

# Chaman Lal Setia Exports Ltd.

(A Govt. Recognised Star Export House)

Regd. Office : Meerankot Road, P. O. Central Jail,

Ajnala Road, Amritsar-143001 India

Tel : 91-183-2590318, 91-183- 2592708

Facsimile : 91-183-2590453, 91-184-2291067

E. Mail : [setiarice@yahoo.com](mailto:setiarice@yahoo.com), [clsetia@rediffmail.com](mailto:clsetia@rediffmail.com)

CIN No. : L51909PB1994PLCO15083

ISO 22000 : 2005  
Certified Co.

To

04.10.2016

The Manager,  
Bombay Stock Exchange Limited  
Floor 25, P.J. Towers  
Dalal Street  
Mumbai

Ref :- Submission of Annual Report of 22<sup>nd</sup> Annual General Meeting of the Company for the Financial Year 2015-2016

Dear Sir,

Please find enclosed herewith Annual Report for the Financial Year 2015-2016 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, duly approved and adopted by the Members in the 22<sup>nd</sup> Annual General Meeting, as per the provisions of the Companies Act, 2013.

Kindly acknowledge the receipt and take the same on record.

Thanks & Regards

For Chaman Lal Setia Exports Ltd.

*Chaman*  
Chaman Lal Setia  
Managing Director  
Din No. :- 01125789



## RICE MILLS

Kaithal Road,  
Karnal.  
Tel : 0184-2990758

Visit us at :  
[www.maharanirice.in](http://www.maharanirice.in)

## RICE MILLS

Meeran Kot Road,  
P. O. Central Jail, Amritsar.  
Tel : 0183-2590318, 0183-2592708



**Maharani**<sup>®</sup>  
Rice



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22<sup>nd</sup> **Annual** Report  
2015-2016

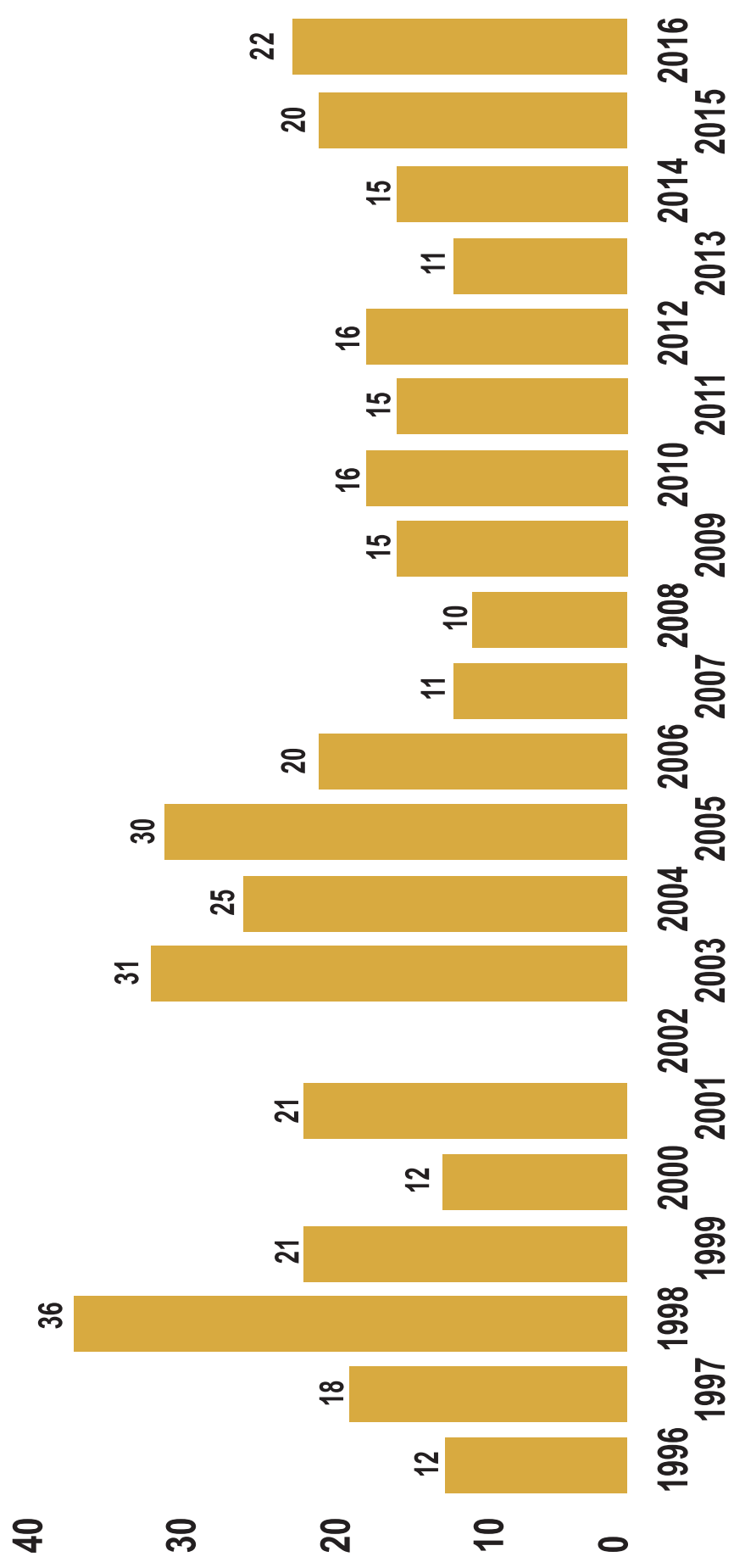
Maharani Basmati Rice  
"Zubaan se Dil tak"





# Chaman Lal Setia Exports Ltd.

377% Dividend since inception



## Board of Directors

**Chaman Lal Setia (Din No. 01125789)**  
(Chairman cum Mg. Director)

**Vijay Setia (Din No. 01125966)**  
(Whole Time Director)

**Rajeev Setia (Din No. 01125921)**  
(Whole Time Director)

**Sukarn Setia (Din No. 01133561)**  
(Whole Time Director)

**Ankit Setia (Din No. 01133822)**  
(Whole Time Director)

**Sankesh Setia (Din No. 06620109)**  
(Whole Time Director)

**Inder Dev Kukkar (Din No. 01193209)**  
(Independent Director)

**Naresh Kumar Kukar (Din No. 01383235)**  
(Independent Director)

**Parmod Kumar Kukar (Din No. 01193710)**  
(Independent Director)

**Raghav Peshawaria (Din No. 01386434)**  
(Independent Director)

**Amar Jyoti Bagga (Din No. 06958408)**  
(Independent Woman Director)

**Vijay Kumar Jhamb (Din No. 07021080)**  
(Independent Director)

**Registered Office**  
Miran Kot Road, P.O Central Jail,  
Ajnala Road, Amritsar-143002

**Corporate Office**  
No 2, IInd Floor  
Club Drive Road, M.G Road  
Ghitorni, New Delhi-110 030

**Works/Sales Office**  
Miran kot Road, Amritsar  
Kaithal Road, Karnal.  
526-B, Lahori Gate, Delhi  
Alipur, Delhi

## Bankers

Punjab National Bank,  
117-A, The Mall Amritsar.

## Registrar & Common Share Transfer Agent

Beetal Financial & Computer Services (P) Ltd.  
IIIrd Floor, 99 Madangir,  
(Near Dada Harsukh dass Mandirgir), New Delhi

## Auditors

M/s. Rajesh Kapoor & Co.  
Chartered Accountants  
140 Green Avenue, Amritsar

## Company Secretary

Kanika Nevtia  
1226, Katra Ahluwalia, Amritsar

## ANNUAL GENERAL MEETING

On 29th September, 2016 at 4.30 p.m. at  
Hotel P.R Residency, Ranjit Avenue,  
Amritsar-143001

S. No.	Description	Page No.
1.	Notice To The Members	2-11
2.	Directors' Report	12-18
3.	Annexure of Director's Report	19-38
4.	Management Discussion and Analysis	39-42
5.	Report On Corporate Governance	43-56
6.	Auditors' Certificate	57
7.	Auditors' Report	58-61
8.	Balance Sheet	62
9.	Profit & Loss Account	63
10.	Cash Flow Statement	64
11.	Schedules & Notes	65-80
12.	Route map	81
13.	Attendance Slip & Proxy form	83-84



## NOTICE OF ANNUAL GENERAL MEETING CHAMAN LAL SETIA EXPORTS LTD.

(CIN No.: L51909PB1994PLC015083)

