for its Members to enable them to cast their votes electronically and the business may be transacted through electronic voting system.

A. The 'Step-by-Step' procedure and instructions for casting your vote electronically are as under :

- Step-1 Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com
- Step-2 Now click on "Shareholders" to cast your votes
- Step-3 Now, select the Electronic Voting Sequence Number - "EVSN" along with "SHRENO LIMITED" from the drop down menu and click on "SUBMIT"
- Step-4 Now, fill up the following details in the appropriate boxes:

EVSN	140604001
User-ID	For Members holding shares in Demat Form:- a) For CDSL :- 16 digits beneficiary ID b) For NSDL :- 8 Character DP ID followed by 8 Digits Client ID For Members holding shares in Physical Form:- ● Folio Number registered with the Company
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders)

DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

*Members who have not updated their PAN with the Company / Depository Participant are requested to use default number '1SLAGM2014' in the PAN field.

Please enter any one of the details in order to login.

Step-5 After entering these details appropriately, click on "SUBMIT" tab.

Step-6 Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@ # \$ % & *). Kindly note that this password is also to be used by the demat holders for voting for resolutions of the company or 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.

Step-7 Click on the relevant EVSN on which you choose to vote.

Step-8 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.

Step-9 Click on the "Resolutions File Link" if you wish to view the entire Resolutions.

Step-10 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.

Step-11 Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

B. Other instructions for E-voting :

- The voting period begins on 6th August, 2014 (9:00 a.m.) and ends on 7th August, 2014 (6:00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20th June, 2014, 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 shareholder, the shareholder shall not be allowed to change it subsequently.
- The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on 20th June, 2014.
- Mr. Sushil Samdani, Partner, M/s Samdani Shah & Associates, Practising Company Secretaries has been appointed as the Scrutinizer to scrutinize the e-Voting process.
- If you are holding shares in Demat form and had logged on to www.evotingindia.com and cast your vote earlier for any company, then your existing login id and password are to be used.
- For Members holding shares in physical form, the folio number and PAN / default number can be used only for e-Voting on the resolutions given in this notice.
- Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote
- In case you have any queries or issues regarding e-Voting, you may refer the Frequently Asked Questions

("FAQs") and e-Voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdisindia.com

Registered Office:

Alembic Road,
Vadodara - 390 003
Dated: 2nd May, 2014

By Order of the Board

Manisha Kathed
Company Secretary

Explanatory Statement as required under Section 102 of the Companies Act, 2013.**Item No. 4**

Mr. Chitta Ranjan Mukherjee (DIN 00439613) is a Non-Executive Independent Director of the Company, whose period of office was liable to be determined by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. However, as per requirements of provisions of the Companies Act, 2013 and rules made thereunder, the Independent Directors are not liable to retire by rotation and are required to be appointed by Shareholders. Therefore it is proposed to appoint Mr. Mukherjee as an Independent Director for a term of five consecutive years upto 31st March, 2019.

Mr. Mukherjee has a Bachelors' Degree in Science. He has experience over 35 years and possesses organizational and administrative capability. He has considerable experience in the field of marketing management. He does not hold any other Directorships.

In the opinion of the Board, Mr. Mukherjee fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Mukherjee as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Mukherjee as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Mukherjee as an Independent Director, for the approval by the shareholders of the Company.

None of the Directors and Key Managerial Personnel or their relatives, except Mr. C. R. Mukherjee, being an appointee has any concern or interest, financial or otherwise, in the resolution set out at Item No. 4.

Item No. 5

Mr. Mayur Jadeja (DIN 00799518) is a Non-Executive Independent Director of the Company, whose period of office is liable to be determined by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. However, as per requirements of provisions of the Companies Act 2013 and rules made thereunder, the Independent Directors are not liable to retire by rotation and are required to be appointed by Shareholders. Therefore it is proposed to appoint Mr. Jadeja as an Independent Director for a term of five consecutive years upto 31st March, 2019.

Mr. Jadeja is a graduate in Economics and Post Graduate Diploma in Industrial Relations and Personal Management. Mr. Jadeja is the Director of Nino Chem Private Limited which was founded by him and his family in 1986. The Company is engaged in the manufacture of inorganic Chemicals.

In the opinion of the Board, Mr. Jadeja fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Jadeja as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Jadeja as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Jadeja as an Independent Director, for the approval by the shareholders of the Company.

None of the Directors and Key Managerial Personnel or their relatives, except Mr. Mayur Jadeja, being an appointee, has any concern or interest, financial or otherwise, in the resolution set out at Item No. 5.

Item No. 6 & 7

In terms of the provisions of Section 180(1)(a) and 180(1)(c) of the Companies Act, 2013, the Board of Directors of the Company cannot, except with the consent of the Company by a special resolution, borrow moneys, apart from temporary loans, in excess of aggregate of the paid up capital and its free reserves (section 180(1)(c)) nor the Board can create security or create mortgages, charges and hypothecations over the assets of the Company which would be required to secure aforesaid borrowings(section 180(1)(a)).

The section 180 of the Companies Act, 2013 corresponds to section 293 of Companies Act, 1956 under which the consent of the Company was required by ordinary resolution.

Accordingly, the shareholders of the Company had accorded consent by an ordinary resolution to the Board of Directors for borrowing of money, not exceeding ₹ 150 Crores (Rupees One Hundred Fifty Crores only) and to create security or create mortgages, charges and hypothecations over the assets of the Company to secure above borrowings, at the Extraordinary General Meeting of the Company held on 12th September, 2007.

However, the Ministry of Corporate Affairs, New Delhi vide its General Circular No. 4/2014 dated 25th March, 2014 has stated that such ordinary resolutions passed under old Companies Act, 1956 for borrowing money in excess of limits and to create security on undertaking of the Company, shall remain valid upto one year from the commencement of the Companies Act, 2013 i.e. upto 11th September, 2014.

Considering the growth of the Company and keeping in mind future requirements for growth of the Company. It is proposed to enhance the limit of such borrowing power from ₹ 150 Crores to ₹ 750 Crores.

None of the Directors, Key Managerial Personnel or their relatives has any concern or interest, financial or otherwise, in the resolution set out at Item No. 6 & 7.

The Board recommends the resolutions set forth in Item No. 6 & 7 for the approval of members.

Item No. 8:

The article 127(1) contains provisions for appointment of Managing Director and Whole-Time Directors of the Company. The provisions of the Companies Act, 2013 provides that an individual shall not be appointed or reappointed as Chairperson and Managing Director or CEO at the same time unless the articles of the Company provides otherwise or where the Company is not engaged in multiple business.

Though, the Company has separate individuals as Chairman and Whole-Time Director at present, it is proposed to amend article 127(1) as a prudent practice and to align the Articles with the requirement of the new Companies Act, 2013.

The article 130C (2) contains the provision for providing the copy of minutes of General meeting on payment of certain fees which is proposed to be modified to align it with the new Companies Act, 2013 and rules made thereunder.

Further, the provisions of Companies Act, 2013 and rules made thereunder have prescribed various requirements and formats for maintenance and inspection of registers. The Board of Directors felt it prudent to insert the relevant clauses in the Article of Association of the company. Therefore it is proposed to insert Articles 158 and 159 of articles of association to bring it in line with the requirements of the new Companies Act.

The Board of Directors felt it prudent to amend the relevant clauses of articles of association to align it with the requirements of the new Companies Act, 2013.

None of the Directors or Key Managerial Personnel of the Company or their relatives has any concern or interest, financial or otherwise, in the resolution.

The Board recommends the resolution as set out at Item No. 8 for the approval of the Members.

Registered Office :

Alembic Road,
Vadodara - 390 003
Dated: 2nd May, 2014

By Order of the Board

Manisha Kathed
Company Secretary

DIRECTORS' REPORT

To

The Members,

Your Directors present their **Sixty Ninth Report** on the working of the Company together with the Audited Accounts for the year ended on 31st March, 2014.

1. FINANCIAL RESULTS:

(₹ in lacs)

Particulars	Year ended on 31st March, 2014	Year ended on 31 st March, 2013
Profit for the year before providing for Depreciation, Interest & Tax	<u>1,470.65</u>	<u>1,979.02</u>
<u>Deducting therefrom:</u>		
- Interest	1,013.32	532.87
- Depreciation	739.74	623.88
Profit Before Tax	(282.41)	822.27
Less :		
Provision for Current Tax	-	115.00
Provision for Wealth Tax	2.25	2.25
(Excess)/Short Provision of tax in respect of earlier years	0.42	7.95
Net Profit after Tax	<u>(285.08)</u>	<u>697.07</u>
Adding thereto :		
Balance brought forward from last year	<u>(1,538.47)</u>	<u>(1,948.90)</u>
Less :		
Dividend on Preferences Shares redeemed	-	245.00
Dividend Distribution Tax	-	41.64
Surplus / (Deficit) carried to Balance Sheet	<u>(1,823.55)</u>	<u>(1,538.47)</u>

2. DIVIDEND:

In view of losses, your Directors do not recommend dividend on Equity Shares for the year ended on 31st March, 2014.

3. OPERATIONS:

The total income for the year ended on 31st March, 2014 was ₹ 13,702.34 Lacs as compared to ₹ 19,062.18 Lacs for the previous financial year ended on 31st March, 2013. The Profit before Depreciation, Interest & Tax was ₹ 1,470.65 Lacs for the year under review as compared to Profit of ₹ 1,979.02 Lacs for the previous year. The Net Loss after tax for the year was ₹ 285.08 Lacs as compared to the Net Profit of ₹ 697.07 Lacs during previous year.

4. SUBSIDIARY COMPANY:

The information of the subsidiary companies, as required under Section 212 of the Companies Act, 1956, are annexed hereto.

5. FIXED DEPOSITS:

During the year under review, the Company has not accepted/renewed any Fixed Deposits in terms of Section 58A of the Companies Act, 1956.

6. DIRECTORS:

In accordance with the provisions of the Companies Act, 2013 and Company's Articles of Association of the Company, Ms. Yera Amin, Director of the Company will retire by rotation at the ensuing Annual General Meeting who is eligible for re-appointment.

The Independent Directors of the Company viz. Mr. C. R. Mukherjee and Mr. Mayur Jadeja were liable to retire by rotation in terms of provisions of Companies Act, 1956. However, as per provisions of the Companies Act, 2013, the Independent Directors are required to be appointed by Shareholders and for a term upto five consecutive years and they shall not be liable to retire by rotation. Accordingly, it is proposed to appoint the independent Directors for a term of five consecutive years w.e.f. 1st April, 2014.

7. ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE:

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in the Annexure - A to the Report.

8. PARTICULARS OF EMPLOYEES:

The information required under section 217(2A) of the Companies Act, 1956, read with Companies (particular of Employees) Rules, 1975, forms part of this report as Annexure B.

9. AUDIT COMMITTEE:

The Audit Committee consists of Mr. Mayur Jadeja, Ms. Yera Amin and Mr. C. R. Mukherjee. Mr. Mayur Jadeja is Chairman of the Audit Committee. All the Directors in Audit Committee are Non-Executive Directors. The Committee interalia reviewed the Internal Control System and reports of Internal Auditors and compliance of various regulations. The Committee reviews at length the Financial Statements and approves the same before they are placed before the Board of Directors.

10. AUDITORS:

a) Statutory Auditors:

In compliance with the Companies (Audit and Auditors) Rules, 2014, M/s. K. C. Mehta & Co., Chartered Accountants, Statutory Auditors, are eligible for re-appointment as Auditors for a maximum period of three years. Members are requested to appoint for a term of 3 consecutive years from conclusion of this Annual General Meeting till conclusion of fourth Annual General Meeting with this AGM being counted as first AGM and to authorize the Board of Directors to fix their remuneration.

b) Internal Auditors:

The Company has appointed M/s. V. H. Gandhi, Chartered Accountants as its Internal Auditors to carry out the Internal Audit of various operational areas of the Company.

c) Cost Auditors:

The Central Government has directed that an audit of Cost Accounts maintained by Company relating to Glass and Engineering Division for the year ended on 31st March, 2014 be conducted by Auditors with qualification prescribed in Section 233B(1) of the Companies Act, 1956. Accordingly The Board has appointed M/s. Kailash Sanklecha & Associates, Cost Accountants and Mr. H.R. Kapadia, Cost Accountant, as cost Auditor for Glass and Engineering Division respectively for the year ended on 31st March, 2014.

d) Secretarial Auditors:

As per provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company is required to appoint Secretarial Auditor to carry out secretarial audit of the Company. The Company has appointed M/s. Samdani Shah & Associates, Practicing Company Secretaries as Secretarial Auditors of the Company for the F.Y. 2014-15.

11. DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with the Companies Act, 1956, the Directors state that:

- i) in the preparation of the annual accounts for the year, the applicable accounting standards have been followed.
- ii) accounting policies as listed in the 'Note – Z' to the financial statements have been selected and consistently applied and reasonable and prudent judgements and estimates have been made so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2014 and of the Loss for the year ended on that date.
- iii) proper and sufficient care for maintenance of adequate accounting records has been taken in accordance with the provisions of the Act so as to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.
- iv) the annual accounts have been prepared on a "going concern" basis.

Registered Office:

Alembic Road,
Vadodara - 390 003
Dated: 2nd May, 2014

By Order of the Board

C. R. Amin
Chairman

ANNEXURE – ‘A’ TO DIRECTORS' REPORT

Particulars required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

A. CONSERVATION OF ENERGY**(a) The energy conservation measures taken:**

Reduced the size of gas burner ports on fire polisher, to provide optimum flame temperature with reduced fuel consumption.

(b) Additional investment and proposals if any, being implemented for reduction in consumption of energy.

The company has several plans for investment in energy saving devices and automation of energy system such as:

1. Rebuild of glass melting furnace and distributor to an optimized design for reduced fuel consumption.
2. Replacement of large centralized air compressors with individual compressors for each line of production, to reduce line losses and energy consumption.

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

The energy cost will reduce by 10% and subsequently the cost of bare glass production will reduce by 2 %.

(d) Total energy consumption and energy consumption per unit of production: Form ‘A’ enclosed.**B. TECHNOLOGY ABSORPTION**

Efforts made in Technology absorption: Form ‘B’ enclosed.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

1. Activities relating to exports: Initiatives taken to increase exports are now materializing in the form of customer orders.
2. Total Foreign Exchange used and earned:

The total foreign exchange used during the year was ₹ 571.29 lacs (Previous Year ₹ 663.14 lacs). The total foreign exchange earned during the year was ₹ 23.62 lacs (Previous Year ₹ 31.78 lacs).

FORM 'A'

Form for disclosure of particulars with respect to conservation of energy:

Power and Fuel Consumption

	2013-14 (12 Months)	2012-13 (12 Months)
1. Electricity:		
(a) Purchased units in lacs:	-	-
Total amount (₹ in lacs)	-	-
Average Rate (₹ per Unit)	-	-
(b) Own generation:		
(i) Through diesel generator:		
Units (KWH) in lacs	0.04	0.07
Unit per liter of diesel oil	3.60	3.14
Cost (₹ / unit)	15.67	15.87
(ii) Through Gas:		
Units (KWH) in lacs	57.96	64.50
Unit per Scm of Gas	2.51	2.50
Total Amount (₹ in Lacs)	327.12	306.41
Average Rate (₹ per Unit)	5.64	4.75
2. Others / internal generation:		
Natural gas (M ³ in lacs)	106.00	139.89
Total Amount (₹ Lacs)	998.52	1,200.22
Rate / Unit (₹ Per M ³)	9.42	8.58

Consumption per unit of production:

Due to the multiplicity of variables occurring on account of dynamic and fluctuating demand for multiple SKU configurations, it is not feasible to furnish a commonly applicable baseline of information on consumption per unit of production.

FORM 'B'

Form for disclosure of particulars with respect of Technology Absorption:

(a) Research and Development (R & D):

1. (a) Specific areas in which R & D carried out by Glass Division:
 - i) Replacing pasted moulds with Hot moulds on H-28 machine for reduced mould cost and energy consumption.
- (b) Specific areas in which R & D carried out by Engineering Division:
 - i) Developed Rotor for screens with the assistance of our overseas associates, which were earlier purchased from outside.
 - ii) Successful development work was carried out for Drum Filter.
2. (a) Benefits derived as a result of the above R & D by Glass Division:
 - i) Launching of new range of press & blow tumblers having better quality and low weight with lowest possible mould cost.
 - ii) Higher glass draw, increase in speed of machine and resultant productivity on enhancement and operational efficiency improvement
- (b) Benefits derived as a result of the above R & D by Engineering Division:
 - i) By locally developing Rotors, we are able to sell the same to customer at a commercially viable price.
 - ii) With development of Drum Filter a new product has been added in our manufacturing range which has got good market potential for Sugar Industry - both domestic and export

3. Future plan of action:

The Glass Division has plans to install a new cullet washing plant and scraper conveyor as a part of upgrading the hot and cold glass handling system.

4. Expenditure on R & D:

(₹ In Lacs)

	2013-2014	2012-2013
i) Capital	0.00	0.00
ii) Recurring	3.70	2.82
Total	3.70	2.82
Total R & D expenditure as a Percentage of total turnover	0.03 %	0.02 %

(b) Technology Absorption, Adaptation and Innovation:

1. Efforts in brief made towards technology absorption, adaptation and innovation:

The Glass division has taken the following efforts:

 - i) Improving the existing combustion system with change in nozzle size, ratio governor and blower and manual controlling of Oxygen & Gas ratio.
 - ii) Making changes in melting, pouring and heat treatment process of the mould foundry.
 - iii) Decentralizing the mould cooling supply system with installation of separate system for individual production line.
2. Benefits derived as a result of this efforts:
 - i) Improved fuel efficiency with better glass melting quality.
 - ii) Reduced overall cost of in-house mould manufacturing.
 - iii) Saving in energy electricity inputs to production plant.
3. Information regarding technology imported in last 5 years : Not applicable

SHRENO LIMITED
ANNEXURE – ‘B’ TO DIRECTORS’ REPORT

ANNEXURE – B

Information as per Section 217 (2A) (b) (ii) read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors’ Report for the year ended on 31st March, 2014

Sr. No.	Name of Employee	Designation	Remuneration (₹ in Lacs)	Qualification	Experience (in Yrs.)	Date of Joining	Age (Yrs.)	Previous Employment
(a)	Employed for whole of the year under review and were in receipt of remuneration at a rate which in aggregate, was not less than ₹ 60,00,000/-							
1.	Nitin Bhawe	Whole Time Director	99.10	M. A.	23 Years	10-1-2012	50 Yrs.	Vice President Alembic Pharmaceuticals Ltd.
(b)	Employed for a part of the year under review and were in receipt of remuneration at a rate which in the aggregate, was not less than ₹ 5,00,000/- p.m.							
	-	-	-	-	-	-	-	-

Note: 1. Gross remuneration received as shown in the statement includes Salary, Commission, Allowances, Employer’s contribution to Provident Fund and superannuation Scheme.

2. The appointment of Whole - Time Director is for a period of 5 years.

INDEPENDENT AUDITORS' REPORT

To,
The Members of
Shreno Limited

Reports on the Financial Statements

We have audited the accompanying financial statements of **Shreno Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2014 and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and- a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014; and
- (b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date.
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
 2. As required by section 227(3) of the Act, we report that:
 - (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) the Balance Sheet and Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
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- (d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013; and
- (e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956 agreement with the books of account

For K. C. Mehta & Co.
Chartered Accountants
Firm's Registration No. 106237W

Vishal P. Doshi
Partner
Membership No. 101533
Place: Vadodara
Date: 2nd May, 2014

ANNEXURE TO THE AUDITORS' REPORT

The annexure referred to in our report to the members of **Shreno Limited** ("the Company") for the year ended 31st March, 2014:

- i. (a) In our opinion, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. However item wise value in respect of assets other than land, buildings and vehicles acquired prior to 1968 are not available.
 - (b) The Company has a regular program of physical verification of fixed assets which, in our opinion is reasonable. The assets which were to be covered as per the said program have been physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The Company has not disposed off substantial part of its fixed assets during the year and therefore, do not affect the going concern assumption.
 - ii. (a) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stock and the book records were not material.
 - iii. (a) In our opinion and according to the information and explanations given to us, the company has not granted any loans, secured or unsecured, during the year to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount outstanding during the year in respect of interest free loan granted in the earlier year to the Company's wholly owned (100%) subsidiary is ₹ 68.73 lacs and the year end balance of loan granted to such party is ₹ Nil.
 - (b) In our opinion and according to the information and explanations given to us, other terms and conditions on which loan have been granted to the Company's wholly-owned (100%) subsidiary are not prima facie prejudicial to the interest of the Company.
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- (c) According to the information and explanations given to us, the terms and conditions of the loan granted do not involve repayment of principal and interest.
- (d) In our opinion and according to the information and explanations given to us, the loans granted by the Company are repayable on demand and therefore the question of overdue amount does not arise.
- (e) In our opinion and according to the information and explanations given to us, the Company has taken unsecured loans from two companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount outstanding during the year including loan taken in earlier year from a company covered in the register maintained under section 301 of the Companies Act, 1956 is ₹ 3,290 lacs and the year end balance of loans taken is ₹ Nil. The company has not taken any loan from firms or parties covered in the register maintained under section 301 of Companies Act, 1956.
- (f) In our opinion and according to the information and explanations given to us, the rate of interest, wherever applicable and other terms and conditions are not prima facie prejudicial to the interest of the Company.
- (g) In our opinion and according to the information and explanations given to us, the terms and conditions of the loan taken do not involve repayment of principal. However, the payment of interest is regular.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and nature of its business with regard to purchase of inventories and fixed assets and sale of goods and services. Further on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have been informed of any instance of major weaknesses in the aforesaid internal control system.
- v. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under section 301 of the Companies Act, 1956 and exceeding the value of ₹ 5 lac in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year from the public within the meaning of provisions of section 58A and 58AA of the Companies Act, 1956 and the rules framed there under and therefore, the provisions of clause (vi) of the Order are not applicable to the Company.
- vii. In our opinion and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and the nature of its business.
- viii. We have broadly reviewed the books of account and records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956. We are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.
- ix. (a) In our opinion and according to the information and explanations given to us, the Company has been regular in depositing with appropriate authorities undisputed statutory dues, including provident fund, investor education protection fund, employee's state insurance, income-tax, sales-tax wealth tax, service tax, custom duty and other material statutory dues applicable to it. Further, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, custom duty and excise duty were in arrears, as at 31st March 2014 for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us, there are no disputed dues in respect of wealth tax which have not been deposited. The followings are the particulars of Income tax, Excise, Service tax and Custom duty, sales tax as at 31st March, 2014 which have not been deposited on account of dispute pending are as under:
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Nature of Statute	Nature of the disputed dues	Amount (₹ in Lacs)	Period to which the amount relates	Forum where disputes are pending
Sales Tax / Value Added Tax Act.	Sales Tax	3.68	F.Y. 2010-11 & F.Y. 2011-12	Assistant Commissioner (Appeal)
Custom Act., 1962	Custom	0.30	Jan'06 - Dec'08	Assistant Commissioner (Custom)
		0.43	Jan'04 - Dec'07	Assistant Commissioner (Custom)
		1,757.38	2010 - 2011	Commissioner (Custom)
Central Excise Act, 1944	Central Excise	3.13	Apr'03 - Sep'06	Commissioner Appeals
		0.16	Oct'06 - Nov'08	Commissioner Appeals
		24.96	Apr'08 - Jan'13	Deputy Commissioner (Central Excise)
		0.20	1999 - 2000	Deputy Commissioner (Central Excise)
Finance Act, 1994 and Service Tax Laws	Service Tax	1.23	Jan'09 - Aug'11 & Dec'08 - Mar'11	Commissioner (Appeal)
		0.28	Mar'05 - Dec'08	Commissioner (Appeal)
		0.06	Jan'09 - Oct'09	Deputy Commissioner (Central Excise)
		0.06	Jun'10 - Mar'11	Commissioner (Appeal)
		0.03	Apr'12 - Jul'12	Assistant Commissioner (Central Excise)
		0.01	Apr'11 - Mar'12	Assistant Commissioner (Central Excise)
		1.35	Nov'07 - Feb'13	Assistant Commissioner (Central Excise)
		0.73	Mar'08 - Jul'09	Deputy Commissioner (Central Excise)
		0.28	Jan'10 - Feb'11	Deputy Commissioner (Central Excise)
		2.40	Ma'08 - Apr'13	Deputy Commissioner (Central Excise)
		0.15	Oct'12 - Jul'13	Deputy Commissioner (Central Excise)
Income Tax Act, 1961	Income Tax	0.10	A. Y. 2006-07	Commissioner Income Tax (Appeal)
		26.95	A. Y. 2008-09	Commissioner Income Tax (Appeal)
		43.39	A. Y. 2010-11	Income Tax Appellate (Tribunal)
		29.40	A. Y. 2011-12	Commissioner Income Tax (Appeal)

- x. In our opinion, the company's accumulated losses are less than fifty percent of its net worth and it has not incurred cash losses during the financial year covered by our audit and also in the immediately preceding financial year.
- xi. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to bank. The Company has not borrowed from financial institutions and has not issued any debentures.
- xii. In our opinion, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities and therefore, the provisions of clause (xii) of the Order are not applicable to the Company.
- xiii. In our opinion and according to information and explanations given to us, the company is not a chit fund or a nidhi / mutual benefit fund society and therefore, the provisions of clause (xiii) of the Order are not applicable to the Company.
- xiv. In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in securities. The Company has invested surplus funds in securities. The investments in securities have been held by the Company in its own name.
- xv. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions and therefore, the provisions of clause (xv) of the Order are not applicable to the Company.

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- xvi. In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised.
 - xvii. In our opinion and on an overall examination of the balance sheet of the Company, we report that the funds raised on short term basis have not been used for long term investment.
 - xviii. In our opinion and according to the information and explanations given to us, during the period covered by our audit report, the Company has not made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956 and therefore, the provisions of clause (xviii) of the Order are not applicable to the Company.
 - xix. According to the information and explanations given to us, during the period of audit the Company has not issued any secured debentures and therefore, the provisions of clause (xix) of the Order are not applicable to the Company.
 - xx. The company has not raised any money by public issues during the year and therefore, the provisions of clause (xx) of the Order are not applicable to the Company.
 - xxi. In our opinion and according to information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For K. C. Mehta & Co.
Chartered Accountants
Firm's Registration No. 106237W

Vishal P. Doshi
Partner
Membership No. 101533
Place: Vadodara
Date: 2nd May, 2014

SHRENO LIMITED

BALANCE SHEET AS AT 31st MARCH, 2014

(₹ in Lacs)

	Note No.	As at 31 st March, 2014	As at 31 st March, 2013
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	A	5,704.15	6,404.15
(b) Reserves and Surplus	B	20,831.19	4,425.38
(2) Non-Current Liabilities			
(a) Long-term borrowings	C	1,000.00	2,165.83
(b) Other Long-term liabilities	D	886.72	36.72
(c) Long-term provisions	E	92.26	110.18
(3) Current Liabilities			
(a) Short-term borrowings	F	7,620.84	3,160.42
(b) Trade payables		2,047.75	2,413.11
(c) Other current liabilities	G	4,565.34	4,863.05
(d) Short-term provisions	H	41.82	346.50
Total		42,790.07	23,925.35
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets	I		
(i) Tangible assets		6,938.40	6,860.87
(ii) Intangible assets		1,138.07	1,463.24
(iii) Capital work-in-progress		529.75	532.34
(b) Non-current investments	J	2,444.60	2,444.60
(c) Long term loans and advances	K	177.11	148.10
(d) Other non-current assets	L	63.55	62.55
(2) Current assets			
(a) Inventories	M	26,804.91	8,608.71
(b) Trade receivables	N	1,336.62	1,454.83
(c) Cash and Bank Balances	O	935.98	358.28
(d) Short-term loans and advances	P	2,420.90	1,988.96
(e) Other current assets	Q	0.17	2.88
Total		42,790.07	23,925.35
Summary of Significant Accounting Policies and Other Notes to Financial Statement	Z		

As per our report of even date attached
For K. C. Mehta & Co.
Chartered Accountants

Vishal P. Doshi
Partner
Membership No. 101533
Vadodara
Date: 2nd May, 2014

For and on behalf of the Board
Chirayu R. Amin Chairman
Malika C. Amin
Yera R. Amin
Mayur Jadeja } Directors
C. R. Mukherjee
Nitin V. Bhawe
Manisha Kathed Company Secretary
Vadodara
Date: 2nd May, 2014

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2014 (₹ in Lacs)

	Note No.	For the Year ended on 31 st March, 2014	For the Year ended on 31 st March, 2013
I. Revenue from operations	R	13,774.58	19,845.66
Less : Excise duty		756.81	1,096.70
		13,017.77	18,748.96
II. Other Income	S	684.57	313.22
III. Total Revenue (I +II)		13,702.34	19,062.18
IV. Expenses:			
Construction Expenses	T	21,826.16	5,056.42
Cost of materials consumed	U	1,861.05	2,444.07
Purchase of Stock in trade		-	25.52
Changes in inventories of Finished Goods, WIP and stock in trade	V	(18,336.55)	500.76
Employee Benefit Expense	W	2,277.45	2,388.34
Other expenses	X	4,603.58	6,668.05
Financial costs	Y	1,013.32	532.87
Depreciation / Amortisation	I	739.74	623.88
Total Expenses		13,984.75	18,239.91
V. Profit/ (Loss) before tax (III-IV)		(282.41)	822.27
VI. Tax expense:			
Current tax		-	115.00
Wealth Tax		2.25	2.25
Short / (Excess) provision of tax in respect of earlier years		0.42	7.95
VII. Profit/ (Loss) for the year (V-VI)		(285.08)	697.07
VIII. Earning per equity share: (Face Value ₹ 100/-)			
(1) Basic & Diluted EPS		(8.73)	12.30

Summary of Significant Accounting Policies and Other Notes to Financial Statement Z

As per our report of even date attached
For K. C. Mehta & Co.
Chartered Accountants

Vishal P. Doshi
Partner
Membership No. 101533
Vadodara
Date: 2nd May, 2014

For and on behalf of the Board
Chirayu R. Amin Chairman
Malika C. Amin
Yera R. Amin
Mayur Jadeja } Directors
C. R. Mukherjee
Nitin V. Bhawe
Manisha Kathed Company Secretary
Vadodara
Date: 2nd May, 2014

SHRENO LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH, 2014

(₹ in Lacs)

Particulars	For the year ended on 31 st March, 2014	For the year ended on 31 st March, 2013
A CASH FLOW FROM OPERATING ACTIVITIES:		
Profit/(Loss) before tax from Continuing Operations	(282.41)	822.27
Non-Cash adjustment to reconcile profit before tax to net cash flows		
Depreciation / Amortisation from continuing operation	739.74	623.88
Provision for Doubtful Debts	0.45	-
Bad debts written off	5.20	0.02
Financial Charges	944.10	488.04
Profit on sale of Fixed Assets	(97.16)	(0.21)
Interest Received	(2.55)	(13.89)
Dividend Received	(504.30)	(262.25)
Operating profit before changes in working capital	803.07	1,657.85
Movements in working capital Changes		
Increases/(decrease) in Trade Payables and Other Payables	151.94	(965.63)
Increases/(decrease) in Trade receivables	112.57	365.50
Increases/(decrease) in Inventories	(1,503.52)	280.82
Increases/(decrease) in loans & advances	(352.12)	(321.45)
Net Cash flow from (used in) Operations	(788.07)	1,017.09
Direct Taxes Paid (Net of Refunds)	(110.39)	(324.41)
NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES (A)	(898.46)	692.68
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of fixed assets, including intangible assets & CWIP	(524.32)	(841.67)
Proceeds from sales of fixed assets	130.17	0.21
Interest Received	2.55	13.89
Dividend Received	504.30	262.25
NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES (B)	112.70	(565.31)

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH, 2014

(₹ in Lacs)

Particulars	For the year ended on 31 st March, 2014	For the year ended on 31 st March, 2013
C. CASH FLOW FROM FINANCIAL ACTIVITIES:		
Proceeds from long-term borrowings	-	2,500.00
Repayments of long term borrowing	(1,166.80)	(666.80)
Proceeds from short-term borrowings	4,475.41	3,000.00
Repayments of short term borrowing	(15.00)	(4,333.57)
Payment of Divident & DDT	(286.64)	-
Redemption of Preference Share Capital	(700.00)	-
Interest paid	(944.10)	(488.04)
NET CASH FLOW FROM / (USED IN) FINANCIAL ACTIVITIES (C)	1,362.87	11.59
Net increase / (decrease) in Cash & Cash equivalents	577.11	138.96
Cash & Cash equivalents as at the beginning of the year	347.38	200.86
Cash & Cash equivalents acquired on acquisition of Aviation Undertaking	-	7.57
Cash & Cash equivalents as at the year end	924.50	347.38

Notes:**1 Cash and Cash equivalents comprise:**

Cash in hand	5.80	10.13
Balance with Scheduled and Other banks	918.70	337.25
Cash & Cash equivalents as at the year end	924.50	347.38

2 The above Cash Flow has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 (AS-3) Cash Flow Statement.

3 Previous year figures have been regrouped wherever necessary.

As per our report of even date attached

For K. C. Mehta & Co.

Chartered Accountants

Vishal P. Doshi

Partner

Membership No. 101533

Vadodara

Date: 2nd May, 2014

For and on behalf of the Board

Chirayu R. Amin

Chairman

Malika C. Amin

Yera R. Amin

Mayur Jadeja

C. R. Mukherjee

Nitin V. Bhawe

Manisha Kathed

Vadodara

Date: 2nd May, 2014

Directors

Company Secretary

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

	As at 31 st March, 2014	As at 31 st March, 2013
A. SHARE CAPITAL		
(a) Shares authorized		
1. Equity Share Capital		
47,50,000 Equity shares of ₹ 100/- each	4,750.00	4,750.00
2. Preference Share Capital		
19,00,000 Preference shares of ₹ 100/- each	1,900.00	1,900.00
	<u>6,650.00</u>	<u>6,650.00</u>
(b) Shares issued, subscribed and fully paid :		
1. Equity Share Capital		
45,04,152 Equity shares of ₹ 100/- each Fully Paid	4,504.15	4,504.15
	<u>4,504.15</u>	<u>4,504.15</u>
2. Preference Share Capital		
Class (I)		
NIL (P. Y. 7,00,000) 5% Redeemable Non-Convertible Preference Shares of ₹ 100/- each	-	700.00
Class (II)		
12,00,000 9% Redeemable Non-Convertible Preference Shares of ₹ 100/- each	1,200.00	1,200.00
	<u>1,200.00</u>	<u>1,900.00</u>
	<u>5,704.15</u>	<u>6,404.15</u>

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period : (₹ in Lacs)

EQUITY SHARES	No. of Shares	Share Capital
As at 1 st April, 2012	15,01,384	1,501.38
Additions/(Reductions)	30,02,768	3,002.77
As at 31 st March, 2013	45,04,152	4,504.15
As at 1 st April, 2013	45,04,152	4,504.15
Additions/(Reductions)	-	-
As at 31 st March, 2014	45,04,152	4,504.15

(₹ in Lacs)

PREFERENCE SHARES	Class (I)		Class (II)	
	No. of Shares	Share Capital	No. of Shares	Share Capital
As at 1 st April, 2012	7,00,000	700.00	12,00,000	1,200.00
Additions/(Reductions)	-	-	-	-
As at 31 st March, 2013	7,00,000	700.00	12,00,000	1,200.00
As at 1 st April, 2013	7,00,000	700.00	12,00,000	1,200.00
Additions/(Reductions)	-	-	-	-
As at 31 st March, 2014	7,00,000	700.00	12,00,000	1,200.00

(b) The rights, preferences and restrictions including restrictions on the distribution of dividends and the repayment of capital:

1. **Equity Share Capital**

The company is having only one class of Equity shares i.e. Ordinary Equity carrying a nominal value of ₹ 100/- each. Every holder of the equity share of the Company is entitled to one vote per share held.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company after the distribution / repayment of all Trade Payables and Preference Shareholders. The distribution to the equity shareholders will be in proportion of the number of shares held by each shareholder.

The declaration of dividend, if any on the equity shares shall be in Indian Rupees. Dividend, if any, would be proposed by the Board of Directors subject to approval of the shareholders at the ensuing Annual General Meeting.

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

2. Preference Share Capital

- (i) 9% Redeemable Non-Convertible Preference Shares of ₹ 100/- each

Date of Redemption: 26th September, 2016

In the event of liquidation of the Company, the preference shareholders will be entitled to receive their capital contribution in the Company after the distribution / repayment of all Trade payables but before distribution to equity shareholders. The distribution to the preference shareholders will be in proportion of the number of shares held by each shareholder.