Miran Kot Road, P.O. Central Jail, Ajnala Road, Amritsar-143002

Phone No. 0183-2592708, Fax No. 0183-2590453

Website: [www.maharanirice.in](http://www.maharanirice.in) Email: [clsetia@rediffmail.com](mailto:clsetia@rediffmail.com)

### **NOTICE TO THE MEMBERS**

Notice is hereby given that the 22nd Annual General Meeting of CHAMAN LAL SETIA EXPORTS LTD. will be held on Thursday, the 29th day of September, 2016 at Hotel P.R Residency, Amritsar at 4:30 p.m. to transact the following business:

#### **(A) ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31.03.2016 together with the Reports of the Board of Directors and Auditors thereon.
2. To confirm the payment of interim dividend of Rs. 0.44/- per equity share of Rs. 2/- each for the financial year ended 31.03.2016.
3. To appoint a Director in place of Mr. Sukarn Setia (Din No. 01133561) , who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr Ankit Setia (Din No. 01133822), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
5. To consider and approve appointment of Auditor and to fix their remuneration for the next year and to consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-

**"RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. Rajesh Kapoor & Co., Chartered Accountants (Firm Registration No. 13527N), be and is hereby appointed as Statutory Auditor of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company."

#### **SPECIAL BUSINESS:-**

6. 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 recommendation of Nomination and Remuneration Committee and approval of the Board and pursuant to the provisions of Section 197 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification (s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, consent of the members of the Company be and is hereby accorded for ratification of increase in remuneration of Mr. Ankit Setia (Din no. 01133822), whole time Director of Company from One Lac to two lacs per month w.e.f 01.10.2015 upon such terms and conditions as mentioned in agreement which is hereby approved and confirmed with authority to the Board of Directors to do all such acts, deeds and things and to alter and vary the terms and conditions of the said agreement in such manner as may be agreed to between the Board of Directors and Mr. Ankit Setia provided that remuneration shall not exceed maximum limits as specified in schedule V to the Companies Act, 2013."

#### **I REMUNERATION**

##### **A) Fixed Compensation**

Fixed Compensation shall include Basic Salary, Company's Contribution to Provident Fund and Gratuity

The Basic Salary shall be two lacs per month, payable monthly

The Company's contribution to the Gratuity and Provident Fund shall be according to the rules of the Company in force from time to time.

**B) Flexible Compensation**

In addition to the Fixed Compensation, he will be entitled to the following allowances, perquisites, benefits, facilities and amenities as per rules of the Company and subject to the relevant provisions of the Companies Act, 2013 (collectively called "perquisites and allowances") These perquisites and allowances may be granted to the Whole Time Director in such forms and manner as the Board may decide

- 1) Housing as per rules of the Company (i.e unfurnished/furnished residential accommodation and/or House Rent
- 2) Payment/Reimbursement of medical/hospitalization expenses for the Whole Time director and his family in accordance with the rules of the Company.
- 3) Group Insurance cover, Group Medi-claim cover.
- 4) Company car with driver for official use.
- 5) Free telephone facility at the residence as per the rules of the Company.
- 6) Payment/Reimbursement of telephone Expenses
- 7) Contribution to Provident Fund, Superannuation Fund and Gratuity Fund shall be as per the rules of the Company.
- 8) Commission will be as per the net profits of the Company based on sales determined in accordance with the relevant provisions of the Companies Act, 2013 at a rate to be determined by the Board of Director from time to time.
- 9) Other Perquisites, Allowances, benefits and amenities as per the policy/ rules of the Company in force and/or as may be approved by the Board from time to time.
- 10) Perquisites shall be evaluated at actual cost if the cost is not ascertainable the same shall be valued as per Income Tax Rules.
- 11) Credit Card Facility.

**II. Overall Remuneration**

The aggregate of salary and perquisites as specified above or paid additionally in accordance with the rules of the Company in any financial year, which the Board in its absolute discretion pay to the Whole Time Director from time to time, shall not exceed the limits prescribed from time to time under section 197 and other applicable provisions of the Companies Act, 2013 read with schedule V to the said Act as per applicable provisions of Companies Act, 2013 as may be for the time being, be in force.

**III Minimum Remuneration**

Notwithstanding anything herein contained, where in any financial year during the period of tenure of the Whole Time Director, the Company has no profits or its profits are inadequate, the remuneration will be subject to Schedule V of Companies Act, 2013 .

7. 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 recommendation of Nomination and Remuneration Committee and approval of the Board and pursuant to the provisions of Section 197 and any other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification (s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, consent of the members of the Company be and is hereby accorded for ratification of increase in remuneration of Mr. Sankesh Setia (Din no. 06620109), whole time director of Company from One lac to two lacs per month w.e.f 01.10.2015 upon such terms and conditions as mentioned in agreement which is hereby approved and confirmed with authority to the Board of Directors to do all such acts, deeds and things and to alter and vary the terms and conditions of the said agreement in such manner as may be agreed to between the Board of Directors and Mr. Sankesh Setia (Din No. 06620109 ) provided that remuneration shall not exceed maximum limits as specified in schedule V to the Companies Act, 2013.

**I REMUNERATION**

**A) Fixed Compensation**

Fixed Compensation shall include Basic Salary, Company's Contribution to Provident Fund and Gratuity

The Basic Salary shall be two lacs per month, payable monthly

The Company's contribution to the Gratuity and Provident Fund shall be according to the rules of the Company in force from time to time.



B) Flexible Compensation

In addition to the Fixed Compensation, he will be entitled to the following allowances, perquisites, benefits, facilities and amenities as per rules of the Company and subject to the relevant provisions of the Companies Act, 2013 (collectively called "perquisites and allowances") These perquisites and allowances may be granted to the Whole Time Director in such forms and manner as the Board may decide

- 1) Housing as per rules of the Company (i.e unfurnished/furnished residential accommodation and/or House Rent
- 2) Payment/Reimbursement of medical/hospitalization expenses for the Whole Time director and his family in accordance with the rules of the Company.
- 3) Group Insurance cover, Group Medi-claim cover.
- 4) Company car with driver for official use.
- 5) Free telephone facility at the residence as per the rules of the Company.
- 6) Payment/Reimbursement of telephone Expenses
- 7) Contribution to Provident Fund, Superannuation Fund and Gratuity Fund shall be as per the rules of the Company.
- 8) Commission will be as per the net profits of the Company based on sales determined in accordance with the relevant provisions of the Companies Act, 2013 at a rate to be determined by the Board of Director from time to time.
- 9) Other Perquisites, Allowances, benefits and amenities as per the policy/ rules of the Company in force and/or as may be approved by the Board from time to time.
- 10) Perquisites shall be evaluated at actual cost if the cost is not ascertainable the same shall be valued as per Income Tax Rules.
- 11) Credit Card Facility.

II. Overall Remuneration

The aggregate of salary and perquisites as specified above or paid additionally in accordance with the rules of the Company in any financial year, which the Board in its absolute discretion pay to the Whole Time Director from time to time, shall not exceed the limits prescribed from time to time under section 197 and other applicable provisions of the Companies Act, 2013 read with schedule V to the said Act as per applicable provisions of Companies Act, 2013 as may be for the time being, be in force.

III Minimum Remuneration

Notwithstanding anything herein contained, where in any financial year during the period of tenure of the Whole Time Director, the Company has no profits or its profits are inadequate, the remuneration will be subject to Schedule V of Companies Act, 2013 .

8. 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 recommendation of the Board of Directors and in accordance with the provisions of Section 63 of the companies act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 read with the relevant Rules thereof (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the enabling provisions of the Memorandum and Articles of Association of the Company and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009 (the regulations), including any amendment or modification of the Act and/or the Regulations and subject to such other necessary approvals, permissions and sanctions, as may be required and subject to such terms and modifications as may be specified while according such approvals, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company, including any committee thereof (hereinafter referred to as the Board) for capitalization of sum of Rs. 94,06,100/- out of the Company's Securities Premium /Free Reserves of the Company or any other permitted reserves/surplus of the Company for the purpose of issue of Bonus Shares of Rs. 2/- each, credited as fully paid-up to the holders of the Equity Shares of the Company, whose name appear in the Register of Members, on the 'Record Date', to be determined by Board of Directors of the Company in consultation with BSE Limited for this purpose, in the proportion of 1 (one) fully paid up Equity Share of Rs. 2/- (Rupees Two only) each, for every 10 (Ten) fully paid-up Equity Shares of Rs. 2/- (Rupees Two only)



as bonus equity share each held by members or allotted to such member i.e. in the ratio of 1:10 (One bonus share for every ten equity share held) as on the Record Date and that the Bonus shares so distributed shall, for all purpose, be treated as an increase in the nominal amount in the Capital of the Company held by such member, and not as income."