The Preference Shareholders shall be paid dividend at the rate of dividend fixed as per the terms and conditions of issue and amendments thereto, subject to recommendation of the same by the Board of Directors and approval of the shareholders at the ensuing Annual General Meeting. Such Dividend shall however be paid in preference to the dividend recommended for equity shareholders.

- (c)
- Shares in the company held by each shareholder holding more than 5 % shares specifying the no. of shares held:**

1. Equity Share Capital

		31 st March 2014		31 st March 2013	
		Numbers	% held	Numbers	% held
1.	Nirayu Private Limited	15,97,143	35.46%	15,97,143	35.46%
2.	Sierra Investments Limited	9,70,842	21.55%	9,70,842	21.55%
3.	Alembic Limited	7,62,549	16.93%	7,62,549	16.93%
4.	Whitefield Chemtech Private Limited	3,19,002	7.08%	3,19,002	7.08%

2. Preference Share Capital**Class (I)**

		31 st March 2014		31 st March 2013	
		Numbers	% held	Numbers	% held
1.	Burnham Holdings Limited	-	-	7,00,000	100.00%

Class (II)

		31 st March 2014		31 st March 2013	
		Numbers	% held	Numbers	% held
1.	Sierra Investments Limited	5,45,000	45.42%	5,45,000	45.42%
2.	Nirayu Private Limited	4,55,000	37.92%	4,55,000	37.92%
3.	Whitefield Chemtech Private Limited	1,80,000	15.00%	1,80,000	15.00%

- (d)
- Shares allotted as fully paid up by way of Bonus Shares (During 5 years preceding March 31, 2014)**

Class of Shares	As at 31 st March, 2014 (No. of Shares)	As at 31 st March, 2013 (No. of Shares)
The company has allotted Equity Shares as fully paid up bonus shares by capitalization of security premium ₹ 330.22 lacs and capitalization of capital reserve ₹ 2,672.55 lacs	-	30,02,768

SHRENO LIMITED

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

	As at 31 st March, 2014	As at 31 st March, 2013
B. RESERVES AND SURPLUS		
GENERAL RESERVE		
As per last balance sheet	5,942.91	5,942.91
Less: Transfer to Capital Redemption Reserve	700.00	-
	<u>5,242.91</u>	<u>5,942.91</u>
CAPITAL REDEMPTION RESERVE		
As per last balance sheet	-	-
Add: Transfer from General Reserve	700.00	-
	<u>700.00</u>	<u>-</u>
CAPITAL RESERVE		
As per last balance sheet	-	2,672.55
Add: Addition during year on conversion of land from fixed assets to inventory (Refer Note I (2))	16,690.88	-
Less: Utilised for issue of Bonus Shares	-	2,672.55
	<u>16,690.88</u>	<u>-</u>
SECURITIES PREMIUM ACCOUNT		
As per last balance sheet	20.94	351.16
Less: Utilised for issue of Bonus Shares	-	330.22
	<u>20.94</u>	<u>20.94</u>
SURPLUS IN THE STATEMENT OF PROFIT & LOSS		
Opening Balance	(1,538.47)	(1,948.90)
Add: Net Profit/(Loss) for the year	(285.08)	697.07
Less : Dividend on preference shares redeemed (Dividend of ₹ NIL (Previous year ₹ 35/-) per Preference Share)	-	245.00
Less: Provision for Dividend Distribution Tax	-	41.64
Net Surplus / (Deficit) in the statement of profit and loss	<u>(1,823.54)</u>	<u>(1,538.47)</u>
Total Reserves and Surplus	<u>20,831.19</u>	<u>4,425.38</u>
C. LONG-TERM BORROWINGS		
Term Loans (Secured)		
From Banks	1,000.00	2,165.83
	<u>1,000.00</u>	<u>2,165.83</u>

Notes :

- a) Terms of Borrowing

Details of lender	Rate of Interest	Maturity Date	Installment Due on	Current Maturity
ING Vysya Bank Ltd.	9.5%	30-Jun-14	Quarterly	165.70
YES Bank Ltd.	11.5%	25-Mar-16	Quarterly	1,000.00

- b) Nature of Security

- i) **ING Vysya Bank Ltd** - Pari-passu charge on moveable fixed assets & exclusive charge on Freehold Land of the company.
- ii) **YES Bank Ltd.**- Pari-passu charge on moveable fixed assets and restriction on sale / pledge / charge / encumbrance of investment in Alembic Pharmaceuticals Ltd to the extent of 1.5 times of loan exposure.

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

	As at 31 st March, 2014	As at 31 st March, 2013
D. <u>OTHER LONG TERM LIABILITIES</u>		
Security deposit	36.72	36.72
Option Deposit (Refer Note M)	850.00	-
	<u>886.72</u>	<u>36.72</u>
E. <u>LONG-TERM PROVISION</u>		
Provision for employee benefits		
Leave Encashment	87.78	66.71
Gratuity	4.48	43.47
	<u>92.26</u>	<u>110.18</u>
F. <u>SHORT-TERM BORROWINGS</u>		
a) Loan repayable on Demand		
From Banks		
Secured	1,120.84	145.42
Working Capital facilities		
Secured by hypothecation of stock, book debt, & Second Charge on movable plant and machinery.		
Unsecured	6,500.00	3,000.00
b) Loans and Advances (Unsecured)		
From related parties	-	15.00
	<u>7,620.84</u>	<u>3,160.42</u>
G. <u>OTHER CURRENT LIABILITIES</u>		
(a) Current maturities of long-term debt (Refer Note No. C)	1,165.70	1,166.67
(b) Trade Deposit	213.08	200.53
(c) Interest accrued and due on borrowings	-	5.51
(d) Other liabilities :		
Advance received from customer	1,291.59	2,668.36
Government Dues	128.04	115.98
Others Liabilities	1,766.88	705.95
Unpaid Interest*	0.05	0.05
	<u>4,565.34</u>	<u>4,863.05</u>
*No amount is due for payment to Investor Education and Protection Fund		
H. <u>SHORT-TERM PROVISIONS</u>		
(a) Provision for employee benefits		
Leave Encashment	7.51	27.52
Gratuity	32.06	30.09
(b) Others		
Provision for Wealth Tax	2.25	2.25
Provision for Proposed Dividend	-	245.00
Provision for Dividend Distribution tax	-	41.64
Total (a) + (b)	<u>41.82</u>	<u>346.50</u>

SHRENO LIMITED
NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

I. FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK		
	AS ON 01.04.2013	Additions/ Adjustments	Acquired on Acquisition	Deductions/ Adjustments	AS ON 31.03.2014	AS ON 01.04.2013	During the Year	AS ON 31.03.2014	AS ON 31.03.2013
Tangible Assets									
Freehold Land	828.70	-	-	1.64	827.06	-	-	-	828.70
Buildings	2,880.68	10.70	-	-	2,891.38	714.79	118.54	833.33	2,165.89
Employees' Quarters	28.69	-	-	-	28.69	26.01	0.13	26.15	2.54
Plant & Machinery	6,687.71	188.57	-	69.84	6,806.44	3,534.02	261.13	3,758.26	3,153.69
Furniture & Fixture	76.64	3.04	-	-	79.68	61.62	2.39	64.02	15.02
Office Machinery	56.28	12.42	-	0.06	68.63	39.93	3.11	43.04	16.35
Learjet 45 Aircraft*	863.02	303.58	-	-	1,166.60	209.74	51.56	231.29	653.29
Vehicles	120.42	8.61	-	-	129.03	95.17	7.87	103.03	25.25
Total	11,542.15	526.91	-	71.54	11,997.51	4,681.28	444.74	5,059.11	6,860.87
Previous Year	10,282.37	396.81	863.02	0.06	11,542.15	4,035.46	460.30	4,681.28	6,860.87
Intangible Assets									
Trademark	1.00	-	-	-	1.00	1.00	-	1.00	-
Goodwill	1,625.82	-	-	-	1,625.82	162.58	325.16	487.75	1,463.24
Total	1,626.82	-	-	-	1,626.82	163.58	325.16	488.75	1,463.24
Previous Year	1.00	-	1,625.82	-	1,626.82	-	163.58	163.58	-

* Represent Share of 50% Co-ownership in Learjet 45 Aircraft

NOTE :-

- 1) Free hold Land includes ₹ 2,32 Lacs being cost of shares in Baroda Industrial Development Corporation, Baroda, required to be compulsorily acquired by plot holders as part of purchase consideration, under an arrangement.
- 2) The company has converted a part of Land as Stock-in-trade with a view to exploit it as part of its Real Estate Business. The conversion has been done at fair market value of ₹ 16,692.52 Lacs for the land based on the report from approved valuer. The revaluation surplus has been credited to the Capital reserve account. Accordingly, the said land has been part of Work in process Real Estate and shown as reduction from fixed assets.
- 3) The addition/adjustment in Learjet 45 Aircraft included ₹. 412.43 Lacs being purchase cost of additional 25% share in Co ownership of the aircraft and ₹ 108.85 Lacs being reduction in the historical cost of Aircraft.
- 4) Certain godowns / premises which were earlier used for Company own operations have now been given on lease as the Company does not have immediate usage of these premises. These godowns / premises continue to be included in the fixed assets of the Company.

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

	As at 31 st March, 2014	As at 31 st March, 2013
J. <u>NON-CURRENT INVESTMENTS</u>		
<u>Long Term Investments - Others</u>		
<u>Investment in Subsidiary</u>		
Equity Instruments - unquoted		
• 50,000 Equity Shares of ₹ 10/- each fully paid up in AGI Developers Limited	5.00	5.00
• 10,00,000 Equity Shares of ₹ 1/- (P. Y. ₹ 10/-) each fully paid up in Quick Flight Limited	10.01	100.01
Less : Transfer to Goodwill on reduction of face value from ₹ 10/- per equity share to ₹ 1/- per equity share	-	(90.00)
Net investment in equity share of Quick Flight Ltd.	<u>10.01</u>	<u>10.01</u>
Preference Shares - unquoted		
• 1,00,000 @ 9% Non convertible preference shares of ₹ 100/- each fully paid up in Quick Flight Limited	-	100.00
Less : Transfer to Goodwill on restructuring.	-	(100.00)
Net investment in preference share of Quick Flight Ltd.	<u>-</u>	<u>100.00</u>
<u>Investment in Associates</u>		
Equity Instruments - quoted		
• 1,83,68,780 Equity Shares of ₹ 2/- each fully paid up in Alembic Pharmaceuticals Limited (Refer Note No. C (b)(ii)) Shares allotted pursuant to Scheme of Demerger of Alembic Limited with Alembic Pharmaceuticals Limited in the ratio of 1:1 in the F.Y. 2011-12, in addition to the existing holding in Alembic Limited.	-	-
• 3,67,37,560 (P.Y. 1,83,68,780) Equity Shares of ₹ 2/- each fully paid up in Alembic Limited (During the year the Company has received bonus shares in the ratio of 1:1)	2,061.08	2,061.08
• 10,350 Equity Shares of ₹ 10/- each fully paid in Purak Vinamay Ltd.	1.04	1.04
Less: Provision for Diminution in value of Investments	(1.04)	(1.04)
• 2,37,369 Equity Shares of ₹ 10/- each fully paid up in Paushak Limited	94.15	94.15
Equity Instruments - Unquoted		
• 1,638 Equity Shares of ₹ 100/- each fully paid up in Nirayu Pvt Limited	4.10	4.10
• 2,300 Equity shares of ₹ 100/- each fully paid up in Whitefield Chemtech Pvt Ltd.	0.02	0.02
• 250 Equity Shares of ₹ 100/- each fully paid in Prima Crushing Pvt. Ltd.	0.25	0.25
Less : Provision for Diminution in value of Investments	(0.25)	(0.25)
• 12,500 Equity Shares of ₹ 10/- each fully paid in Alembic Exports Limited	1.25	1.25
• 12,61,700 Equity Shares of ₹ 10/- each fully paid up in Sierra Investments Limited	194.96	194.96
Debentures - Unquoted		
• 6,500 Optionally Fully Convertible Debentures of ₹ 100/- each fully paid up in Nirayu Private Limited	65.00	65.00

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

	As at 31 st March, 2014	As at 31 st March, 2013
J. NON-CURRENT INVESTMENTS - Contd.		
<u>Investment in Others</u>		
Equity Instruments - quoted		
• 148 Equity shares of ₹ 5/- each fully paid up in ONGC Limited	0.08	0.08
Equity Instruments - Unquoted		
• 20 Equity Shares of ₹ 100/- each fully paid in Prakash Publication Limited	0.02	0.02
Less : Provision for Diminution in value of Investments	(0.02)	(0.02)
• 100 Equity Shares of ₹ 100/- each fully paid up in Alembic Employees Co.Op.Supply Soc. Ltd.	0.01	0.01
• 200 Equity Shares of ₹ 25/- each fully paid up in Co.Op. Bank of Baroda Ltd.	0.05	0.05
• 80,030 Equity Shares of ₹ 10/- each fully paid in Pragati Sahakari Bank Ltd.	8.00	8.00
• 120 Equity Shares of ₹ 100/- each fully paid up in Gujarat Small Industries Corpn. Ltd.	0.12	0.12
• 77 Equity Shares of ₹ 1000/- each fully paid up in Baroda Industrial Development Corpn. Ltd.	0.77	0.77
	<u>2444.60</u>	<u>2444.60</u>
Aggregate book value of unquoted investments	289.29	289.29
Aggregate book value of quoted investments	2,155.31	2,155.31
Aggregate market value of quoted investments	59,036.21	22,164.11
Aggregate value of diminution in value of investments	1.31	1.31
K. <u>LONG-TERM LOANS AND ADVANCES : (UNSECURED, CONSIDERED GOOD)</u>		
Capital Advances - From Related Party	42.11	-
- From Others	135.00	148.10
	<u>177.11</u>	<u>148.10</u>
The details of Capital Advance given to Related party is as under :		
Name of Party	Relationship	
Alembic Limited	Associate	42.11
		<u>42.11</u>
L. <u>OTHER NON-CURRENT ASSETS : (UNSECURED, CONSIDERED GOOD)</u>		
(a) Security Deposits	63.55	62.55
	<u>63.55</u>	<u>62.55</u>
M. <u>INVENTORIES :</u>		
(a) Raw Materials	590.86	715.43
(b) Packing Materials	327.39	320.71
(c) Stores & Spares	159.64	176.84
(d) Work-in-Progress - Real Estate	21,740.58	3,637.23
- Engineering	1,029.80	533.43
(e) Stock in Trade - Glassware	306.48	513.64
- Real Estate*	675.00	675.00
(f) Finished goods	1,975.15	2,036.43
	<u>26,804.91</u>	<u>8,608.71</u>
Finish Goods - Glassware	1,975.08	2,036.36
- Others**	0.07	0.07
	<u>1,975.15</u>	<u>2,036.43</u>

* As per the option agreement dated 21st June, 2013 between the Company and Investor, the Company has received a deposit of ₹ 850 lacs and has restricted its right to sale /develop/ transfer / mortgage/ offer as security/ encumber or create any right on land admeasuring 6070 sq.mtr located at Bangalore.

** None of the items individually account for more than 10% of Total Sales Value of Traded Goods.

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

	As at 31 st March, 2014	As at 31 st March, 2013
N. TRADE RECEIVABLES (UNSECURED)		
(a) Over Six months from the due date		
Considered good		
From Others	134.11	78.45
Considered doubtful		
From Others	129.47	129.47
Less : Provision for doubtful debts	129.47	129.47
	<u>134.11</u>	<u>78.45</u>
(b) Others		
Considered good		
From Related Party	152.11	123.42
From Others	1050.40	1,252.97
	<u>1,336.62</u>	<u>1,454.83</u>
The details of Trade Receivables from related party is as under:		
Name of Party	Relation ship	
Alembic Limited	Associate	6.34
Alembic Pharmaceuticals Limited	Associate	83.79
Paushak Ltd.	Associate	61.98
		<u>152.11</u>
		<u>83.61</u>
		<u>39.34</u>
		<u>0.46</u>
		<u>123.42</u>
O. CASH AND BANK BALANCES		
Cash and cash equivalents		
(a) Balances with banks in Current Account	918.70	337.25
(b) Cash on hand	5.80	10.13
Other Bank Balances		
Deposits with bank Earmarked	11.49	10.89
	<u>935.98</u>	<u>358.28</u>
P. SHORT-TERM LOANS AND ADVANCES (UNSECURED, CONSIDERED GOOD)		
(a) Loans and advances to related parties	38.83	452.60
(b) Others		
1) Advance to Suppliers	1,418.32	697.85
2) Advance to Employees	5.74	8.37
3) Balance with Govt. departments	386.73	373.91
4) Prepaid expenses	25.40	15.78
5) Deposit	2.80	2.80
6) Advance Income Tax (Net of Provision)	540.99	433.26
7) Others	2.10	4.39
	<u>2,420.90</u>	<u>1,988.96</u>
The details of Loans & Advances to related party is as under:		
Name of Party	Relation ship	
Quick Flight Limited	Subsidiary	-
Alembic Limited	Associate	-
Sierra Investments Limited	Associate	38.83
		<u>38.83</u>
		<u>68.73</u>
		<u>233.74</u>
		<u>150.13</u>
		<u>452.60</u>
Q. OTHER CURRENT ASSETS		
Interest accrued but not due	0.17	2.88
	<u>0.17</u>	<u>2.88</u>

SHRENO LIMITED

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

	For the year ended 31 st March, 2014	For the year ended 31 st March, 2013
R. REVENUE FROM OPERATIONS :		
a Sale of products		
- Domestic	7,781.32	12,950.33
- Exports (Glassware)	384.57	42.42
	<u>8,165.89</u>	<u>12,992.75</u>
Sale of products (Domestic)		
Glassware		
- Manufactured	6,323.72	8,949.54
- Trading	250.46	814.44
Engineering Goods	1,207.14	3,186.35
	<u>7,781.32</u>	<u>12,950.33</u>
Sale of products (Exports)		
- Glassware	80.36	42.42
- Engineering Goods	304.21	-
	<u>384.57</u>	<u>42.42</u>
b Revenue from Services		
Works Contract	165.16	45.67
Construction Revenue	4,895.58	6,361.26
Chartering Revenue	203.00	60.84
	<u>5,263.74</u>	<u>6,467.78</u>
c Revenue from other Operation		
Rent	241.15	198.35
Other Operating Income	103.80	186.73
Export Incentives	-	0.04
	<u>344.95</u>	<u>385.12</u>
	<u><u>13,774.58</u></u>	<u><u>19,845.66</u></u>
S. OTHER INCOME :		
Dividend	504.30	262.25
Interest	2.55	13.89
Rent	49.08	27.63
Exchange Gain (Net)	26.70	-
Profit on Sale of Assets (Net)	97.16	0.21
Other Non Operating Income	4.78	9.23
	<u>684.57</u>	<u>313.22</u>
T. CONSTRUCTION EXPENSES:		
Expenses during the year		
Land	16,692.52	-
Direct Construction Expenses	4,472.72	4,524.71
Administrative Expense	178.43	118.30
Advertisement and Publicity Expenses	98.48	195.28
Legal & Professional Expenses	384.01	218.13
	<u>21,826.16</u>	<u>5,056.42</u>

NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

	For the year ended 31 st March, 2014	For the year ended 31 st March, 2013
U. COST OF MATERIAL CONSUMED:		
Inventory at the beginning of the year	715.43	615.96
Add : Purchases	1,736.49	2,543.53
	<u>2,451.92</u>	<u>3,159.49</u>
Less : Inventory at the end of the year	590.86	715.43
	<u>1,861.05</u>	<u>2,444.07</u>
<u>Details of Material Consumed</u>		
Glass Division		
- Soda Ash	377.94	651.29
- Lime Powder	36.21	66.92
- Quartz Sand	152.85	278.38
- Others*	164.47	233.27
Total	<u>731.48</u>	<u>1,229.86</u>
Engineering Division		
- Iron & Steel Casting, Plates, Rods, etc.	553.07	398.66
- Pipes & Pipes Fittings	40.98	54.69
- Electrodes	37.81	47.89
- Components	12.67	52.70
- Others*	485.04	660.27
	<u>1,129.58</u>	<u>1,214.20</u>
TOTAL	<u>1,861.05</u>	<u>2,444.07</u>
* None of the items individually account for more than 10% of total consumption		
V. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS:		
Inventory at the end of the year		
Real Estate Project	21,740.58	3,637.23
Work in Process	1,029.80	533.43
Immovable Assets	675.00	675.00
Finished Goods	2,281.63	2,550.07
	<u>25,727.02</u>	<u>7,395.73</u>
Inventory at the beginning of the year		
Real Estate Project	3,637.23	3,725.30
Work in Process	533.43	785.67
Immovable Assets	675.00	675.00
Finished Goods	2,550.07	2,668.13
	<u>7,395.73</u>	<u>7,854.11</u>
	<u>(18,331.28)</u>	<u>458.37</u>
Add:Excise Duty Payable on Finished Goods:		
Closing Stock	198.64	203.91
Opening Stock	203.91	161.52
	<u>(5.27)</u>	<u>42.39</u>
	<u>(18,336.55)</u>	<u>500.76</u>
W. EMPLOYEE BENEFIT EXPENSE:		
Salaries and Wages	1,981.98	2,083.84
Contribution to Provident and other funds	170.70	202.75
Staff welfare expense	124.76	101.76
	<u>2,277.45</u>	<u>2,388.34</u>

SHRENO LIMITED**NOTES TO FINANCIAL STATEMENTS**

(₹ in Lacs)

	For the year ended 31st March, 2014	For the year ended 31st March, 2013
X. <u>OTHER EXPENSES:</u>		
Stores & Spares Consumed	249.89	277.43
Packing Materials Consumed	1,212.37	1,657.07
Power & Fuel	1,772.04	1,858.89
Repairs & Maintenance :		
Building	30.46	33.42
Machineries	137.71	312.82
Others	26.70	38.25
Job Work Charges	100.56	178.87
Insurance	34.80	35.80
Rates & Taxes	86.81	102.59
Rent	2.79	14.24
Freight and Forwarding Charges	311.61	1,000.60
Stationery, Postage & Subscription	37.73	56.05
Legal & Professional Fees	155.30	185.05
Payment to Auditor		
Audit fee	2.50	2.10
Tax Audit Fee	0.75	0.65
Other Services	-	1.07
Travelling and Conveyance	143.80	169.58
Commission & Discount on Sales	50.25	352.41
Publicity Expenses	104.78	254.76
Directors' Sitting Fees & Travelling	1.05	1.12
Miscellaneous Expenses	136.03	118.78
Exchange Loss (Net)	-	16.45
Provision for Doubtful Debts	0.45	-
Bad Debts written off	5.20	0.02
	<u>4,603.58</u>	<u>6,668.05</u>
Y. <u>FINANCE COST</u>		
Bank charges	69.22	44.84
Interest Expense	944.10	488.04
	<u>1,013.32</u>	<u>532.87</u>

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

NOTE NO. Z

A) SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation of Financial Statements:

The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India. The applicable mandatory Accounting Standards notified under the Companies Act, 1956 read with the general circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and requirements of the Companies Act, 1956 and the Companies Act, 2013 (to the extent notified) of India have been followed in preparation of these financial statements.

b) Use of Estimates:

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from estimates. Differences between the actual results and the estimates are recognised in the period in which the same are known/materialised.

c) Revenue recognition:

i) Sales and Services

Revenue from sale of goods and services is recognised when the significant risks and rewards in respect of ownership are transferred by the Company inclusive of excise duty net of VAT/Sales Tax/Service Tax. In case of Aviation Business Operating Income is recognised on flow basis i.e. when the service is rendered.

ii) Revenue from Real Estate Projects is recognized based on sold areas as per the percentage completion method. The stage of completion is determined as per the proportion of the cost of construction and development actually incurred till reporting date and the total estimated cost of construction and development of the project. The total estimated cost of the project are estimated based on the technical and other estimates of saleable areas, costs, etc.

iii) Interest Income

Interest on investments is booked on a time proportion basis taking into account the amounts invested and the rate of interest.

iv) Dividend Income

Dividend income is recognised when the right to receive payment is established.

v) Other Income

Other income is recognized on accrual basis except when realisation of such income is uncertain.

vi) Insurance and other claims are recognised only when it is reasonably certain that the ultimate collection will be made.

d) Fixed Assets:

Fixed Assets are stated at cost, net of CENVAT/VAT credit, if any, after reducing accumulated depreciation until the date of the Balance Sheet. Direct cost are capitalised until the asset are ready for use and include financial cost relating to any borrowing attributable to acquisition.

In respect of Glass Furnaces, the original cost is capitalised in the year of installation and relining expenditure incurred for such furnaces are thereafter not capitalised. However cost incurred for rebuilding /reconstruction of such furnaces are capitalised as and when they are incurred.

Capital work in progress includes the cost of fixed assets that are not yet ready for the intended use and the cost of assets not put to use before the Balance Sheet Date.

e) Depreciation :

Depreciation on Plant and Machinery other than Furnaces has been provided on straight line method and on

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

all other Assets and Furnaces has been provided on written down value method as per the rates prescribed in Schedule XIV to the Companies Act, 1956. Depreciation on additions to the Fixed Assets is provided on pro-rata basis from the succeeding month in which the asset is put to use. Assets costing ₹ 5000/- or less are depreciated fully in the year of purchase.

Sample House and Site Office has been amortised over a period of four years.

f) Intangible Assets and Amortisation:

Intangible assets are recognized only if it is probable that future economic benefits that are attributable to the assets will flow to the enterprise and the cost of assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized over the estimated period of benefit, not exceeding ten years.

g) Impairment of assets:

The company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit & Loss. If at the Balance Sheet date, there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

h) Foreign Currency Transactions :

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the transactions. At the year end, all the monetary assets and liabilities denominated in foreign currency are restated at the closing exchange rates. Exchange differences resulting from the settlement of such transactions and from the translation of such monetary assets and liabilities are recognised in the Statement of Profit and Loss.

i) Inventories:

Inventories are valued at cost or net realizable value, whichever is lower. The basis of determining cost for various categories of inventories is as follows:

Inventories	Cost Formula
Raw Materials (including bought components)	At Weighted Average Cost
Stores, Spares and Packing Materials	At Weighted Average Cost
Work in Process and Factory made components	At cost plus appropriate share of labour, manufacturing overheads
Finished Goods	At cost plus appropriate share of labour, manufacturing overheads and inclusive of Excise duty thereon
Stock in trade	At landed cost
Immovable Property	At cost
Construction work in progress	Construction work in progress includes cost of land, constructions costs and other overheads and is valued at lower of cost or net realisable value.

j) Investments:

Investments are either classified as current or long term based on the management contention at the time of purchase. Long term investments are shown at cost. However, when there is decline, other than temporary in the value of long term investment, the carrying amount is reduced to recognise the decline. Current investments are stated at lower of cost or market value.

k) Employee benefits:

a) Post-employment benefits

i) Defined Contribution plan

The Company's contribution to defined contribution plan paid/payable for the year is charged to Statement of Profit and Loss.

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

ii) Defined Benefit plan

Company's liabilities towards defined benefit schemes are determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period of occurrence of such gains and losses. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise it is amortised on straight-line basis over the remaining average period until the benefits become vested.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by fair value of plan assets.

b. Short-term employee benefits

Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised undiscounted during the period employee renders services. These benefits include salary, wages, bonus and performance incentives etc.

c. 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 services are recognized as an actuarially determined liability at present value of the defined benefit obligation at the balance sheet date.

l) Leases:

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss on accrual basis.

Assets leased out under operating leases are capitalized. Rental income is recognized on accrual basis over the lease term.

m) Taxes on Income:

The provision for taxation is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income-tax Act, 1961.

Deferred tax assets and liabilities are recognized on timing differences, being the difference between taxable income and accounting income, that originate in one period and are capable of reversal in one or more subsequent periods using tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets, other than on unabsorbed depreciation and carried forward losses, are recognised only if there is reasonable certainty that they will be realised in the future. Deferred tax assets in respect of unabsorbed depreciation and carry forward losses are recognized if there is virtual certainty that there will be sufficient future taxable income available to realize such losses. Deferred Tax assets are reviewed at each balance sheet date for their realisability.

n) Provisions, Contingent Liabilities and Contingent Assets:

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are neither recognised nor disclosed.

o) Borrowing Costs:

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of such assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expense in the period in which they are incurred.

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

B) NOTES TO ACCOUNTS

1. Estimated amount of contract remaining to be executed and not provided for (Net of Advances) is ₹ 212.97 lacs (P.Y. ₹ 333.07 lacs).
2. Contingent Liabilities not provided in respect of: (₹ in Lacs)

Particulars	As at 31 st March 2014	As at 31 st March 2013
Sales Tax Demand in appeal	6.44	75.72
Excise duty, Service Tax and Custom duty in appeal	37.59	7.31
Custom Duty (Aviation Undertaking)	1,757.38	1,757.38
Income Tax	143.75	101.09
Income Tax (Aviation Undertaking)	-	0.36
Arrears of Dividend on 9% 12,00,000 Non-Convertible Preference Shares of ₹ 100/- each.	702.30	594.30
Bank Guarantees and Letter of Credit	123.81	248.42
Claims against the company not acknowledged as debt.	4,594.53	6.16

3. Segment Reporting :
The primary information as required under Accounting Standards -17 are given as per **Annexure-A**.
4. The Company is in the process of identifying the supplier, if any, covered under the Micro and Small enterprise as defined under Micro, Small and Medium Enterprise Development Act, 2006. Due to non-availability of data, the details required have not been furnished.
5. The Company has Co-Ownership Agreement for Aircraft with Elecon Engineering Co. Limited (up to December'13) which were holding 25% undivided interest, and Alembic Pharmaceuticals Limited which hold 50% undivided interest.

The Aircraft usage expenses have been distributed amongst Co-owners as decided between the parties in the Master Services Agreement. The Earning & Fixed cost has been shared by co-owner in the ratio of their ownership. The annual fixed costs of operation of the Aircraft as well as reimbursed fixed expenses are credited to respective expense.

6. Employee Benefits :

- (i) Defined contribution plans

The Company has recognised an amount of ₹ 99.12 Lacs (P.Y ₹ 91.79 lacs) as expenses under the defined contribution plan in the Statement of Profit and Loss for the year ended 31st March, 2014.

- (ii) Defined benefit plan

The Company recognises the liability towards the gratuity at each balance sheet date.

The Company makes annual contributions to the Employees' Group Gratuity of the LIC, a funded defined benefit plan for employees of the Company. The scheme provides for payment to vested employees as under:

- a) On Normal retirement/ early retirement/ withdrawal/resignation:
As per the provisions of Payment of Gratuity Act, 1972 with vesting period of 5 years of service.
- b) On death in service:
As per the provisions of Payment of Gratuity Act, 1972 without any vesting period.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity and leave encashment were carried out at 31st March, 2014 by an actuary. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

The following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at 31st March, 2014.

(₹ in Lacs)

Sr. No.	Particulars	Gratuity (Funded)	
		As on 31.03.2014	As on 31.03.2013
I	Reconciliation in present value of obligations (PVO) – defined benefit obligation :		
	PVO at the beginning of the year	417.87	358.94
	Current Service Cost	26.88	26.12
	Interest Cost	31.61	28.55
	Actuarial (gain) / losses	9.71	50.36
	Benefits paid	55.36	46.10
	Past service cost	-	-
	PVO at end of the year	430.70	417.87
II	Change in fair value of plan assets :		
	Expected return on plan assets	32.76	29.39
	Actuarial gain/(losses)	1.11	3.19
	Contributions by the employer	72.01	40.00
	Benefits paid	55.36	46.09
	Fair value of plan assets at beginning of the year	345.86	319.37
	Fair value of plan assets at end of the year	394.15	345.86
III	Reconciliation of PVO and fair value of plan assets:		
	PVO at end of period	430.70	417.87
	Fair Value of planned assets at end of year	394.15	345.86
	Unrecognised actuarial gain/ (loss)	-	-
	Funded status	(36.55)	(72.01)
	Net asset/ (liability) recognised in the balance sheet	(36.55)	(72.01)
IV	Net cost for the year ended:		
	Current Service cost	26.88	26.12
	Interest cost	31.61	28.55
	Expected return on plan assets	32.76	29.39
	Actuarial (gain) / losses	10.82	47.17
	Net cost	36.55	72.45
V	Category of assets as at:		
	Insurer Managed Funds (100%)	100%	100%
VI	Actual return on the plan assets	31.65	29.74
VII	Assumption used in accounting for the gratuity plan:		
	Discount rate (%)	9.10%	8.10%
	Salary escalation rate (%)	4.75%	4.00%
	Expected rate of return on plan assets	9.25%	9.25%

Experience Adjustment:

(₹ in Lacs)

Particulars	2013-14	2012-13	2011-12	2010-11	2009-10
On Plan Liabilities	15.57	40.74	18.95	*	*
On Plan Assets	1.11	0.35	2.64	*	*

*In absence of availability, relevant information on the experience adjustment on plan liabilities and on plan assets has not been furnished above.

7. Basic and diluted earnings per share (EPS) is calculated as under:

(₹ in Lacs)

	Year Ended 31 st March, 2014	Year Ended 31 st March, 2013
Profit/ (Loss) after tax	(285.08)	697.07
Less: Adjustment for Preference Shares Dividend	108.00	143.00
Profit/ (Loss) attributable to Equity Shareholders	(393.08)	554.07
Weighted average number of Equity Shares	45.04	45.04
Basic & Diluted EPS (In ₹) (Face value per share ₹ 100/- each)	(8.73)	12.30

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

8. Related Party Disclosures:

Disclosures as required by Accounting Standard - 18 are given below:

Name of Related Parties	Nature of Relationship
1. AGI Developers Ltd.	Subsidiary
2. Quick Flight Ltd.	Subsidiary
3. Alembic Pharmaceuticals Ltd.	Associate
4. Alembic Ltd.	Associate
5. Paushak Ltd.	Associate
6. Nirayu Private Ltd.	Associate
7. Viramya Packlight Ltd.	Associate
8. Sierra Investments Ltd.	Associate
9. Rakshak Services Pvt. Ltd.	Associate
10. Mr. C. R. Amin	Key Management Personnel
11. Mrs. M. C. Amin	Key Management Personnel
12. Ms. Y. R. Amin	Key Management Personnel
13. Mr. Rasesh Shah	Key Management Personnel upto 14 th Sep., 2012
14. Mr. Nitin Bhawe	Key Management Personnel w.e.f 1 st Oct., 2012
15. Mrs. Shreya Mukherjee	Relative of Key Management Personnel

(₹ in Lacs)

Nature of Transaction	Subsidiary	Associates	Key Mgt. personnel	Relatives of Key Mgt. Personnel	Total
Transaction during the year					
Purchase of Goods	8.55 (12.13)	618.71 (736.22)	- -	- -	627.23 (748.35)
Sale of Goods	- -	1,018.27 (1,165.58)	- -	- -	1,018.27 (1,165.58)
Purchase of Assets	- -	- (1.01)	- -	- -	- (1.01)
Sale of Assets	-	42.33 -	-	-	42.33 -
Rendering of services	-	737.63 (241.04)	-	-	737.63 (241.04)
Receiving of services	- (0.03)	368.01 (496.59)	6.00 (6.00)	7.49 (6.74)	381.50 (509.36)
Interest Paid	- -	135.29 (299.17)	- -	- -	135.29 (299.17)
Interest Received	- -	1.95 (1.95)	- -	- -	1.95 (1.95)
Dividend Received	- -	503.08 (262.23)	- -	- -	503.08 (262.23)
Advance Given for Capital Asset	- -	42.11 -	- -	- -	42.11 -
Deposit Taken	- -	5,157.50 (2,435.00)	- -	- -	5,157.50 (2,435.00)
Repayment of Deposit Taken	- -	4,322.50 (5,425.00)	- -	- -	4,322.50 (5,425.00)

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

Nature of Transaction	Subsidiary	Associates	Key Mgt. personnel	Relatives of Key Mgt. Personnel	Total
Deposit Given	- (250.00)	- -	- -	- -	- (250.00)
Repayment of Deposit Given	68.73 -	- -	- -	- -	68.73 -
Purchase of Aviation Undertaking	- (1,435.82)	- -	- -	- -	- (1,438.82)
Reimbursement of Expenses Received	0.14 (0.17)	- (0.12)	- -	- -	0.14 (0.29)
Reimbursement of Expenses Paid	- -	13.06 (319.40)	- (0.56)	- -	13.56 (319.96)
Managerial Remuneration	- -	- -	99.57 (40.05)	- -	99.57 (40.05)
Balances as on 31st March					
Balance Receivable/Advance Paid	- -	233.05 (507.28)	- -	- -	233.05 (507.28)
Balance Payable/Advance Received	0.66 (4.12)	1,271.92 (268.08)	- (0.56)	- (0.51)	1,221.92 (273.27)
Unsecured Loan Taken	- -	- (15.00)	- -	- -	- (15.00)
Unsecured Loan Given	- (68.73)	- -	- -	- -	- (68.73)

(Figures for the previous year are indicated in brackets)

9. Accounting Standard (AS-19) on Operating Leases

- a) The Company has given certain premises under operating lease on leave and license agreement. These are generally not non-cancellable and range between eleven months to three years under leave and license and are renewable by mutual consent on mutually agreeable terms. The Company has obtained refundable interest free security deposits in accordance with the agreed terms. Rent Income is recognized in the Statement of Profit and Losses "Rent Income" under Note –R and S.
- (b) Lease Payments are recognized in the Statement of Profit and Loss as "Rent" under Note –I.