**"RESOLVED FURTHER THAT** all such new equity shares issued and allotted shall in all respects rank pari-passu with the existing fully paid up equity shares of the Company, with a right, to participate in dividend in full, if any, to be declared after the date of allotment of these equity shares."

**"RESOLVED FURTHER THAT** fractions, if any, arising out of the issue and allotment of the Bonus equity shares shall be allotted by the Company and the Company shall not issue any certificate or coupon in respect thereof but all fractional entitlements, if any, shall be consolidated and the Bonus shares, in lieu thereof, shall be allotted by the Board to the nominee (s) to be appointed by the Board, who shall hold the same as trustee (s) for the members entitled thereto, and sell the said shares so arising at the prevailing market rate and pay to the Company the net sale proceeds thereof, after adjusting there from the cost and expenses in respect of such sale, for distribution to Members in proportion to their fractional entitlements."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorised to take necessary steps for listing of bonus equity shares so allotted on the Stock Exchange where the equity shares of the Company are listed as per the provisions of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 with the Stock Exchange concerned, the regulations and other applicable laws and regulations and to make necessary application to National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) for crediting the Bonus Shares to the individual Depository accounts of the allottees."

**"RESOLVED FURTHER THAT** the allotment of the Bonus shares as aforesaid, to the extent they relate to the Non Resident Members of the Company, shall be subject to such approval, if any, of the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and Regulations there under, as amended from time to time, as may be necessary."

**"RESOLVED FURTHER THAT** for the purpose of giving effects to the above Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be required and as it may in its sole and absolute discretion, deem necessary, expedient or incidental in regard to issue and allotment of Bonus Shares including but without limitation to filing of any documents with any statutory/other concerned authorities if any and to settle any question, difficulty or doubt that may arise in regard as the board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding."

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

**"RESOLVED THAT** pursuant to provisions of Section 20 of the Companies Act, 2013 and other applicable provisions, if any, of the said Act and relevant rules prescribed thereunder, the consent of the Company be and is hereby accorded to charge from a member in advance, a sum equivalent to the estimated actual expenses of delivery of the documents, through a particular mode if any request has been made by such member for delivery of such document to him through such mode of service mentioned above provided such request along with the requisite fee has been duly received by the Company at least one week in advance of the dispatch of the document by the Company."

**"RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, Board of Directors or Key Managerial Personnel of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution."

By Order of the Board of Directors  
For Chaman Lal Setia Exports Ltd.

Place :- Amritsar  
Date :- August 29, 2016

Sd/-  
Chaman Lal Setia  
Managing Director  
DIN : 01125789



**IMPORTANT NOTES :**

1. The Explanatory Statement pursuant to provisions of Section 102 of the Companies Act, 2013 ("Act"), which sets out details relating to Special Business set out in item Nos. 6 to 9 of the accompanying Notice is annexed thereto and relevant details as required under Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meetings (SS 2) issued by The Institute of Company Secretaries of India, of persons seeking appointment/ re-appointment as Directors as set out in Item Nos. 3 and 4 of the Notice, are also annexed.
2. All documents referred to in the notice and the explanatory statement requiring the approval of the Members at the meeting and other Statutory Registers shall be available for inspection by members at the registered Office of the Company during normal business hours on the working days between 11:00 a.m. to 1:00 p.m. except Sunday and holiday.
3. The Registers of Members and Share Transfer Books of the Company will remain closed from Friday 23rd September, 2016, to Thursday 29th September, 2016 (both days inclusive) for the purpose of Annual General Meeting.
4. A member entitled to attend and vote at the ANNUAL GENERAL MEETING (AGM) is entitled to appoint proxy/proxies to attend and vote instead of himself/herself. Such a proxy/proxies need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

The instrument of Proxy in order to be effective, must be received at the Registered Office of the Company, duly completed and signed not less than 48 hours before the commencement of the AGM. A Proxy form is sent herewith. Proxies submitted on behalf of the Companies, societies etc. must be supported by an appropriate resolution/authority as applicable.

5. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company at its Registered Office, a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or to registrar and share transfer agent of Company named M/s. Beetal Financial & Computers Services Private Limited, New Delhi.
7. The Notice of the Twenty Second Annual General meeting of the Company, inter alia, indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Annual Report for 2015-16 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depository Participant(s) for communication purpose unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report along with notice inter alia, indicating the process and manner of e-voting along with Attendance Slip, Proxy Form for year ended 31.03.2016 is being sent by the permitted mode. Members may note that this Notice and Annual Report 2015-16 will also be available on the Company's website, [www.maharanirice.in](http://www.maharanirice.in) for their download.
8. Members/Proxies attending Annual General Meeting are requested to bring their attendance slip (duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.) along with their copy of the Annual Report.
9. Members desirous of seeking any further information about the financial statements of the Company are requested to address their queries to the Company Secretary at the Registered Office of the Company, at least 7 days in advance of AGM, so that the information, to the extent practicable, can be made available at the Annual General Meeting.
10. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend or change in registered address along with pin code number and relevant evidences are requested to write to the Company or its Registrar i.e. M/S. Beetal Financial and Computer Services Private Limited, New Delhi. Members holding shares in electronic form shall update such details with their respective Depository Participants.
11. In case of joint holders attending the meeting, only such joint holder whose name stands first or higher (as the case may be) will be entitled to vote.

12. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 and Register of Contracts or arrangements in which Directors are interested maintained under section 189 of the Companies Act, 2013 will be available for inspection by the members during the Annual General Meeting."
13. Non Resident Indian members are requested to inform the Company's RTA immediately of any change in their residential status on return to India for permanent settlement, their bank account maintained in India with complete name, branch, account type, account number and address of the bank and pin code, if the details are not furnished earlier.
14. Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, read with Section 205A and Section 205C of the Companies Act, 1956, any amount of dividend that remains unpaid or unclaimed for a period of seven years from the date of transfer of the same to Company's Unpaid Dividend Account is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. Accordingly during the year the Company has transferred the amount of dividend declared for financial year ended 31.03.2008 to the Investor Education and Protection Fund (IEPF). Accordingly, the unclaimed dividend in respect of financial year 2008-2009 is due for transfer to the said fund in November 5, 2016 and as per provision of section 124 of the Companies Act, 2013, read with Section 205A of the Companies Act, 1956, no claim shall lie against the Company or the said fund after the said transfer. Members who have neither received nor encashed their dividend warrants from the financial year 2008-09 onwards, are requested to write to the Company or to our RTA named M/S. Beetal Financial & Computer Services Pvt. Ltd., New Delhi alongwith requisite details without any delay. In terms of the said IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends in respect of respective financial years on the website of the Company viz. [www.maharanirice.in](http://www.maharanirice.in) under "Investors Relations" and same information has also been uploaded on the website of IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in)
15. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with Beetal Financial & Computer Services Pvt. Ltd. /DPs.
16. Voting Through electronic means
  1. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies ((Management and Administration ) Amendment Rules, 2015, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is pleased to provide facility to Members to exercise their right to vote on the resolutions proposed to be considered at the 22nd Annual General meeting (AGM) by electronic means and the business may be transacted through e- voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services Limited (CDSL).
  2. The facility for voting through ballot paper shall be made available at AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
  3. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
  4. Mr. Sunil Dhawan Practising Company Secretary vide (Membership No. 14500), Proprietor of M/S. Sunil Dhawan & Associates has been appointed as the Scrutinizer to scrutinize the voting and e-voting process in a fair and transparent manner.
  5. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
  6. The Scrutinizer shall immediately after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman of the Company, who shall countersign the same and declare the result of the voting forthwith.
  7. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.maharanirice.in](http://www.maharanirice.in) in and on the website of CDSL immediately after the declaration of result by the Chairman. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

The instructions for shareholders voting electronically are as under:

- (i) The remote e-voting facility begins on Sunday, 25.09.2016 from 10:00 a.m. and ends on Wednesday 28.09.2016 at 5:00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 22.09.2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence number is printed on address stickers.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> i.e. Chaman Lal Setia Exports Ltd. on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xviii) If a Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for Android, Apple and Windows based mobiles. The m-Voting app can be downloaded from Google Play Store, App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) Note for Non – Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (i) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 22.09.2016 may follow the same instructions as mentioned above for e-Voting.
- (ii) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