10. Additional Details

- (a) Traded goods consist of Glassware items.
(b) Value of Imported and Indigenous consumption:

- i) Consumption of Raw Material:

(₹ in Lacs)

	2013-14		2012-13	
Imported	5.18 %	96.39	12.60 %	307.83
Indigenous	94.82 %	1,764.66	87.40 %	2,136.23
Total	100.00 %	1,861.05	100.00 %	2,444.07

- ii) Consumption of Stores and Spares:

(₹ in Lacs)

	2013-14		2012-13	
Imported	3.00 %	7.50	1.58 %	4.40
Indigenous	97.00 %	242.39	98.42 %	273.04
Total	100.00 %	249.89	100.00 %	277.43

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

c) CIF Value of Imports: (₹ in Lacs)

	2013-14	2012-13
i) Raw Materials	85.52	81.98
ii) Consumables, Stores and Spares	4.99	7.21
iii) Capital Goods	99.49	5.88
Total	187.00	95.07

d) Expenditure in Foreign currencies on account of: (₹ in Lacs)

	2013-14	2012-13
i) Travelling	23.47	18.44
ii) Consultancy Fees	-	2.74
iii) Technical Fees	1.62	28.06
iv) Legal & Professional Fees	70.72	7.79
v) Repairs & Maintenance	190.51	324.51
vi) Others	63.82	-
Total	350.14	381.55

e) Earnings in Foreign currencies on account of: (₹ in Lacs)

	2013-14	2012-13
i) FOB value of Exports	315.95	8.72
ii) Settlement claim Received	77.75	-
Total	393.70	8.72

f) Remittance in foreign currency on account of dividend:
The Company has paid dividend in respect of shares held by Non-Residents as follows. (₹ in Lacs)

	2013-14	2012-13
i) Number of Non Resident Shareholders	1	-
ii) Number of Preference Shares held by them	7,00,000	-
iii) Amount of Dividend Paid (₹ lacs)	245.00	-
iv) Year to which dividend relates	2008-14	-

- The value of realisation of Current Assets other than Fixed Assets and Non-current investments in the ordinary course of business will not be less than the value at which they are stated in the Balance Sheet.
- The balances of Trade Receivable and Trade Payable are subject to confirmation, reconciliation and consequential adjustments, if any.
- The company has net deferred tax assets on account of unabsorbed depreciation and business losses. In the absence of virtual certainty and convincing evidence of sufficient future taxable income, net deferred tax asset as at 31st March, 2014 is not recognised.
- Additional information pursuant to the provisions of paragraph 5 of part II of Schedule VI (Revised) to the Companies Act, 1956 are furnished to the extent applicable to the company.
- Previous year Figures are not comparable on account of the Composite Scheme of Arrangement for demerger and transfer of the Aviation Undertaking of Quick Flight Limited (a 100% Subsidiary of Shreno Limited) to Shreno Limited, with effect from 1st October, 2012
- Previous year figures are regrouped, reclassified and rearranged wherever necessary.

As per our report of even date attached

For K. C. Mehta & Co.

Chartered Accountants

Vishal P. Doshi

Partner

Membership No. 101533

Vadodara

Date: 2nd May, 2014

For and on behalf of the Board

Chirayu R. Amin

Chairman

Malika C. Amin

Yera R. Amin

Mayur Jadeja

C. R. Mukherjee

Nitin V. Bhawe

Directors

Manisha Kathed

Company Secretary

Vadodara

Date: 2nd May, 2014

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

ANNEXURE A

Segment Reporting

(₹ in Lacs)

PARTICULARS	GLASS		ENGINEERING		REAL ESTATE		AVIATION		TOTAL	
	Mar - 14	Mar - 13	Mar - 14	Mar - 13	Mar - 14	Mar - 13	Mar - 14	Mar - 13	Mar - 14	Mar - 13
Revenue										
Revenue from Operations	6,748.79	9,921.47	1,651.80	3,270.84	5,170.98	6,592.51	203.00	60.84	13,774.58	19,845.67
Less: Excise Duty	639.04	891.15	117.77	205.55	-	-	-	-	756.81	1,096.70
Sales Net	6,109.75	9,030.32	1,534.03	3,065.29	5,170.98	6,592.51	203.00	60.84	13,017.77	18,748.97
Other Income	12.62	20.81	36.80	1.19	129.10	27.03	0.08	-	178.60	49.03
Unallocated Other Income	-	-	-	-	-	-	-	-	505.97	264.18
Total Revenue	6,122.37	9,051.13	1,570.82	3,066.48	5,300.09	6,619.54	203.08	60.84	13,702.34	19,062.19
Result										
Segment Result (Profit(+) / Loss(-) before tax, interest & Non-recurring Expenses)	(638.29)	74.36	161.26	600.80	1,481.53	1,348.24	(5.23)	(289.46)	999.28	1,733.94
Less:										
Financial Cost	727.67	457.37	128.46	56.13	155.62	0.02	1.58	7.43	1,013.32	520.95
Depreciation	224.83	257.86	87.65	77.26	118.55	121.02	308.72	167.75	739.74	623.88
Less:										
Tax Expenses									2.67	125.20
Unallocated Expenses									34.59	31.03
Add:										
Unallocated Income									505.97	264.18
Net Profit/ Loss	(1,590.78)	(640.87)	(54.84)	467.42	1,207.37	1,227.21	(315.53)	(464.64)	(285.08)	697.07
Other Information										
Segment Asset	6,996.68	8,021.57	3,230.72	2,671.43	27,163.81	7,994.52	2,374.97	2,374.35	39,766.18	21,061.86
Segment Liabilities	2,290.47	3,349.33	1,424.25	727.98	2,508.26	3,474.49	239.85	43.91	6,463.02	7,595.70
Unallocable Assets									3,023.90	2,863.50
Unallocable Liabilities									-	-
Total Capital Employed	4,706.22	4,672.24	1,806.27	1,943.45	14,312.60	4,520.03	2,135.12	2,330.44	16,192.40	10,829.55
Capital Expenditure	17.83	147.53	177.14	963.73	22.69	55.23	303.58	863.02	521.24	2,029.51
Non Cash Expenses (Other than Depreciation)	4.46	-	0.84	16.27	0.35	-	-	-	5.65	16.27

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT,1956 RELATING TO SUBSIDIARY COMPANIES

	Name of the Subsidiary	AGI DEVELOPERS LIMITED
1	Accounting year of the Subsidiary ended on	31 st March, 2014
2	Share of the Subsidiary held by the Company on above date.	
	(a) Number	50,000
	(b) Extent of holding	100 %
3	Net aggregate amount of profit of the subsidiary for above accounting period, of the subsidiary so far as they concern the members of company:	
	(a) dealt with in account of the Company for the year ended 31 st March, 2014	Nil
	(b) not dealt with in the accounts of the Company for the year ended 31 st March, 2014	2,778
4	Net aggregate amount of the profit for previous financial year of the subsidiary, since it becomes a subsidiary so far as they concern members of the Company :	
	(a) dealt with in account of the Company for the year ended 31 st March, 2013	Nil
	(b) not dealt with in the accounts of the Company for the year ended 31 st March, 2013	7,657

For and on behalf of the Board
Chirayu R. Amin Chairman
Malika C. Amin
Yera R. Amin
Mayur Jadeja
C. R. Mukherjee
Nitin V. Bhave } Directors
Manisha Kathed Company Secretary
Vadodara
Date: 2nd May, 2014

DIRECTORS' REPORT

To,
The Members

Your Directors have pleasure in presenting their Tenth Report on the working of the Company together with the Audited Annual Accounts for the year ended on 31st March, 2014.

1. FINANCIAL RESULTS

The Company has made a net profit of ₹ 0.03 lacs for the period under review as compared to net profit of ₹ 0.08 lacs for the previous year ended on 31st March, 2013.

2. DIVIDEND

In view of carried forward losses, your Directors do not recommend dividend for the year ended on 31st March, 2014.

3. OPERATIONS

There were no operations carried out by the Company during the period under review.

4. FIXED DEPOSIT

The Company has not accepted any fixed deposit from public and shareholders during the period under review.

5. ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

The Company has not commenced any operations during the period and hence, information relating to energy conservation, technology absorption and foreign exchange earnings and outgo are not given.

6. PARTICULARS OF EMPLOYEES

During the period under review, there is no employee in respect of whom information as per Section 217(2A) of the Companies Act, 1956 is required to be given in the Directors' Report.

7. DIRECTORS

Mr. C. R. Amin retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment. Your Directors recommend his re-appointment in the ensuing Annual general Meeting.

8. AUDITORS

As per the provisions of Companies Act, 2013 and rules made thereunder, the Statutory Auditors are required to be appointed for a term of five consecutive years and the appointment is to be ratified at every Annual General Meeting.

M/s. K. C. Mehta & Co., Chartered Accountants, the Statutory Auditors of the Company, will retire at the conclusion of the ensuing Annual General Meeting and have given their consent confirming that their appointment, if made, would be in accordance with the provisions of Section 139 and 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014.

Your Directors recommend their appointment as the Statutory Auditors of the Company from the conclusion of ensuing Annual General Meeting upto the conclusion of sixth Annual General Meeting, considering this Annual General Meeting as first and to authorize the Board of Directors to fix their remuneration.

9. DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with the Companies Act, 1956, the Directors state that:

- i) in the preparation of the annual accounts for the year, the applicable accounting standards have been followed.
- ii) accounting policies as listed in the 'Note - I' to the financial statements have been selected and consistently applied and reasonable and prudent judgements and estimates have been made so as to give a true and fair view of the state of affairs of the Company as on March 31, 2014 and of the profit for the year ended on that date;
- iii) proper and sufficient care for maintenance of adequate accounting records has been taken in accordance with the provisions of the Act so as to safeguard the assets of the Company and to prevent and detect fraud and other irregularities;
- iv) the annual accounts have been prepared on a "going concern" basis.

By order of the Board

Place: Vadodara
Date: 2nd May, 2014

Chirayu R. Amin
Chairman

AGI DEVELOPERS LIMITED

INDEPENDENT AUDITORS' REPORT

To,
The Members of
AGI DEVELOPERS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **AGI Developers Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these 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 Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
 2. As required by section 227(3) of the Act, we report that:
 - (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
-

INDEPENDENT AUDITORS' REPORT

- (c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013; and
- (e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For K. C. Mehta & Co.
Chartered Accountants
Firm's Registration No. 106237W

Vishal P. Doshi
Partner
Membership No. 101533
Place: Vadodara
Date: 2nd May, 2014

ANNEXURE TO THE AUDITORS' REPORT

The annexure referred to in our report to the members of **AGI Developers Limited** ("the Company") for the year ended 31st March, 2014. We Report that:

- i. The Company does not have fixed assets and therefore, the provisions of Clause (i) of the Order are not applicable to the Company.
 - ii. The Company does not have any inventory and therefore, the provisions of Clause (ii) of the Order are not applicable to the Company.
 - iii. The Company has not granted/taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 and therefore, the provisions of Clause (iii) of the Order are not applicable to the Company.
 - iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and nature of its business. Further on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have been informed of any instance of major weaknesses in the aforesaid internal control system.
 - v. In our opinion and according to the information and explanations given to us, there are no contracts or arrangements, the particulars of which need to be entered into the register maintained under section 301 of the Companies Act, 1956 and therefore, the provisions of Clause(v) (a) and (b) of the Order are not applicable to the Company.
 - vi. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year from the public within the meaning of provisions of section 58A and 58AA of the Companies Act, 1956 and the rules framed there under and therefore, the provisions of Clause (vi) of the Order are not applicable to the Company.
 - vii. In our opinion and according to the information and explanations given to us, the company is not a listed company and its paid up capital is not exceeding 50 lakhs as at the commencement of financial year concerned, nor does it have an average annual turnover exceeding ₹ 5 crore for a period of three consecutive years immediately preceding the financial year concerned and therefore, the provisions of Clause (vii) of the Order are not applicable to the Company.
 - viii. In our opinion and according to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for any of the products of the Company and therefore, the provisions of Clause (viii) of the Order are not applicable to the Company.
-

INDEPENDENT AUDITORS' REPORT

- ix. a. In our opinion and according to the information and explanations given to us, the company has been regular in depositing with appropriate authorities undisputed statutory dues, including income-tax, and other material statutory dues applicable to it. Further, no undisputed amounts payable in respect of income tax and other material statutory dues were in arrears, as at 31st March, 2014 for a period of more than six months from the date they become payable.
- b. According to the information and explanations given to us, there are no disputed dues in respect of Income tax which have not been deposited.
- x. In our opinion, the company's accumulated losses are less than fifty percent of its net worth and it has not incurred any cash losses in the financial year covered by our audit and in the immediately preceding financial year.
- xi. In our opinion and according to the information and explanations given to us, the Company does not have any dues to a financial institution, bank or debenture holders and therefore the provisions of Clause (xi) of the Order are not applicable to the Company.
- xii. In our opinion, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities and therefore, the provisions of Clause (xii) of the Order are not applicable to the Company.
- xiii. In our opinion and according to information and explanations given to us, the company is not a chit fund or a nidhi / mutual benefit fund society and therefore, the provisions of Clause (xiii) of the Order are not applicable to the Company.
- xiv. In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments and therefore, the provisions of Clause 4(xiv) of the Order are not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions and therefore, the provisions of Clause (xv) of the Order are not applicable to the Company.
- xvi. In our opinion, the Company did not have any term loans outstanding during the year and therefore, the provisions of Clause (xvi) of the Order are not applicable to the Company.
- xvii. In our opinion, the Company has not raised any funds on short term basis and therefore, the provisions of Clause (xvii) of the Order are not applicable to the Company.
- xviii. The company has not made any preferential allotment of shares to companies / firms / parties covered in the register maintained under section 301 of the Companies Act, 1956 and therefore, the provisions of Clause (xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us, during the period of audit the Company has not issued any secured debentures and therefore, the provisions of Clause(xix) of the Order are not applicable to the Company.
- xx. The company has not raised any money by public issues during the year and therefore, the provisions of Clause (xx) of the Order are not applicable to the Company.
- xxi. In our opinion and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For K. C. Mehta & Co.
Chartered Accountants
Firm's Registration No. 106237W

Vishal P. Doshi
Partner
Membership No. 101533
Place: Vadodara
Date: 2nd May, 2014

BALANCE SHEET AS AT 31ST MARCH, 2014

	Note No.	As at 31 st March, 2014 (₹)	As at 31 st March, 2013 (₹)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	A	5,00,000	5,00,000
(b) Reserves and Surplus	B	(66,562)	(69,340)
(2) Current Liabilities			
(a) Other current liabilities	C	11,236	11,236
(b) Short-term provisions	D	700	-
Total		4,45,374	4,41,896
II. ASSETS			
(1) Current assets			
(a) Cash and Cash equivalents	E	4,31,076	4,40,720
(b) Short-term loans and advances	F	1,176	1,176
(c) Other Current Assets	G	13,122	-
Total		4,45,374	4,41,896

Significant accounting policies and notes to the Accounts

As per our report of even date attached
For K. C. Mehta & Co.
 Chartered Accountants

For and on behalf of the Board
Chirayu R. Amin Chairman

Vishal P. Doshi
 Partner
 Membership No. 101533
 Vadodara, 2nd May, 2014

Shaunak C. Amin }
Nitin V. Bhavé } Directors

Vadodara, 2nd May, 2014

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2014

	Note No.	For the year ended 31 st March, 2014 (₹)	For the year ended 31 st March, 2013 (₹)
I. Other Income	H	17,048	26,952
Total Revenue		17,048	26,952
II. Expenses:			
Other expenses	I	13,570	17,492
Total Expenses		13,570	17,492
III. Profit before tax		3,478	9,460
IV. Tax expense:			
Current tax		700	1,803
V. Profit for the year (III-IV)		2,778	7,657
VI. Earning per equity share: (Face Value: ₹ 10/- each)			
(1) Basic & Diluted		0.06	0.15

Significant accounting policies and notes to the accounts

As per our report of even date attached
For K. C. Mehta & Co.
 Chartered Accountants

For and on behalf of the Board
Chirayu R. Amin Chairman

Vishal P. Doshi
 Partner
 Membership No. 101533
 Vadodara, 2nd May, 2014

Shaunak C. Amin }
Nitin V. Bhavé } Directors

Vadodara, 2nd May, 2014

AGI DEVELOPERS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2014

Amount in ₹

	For the year ended on 31 st March, 2014	For the year ended on 31 st March, 2013
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit/(Loss) before tax from continuing operations	3,478	9,460
Non-Cash adjustment to reconcile profit before tax to net cash flows	-	-
Operating profit before changes in working capital	3,478	9,460
Movements in working capital Changes		
Increases/(decrease) in Trade Payables and Other Payables	-	(12,736)
Increases/(decrease) in loans & advances	(13,122)	-
Net Cash flow from (used in) operations	(9,644)	(3,276)
Direct Taxes Paid (Net of Refunds)	-	(2,879)
NET CASH INFLOW FROM / (USED IN) OPERATING ACTIVITIES (A)	(9,644)	(6,155)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
NET CASH UTILISED IN INVESTING ACTIVITIES (B)	-	-
C. CASH FLOW FROM FINANCIAL ACTIVITIES:		
NET CASH FLOW FROM / (USED IN) IN FINANCIAL ACTIVITIES (C)	-	-
Net increase in Cash & Cash equivalents	(9,644)	(6,155)
Cash & Cash equivalents as at the beginning of the year	4,40,720	4,46,875
Cash & Cash equivalents as at the year end	4,31,076	4,40,720
Notes:		
1. Cash and Cash equivalents comprise:		
Cash in hand	-	-
Balance with Scheduled and Other banks	4,31,076	4,40,720
Cash & Cash equivalents as at the year end	4,31,076	4,40,720
2. Previous year figures have been regrouped wherever necessary.		