NAME	MR. SUKARN SETIA	MR. ANKIT SETIA
Director Identification Number (DIN)	01133561	01133822
AGE	36 years	32 years
Date of Appointment on the Board	28.09.2001	30.09.2003
EXPERTISE IN SPECIFIC AREA	Expertised in domestic marketing	He is a technical person having specialised knowledge in export market and quality control and production.
Shareholding in Chaman Lal Setia Exports Ltd.	239935	250000
Directorship held in other Companies	Odeon Buildpro Private Limited	NONE
Memberships/Chairmanships of Board Committees in Other Companies	NONE	NONE



## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("ACT")**

**The following Statement sets out the material facts relating to the Special Business mentioned in the accompanying Notice:**

### **ITEM NO. 6 :-**

The Board of Directors at their meeting held on 14.10.2015 passed the Board resolution on the recommendation of the Nomination & Remuneration Committee in accordance with the provisions of section 197 of the Companies Act, 2013 and rules made there under for increasing the remuneration of Mr. Ankit Setia (Din No. 01133822) Whole Time Director of Company from One lac to two lacs per month w.e.f 01.10.2015, which is subject to approval of shareholders in General Meeting.

Mr. Ankit Setia (Din No. 01133822) whole-time director of Company is specialized & technical person in export market. He takes very keen interest in the business of the Company and is responsible for the quality controlling and promotion of export business for all our brands of Company.

For the sake of brevity the particulars of the proposed remuneration, perquisites and benefits of Mr. Ankit Setia are not being set out in the explanatory statement and members are requested to refer the same as set out in the body of the resolution.

Sh. Ankit Setia (Din No. 01133822) being deemed to concerned or interested in this resolution. Shri Sankesh Setia (Din No. 06620109) Whole Time Director, Sh. Chaman Lal Setia (Din No. 01125789), Managing director, Sh. Vijay Setia (Din No. 01125966) Whole Time Director, Sh. Rajeev Setia (Din No. 01125921), Whole Time Director, Sh. Sukarn Setia (Din no. 01133561) Whole Time Director, may be deemed to be concerned or interested in this resolution being relatives.

Hence, your Directors recommend the above resolution as an Ordinary Resolution for approval of the Shareholders as set out at Special Business under Item No. 6 for the year ending March 31, 2016.

### **ITEM NO. 7 :-**

The Board of Directors at their meeting held on 14.10.2015 passed the Board resolution on the recommendation of the Nomination & Remuneration Committee in accordance with the provisions of section 197 of the Companies Act, 2013 and rules made there under for increasing the remuneration of Mr. Sankesh Setia (Din No. 06620109) Whole Time Director of Company from One lac to two lacs per month w.e.f 01.10.2015, which is subject to approval of shareholders in General Meeting. Mr. Sankesh Setia (Din No. 06620109) whole-time director of Company is specialized person for promoting the business of Company in both domestic and international market. He takes very keen interest for the promotion of the Company.

For the sake of brevity the particulars of the proposed remuneration, perquisites and benefits of Mr. Sankesh Setia are not being set out in the explanatory statement and members are requested to refer the same as set out in the body of the resolution.

Sh. Sankesh Setia (Din No. 06620109) being deemed to concerned or interested in this resolution. Shri Ankit Setia (Din No. 01133822) Whole Time Director, Sh. Chaman Lal Setia (Din No. 01125789), Managing director, Sh. Vijay Setia (Din No. 01125966) Whole Time Director, Sh. Rajeev Setia (Din No. 01125921), Whole Time Director, Sh. Sukarn Setia (Din no. 01133561) Whole Time Director, may be deemed to be concerned or interested in this resolution being relatives.

Hence, your Directors recommend the above resolution as an Ordinary Resolution for approval of the Shareholders as set out at Special Business under Item No. 7 for the year ending March 31, 2016.

### **Item No. 8 :-**

As members are aware, operations of your Company has been growing consistently and has grown significantly during past 5 years. The positive economic environment and general buoyancy in the rice manufacturing and export has led to significant improvement in the performance of the Companies with strong management background. The Company has accumulated sizable amount of free reserves out of the profits of the Company over the years.

The equity shares of the Company are listed on BSE Limited (BSE) for past several years. The background of the Company, robust financial performance and general market conditions has generated large interest in the investor community at large which has resulted in enhanced activity in trading of equity shares of the Company. The current market price reflects the strong fundamentals of the Company and overall interest by investors at large. The management has been rewarding the shareholders by way of dividend in the past and have considered

issue and allotment of bonus equity shares to the shareholders. The Board of Directors at their meeting held on 29th August 2016 have considered to recommend issue of bonus equity shares in the ratio of 1 equity share for every 10 equity shares held (1:10) by capitalizing the free reserves.

The Board of Directors are pleased to intimate that the Company has accumulated reasonable amount of free reserves generated out of the profits of the Company over the years. Your Company has been always following the practice of rewarding its shareholders by way of dividend, whenever there is surplus available with the Company. In order to share part of the reserves accumulated by the Company, the Board of Directors have recommended the resolution for issue of 1 equity share as bonus equity shares to all the shareholders as on Record Date for every 10 equity shares held.

The Bonus shares so allotted shall rank pari passu in all respects with the existing equity shares of the Company with a right, to participate in dividend in full, if any, to be declared after the date of allotment of these equity shares. The proposed issue of Bonus Shares will be made in accordance with the provisions of the Companies Act, 2013 and guidelines issued by Securities Exchange Board of India (SEBI) from time to time and subject to such approvals, as may be required, from the statutory authorities.

None of the Directors, Key Managerial Personnel of the Company or their relatives are deemed to be concerned or interested financially or otherwise in the said Resolution except to the extent of entitlement of bonus shares on the equity shares already held by them, if any in the Company.

Hence, your Directors recommend the above resolution as an Ordinary Resolution for approval of the Shareholders as set out at Special Business under Item No. 8 for the year ending March 31, 2016.

**ITEM NO. 9 :-**

As per the provisions of Sections 20 of the Companies Act, 2013, a document may be served on any member by sending it to him by post or by registered post or by speed post or by courier or by delivering to his office or address, or by such electronic or other mode as may be prescribed. Further, a member may request for delivery of any document through a particular mode, for which he shall pay such fees in advance as may be determined by the Company in its Annual General Meeting.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.9 of the Notice.

Hence, your Directors recommend the above resolution as an Ordinary Resolution for approval of the Shareholders as set out at Special Business under Item No. 9 for the year ending March 31, 2016.

By Order of the Board of Directors  
For Chaman Lal Setia Exports Ltd.

Place :- Amritsar  
Date :- August 29, 2016

Sd/-  
Chaman Lal Setia  
Managing Director  
(Din 01125789)

## DIRECTOR'S REPORT

To,  
The Members,  
Chaman Lal Setia Exports Ltd.

Your Directors have pleasure in presenting before you the 22nd Annual Report together with the Audited Statements of Accounts of the Company for the year ended 31st March, 2016.

### 1. RICE BUSINESS ----- Performance At A Glance

**The Company's financial performance, for the year ended March 31, 2016 is summarised below:-**

Particulars	Amount (in Lacs) Y.E. 31.03.2016	Amount (in Lacs) Y.E 31.03.2015
Export turnover	38857.23	40757.82
Domestic turnover	9388.30	10045.08
Profit before Intt. & Depreciation	6233.91	3784.36
Interest	234.39	531.34
Provision for Depreciation	287.12	298.75
Profit before Tax	5712.40	2954.27
Provision for Tax	1987.81	1004.15
Profit after Tax	3724.59	1950.12
Interim Dividend/ (Proposed Dividend P.Y)	249.06	226.39
Transfer To General Reserve	372.45	195.01
Carried to Balance Sheet	7598.32	4923.88
Current Assets	15989.01	14404.27
Current Liabilities	5436.84	6932.11
Working Capital	10552.17	7472.16
Capital Employed	12722.13	9639.86
EPS *	7.95	4.19
Book Value*	23.44	17.06

\* The face value of Equity shares at the beginning of the year was Rs. 10/- , however on account of sub-division of shares W.E.F 29.12.2015, the face value of Equity shares at the end of the year was Rs. 2/-, therefore EPS and Book Value for the last year has been re-stated accordingly.