As per our report of even date attached
For K. C. Mehta & Co.
Chartered Accountants

Vishal P. Doshi
Partner
Membership No. 101533
Vadodara, 2nd May, 2014

For and on behalf of the Board
Chirayu R. Amin Chairman

Shaunak C. Amin }
Nitin V. Bhave } Directors

Vadodara, 2nd May, 2014

NOTES TO FINANCIAL STATEMENTS

	As at 31st March, 2014 (₹)	As at 31st March, 2013 (₹)
A. SHARE CAPITAL :		
(a) Share capital consists of the following:		
Authorised		
50,000 Equity shares of ₹10/- each	5,00,000	5,00,000
	5,00,000	5,00,000
Shares issued, subscribed and fully paid :		
50,000 Equity shares of ₹10/- each	5,00,000	5,00,000
	5,00,000	5,00,000
(b) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :		
	31st March 2014	31st March 2013
	Numbers	Amount in ₹
At the beginning of the period	50,000	5,00,000
Issued during the period	-	-
Outstanding at the end of the period	50,000	5,00,000
	Numbers	Amount in ₹
	50,000	5,00,000
(c) The rights, preferences and restrictions including restrictions on the distribution of dividends and the repayment of capital :		
Equity Share Capital		
The company is having only one class of Equity shares i.e. Ordinary Equity carrying a nominal value of ₹ 10/- per share.		
Every holder of the equity share of the Company is entitled to one vote per share held.		
In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company after the distribution / repayment of all creditors. The distribution to the equity shareholders will be in proportion of the number of shares held by each shareholder		
The declaration of dividend, if any on the equity shares shall be in Indian Rupees. Dividend, if any, would be proposed by the Board of Directors subject to approval of the shareholders at the ensuing Annual General Meeting.		
(d) Shares held by holding company are as under:		
Particulars	31st March 2014	31st March 2013
	Numbers	% held
Holding Company	Numbers	% held
Shreno Limited	50,000	100.00%
	50,000	100.00%
(e) Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held:		
Equity Share Capital		
	31st March 2014	31st March 2013
	Numbers	% held
	Numbers	% held
1 Shreno Limited	50,000	100.00%
	50,000	100.00%

AGI DEVELOPERS LIMITED

NOTES TO FINANCIAL STATEMENTS

	As at 31 st March, 2014 (₹)	As at 31 st March, 2013 (₹)
B. RESERVES AND SURPLUS		
(a) Surplus / (deficit) in the Statement of Profit and Loss		
Balance as per last financial statements	(69,340)	(76,997)
Profit for the year	2,778	7,657
Net Surplus in the Statement of Profit and Loss	<u>(66,562)</u>	<u>(69,340)</u>
Total Reserves and Surplus	<u>(66,562)</u>	<u>(69,340)</u>
C. OTHER CURRENT LIABILITIES		
Other payables (specify nature)	11,236	11,236
Expenses Payable	<u>11,236</u>	<u>11,236</u>
D. SHORT-TERM PROVISIONS		
Provision for taxation (Net of Advance tax)	700	-
	<u>700</u>	<u>-</u>
E. CASH AND CASH EQUIVALENTS		
Cash and cash equivalents consists of		
Balances with banks in		
Current Account	46,076	55,720
Deposit Account	3,85,000	3,85,000
	<u>4,31,076</u>	<u>4,40,720</u>
F. SHORT-TERM LOANS AND ADVANCES (UNSECURED, CONSIDERED GOOD)		
Advance Income Tax (Net of Provision)	1,176	1,176
	<u>1,176</u>	<u>1,176</u>
G. OTHER CURRENT ASSET		
Accrued Interest	13,122	-
	<u>13,122</u>	<u>-</u>
	For the year ended 31st March, 2014 (₹)	For the year ended 31st March, 2013 (₹)
H. OTHER INCOME		
Interest	17,048	26,952
	<u>17,048</u>	<u>26,952</u>
I. OTHER EXPENSES		
Rates & Taxes	614	918
Professional Fees	1,686	5,338
Bank Charges	34	-
Payment to Auditor		
- Audit fees	11,236	11,236
	<u>13,570</u>	<u>17,492</u>

NOTES TO FINANCIAL STATEMENTS

NOTE NO – I

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS

A) SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Preparation of Financial Statements:

The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India. The applicable mandatory Accounting Standards notified under the Companies Act, 1956 read with the general circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and requirements of the Companies Act, 1956 and the Companies Act, 2013 (to the extent notified) of India have been followed in preparation of these financial statements.

2. Use of estimates:

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from estimates. Differences between the actual results and the estimates are recognised in the period in which the same are known/materialised.

3. Revenue recognition:

(a) Interest Income:

Interest on investments is booked on a time proportion basis taking into account the amounts invested and the rate of interest.

4. Taxes on Income:

Provision for current tax is made on the basis of estimated tax payable for the year as per the applicable provisions of the Income Tax Act, 1961.

Deferred tax assets and liabilities are recognised for future tax consequence attributable to timing differences between taxable income and accounting income that are measured at relevant enacted tax rates. At each balance sheet date the company reassesses unrecognised deferred tax assets, to the extent they become reasonably certain or virtually certain of realisation, as the case may be.

5. Provisions, Contingent Liabilities and Contingent Assets:

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognized nor disclosed.

B) NOTES TO ACCOUNTS

- Estimated amount of contracts remaining to be executed and not provided for ₹ Nil (P.Y. ₹ Nil).
- Contingent liabilities not provided for ₹ Nil (P.Y. ₹ Nil).
- In accordance with Accounting Standard 20 - Earnings Per Share, the Basic and Diluted Earnings Per Share (EPS) has been calculated as under :

Basic & Diluted EPS

Particulars	2013-14	2012-13
Net Profit after tax (₹)	2,778	7,657
Weighted average number of Equity Shares :	50,000	50,000
Basic & Diluted Earnings Per Share of ₹ 10/- each (₹)	0.06	0.15

AGI DEVELOPERS LIMITED

NOTES TO FINANCIAL STATEMENTS

4. Related Party Disclosures:

Disclosures as required by Accounting Standard - 18 are given below:

Name of Related Parties	Nature of Relationship
a) Shreno Limited	Holding Company
b) Mr. Chirayu R. Amin	Key Management Personnel
c) Mr. Shaunak C. Amin	Key Management Personnel
d) Mr. Nitin V. Bhave	Key Management Personnel, w.e.f. 27 th September, 2012

Amount in ₹

Nature of Transaction	Holding Company
Reimbursement of expenses	13,536 (17,492)
Balance as at 31st March	
Payable	NIL NIL

Amount in bracket are of previous year.

- In view of the unabsorbed losses and in the absence of virtual certainty and convincing evidence of sufficient future taxable income, deferred tax asset as at 31st March, 2014 is not recognised.
- Provision for Income tax liability for the year is considered as per tax laws applicable. The Company is entitled to Mat Credit under the provisions of the Income Tax Act, 1961. However, following the concept of the prudence, the management does not recognise the Mat Credit entitlement.
- Based on the information available with management, the Company does not owe dues under Micro, Small and Medium Enterprises Development Act, 2006.
- The value of realisation of Assets in the ordinary course of business will not be less than the value at which they are stated in the Balance Sheet.
- Additional information pursuant to the provisions of paragraph 5 of part II of Schedule VI (Revised) to the Companies Act, 1956 are furnished to the extent applicable to the company.
- Figures of the previous year have been regrouped, rearranged and reclassified wherever necessary.

For K. C. Mehta & Co.
Chartered Accountants

Vishal P. Doshi
Partner
Membership No. 101533
Vadodara, 2nd May, 2014

For and on behalf of the Board
Chirayu R. Amin Chairman

Shaunak C. Amin }
Nitin V. Bhave } Directors

Vadodara, 2nd May, 2014

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT,1956 RELATING TO SUBSIDIARY COMPANIES

	Name of the Subsidiary	QUICK FLIGHT LIMITED
1	Accounting year of the Subsidiary ended on	31 st March, 2014
2	Share of the Subsidiary held by the Company on above date.	
	(a) Number	1,00,000
	(b) Extent of holding	100 %
3	Net aggregate amount of profit of the subsidiary for the above accounting period, of the subsidiary so far as they concern the members of the company:	
	(a) dealt with in the account of the Company for the year ended 31 st March, 2014	Nil
	(b) not dealt with in the account of the Company for the year ended 31 st March, 2014	33,83,928
4	Net aggregate amount of the profit for previous financial year of the subsidiary, since it becomes a Subsidiary so far as they concern members of company:	
	(a) dealt with in the account of the Company for the year ended 31 st March, 2013	Nil
	(b) not dealt with in the accounts of the Company for the year ended 31 st March, 2013	-25,97,934

For and on behalf of the Board
Chirayu R. Amin Chairman
Malika C. Amin
Yera R. Amin
Mayur Jadeja
C. R. Mukherjee
Nitin V. Bhawe
Manisha Kathed Company Secretary
Vadodara
Date: 2nd May, 2014

QUICK FLIGHT LIMITED

Regd. Office : 5th Floor, Administration Building, Alembic Ltd., Alembic Road, Vadodara - 390 003.
Tel. : 0265 - 2280550 Fax : 0265 - 2282506 CIN No. : U21098GJ2007PLC074270

DIRECTORS' REPORT

To,
The Members

Your Directors have pleasure in presenting their Seventh Report on the working of the Company together with the Audited Annual Accounts for the year ended on 31st March, 2014.

1. FINANCIAL RESULTS

The Company has incurred a net profit of ₹ 33.84 Lacs for the year ended on 31st March, 2014 as compared to net loss of ₹ 25.98 Lacs for the previous year.

2. DIVIDEND

In view of carried forward losses, your Directors do not recommend dividend for the year ended on 31st March, 2014.

3. OPERATIONS

The Company's Gross Revenues are ₹ 396.12 Lacs for the year ended 31st March, 2014 as compared to ₹ 347.58 Lacs for the previous year.

The profit before Interest, Depreciation and Tax was ₹ 52.69 Lacs for the year under review as compared to ₹ 0.51 Lacs for the previous year.

4. FIXED DEPOSIT

The Company has not accepted any fixed deposit from public and shareholders during the period under review.

5. ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

Your Company continues to give high priority for conservation of energy by efficient utilization and by minimizing avoidable losses and also has evolved plans for optimum utilization of energy in future. Considering, the nature of activity undertaken by your Company, no comment is made on technology absorption.

The total foreign exchange used during the year was ₹ Nil (Previous Year ₹ 174.06 Lacs). The total foreign exchange earned during the year was ₹ Nil (Previous Year ₹ Nil).

6. PARTICULARS OF EMPLOYEES

During the period under review, there is no employee in respect of whom information as per Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, is required to be given in the Directors' Report.

7. DIRECTORS

Mr. Pranav Amin, Director of the Company will retire by rotation at the ensuing Annual General Meeting and is eligible for re-appointment. Your Directors recommend his re-appointment at the ensuing Annual General Meeting.

8. AUDITORS

As per the provisions of Companies Act, 2013 and rules made thereunder, the Statutory Auditors are required to be appointed for a term of five consecutive years and the appointment is to be ratified at every Annual General Meeting. M/s. V. H. Gandhi & Co., Chartered Accountants, the Statutory Auditors of the Company will be retiring at the conclusion of the ensuing Annual General Meeting and they have expressed their unwillingness to be re-appointed at the ensuing Annual General Meeting.

The Board of Directors of the Company at their meeting held on 1st May, 2014 proposed, subject to approval of the shareholders, the appointment of M/s. Jamdar Chandratre & Associates, Chartered Accountants, Vadodara as Statutory Auditors of the Company in place of present Auditors to hold office from the conclusion of ensuing Annual General Meeting up to the conclusion sixth Annual General Meeting of the Company, considering this Annual General Meeting as first.

M/s. Jamdar Chandratre & Associates, Chartered Accountants, Vadodara have given their consent confirming that their appointment, if made, would be in accordance with the provisions of Section 139 and 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014.

9. SECRETARIAL COMPLIANCE CERTIFICATE

The Secretarial Compliance Certificate issued by M/s. R. S. Sharma & Associates, Practising Company Secretaries, is attached herewith which forms part of this report.

10. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the Companies Act, 1956, the Directors state that:

- i) in the preparation of the annual accounts for the year, the applicable accounting standards have been followed.
- ii) accounting policies as listed in the 'Notes - U' to the financial statements have been selected and consistently applied and reasonable and prudent judgements and estimates have been made so as to give a true and fair view of the state of affairs of the Company as on March 31, 2014 and of the profit for the year ended on that date;
- iii) proper and sufficient care for maintenance of adequate accounting records has been taken in accordance with the provisions of the Act so as to safeguard the assets of the Company and to prevent and detect fraud and other irregularities;
- iv) the annual accounts have been prepared on a "going concern" basis.

On behalf of the Board of Directors

Chirayu R. Amin
Chairman

Vadodara, 1st May, 2014

QUICK FLIGHT LIMITED

COMPLIANCE CERTIFICATE

To,
The Members of
M/s. Quick Flight Limited
Vadodara

We have examined the registers, records, books and papers of **M/s. Quick Flight Limited** as required to be maintained under the Companies Act, 1956 (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the Financial year ended on 31st March, 2014. In our opinion and to the best of our information and according to the examinations carried out by us and explanation furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
 2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
 3. The Company is a Public Limited Company.
 4. The Board of Directors duly met 4 times on **24th June, 2013, 19th September, 2013, 30th November, 2013 and 24th March, 2014**, in respect of which proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
 5. The Company was not required to close its register of members.
 6. The annual general meeting for the financial year ended on 31st March, 2013 was held on **27th December, 2013** after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
 7. No extra ordinary meeting was held during the financial year.
 8. The Company has not advanced loan to any of its directors and/or persons or firms or companies referred in Section 295 of the Act during the year.
 9. The Company has not entered into any contracts/ arrangements with any party attracting the provisions of Section 297 of the Act during the year.
 10. The Company has made necessary entries in the register maintained under Section 301 of the Act for contracts/ arrangements made in the earlier year.
 11. The Company had not made any appointment to which the provisions of Section 314 of the Act are applicable.
 12. The Board of Directors has not received any request for the issue of duplicate share certificates.
 13. The Company has:
 - i) delivered all the certificates on lodgement thereof for transfer or any other purpose in accordance with the provisions of the Act. There was no allotment of shares during the year.
 - ii) & (iii) not declared any dividend for the year ended on 31st March, 2013.
 - iv) There was no unclaimed/unpaid dividend amount required to be transferred to Investors' Education Fund.
 - v) Duly complied with the requirements of Section 217 of the Act.
 14. The Board of Directors of the Company is duly constituted and the appointments/re-appointment of directors has been duly made.
 15. The Company is not required to have any managing Directors/ Whole-time Director/ Manager and so the provisions of Section 269 read with Schedule XIII of the Act are not applicable.
 16. The Company has not appointed any sole selling agents during the year under review.
 17. The Company has obtained approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act.
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18. The Directors have disclosed their interest in other firms/Companies to the Board of Directors pursuant to provisions of the Act and the rules made thereunder.
 19. The Company has issued equity shares during the financial year upon reduction of share capital, pursuant to the order of the Hon'ble High Court of Gujarat under Section 391 and 394 read with Sections 100 to 103 of the Act.
 20. The Company has not bought back any shares during the financial year ended 31st March, 2014.
 21. The Company has not redeemed any preference shares during the year. The Company has not issued any debentures and no debentures are outstanding or issued during the year.
 22. There were no transactions necessitating the Company to keep in abeyance rights to dividends, right shares and bonus shares pending registration of transfer of shares in compliance with the provisions of the Act.
 23. The Company has neither accepted/renewed any deposit during the year nor has any deposits outstanding as on 31st March, 2014.
 24. The amount borrowed by the Company from financial institutions, banks and others during the financial year ending 31st March, 2014 are within the borrowing limits of the company.
 25. The Company has not made loans and investments or given guarantees or provided securities to other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose.
 26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
 27. The Company has not altered the provisions of the Memorandum with respect to objects of the company during the year under scrutiny.
 28. The Company has not altered the provisions of the Memorandum with respect to name of the company during the year under scrutiny.
 29. The Company has not altered the provisions of the Memorandum with respect to share capital of the company during the year under scrutiny.
 30. The Company has not altered its Articles of Association during the year under scrutiny.
 31. No prosecutions was initialed against or show cause notice was received by the Company under the Act and also no fines and penalties or any other punishment was imposed on the Company during the year.
 32. The Company has not received any amount as security from its employees during the year under certification.
 33. The Company is not required to make any contribution under the provision of Section 418 of the Companies Act, 1956.

For R.S. Sharma & Associates
R.S. Sharma
Company Secretary
(Proprietor)
(Membership No. 3126)
(C.P. No. 2118)

Place : Ahmedabad
Date : 1st May, 2014

ANNEXURE 'A'

REGISTERS MAINTAINED BY THE COMPANY

1. Register of Investments or Loans made.
2. Register of charges under Section 143. Copies of instruments creating charge under Section 136.
3. Register of members under Section 150 and index of Members under Section 151.
4. Register of Transfers.
5. Books of Accounts under Section 209.
6. Register of Contracts under Section 301.
7. Register of Directors, Managing director, Manager and Secretary under Section 303.
8. Register of Directors' Shareholding under Section 307.
9. Register of Renewed and Duplicate Share Certificates.
10. Register of Directors' Attendance.
11. Minutes Book of Board Meetings.
12. Minutes Book of General meetings
13. Attendance Register of General Meetings.
14. Register of Disclosure of Interest by Directors.
15. Register of Fixed Assets.
16. Register of Proxies.

ANNEXURE 'B'

FORMS AND RETURNS AS FILED BY THE COMPANY WITH REGISTRAR OF COMPANIES DURING THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2014.

1. Form 23AC u/s. 220 for the year ended on 31st March, 2013.
2. Form 23ACA u/s. 220 for the year ended on 31st March, 2013.
3. Form 20B u/s. 159 for the year ended on 31st March, 2013 and AGM held on 27th December, 2013.
4. Form 66 u/s. 383A for submission of Compliance Certificate for the year ended on 31st March, 2013.
5. Form 61 for filing application to the Registrar of Companies, Gujarat in the matter Composite Scheme of Arrangement in the nature De-merger and transfer of Aviation Undertaking of the Company to Shreno Limited and Restructure of the Share Capital of the Company.
6. Form 21 for filing Certified Copy of Order of Hon'ble High Court of Gujarat in the matter Composite Scheme of Arrangement in the nature De-merger and transfer of Aviation Undertaking of the Company to Shreno Limited and Restructure of the Share Capital of the Company.