### 2. Highlights of Performance:

During the year under review the Company has registered a sale of Rs . 48245.53 Lacs against previous year sales of Rs. 50802.9 lacs. Although there was a decline in value of sales but in quantitative terms there was an increase of 27% approx. This is because there was a fall in the average price realisation in the case of the sales. But the Net Profit before tax of Rs. 5712.40 lacs has registered an increase of 93% over its previous figure of Rs. 2954.27 lacs which is mainly due to timely procurement of raw materials at very reasonable rates and through product innovative ideas of the management. Further the Company is also emphasising on its brand in the domestic as well as overseas markets. Further the Company has its thrust on cost cutting of each and every element. The Company continues to operate in the rice business and there was no change in business activities during the year. No material changes or commitments affecting the financial position of the Company occurred between end of the financial year and date of this report.



**3. Names of Companies Which have been become or ceased to be its subsidiaries, joint ventures or Associate Companies during the year :-**

Your Company has no subsidiary or Associate Company and during the year also no Company have become or ceased to be the subsidiary, joint venture or Associate Company.

**4. Transfer to Reserves**

The Company has transferred Rs. 372.45 Lacs to reserves.

**5. TRANSFER TO INVESTOR EDUCATION & PROTECTION FUND**

During the year, pursuant to the provisions of Section 124 and Section 125 of the Companies Act, 2013, read with Section 205C of the Companies Act, 1956. dividend amounting Rs. 148625/- was lying unpaid/unclaimed with the Company for a period of seven years after Declaration of Dividend for the financial year ended 2007-2008 was transferred to the Investor Education and Protection Fund .

**6. Board of Directors**

As on March 31, 2016, your Company's Board has a strength of 12 (Twelve) Directors including 1 (One) Women Directors. There are 6 Executive Directors and 6 Non Executive Independent Directors. The detailed section on 'Board of Directors' is given in the separate section titled 'Report on Corporate Governance' forming part of this Annual Report. During the year Mr. Vijay Kumar Jhamb who was appointed as an additional non executive independent director in Board Meeting dated 13.10.2014 was appointed as an independent director in the 21st Annual General Meeting for period of 5 consecutive years for a term upto 12.10.2019. Further no other director or Key Managerial Personnel has been appointed or has retired or resigned during the year. Mr. Ankit Setia and Mr. Sukarn Setia wholetime director of Company are liable to retire by rotation at ensuing AGM and being eligible for re-appointment. The brief resume of the Directors and other related information has been detailed in the Notice convening the 22nd AGM of your Company. The Board recommends their re-appointment at the ensuing Annual General Meeting.

**7. DECLARATION BY INDEPENDENT DIRECTORS**

In pursuance of sub-section (7) of Section 149 of the Companies Act, 2013 all the Independent Directors on the Board have furnished the declaration that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 read with SEBI Listing Regulations .

**8. Key Managerial Personnel**

As required under section 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re- enactment (s) for the time being in force), the Company has noted that Mr. Chaman Lal Setia, Managing Director, Mr. Rajeev Setia Wholetime Director and Chief Financial Officer and Miss Kanika Nevatia, Company Secretary are the Key Managerial Personnel of the Company. During the year there was no change (appointment or cessation) in the office of any KMP.

**9. AUDIT COMMITTEE**

The Company has an Audit Committee in place, constituted as per the provisions of Section 177 of the Companies Act, 2013, information about composition of Audit Committee and other details are given in Corporate Governance Report, forming part of this report. The Board has accepted the recommendations of Audit Committee. The Audit Committee is comprising of Mr. Inder Dev Kukkar as Chairman, Mr. Naresh Kumar Suneja and Mr. Vijay Kumar Jhamb as members.

**10. NUMBER OF MEETINGS OF THE BOARD**

The Board of Director duly met 16 times during the financial year from 01.04.2015 to 31.03.2016. The details of which are given in the Corporate Governance Report forming part of this Annual Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **11. Board Evaluation**

Pursuant to the provisions of the Act and Rules made thereunder and as provided under Schedule IV of the Act and the Listing Regulations, Nomination and Remuneration Committee / Board has carried out the annual performance evaluation of performance of Directors individually, Committees of the Board and the Board as whole. The manner in which the evaluation was carried out is provided in the Corporate Governance Report, which is a part of this Annual Report.

#### **12. Director's Responsibility**

As stipulated under the provisions contained in Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 the Directors hereby confirm that :

- (a) in the preparation of the Annual Accounts for the year ended 31st March, 2016, the applicable accounting standards have been followed and there are no material departures.
- (b) the directors have selected appropriated accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year March 31, 2016 and of the profit of the company for the Financial year ended March, 31, 2016;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors have prepared the annual accounts for the year ended March 31, 2016 on a going concern basis;
- (e) the directors have laid down internal financial controls in the company that are adequate and are operating effectively.
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

#### **13. Management Discussion and Analysis Report :-**

Management Discussion and Analysis Report, for the year under review, as stipulated under clause 49 of the Listing Agreement/ Regulation 34[2][e] of SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015, [hereinafter referred to as Listing Regulations] is presented in a separate section, which forms a part of this Annual Report.

#### **14. Conservation Of Energy, Technology Absorption, Foreign Exchange Earning and Outgoing**

Statement giving the particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 134 (3) (m) of Companies Act, 2013 read with Rules 8 of Companies (Accounts) Rules, 2014 is given in the Annexure –A which forms part of this report.

#### **15. General Shareholder Information**

General Shareholder information is given in item no. 10 Of the Report on Corporate Governance forming part of the Annual Report.

#### **16. Disclosure Relating to Remuneration of Directors, Key Managerial personnel and Particulars of Employees**

The remuneration paid to the Directors is in accordance with the Nomination and Remuneration Policy of your Company formulated in accordance with Section 178 of the Companies Act, 2013 read with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification (s) or re-enactment for time being in force) . The salient aspects covered in the Nomination and Remuneration policy have been outlined in the Corporate Governance Report which forms part of this report. The full policy is available at on the website of the Company at weblink [www.maharanirice.in](http://www.maharanirice.in).

The statement containing the details required under Section 197(12) of the Companies Act, 2013 read with Rule 5 (1) , 5(2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended by Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 is attached as 'Annexure ' B which forms part of this Report.

During the year under review, no employees, whether employed for the whole or part of the year has received remuneration exceeding the limit as stated in section 197(12) of the Companies Act, 2013 read with Rules rule 5(2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 , as amended by Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 .

#### **17. Extract of Annual Return :-**

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, an extract of the Annual Return as provided under sub section (3) of section 92 in the prescribed format is appended as 'Annexure C' which forms part of this Report.

#### **18. Statutory Auditor and their Report**

M/s. Rajesh Kapoor & Co. Chartered Accountants, (FRN: 13527N), Statutory Auditors of the Company, hold office till the conclusion of the ensuing Annual General Meeting. The Company has received their written consent and a certificate that they satisfy the criteria provided under Section 141 of the Companies Act, 2013 and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and rules framed there under.

The Audit Committee and the Board of Directors recommend the re-appointment of M/s. Rajesh Kapoor & Co. Chartered Accountants, (FRN: 13527N), as the Statutory Auditors of the Company in relation to the financial year 2016-17 till the conclusion of the next Annual General Meeting of the Company.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report for the financial year ended March 31, 2016 does not contain any qualification, reservation or adverse remark. Pursuant to provisions of section 143(12) of the Companies Act, 2013, the Statutory Auditors have not reported any incident of fraud to the Audit during the period under review.

#### **19. Secretarial Audit Report**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rules made there under, the Company had appointed M/s. Sunil Dhawan & Associates, Practicing Company Secretary as Secretarial Auditors of the Company for the year 2015-2016 to conduct secretarial audit and to ensure compliance by the Company with various Acts applicable to the Company. The report of the Secretarial Auditor for the financial year 2015-16 is enclosed as Annexure D to this report

As per the observation as given by the Secretarial Auditor, regarding the CSR Amount not spent by the company the explanation to the same has been given to the Secretarial Auditors which forms part of the Secretarial Audit Report and the detailed justification to the same is also being given in Annexure E under Annual Report on CSR Activities which forms part of the Directors Report.

#### **20. Corporate Governance**

The Company has complied with the Corporate Governance requirements under the Act and as stipulated under clause 49 of the Listing Agreement/Listing Regulations. A separate section on detailed report on Corporate Governance along with a certificate from a Practicing Chartered Accountant, confirming the compliance form a part of this Annual Report.

#### **21. Corporate Social Responsibility Committee**

In terms of section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors of your Company have constituted a CSR Committee. The Committee comprises Mr. Parmod Kumar Kukkar (Chairman), Mr. Rajeev Setia & Mr. Vijay Setia as other members. Company has framed a CSR policy also for the Company, on the recommendations of the CSR Committee. The Report on CSR activities as required under Companies (Corporate Social Responsibility) Rules, 2014, including a brief outline of the Company's CSR Policy, total amount to be spent under CSR for the financial year, amount unspent and the reason for the unspent amount, is set out at Annexure-E forming part of this Report.

## 22. RISK MANAGEMENT

A well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process has been established by the Company. The objective of the mechanism is to minimize the impact of risks identified and taking advance actions to mitigate them. A detailed exercise is being carried out to identify, evaluate, monitor and manage risks. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework. Discussion on risks and concerns are covered in the Management Discussion and Analysis Report.

## 23. Credit Rating

Total Bank Loan Facilities Rated	Rs. 1000 Million
Long Term Rating	CRISIL BBB+/Stable
Short Term Rating	CRISIL A2

## 24. Obligation of Company Under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 :-

As per the applicability of Act named The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, no such complaint or grievance occurred during the year under review.

## 25. Disclosure on Deposits from Public

During the year under review Company has not accepted any deposits from the public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

## 26. Dematerialisation of Shares

The Company has agreements with both National Securities Depository Ltd and Central Depository Services Ltd. whereby the Shareholders have an option to dematerialise their shares with either of the depositories. As on 31.03.2016, about 96.14% of the Company's Equity Shares has been held in dematerialized form.

## 27. CHANGE IN CAPITAL STRUCTURE AND LISTING OF SHARES

The Company's shares are listed and actively traded on the below mentioned Stock Exchange:-

### **BSE Limited (BSE)**

Phiroze Jeejeebhoy Towers,  
25th Floor, Dalal Street,  
Mumbai – 400 001

During the year under review the Board of directors at their meeting held on 28.08.2015 considered the list of shareholders who have not paid their balance amount of allotment money along with the share premium amount. Company has already given two reminders to all the shareholders & finally on 24.07.2015 Company has given the individual final call money notice along with publication in newspapers to all the partly paid shareholders to pay the balance outstanding amount towards allotment and share premium due on their holding on or before 24.08.2015 failing which the shares held by them shall be liable for forfeiture without giving any further notice. Therefore Board of directors at their meeting held on 28.08.2015 decided to forfeit 92200 Shares who have not paid their balance amount of allotment money along with share premium amount resulting decrease in paid up equity capital and Listing Capital to Rs. 9,40,61,000/-, however issued capital remained same i.e Rs. 9,49,83,000/-. Thereafter as Shareholders of Company has given approval for splitting of shares of your Company from face value of Rs. 10 to Rs. 2 each in 21st AGM of Company held on 29.09.2015 therefore Company in their Board Meeting dated 09.12.2015 fixed Record Date for sub division of share from face value of Rs. 10 to Rs. 2 per Equity share w.e.f 29.12.2015. Consequently, Issued Capital is Rs. 9,49,83,000/- (divided into 47491500 Equity shares of the face value of Rs. 2 each) and Paid up Capital is Rs. 9,40,61,000/- (divided into 47030500 Equity shares of the face value of Rs. 2 each).

**28. Particulars of Loan Given, Investment Made, Guarantee Given Under Section 186 of the Companies Act, 2013**

During the financial year ended March 31, 2016, the Company has neither made any investment (s) nor given any loan or guarantee(s) or provided any security as under section 186 of the Companies Act, 2013.

**29. Particulars of Contracts or Arrangements with related parties**

All transactions entered by the Company during the financial year 2015-2016 with related parties were on an arm's length basis and were in the ordinary course of business and in accordance with the provisions of the Companies Act, 2013, read with Rules issued thereunder and the SEBI Listing Regulations. During the year the Company had not entered into any transactions with related parties which could be considered as material transactions or contracts or arrangements under the Companies Act, 2013 and rules made thereunder and under SEBI Listing Regulations. Accordingly, no transactions are being reported in Form No. AOC -2 in terms of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

The details of the related party transactions as per Accounting Standard 18 are set out in Notes to Accounts vide no. 12 (ii) to the Financial Statements forming part of this Annual Report. The company has also adopted a Related Party Transaction Policy.

The Policy, as approved by the Board, is uploaded on the company's website at web link: [www.maharanirice.in](http://www.maharanirice.in)

**30. Vigil Mechanism/Whistle Blower Policy**

The Company has a Whistle Blower Policy/Vigil Mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct. for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct. The implementation and details of the Whistle Blower Policy has been mentioned in the Report of Corporate Governance and also uploaded on Company's website i.e. [www.maharanirice.in](http://www.maharanirice.in).

**31. Industrial Relation**

The Industrial relations remained cordial throughout the year and have resulted in sustained growth of the company.

**32. Dividend**

During the year under review, your Directors had declared and paid an interim dividend of Rs. 0.44/- (22%) per Equity Share of face value of Rs. 2/- each for the financial year ended on 31.03.2016 to those Equity Shareholders whose name appear in the Register of Members as on March 22nd, 2016 being record date fixed for the purpose. Those shareholders holding shares in electronic form were paid dividend as per the beneficiary data provided by the Depositories.

Your director did not recommend final dividend. During the year, the unclaimed dividend pertaining to the dividend for the year ended March 31, 2008 was transferred to Investor Education and Protection Fund.

**33. Listing With Stock Exchange**

The Company confirms that it has paid the Annual Listing fee for the year 2016-17 to BSE where the Company's Shares are listed.

**34. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has an Internal Financial Control System, commensurate with the size, scale and complexity of its operations. Your Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and / or improved controls whenever the effect of such gaps would have a material effect on the Company's operations. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The Internal Auditor of the Company checks and verifies the internal control and monitor them time to time as and when required. The Company continues to ensure proper and adequate systems and procedures commensurate with the size, scale and nature of its business.



**35. PREVENTION OF INSIDER TRADING:**

In January 2015, SEBI notified the SEBI (Prohibition of insider trading) Regulations, 2015 which came into effect from May 15, 2015. Pursuant thereto, the Company has formulated and adopted a new Code for Prevention of Insider Trading. The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors, Officers, Promoters and designated employees of the Company.

**36. ADOPTION OF NEW ARTICLES OF ASSOCIATION OF YOUR COMPANY :-**

During The financial year 2015-16, the new Articles of Association of your Company were adopted with the prior approval of shareholders in accordance with the provisions of the Companies Act, 2013 read with the Rules thereunder.

**37. Future Expansion**

The Future expansion endeavour of the Company is always a going on process specially in the field of Quality improvement and development of new product with lower cost and energy savings. The Management of the company understands that it has to improve upon to face the ever changing circumstances and evolvments globally.

**38. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERNS STATUS AND COMPANY'S OPERATIONS IN FUTURE**

The Company has not received any significant or material orders passed by any Regulatory Authority, Court or Tribunal which shall impact the going concern status and Company's operations in future.

**39. Appreciation**

Your Directors wish to express their grateful appreciation for the co-operation and support received from stakeholders such as customers, suppliers, shareholders, bankers, regulatory authorities and the society at large. Deep appreciation is also recorded for the dedicated efforts and contribution of the employees at all levels, as without their focus, commitment and hard work, the Company's consistent growth would not have been possible, despite the challenging environment.

For and on behalf of the Board of Directors

Place: Amritsar  
Date: 29.08.2016

sd/-  
Chaman Lal Setia  
Chairman & Managing Director  
Din No. :- 01125789

## ANNEXURE-A (Director's Report)

Disclosure Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014) and forming part of the Directors' Report for the year ended March 31, 2016

### a) CONSERVATION OF ENERGY

The company has developed a novel process for reducing energy and water requirements in paddy parboiling process. As a result the water consumption and energy expenditure in mechanical parboiling of paddy is greatly reduced. The Company has also developed the novel process of recycling of most of hot water used for soaking of paddy during parboiling of rice, thereby generating little waste water and still having a high quality product. Consequently any chance of earth pollution from this process is completely ruled out. The energy and water consumption utilized about just one third of that available with the company and such saved energy and water to the tune of two third can be utilized for other productive purposes. Due to this innovation at our rice parboiling plant, overall fuel consumption in this section is reduced resulting conservation of energy. Company has also eliminated the typical off-odour emanating from the paddy soaking tanks resulting great reduction in ground water pollution.