For R.S. Sharma & Associates

R.S. Sharma

Company Secretary

(Proprietor)

(Membership No. 3126)

(C.P. No. 2118)

Place : Ahmedabad

Date : 1st May, 2014

INDEPENDENT AUDITORS' REPORT

To the Members of
M/S. QUICK FLIGHT LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Quick Flight Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these 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 Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the general circular 15/2013 Dt:-13-09-2013 of the ministry of corporate affairs in respect of section 133 of the Company's Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 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 control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement Profit and Loss Account, of the Profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order to the extent applicable to the Company.
 2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
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- d. In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with the general circular 15/2013 Dt: 13-09-2013 of the ministry of corporate affairs in respect of section 133 of the Company's Act, 2013.
- e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For V.H.Gandhi & Co.
Chartered Accountants
Firm Reg No : 103047W

Place : Vadodara
Date : 1st May, 2014

CA Vijay H. Gandhi
Proprietor
M.NO.35581

With reference to the Annexure referred to in paragraph 1 of the Report on Other Legal and Regulatory Requirements of the Auditors' to the Member of Quick Flight Limited on the accounts for the year ended 31st March 2014, we report that:

- i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
- (b) The company has a program of physical verification of its fixed assets by which its fixed assets are verified in a phased manner over a period of one year. No material discrepancies were noticed on such verification.
- (c) No substantial part of fixed assets disposed off during the year & therefore do not effect the going concern assumption.
- ii) (a) The inventory has been physically verified during the year by the management at the reasonable intervals.
- (b) The procedures for physical verification of inventory followed by the management are reasonable and adequate in relation to size of the Company and nature of its business
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- iii) (a) The Company has not granted unsecured loan to companies covered in the register maintained under section 301 of the Companies Act 1956, during the year .Therefore, the provisions of Clauses 4(iii).Item no.(b),(c),(d) of the Companies (Auditors Report) Order, 2003 (as amended) are not applicable to the Company.
- (b) The company has taken unsecured loan from one company covered in the register maintained under section 301 of the companies Act.,1956, where in the balance payable as at the year end is ₹ NIL (Maximum balance during the year ₹ 68,72,568/-).
- (c) In our opinion, the rate of Interest (interest free) and other terms and conditions of loans taken by the company, Secured or unsecured from parties listed in the register maintained under section 301 of the companies Act.,1956 are not, prima-facie, prejudicial to the Interest of the Company,
- (d) In respect of the above loans taken, payment / renewal of the principal amount is as stipulated and payment of interest is regular as stipulated.
- iv) In our opinion, and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for sale of goods and services. During the course of audit, we have not observed any continuing failure to correct major weakness in internal control system.
- v) (a) The particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- (b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding ₹ 5,00,000/- if any have been made at prices which are reasonable having regards to the prevailing market prices at the relevant time.
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- vi) In our opinion and according to the information and explanations given to us, the Company has not taken any Deposits which are covered under the provisions of Section 58A and 58AA or any other relevant provision of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. No order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- vii) In our opinion, the company has an internal audit system commensurate with its size and the nature of its business.
- viii) Maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub section (1) of section 209 of the Companies Act, 1956. Therefore the provisions of clause 4(viii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- ix) (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including Provident Fund, Investor education Protection Fund, Employee's State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other material statutory dues applicable to it and there are no arrears outstanding as at the year end for a period more than six months from the date they became payable.
- (b) According to the records of the Company, there are no disputed dues on account of Sales Tax, Income Tax, Wealth Tax, Service Tax, Custom duty, Excise duty and Cess that have not been deposited on account of some dispute or are partially deposited under protest.
- x) The Company has accumulated losses at the end of the financial year. The company has not incurred any cash losses during the financial year as well as in preceding financial year covered by our audit.
- xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- xii) According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) The Company is not a Chit Fund or a Nidhi/Mutual Benefit Fund/Society. Therefore, the provisions of Clauses 4(xiii) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable to the Company.
- xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4(xiv) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable to the Company.
- xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi) According to the information and explanations given to us, the company has not obtained any term loan during the year.
- xvii) According to the information and explanation given to us and on our examinations of the Balance Sheet of the company we report that no fund raised on short term basis have been used for long term investment.
- xviii) During the year the company has not made preferential allotment of shares to parties listed in section 301 of the Companies Act, 1956. Accordingly, para 4 (xviii) of the order is not applicable.
- xix) The Company did not have outstanding debentures during the year. Accordingly, no securities have been created.
- xx) The Company has not raised any money by public issues during the year.
- xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For V.H.Gandhi & Co.
Chartered Accountants
Firm Reg No : 103047W

CA Vijay H. Gandhi
Proprietor
M.NO.35581

Place : Vadodara
Date : 1st May, 2014

QUICK FLIGHT LIMITED

BALANCE SHEET

	Note No.	As at 31 st March, 2014 (₹)	As at 31 st March, 2013 (₹)
I. Equities and Liabilities			
(1) Shareholder's Funds			
(a) Share Capital	A	10,00,000	10,00,000
(b) Reserves and Surplus	B	1,16,94,936	83,11,008
(2) Non-Current Liabilities			
(a) Deferred Tax Liabilities (Net)	C	3,24,596	-
(b) Long-Term Provisions	D	55,397	65,913
(3) Current Liabilities			
(a) Short-Term Borrowings	E	-	68,72,568
(b) Trade Payables	F	9,28,157	47,66,140
(c) Other Current Liabilities	G	4,67,818	5,17,255
(d) Short Term Provisions	H	38,604	35,635
Total		1,45,09,508	2,15,68,519
II. Assets			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	I	49,21,844	40,73,373
(ii) Intangible Assets	I	4,62,090	1,11,225
(b) Long Term Loans and Advances	J	11,79,198	24,000
(2) Current Assets			
(a) Inventories	K	14,25,487	39,55,261
(b) Trade Receivables	L	58,94,198	96,50,303
(c) Cash and Cash Equivalents	M	6,25,679	37,06,773
(d) Short-Term Loans and Advances	N	1,012	47,584
Total		1,45,09,508	2,15,68,519
Significant Accounting Policies and other explanatory notes and information	U		

Note : The notes referred to above form an integral part of the Balance Sheet.

As per our report of even date

For V.H.GANDHI & CO

Chartered Accountants

Firm Reg No : 103047W

(CA. Vijay H Gandhi)

Proprietor

Membership No. 35581

Vadodara, 1st May, 2014

For and on behalf of the Board

Chirayu R. Amin

Chairman

Pranav Amin

Nitin V. Bhave

}

Director

Vadodara, 1st May, 2014

STATEMENT OF PROFIT AND LOSS ACCOUNT

	Note No.	For the year ended 31 st March 2014 (₹)	For the year ended 31 st March 2013 (₹)
I. Revenue From Operations	O	3,96,11,610	3,47,58,205
II. Other Income	P	1,35,991	2,59,322
III. Total Revenue (I +II)		3,97,47,602	3,50,17,527
IV. Expenses:			
Cost of Materials Consumed	Q	1,60,99,432	1,42,41,204
Operational Expenses	R	-	66,10,472
Employee Benefit Expenses	S	1,14,56,457	75,55,019
Other Expenses	T	69,22,265	65,59,682
Total Expenses		3,44,78,155	3,49,66,377
V. Profit / (Loss) Before Interest, Depreciation and Tax		52,69,447	51,150
Finance Costs		-	-
Depreciation		4,60,923	26,49,084
VI. Profit / (Loss) For The Year Before Tax		48,08,524	(25,97,934)
Provision for Current Tax		11,00,000	-
Provision for Deferred Tax		3,24,596	-
VII. Profit / (Loss) For The Year		33,83,928	(25,97,934)
VIII. Earning Per equity Share (FV ₹ 10/- Per Share)			
Basic & Diluted (In ₹)		33.84	(4.72)
Significant Accounting Policies and other explanatory notes and information	U		

Note : The notes referred to above form an integral part of the statement of Profit and Loss.

As per our report of even date

For V.H.GANDHI & CO

Chartered Accountants

Firm Reg No : 103047W

(CA. Vijay H Gandhi)

Proprietor

Membership No. 35581

Vadodara, 1st May, 2014

For and on behalf of the Board

Chirayu R. Amin

Chairman

Pranav Amin

Nitin V. Bhave

}

Director

Vadodara, 1st May, 2014

QUICK FLIGHT LIMITED

STATEMENT OF CASH FLOW FOR THE PERIOD ENDED ON 31st MARCH, 2014

Particulars	Year ended on 31 st March, 2014 (₹)	Year ended on 31 st March, 2013 (₹)
Net increase in Cash & Cash equivalents		
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit / (Loss) before Tax	48,08,524	(25,97,934)
Add:		
1 Depreciation	4,60,923	26,49,084
2 Loss on assets written off	1,10,340	-
	<u>53,79,787</u>	<u>51,150</u>
Less:		
1 Interest received	-	68,105
2 Profit on sale of assets	2,814	3,124
	<u>2,814</u>	<u>71,229</u>
Operating profit before change in working capital	53,76,973	(20,079)
Add / (Less) : Inflows / Outflows		
1 Trade Payable & Other Current Liabilities	(38,87,420)	(72,07,100)
2 Inventories	25,29,774	(39,55,261)
3 Trade Receivables	37,56,105	1,94,60,546
4 Long Term Provisions	(10,516)	(3,15,614)
5 Short Term Provisions	2,969	35,635
6 Loans & Advances	41,374	82,70,438
	<u>24,32,286</u>	<u>1,62,88,643</u>
Cash generated from operations	78,09,259	1,62,68,564
Less:		
1 Income Tax Paid	22,50,000	-
CASH INFLOW BEFORE EXTRA ORDINARY ITEMS	55,59,259	16,268,564
NET CASH INFLOW FROM OPERATING ACTIVITIES (A)	55,59,259	16,268,564
B CASH FLOW FROM INVESTING ACTIVITIES :		
1 Reduction in Fixed Assets / Sale thereof	2,95,000	6,77,70,186
2 Interest received	-	68,105
	<u>2,95,000</u>	<u>6,78,38,291</u>
Less:		
1 Purchase of Fixed Assets	20,62,785	44,39,093
	<u>20,62,785</u>	<u>44,39,093</u>
NET CASH UTILISED IN INVESTING ACTIVITIES (B)	(17,67,785)	6,33,99,198

STATEMENT OF CASH FLOW FOR THE PERIOD ENDED ON 31st MARCH, 2014

Particulars	Year ended on 31 st March, 2014 (₹)	Year ended on 31 st March, 2013 (₹)
C CASH FLOW FROM FINANCIAL ACTIVITIES :		
Inflow :		
1 Proceeds of unsecured loans / Secured loans	-	-
2 Restructuring as Scheme of Arrangement	-	16,25,82,053
	<u>-</u>	<u>16,25,82,053</u>
Outflow :		
Less:		
1 Reduction in Share Capital	-	1,90,00,000
2 Reduction in Loan / Repayment thereof	<u>68,72,568</u>	<u>22,09,27,432</u>
	<u>68,72,568</u>	<u>23,99,27,432</u>
NET CASH UTILISED IN FINANCIAL ACTIVITIES (C)	<u><u>(68,72,568)</u></u>	<u><u>(7,73,45,379)</u></u>
	<u>(30,81,094)</u>	<u>23,22,383</u>
Closing Cash & Cash equivalents	6,25,679	37,06,773
Opening Cash & Cash equivalents	37,06,773	13,84,390

As per our report of even date

For V.H.GANDHI & CO

Chartered Accountants

Firm Reg No : 103047W

(CA. Vijay H Gandhi)

Proprietor

Membership No. 35581

Vadodara, 1st May, 2014

For and on behalf of the Board

Chirayu R. Amin

Chairman

Pranav Amin

Nitin V. Bhave

}

Director

Vadodara, 1st May, 2014

QUICK FLIGHT LIMITED

NOTES TO BALANCE SHEET

	As at 31 st March, 2014 (₹)		As at 31 st March, 2013 (₹)	
A Share Capital				
a Shares authorized				
5,00,000 (PY:5,00,000) equity shares of ₹ 10/- each.	50,00,000		50,00,000	
	<u>50,00,000</u>		<u>50,00,000</u>	
b Issued, Subscribed and Fully Paid-up Shares				
1,00,000 (PY:1,00,000) equity shares of ₹ 10/- each -	10,00,000		10,00,000	
Total Issued, Subscribed and Fully Paid-up Share Capital	<u>10,00,000</u>		<u>10,00,000</u>	
c. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period				
Equity Shares	31 st March 2014		31 st March 2013	
	No of shares	Amount	No of shares	Amount
At the beginning of the period	1,00,000	10,00,000	10,00,000	1,00,00,000
Less : Reduction as per Scheme of Arrangement	-	-	9,00,000	90,00,000
Outstanding at the end of the period	<u>1,00,000</u>	<u>10,00,000</u>	<u>1,00,000</u>	<u>10,00,000</u>
Preference Shares	31 st March 2014		31 st March 2013	
	No of shares	Amount	No of shares	Amount
At the beginning of the period	-	-	1,00,000	1,00,00,000
Less : Reduction as per Scheme of Arrangement	-	-	1,00,000	1,00,00,000
Outstanding at the end of the period	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
d. The rights, preferences and restrictions including restrictions on the distribution of dividends and the repayment of capital;				
The company has one class of Equity Shares having par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share.				
In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company after the distribution / repayment of all creditors. The distribution to the equity shareholders will be in proportion of the number of shares held by each shareholder				
e. Shares in the company held by each shareholder holding more than 5 percent shares specifying the number				
Particulars	31 st March 2014		31 st March 2013	
Shreno Limited, the holding company	Numbers	% held	Numbers	% held
Equity shares of ₹ 10/- each fully paid	1,00,000	100%	1,00,000	100%

NOTES TO BALANCE SHEET

	As at 31 st March, 2014 (₹)	As at 31 st March, 2013 (₹)
B Reserves and surplus		
Capital Reserve	14,35,82,053	14,35,82,053
Surplus / (Deficit) in the statement of profit and loss		
Balance as per last financial statements	(13,52,71,046)	(15,16,73,112)
Profit / (Loss) for the year	33,83,928	(25,97,934)
Less : Restructuring as per Scheme of Arrangement	-	1,90,00,000
Net Surplus / (Deficit) in the Statement of Profit and Loss	<u>(13,18,87,118)</u>	<u>(13,52,71,046)</u>
Total Reserves and Surplus	<u><u>1,16,94,935</u></u>	<u><u>83,11,008</u></u>
C Deferred Tax Liabilities (Net)		
Deferred Tax liability on account of depreciation	3,82,255	-
Less : Deferred Tax Assets on 43B items	57,660	-
	<u>3,24,596</u>	<u>-</u>
D Long Term Provisions		
Provision for Employee Benefits		
- Provision for Gratuity	55,397	65,913
	<u>55,397</u>	<u>65,913</u>
E Short-Term Borrowings		
Deposits (unsecured)	-	68,72,568
- Inter Corporate Deposits from Holding Company repayable on demand (interest free)		
	<u>-</u>	<u>68,72,568</u>
F Trade Payables		
- Due to Micro and Small Enterprises	-	-
- Other Trade Payables	9,28,157	47,66,140
	<u>9,28,157</u>	<u>47,66,140</u>
G Other Current Liabilities		
Other Payables		
- Statutory Dues	1,52,752	1,75,471
- Others	3,15,066	3,41,784
	<u>4,67,818</u>	<u>5,17,255</u>
H Short Term Provisions		
Provision for Employee Benefits		
- Provision for Leave Benefits	38,604	35,635
	<u>38,604</u>	<u>35,635</u>

QUICK FLIGHT LIMITED
Notes to Balance Sheet

Note - I : Fixed Assets

Amount in ₹

Description	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As on 01.04.2013	Addition	Deductions	As on 01.04.2013	Deductions	During the year	As on 31.03.2014	As on 31.03.2013
Plant & Equipments	40,33,055	14,82,512	4,24,642	1,90,782	43,993	3,57,000	45,87,136	38,42,273
Furniture & Fixtures	7,016	-	4,021	390	223	189	2,639	6,626
Vehicles	73,994	-	2,891	1,166	241	6,754	63,424	72,828
Office Equipments	1,67,008	1,72,273	17,986	15,362	2,556	39,844	2,68,645	1,51,646
Intangible Assets (software)	1,35,653	4,08,000	-	24,428	-	57,135	4,62,090	1,11,225
Total	44,16,726	20,62,785	4,49,540	2,32,128	47,103	4,60,923	53,83,933	41,84,597
Previous Year	8,63,02,309	44,47,454	8,63,33,037	1,61,40,658	1,85,57,614	26,49,084	41,84,597	-

NOTES TO BALANCE SHEET

	As at 31 st March, 2014 (₹)	As at 31 st March, 2013 (₹)
J Long Term Loans and Advances		
Security Deposits (Unsecured, considered good)	24,000	24,000
Other Loans and Advances		
- Advance Income Tax (net of provision for taxation)	11,50,000	-
- Other Advances	5,198	-
	<u>11,79,198</u>	<u>24,000</u>
K Inventories		
Raw materials (Including material lying at shop floor)	14,25,487	39,55,261
	<u>14,25,487</u>	<u>39,55,261</u>
Inventory break-up of broad category		
- Paper and Board	12,45,149	36,71,208
- Ink	80,139	1,24,032
- Other	1,00,199	1,60,021
	<u>14,25,487</u>	<u>39,55,261</u>
L Trade Receivables (Unsecured, considered good)		
Over six months from due date		
- Considered good	59,892	-
- Others - Considered good	58,34,306	96,50,303
	<u>58,94,198</u>	<u>96,50,303</u>
M Cash and Cash Equivalents		
Cash and cash equivalents		
- Balances with banks	6,25,156	37,02,595
- Cash on Hand	523	4,178
	<u>6,25,679</u>	<u>37,06,773</u>
N Short-Term Loans and Advances		
Other Loans and Advances		
- Others	1,012	47,584
	<u>1,012</u>	<u>47,584</u>