### b) TECHNOLOGY ABSORPTION

#### (i) Research And Development (R&D)

Various R&D initiatives were undertaken which have resulted in :

- a) Development of a system and method for parboiling paddy that obviates husk of paddy from splitting
- b) Development of 100% insect killing technique by using 1/3rd of Pesticides
- c) Development of quick cooking Brown Rice;
- d) Use of Neem as Bio-pesticide;
- e) Improvement in Parboiling for improvement in quality parameters;
- f) Use of Plastic Buckets in parboiling plant thus reducing cost;
- g) Development of Bhatti Sella through automation for the first time in India;
- h) Development of Fragrant Rice.
- i) Reducing broken in paddy with very high sun checks under process.
- j) Rice bran stabilization for human consumption under process.
- k) Making bio-compost from waste and reject of paddy under process.

#### ii) Benefits derived as a result of the above efforts Improvement in existing process and product quality, less qualities variations, improved productivity, cost reduction and reduction in air and water pollution, financial savings.

#### (iii) Future plan of action.

- a) The Company will try to assist any R & D Unit of any academy /University and will continue to work on energy efficient process and also put all efforts to enlarge the scope of Agri-inputs options, Improvement of plant and process and resource use efficiencies,

#### (iv) Expenditure on R & D.

- a) Wages, salaries, stores, spares & consumable used for R&D activities have been debited to Respective Heads.
- b) The Company has completely indigenous technology & has not imported any technology from abroad.

### c) FOREIGN EXCHANGE EARNING & OUTGO :

The information in this regard is provided in Notes of Accounts.

For and on behalf of the Board of Directors

Place: Amritsar  
Date: 29.08.2016

sd/-  
Chaman Lal Setia  
Managing Director  
(Din No. :- 01125789)



## ANNEXURE-B (Director's Report)

- (A) Details pertaining to Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended by Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016

1. The Ratio of the Remuneration of each Director to the Median Remuneration of the Employees of the Company For the Financial Year 2015-2016:

Executive Director	Ratio of Median Remuneration
Mr. Chaman Lal Setia	26.47
Mr. Vijay Setia	27.11
Mr. Rajeev Setia	33.29
Mr. Sukarn Setia	3.44
Mr. Ankit Setia	9.91
Mr. Sankesh Setia	9.91

**Note :** Commission income had not been included for the purpose of calculating this ratio to make it comparable with previous year figure as in previous year there were no commission income given to all the aforesaid directors except to Mr. Ankit Setia.

2. The percentage increase in remuneration of each director, Managing director, Chief Financial Officer and Company Secretary in the Financial year :-

Executive Director	Designation	% increase
Mr. Chaman Lal Setia	Managing Director	Nil
Mr. Vijay Setia	Whole Time Director	0.23%
Mr. Rajeev Setia	Whole Time Director & CFO	nil
Mr. Sukarn Setia	Whole Time Director	1.72
Mr. Ankit Setia	Whole Time Director	192.56
Mr. Sankesh Setia	Whole Time Director	192.56
Kanika Nevta	Company Secretary	20%

**Note :** Commission income had not been included for the purpose of calculating this ratio to make it comparable with previous year figure as in previous year there were no commission income given to all the aforesaid directors except to Mr. Ankit Setia.

3. The percentage increase in the Median Remuneration of Employees in the Financial Year 2015-2016

The percentage increase in the median remuneration of employees during the year is 15%.

4. The number of permanent employees on the rolls of Company :

113 \*

5. Average percentile increase already made in the salaries of employees other than the Managerial Personnel In the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentage increase made in salaries of employees other than Managerial Personnel in Financial Year 2015-16 was 15 %, Percentage increase in the managerial remuneration for the year has been given above. The Increase in remuneration of Mr. Ankit Setia is due to his tremendous performance in the Company, he emphasis on quality production and hygiene standard of the products, he is the main engine for exports marketing and developing new market, after his joining in the company the exports which were to

the tune of 100 crores have gone up to 400 crores approx. Mr. Sankesh Setia is very dynamic in exports sales, he has participated in various international food exhibition, he has developed new foreign markets and added 82 international customers till 31.03.2016 in the kit of exports which essentially contribute to approx 400 crores exports..

**6. Affirmation that the remuneration is as per the Remuneration Policy of the Company.**

It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and Senior Management is as per the Remuneration Policy of the Company.

7. No employee's remuneration for the year 2015-16 exceeded the remuneration of any of the Directors.

8. Company's performance has been provided in the Board Report which forms part of the Annual Report.

\* Due to typographical error last year number of permanent employees on the rolls of the Company were typed as 47 instead of 74.

**(B) Statement showing particulars of employees pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended by Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016**

**(i) The Names of the Top Ten Employees of the Company in terms of Remuneration drawn during the Financial Year 2015-16:-**

S. No.	Employee Name	Designation	Remuneration Received	Nature of Employment	Qualification	Experience (in years)	Date of commencement of employment	Age (in Years)	Last Employment held	% age of Equity Shares held	Whether related to any Director/ Manager
1.	Manu Arora	Accounts Manager	727770	Permanent	M.com	13	01/05/2004	38	-----	Nil	No
2.	Rajinder Prasad	General Manager	628649	Permanent	B.A	38	01/08/2000	57	KRBL	Nil	No
3.	Vipan Malhotra	Accounts Manager	617928	Permanent	B.A, (Computer)	29	01/11/1994	51	-----	Nil	No
4.	Nirmal Kumar	Purchase Manager	617775	Permanent	Under Graduate	40	01/04/1996	59	-----	Nil	No
5.	Dinesh Malik	Marketing Manager	601842	Permanent	B.A PGDCA	16	01/09/2001	38	-----	Nil	No
6.	Dinesh Kumar Yadav	Foreman	599976	Permanent	Under Graduate	27	01/11/1994	43	-----	Nil	No
7.	Jagnandan	Quality Supervisor	573302	Permanent	Under Graduate	30	10/11/2000	48	Sachdeva Rice	Nil	No
8.	Joginder Singh	Manager	568399	Permanent	Under Graduate	42	01/11/1994	67	-----	Nil	No
9.	Vimlesh Kumar	Accounts Manager	562618	Permanent	B.com	19	01/01/2002	40	-----	Nil	No
10.	Ravinder Kumar	Production Manager	545666	Permanent	B.A	14	01/01/2000	36	Saras Books	Nil	No

**(C)** None of the employees, whether employed for the part of the year or for full year, during the year 2015-2016 was drawing remuneration exceeding the limits as laid down u/s 197 (12) of the Companies Act, 2013 read with Rules 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managing Personnel) Rules, 2014 as amended by Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016.

For and on behalf of the Board of Directors

Place: Amritsar  
Date: 29.08.2016

sd/-  
Chaman Lal Setia  
Managing Director  
(Din No. :- 01125789)



## ANNEXURE-C (Director's Report)

EXTRACT OF ANNUAL RETURN

FORM NO. MGT 9

AS ON THE FINANCIAL YEAR ENDED 31.03.2016

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

### I. REGISTRATION & OTHER DETAILS:

1.	CIN	L51909PB1994PLC015083
2.	Registration Date	21/09/1994
3.	Name of the Company	CHAMAN LAL SETIA EXPORTS LTD.
4.	Category/Sub-category of the Company	PUBLIC COMPANY LIMITED BY SHARES/ INDIAN NON GOVERNMENT COMPANY
5.	Address of the Registered office & contact details	P. O. Central Jail, Miran Kot Road, Amritsar-143001, Punjab 0183-2590318 & 0183-2592708 Email id :- clsetia@rediffmail.com Website :- www.maharanirice.in
6.	Whether listed company	Yes (Listed in BSE)
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	BEETAL FINANCIAL & COMPUTER SERVICES (P) LTD. IIIRD FLOOR, 99 MADANGIR, (NEAR DADA HARSUKH DASS MANDIR), NEW DELHI Email id :- beetalrta@gmail.com Telephone :- 011-29961281-283 Fax Number :- 011-29961284