QUICK FLIGHT LIMITED

NOTES TO STATEMENT OF PROFIT AND LOSS

	For the year ended 31 st March, 2014 (₹)	For the year ended 31 st March, 2013 (₹)
O Revenue from Operation		
a. Sale of products		
- Domestic	3,86,62,012	3,04,89,372
b. Other operating Revenues		
- Income from Aviation	-	35,41,253
- Scrap Sales	9,49,597	7,27,579
	<u>3,96,11,610</u>	<u>3,47,58,205</u>
<u>Sale of Products - Broad head wise</u>		
Carton, literature & printing material	3,86,62,012	3,04,89,372
P Other Income		
Interest Received		
- Income Tax	-	23,590
- Others	-	44,515
Miscellaneous Income	409	1,88,093
Sundry Balance Written Back	1,32,768	-
Profit on Sale of Fixed Assets	2,814	3,124
	<u>1,35,991</u>	<u>2,59,322</u>
Q Cost of Material Consumed		
Inventory at beginning of the period	39,55,261	20,94,212
Add : Purchases	1,35,69,657	1,61,02,253
	<u>1,75,24,918</u>	<u>1,81,96,465</u>
Less : Inventory at the end of the period	14,25,487	39,55,261
	<u>1,60,99,432</u>	<u>1,42,41,204</u>
<u>Details of Material Consumed</u>		
Paper / Board	1,34,84,354	1,25,05,361
Ink	6,89,736	5,64,457
Others	19,25,342	11,71,386
	<u>1,60,99,432</u>	<u>1,42,41,204</u>
R Operational Expenses		
Fuel for Aircraft	-	47,079
Landing, Navigation & other Airport Charges	-	46,160
Technical Services	-	10,20,181
Aircraft Maintenance	-	54,97,052
(Including Customs Duty and Freight, wherever applicable)	-	66,10,472
	<u>-</u>	<u>66,10,472</u>

NOTES TO STATEMENT OF PROFIT AND LOSS

	For the year ended 31 st March, 2014 (₹)	For the year ended 31 st March, 2013 (₹)
S Employee Cost		
Salaries, wages & bonus	1,12,04,523	73,76,435
Contribution to Provident and Other funds	1,61,124	92,407
Staff welfare expense	90,810	86,177
	<u>1,14,56,457</u>	<u>75,55,019</u>
T Other Expenses		
Stores, Spares and packing material consumed	14,64,276	5,18,536
Power and Fuel	8,19,174	3,84,896
Rent	7,61,954	9,01,549
Repairs and Maintenance		
- Buildings	98,993	62,800
- Machinery	17,83,487	11,18,763
- Others	34,560	65,495
Bank Charges	1,462	6,94,675
Insurance	24,635	1,13,156
Rates and Taxes	5,52,802	3,38,953
Donation	-	30,000
Legal & Professional Fees	1,18,752	75,503
Travelling Expenses (including Foreign Travel)	2,19,105	7,11,769
Communication Expenses	3,04,510	4,59,178
Loss on assets written off	1,10,340	8,361
Payment to Auditor	61,749	36,871
Miscellaneous Expenses	5,66,467	10,39,177
	<u>69,22,265</u>	<u>65,59,682</u>

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

U Significant Accounting Policies and other explanatory notes and information

I Significant Accounting Policies

A) BASIS OF PREPARATION OF FINANCIAL STATEMENTS :

The financial statements have been prepared under the historical cost convention and on accrual basis of accounting and in accordance with applicable Accounting Standards and relevant presentational requirement of the Companies Act, 1956.

B) REVENUE RECOGNITION :

Sales - Packaging Business

Sale of products are recognised when risk and rewards of ownership of the products are passed on to the customers & despatch of goods.

Sales include sale value of goods and are net of trade discount, sales-tax and excise duty if any.

Other income

Other income is recognised on accrual basis except when realisation of such income is uncertain.

C) FIXED ASSETS :

Owned tangible fixed assets are stated at cost and less accumulated depreciation and impairment loss, if any. All costs relating to acquisition and installation of fixed assets upto the time the assets get ready for their intended use are capitalised.

As required by AS 28 on impairment of Assets issued by ICAI, the Company has carried out an exercise of identifying the assets that have been impaired.

Borrowing cost directly attributable to acquisition / construction of fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised.

D) DEPRECIATION / AMORTISATION :

Depreciation on Fixed Assets is provided on Straight Line Method at the rates specified in Schedule XIV to the Companies Act, 1956

Intangible Assets has been amortised over the period of its useful life as decided by the management.

E) INVENTORIES :

Raw materials

Raw Materials are valued at cost on First in First Out (FIFO) or net realisable value which ever is less.

F) EXCISE DUTY :

Unit is exempted from excise duty as turnover does not exceeds the permissible limit.

G) ACCOUNTING OF VAT CREDIT :

Vat credit available on raw materials is accounted for by booking raw material purchases net of VAT. Similarly, Vat credit entitlement on capital goods is accounted by booking the capital goods, net of VAT.

H) FOREIGN EXCHANGE TRANSACTIONS :

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.

Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end exchange rates.

I) RETIREMENT BENEFITS :

Gratuity is provided on the basis of actuarial valuation.

The benefit of encashment of leave is given to the employees of the company during their service and on retirement. The accumulated leave liability as at the end of the year is provided for on the basis of actuarial valuation.

J) TAXES :

The provision for taxation is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income-tax Act, 1961.

Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred Tax assets are recognized only if there is a reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

K) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS :

Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by the future events not wholly within the control of the company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation can not be made. Contingent Assets are not recognised in the financial statements.

II Other explanatory notes and information :

1. Estimated amount of contracts remaining to be executed on capital accounts Nil as of 31st March, 2014 (PY ₹ Nil)
2. Contingent liabilities not provided for: ₹ Nil (Previous Year ₹ Nil)
3. The Company has not entered into any forward contracts during the year.
4. Based on information / documents available with the Company, Sundry Creditors do not include any Micro Small & Medium Enterprises as per the requirement of Section 22 of Micro, Small & Medium Enterprises Development Act, 2006.
5. Segment Reporting:
The Primary information as required under Accounting Standard 17 - as per Annexure A
6. Disclosures in respect of Related Parties pursuant to Accounting standard - AS 18 - issued by the Institute of Chartered Accountants of India are as follows.

List of Related Parties with whom the Company has entered into transactions during the year.

- (a) Controlling Companies : Shreno Limited
- (b) Subsidiary and Fellow Subsidiary : There is no Subsidiary and fellow Subsidiary Company.
- (c) Associate Companies : 1. Alembic Ltd.
2. Alembic Pharmaceuticals Ltd.
3. Sierra Investments Ltd
- (d) Key Management personnel : 1. Shri C .R. Amin
2. Shri Pranav Amin
3. Shri Nitin Bhawe
- (e) Relatives of Key Management Personnel : NA

During the year, the following transactions were carried out with related parties and relative of Key Management Personnel in the ordinary course of the business

	Amount in ₹			
	Holding		Associates	
For the year ended on 31 st March,	2014		2013	
i) Sale of Goods	10,55,355	3,72,46,631	10,60,928	2,88,46,736
Rendering of services	-	-	-	2,23,98,956
(figures during the year includes sharing of expenses)	-	-	-	-
ii) Rent Paid	-	7,61,954	-	1,59,440
iii) ICD Received	-	-	2,50,00,000	-
iv) ICD Repaid	68,72,568	-	-	-
v) Outstanding balance as at 31 st March,	2014		2013	
- Debtors	3,39,616	55,54,582	2,73,313	92,83,660
- Creditors	-	-	-	27,677
- ICD Payable	-	-	68,72,568	-

QUICK FLIGHT LIMITED

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

7. Earning per Share:

Amount in ₹

	For the year ended on 31 st March,	
	2014	2013
a) Profit / (Loss) after Tax	33,83,928	(25,97,934)
Less: Preference Dividend Payable	-	-
Loss after Tax and Preference Dividend available for equity shareholders	33,83,928	(25,97,934)
c) Weighted Average number of equity shares	1,00,000	5,50,000
d) Basic and Diluted Earnings per share (Face value per share ₹10/- each)	33.84	(4.72)

8 Auditors Fees and Expenses include remuneration to:

Amount in ₹

	For the year ended on 31 st March,	
	2014	2013
Statutory Auditors:-		
As Auditors	22,906	20,000
In Other Capacity:-		
(i) Other Services	11,185	3,500
(ii) Reimbursement of Expense	5,000	3,371
(iii) Tax Audit	22,658	10,000
	61,749	36,871

9 Additional Information (to the extent applicable)

Amount in ₹

	For the year ended on 31 st March,	
	2014	2013
A) Value of Imports calculated on CIF basis consumed by the Company during the year in respect of :		
i) Raw Materials	NIL	NIL
ii) Components, Spare parts	NIL	NIL
iii) Capital goods	NIL	NIL
B) Expenditure in foreign currency during the year on account of - (Figures in Gross)		
i) Technical Services	NIL	74,86,453
ii) Repairs & Maintenance - Aircraft	NIL	91,34,387
iii) Others	NIL	7,85,354
C) i) Value of Imported Raw Materials, Spare-parts and Components consumed during the year	NIL	NIL
ii) Value of Indigenous Raw- Materials, Spare-parts and Components consumed during the year	1,75,63,708	1,47,59,741
iii) Percentage of above to total consumption :		
(a) Imported Raw Materials, Spare-parts and Components consumed	NIL	NIL
(b) Indigenous Raw Materials, Spare-parts and Components consumed	100 %	100 %
D) Earning in foreign exchange	NIL	NIL

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

10. **Defined benefits plans/compensated absences - As per actuarial valuation**

The primary information as required under Accounting Standards 15 are given as per Annexure B.

11. The figures of previous year include the figures from 01.04.12 to 30.09.12 of erstwhile aviation undertaking which has been demerged and transferred to resulting company.

12. The previous year's figures have been regrouped / rearranged wherever necessary to make it comparable with the current year.

As per our report of even date

For V.H.GANDHI & CO

Chartered Accountants

Firm Reg No : 103047W

(CA. Vijay H Gandhi)

Proprietor

Membership No. 35581

Vadodara, 1st May, 2014

For and on behalf of the Board

Chirayu R. Amin

Chairman

Pranav Amin

Nitin V. Bhave

}

Director

Vadodara, 1st May, 2014

QUICK FLIGHT LIMITED

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

ANNEXURE - A

Segment Reporting

Amount in ₹

Particulars	Aviation		Packaging		Total	
	Mar-14	Mar-13	Mar-14	Mar-13	Mar-14	Mar-13
REVENUE						
Revenue from Operations	-	35,41,253	3,96,11,610	3,12,16,952	3,96,11,610	3,47,58,205
Other Income	-	2,18,105	1,35,991	41,217	1,35,991	2,59,322
Total Revenue	-	37,59,358	3,97,47,601	3,12,58,168	3,97,47,601	3,50,17,527
RESULT						
Segment Result (Profit(+) / Loss(-) before tax, Interest & Non-recurring Expenses)	-	(70,43,533)	52,69,447	70,94,683	52,69,447	51,150
Less : Depreciation	-	24,16,465	4,60,923	2,32,619	4,60,923	26,49,084
Less : Tax Expense	-	-	14,24,596	-	14,24,596	-
Net Profit/ (Loss)	-	(94,59,997)	33,83,928	68,62,064	33,83,928	(25,97,934)
OTHER INFORMATION						
Segment Asset	-	20,000	1,45,09,508	2,15,48,519	1,45,09,508	2,15,68,519
Segment Liabilities	-	(24,28,944)	18,14,572	1,46,86,455	18,14,572	1,22,57,511
Total Capital Employed	-	24,48,944	1,26,94,936	68,62,064	1,26,94,936	93,11,008

ANNEXURE - B

Defined benefits plans/compensated absences - As per actuarial valuation:

Particulars	31-03-2014	31-03-2013
Defined benefit plans / compensated absences - As per actuarial valuation	Gratuity Funded	Gratuity Funded
Expense recognised in the Statement of Profit & Loss		
Current Service Cost	14,556	12,044
Interest Cost	3,948	3,933
Employer Contributions	-	-
Expected return on plan assets	-	-
Net Actuarial (Gains) / Losses	6,518	3,666
Past Service Cost	-	-
Settlement Cost	-	-
Total expense	25,022	19,643
Net Asset / (Liability) recognised		
Present value of Defined Benefit Obligation as at March 31, 2014	55,397	65,913
Fair value of plan assets as at March 31, 2014	-	-
Funded status [Surplus / (Deficit)]	(55,397)	(65,913)
Net asset / (liability) as at March 31, 2014	(55,397)	(65,913)
Change in Obligation		
Present value of Defined Benefit Obligation at the beginning of the year	65,913	46,270
Current Service Cost	14,556	12,044
Interest Cost	3,948	3,933
Settlement Cost	-	-
Past Service Cost	-	-
Employer Contributions	-	-
Actuarial (Gains) / Losses	6,518	3,666
Benefits Payments	(35,538)	-
Present value of Defined Benefit Obligation at the end of the year	55,397	65,913

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

Annexure - B.... Cont.

Defined benefits plans/compensated absences - As per actuarial valuation:

Amount in ₹

Particulars	31-03-2014	31-03-2013
Defined benefit plans / compensated absences - As per actuarial valuation	Gratuity Funded	Gratuity Funded
Acturial Assumptions:		
Discount Rate	9.10 %	8.20 %
Expected rate of return on plan assets	NA	NA
Mortality pre retirement	**	*
Mortality post retirement	NA	NA
Turnover rate	NA	NA
Medical premium inflation	NA	NA
Rate of escalation in salary (p.a.)	5 %	5 %
* LIC (1994-96) Published table of rates.		
** Indian Assured Lives Mortality (2006-08) ULT		

Particulars	31-03-2014	31-03-2013
	Leave Encashment	Leave Encashment
Expense recognised in the Statement of Profit & Loss		
Current Service Cost	8,496	8,055
Interest Cost	2,922	1,671
Employer Contributions	-	-
Expected return on plan assets	-	-
Net Acturial (Gains) / Losses	(8,449)	6,218
Past Service Cost	-	-
Settlement Cost	-	-
Total expense	2,969	15,974
Net Asset / (Liability) recognised in the Balance Sheet		
Present value of Defined Benefit Obligation as at March 31, 2014	38,604	35,635
Fair value of plan assets as at March 31, 2014	-	-
Funded status [Surplus / (Deficit)]	(38,604)	(35,635)
Net asset / (liability) as at March 31, 2014	(38,604)	(35,635)
Change in Obligation		
Present value of Defined Benefit Obligation at beginning of the year	35,634	19,661
Current Service Cost	8,497	8,085
Interest Cost	2,922	1,672
Settlement Cost	-	-
Past Service Cost	-	-
Employer Contributions	-	-
Acturial (Gains) / Losses	(8,449)	6,218
Add : Benefits payments	-	-
Present value of Defined Benefit Obligation at the end of the year	38,604	35,635

PROXY FORM

CIN : U26100GJ1944PLC000345
Name of the company : Shreno Limited
Registered office : Alembic Road, Vadodara – 390003 Tel. : 0265-2280550 • Fax : 0265 - 2282506
www.yera.com • www.shreno.com E-mail : shreno.investors@alembic.co.in

Name of the Member (s):	
Registered Address:	
Email Id:	
Folio No./Client ID:	DP ID:

I/We, being the member (s) of shares of the above named company, hereby appoint -

- Name : Address :
..... E-mail Id :
Signature :, or failing him
- Name : Address :
..... E-mail Id :
Signature :, or failing him
- Name : Address :
..... E-mail Id :
Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **Sixty Ninth Annual General Meeting** of the company, to be held on the **Monday of 11th August, 2014 At 4.00 p.m.** at "Sanskriti" Alembic Corporate Conference Center, Opp. Pragati Sahakari Bank Limited, Alembic Colony, Vadodara - 390 003 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
Ordinary Business	
1	Adoption of Financial Statements for the year ended 31 st March, 2014.
2	Reappointment of Ms. Yera Amin, who retires by rotation.
3	Appointment of M/s. K. C. Mehta & Co. Chartered Accountants as Auditors and fixing their remuneration.
Special Business	
4	Appointment of Mr. C. R. Mukherjee as an Independent Director.
5	Appointment of Mr. Mayur Jadeja as an Independent Director.
6	Enhancement of borrowing Powers of the Board of Directors from ₹ 150 Crores to ₹ 750 Crores.
7	Approval for creation of charge/security over the assets of the Company in respect of borrowings.
8	To approve Alterations in Articles of Association of the Company.

Signed this..... day of..... 2014.

Signature of shareholder(s)

Signature of Proxy holder(s)

Notes:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- Please complete all details including details of member(s) before submission.

Please
Affix Re.1
Revenue
Stamp



SHRENO LIMITED
A T T E N D A N C E S L I P

(To be handed over at the entrance of the Meeting Hall)

CIN : U26100GJ1944PLC000345
Name of the company: Shreno Limited
Registered office : Alembic Road, Vadodara – 390003
Tel. : 0265-2280550 • Fax : 0265 - 2282506
www.yera.com • www.shreno.com
E-mail : shreno.investors@alembic.co.in

Name of the Member(s)/ Proxy (In Block Letters)	
Folio No.	
DP ID - Client ID	
No. of Shares Held	

I hereby record my presence at the 69th Annual General Meeting of the Company at “Sanskruti”, Alembic Corporate Conference Centre, Opp. Pragati Sahakari Bank Limited, Alembic Colony, Vadodara -390 003 on Monday, the 11th August, 2014 at 4.00 p.m.

Signature of the Member(s) / Proxy

Notes:

1. Members are requested to bring their copies of Annual Report at the AGM.
2. Please strike off whichever is not applicable.

SHRENO LIMITED

BOARD OF DIRECTORS : Mr. Chirayu R. Amin - Chairman
Mrs. Malika C. Amin
Ms. Yera R. Amin
Mt. Nitin V. Bhawe - Whole-time Director
Mr. Mayur Jadeja
Mr. C. R. Mukherjee
Ms. Manisha Kathed - Company Secretary

AUDITORS : M/s. K. C. Mehta & Co.,
Chartered Accountants,
2nd Floor, Meghdhanush,
Beside Landmark Building,
Race Course Circle,
Vadodara - 390 007.

BANKERS : HDFC Bank
Bank of Baroda
ING Vysya Bank
IndusInd Bank
Yes Bank

REGD. OFFICE : Alembic Road, Vadodara - 390 003.
Tel. : 0265 - 2280550 Fax : 0265 - 2282506
Website : www.yera.com & www.shreno.com
E-mail : shreno.investors@alembic.co.in
CIN No. : U26100GJ1944PLC000345

REGISTRAR & TRANSFER AGENTS : M/s. Link Intime India Private Limited
B-102 & 103, Shangrila Complex,
First Floor, Near Radhakrishna Char Rasta,
Akota, Vadodara - 390020
Tel: (0265) 2356573, 2356794
Fax: (0265) 2356791
Email: vadodara@linkintime.co.in

69th
ANNUAL REPORT
2013-2014

Shreno Limited

If undelivered please return to :
Shreno Limited
Alembic Road, Vadodara 390 003.