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	RICE	10612	100%

### III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES: NIL

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 1st April, 2015				No. of Shares held at the end of the year 31st March, 2016*				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF/Directors & their Relative	6955199	108600	7063799	74.37	35170471	36000	35206471	74.86	0.49
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other									
<b>Sub Total (A) (I)</b>	6955199	108600	7063799	74.37	35170471	36000	35206471	74.86	0.49
<b>2. FOREIGN</b>									
<b>a. Individuals (Non Residents Individuals /Foreign Individuals)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
b. Bodies Corporate	0	0	0	0	0	0	0	0	
c. Institutions	0	0	0	0	0	0	0	0	0
d. Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
e. Any Others (specify)	0	0	0	0	0	0	0	0	0
Sub Total (A)(2)	0	0	0	0	0	0	0	0	0
Total Shareholding of promoter and Promoter Group(A) = (A)1+(A)(2)	6955199	108600	7063799	74.37	35170471	36000	35206471	74.86	0.49
(B) Public Shareholding									
<b>1 Institution</b>									
<b>(A) Mutual Funds/UTI</b>	0	0	0	0	0	0	0	0	0
<b>(b) Financial Institutions/ Banks</b>	0	0	0	0	0	0	0	0	0
<b>(c) Central Government/ State Government (s)</b>	0	0	0	0	0	0	0	0	0
<b>(d) Venture Capital Funds</b>	0	0	0	0	0	0	0	0	0
<b>(e) Insurance Companies</b>	0	0	0	0	0	0	0	0	0
<b>(f) Foreign Institutional/Portfolio Investors</b>	0	0	0	0	69590	0	69590	0.148	0.148
<b>(g) Foreign Venture Capital Investors</b>	0	0	0	0	0	0	0	0	0
<b>(h) Qualified Foreign Investors</b>	0	0	0	0	0	0	0	0	0
<b>(i) Any Other (specify)</b>	0	0	0	0	0	0	0	0	0
<b>Sub Total (B) (I)</b>	0	0	0	0	69590	0	69590	0.148	0.148

<b>B2 . Non-Institutions</b>									
a) Bodies Corp.	211955	189200	401155	4.22	1876385	20000	1896385	4.0322	(0.19)
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	903093	330911	1234004	12.99	5041506	996090	6037596	12.8376	(0.153)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	553127	164900	718027	7.56	2310348	762500	3072848	6.5337	(1.03)
c) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
(d) Any Other (specify)	0	0	0	0	0	0	0	0	0
(d-i) Non Resident Indians	6217	0	6217	0.07	434619	0	434619	0.9241	0.85
(d-ii) Clearing Members	3989	0	3989	0.04	11570	0	11570	0.0246	(0.02)
(d-iii) HUF	71109	0	71109	0.75	301421	0	301421	0.6409	(0.11)
(d-iv) Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
(d-v) Foreign Nationals	0	0	0	0	0	0	0	0	0
(d-vi) Trusts	0	0	0	0	0	0	0	0	0
(d-vii) Foreign Bodies Corporates	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2):-</b>									
Total Public Shareholding (B)=(B)(1)+(B)(2)	1749490	685011	2434501	25.63	10045439	1778590	11824029	25.14	(0.49)
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>8704689</b>	<b>793611</b>	<b>9498300</b>	<b>100</b>	<b>45215910</b>	<b>1814590</b>	<b>47030500</b>	<b>100</b>	

\*Note :- During the year due to forfeiture of 92200 shares Paid up Capital of Company reduced to Rs. 9,40,61,000/-. The face value of Equity shares at the beginning of the year was Rs. 10/- , however on account of sub-division of shares W.E.F 29.12.2015, the face value of Equity shares at the end of the year was Rs. 2/- therefore aforesaid information for the year ended has been stated accordingly

## B) Shareholding of Promoters and Promoters Group:

S. No.	Shareholder's Name	No. Of Shares held at the beginning of the year 1st April, 2015			Shareholder's Name	No. Of Shares held at the end of the year 31st March, 2016*			% change in share holding during the year
		No. Of Shares	% of total Shares of the company	% of shares pledged encumbered to total shares		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Aaksha Khanna	100	0.00	0	Aaksha Khanna	500	0.00	0	0
2	Sushma	100	0.00	0	Sushma	REFER NOTE 1			
3	Chaman Lal Setia	200	0.00	0	Chaman Lal Setia	0	0.00	0	0
4	Lajwanti	500	0.01	0	Lajwanti	2500	0.01	0	0
5	Kali Ram Suresh kumar	700	0.01	0	Kali Ram Suresh kr	3500	0.01	0	0
6	Vijender Mann	700	0.01	0	Vijender Mann	3500	0.01	0	0
7	Vipan Kapoor	700	0.01	0	Vipan Kapoor	2393	0.01	0	0
8	Jagjit Singh	700	0.01	0	Jagjit Singh	3500	0.01	0	0
9	Des Raj Aggarwal	700	0.01	0	Ashok Kumar (REF NOTE. 5)	5000	0.01	0	0

10	Madan Lal Shashi Bhushan	700	0.01	0	Madan Lal	3500	0.01	0	0
11	Meena Kumari	700	0.01	0	Meena Kumari	3500	0.01	0	0
12	Sunil Kumar	700	0.01	0	Rekha Rani (REF NOTE. 6)	3500	0.01	0	0
13	Janak Raj Kapoor	700	0.01	0	Janak Raj Kapoor	3500	0.01	0	0
14	Manu Kapoor	700	0.01	0	Manu Kapoor	3500	0.01	0	0
15	Anu Radha	700	0.01	0	Anuradha Bhandari	3500	0.01	0	0
16	Neeru Wadhwa	700	0.01	0	Neeru Wadhwa	3500	0.01	0	0
17	Manoj Ahuja	1000	0.01	0	Manoj Ahuja	0	0	0	(100)
18	Renu Bajaj	1000	0.01	0	Renu Bajaj	0	0	0	(100)
19	Shefali	1000	0.01	0	Shefali	5000	0.01	0	0
20	Rani Shastri	1000	0.01	0	Rani Vijay Shastri	5000	0.01	0	0
21	Rajiv Mehra	1000	0.01	0	Rajiv Mehra	5000	0.01	0	0
22	Bhupinder Nath Seth	1400	0.01	0	Bhupinder Nath Seth	7000	0.01	0	0
23	Sukarn Setia	1500	0.02	0	Sukarn Setia	REFER NOTE 2			
24	Neelam Setia	2900	0.03	0	Neelam Setia	REFER NOTE 3			
25	Manju Ahuja	3899	0.04	0	Manju Ahuja	7801	0.02	0	(0.02)
26	Satya Paul Dilawari	7700	0.08	0	Satya Paul Dilawari	0	0	0	(100)
27	Neelam	13000	0.14	0	Neelam	REFER NOTE 3			
28	Sanjeev Kishore	13400	0.14	0	Sanjeev Kishore	51000	0.11	0	(0.03)
29	Sushma Setia	16000	0.17	0	Sushma Setia	276000	0.59	0	0.01
30	Sushma	39100	0.41	0	Sushma	REFER NOTE 1			
31	Neelam	39100	0.41	0	Neelam Setia	278500	0.59	0	0.01
32	Ankit Setia	50000	0.53	0	Ankit Setia	250000	0.53	0	0
33	Sankesh Setia	50000	0.53	0	Sankesh Setia	251000	0.53	0	0
34	Sukarn Setia	55300	0.58	0	Sukarn Setia	254045	0.54	0	(0.06)
35	Rajeev Kumar	125200	1.32	0	Rajeev Setia	REFER NOTE 4			
36	Chaman Lal Setia	2109100	22.21	0	Chaman Lal Setia	10545500	22.42	0	0.21
37	Rajeev Setia	2253100	23.72	0	Rajeev Setia	11892500	25.29	0	0.25
38	Vijay Kumar Setia	2268800	23.89	0	Vijay Kumar Setia	11332732	24.10	0	0.21

**Note :-** During the year due to forfeiture of 92200 shares Paid up Capital of Company reduced to Rs. 9,40,61,000/-. The face value of Equity shares at the beginning of the year was Rs. 10/- , however on account of sub-division of shares W.E.F 29.12.2015, the face value of Equity shares at the end of the year was Rs. 2/- therefore aforesaid information for the year ended has been stated accordingly .

Note 1 :- Shares belong to Mrs. Sushma Setia has been collectively shown in point no. 29 in name of Sushma Setia.

Note 2 :- Shares belong to Mr. Sukarn Setia has been collectively shown in point no. 34 in name of Sukarn Setia.

Note 3 :- Shares belong to Mrs. Neelam Setia under different folio has been collectively shown in point no. 31 in name of Neelam Setia.

Note 4 :- Shares belong to Mr. Rajeev Setia has been collectively shown in point no. 37 in name of Rajeev Setia.

Note 5 :- During the year shares of deceased shareholder Mr. Des Raj Aggarwal has been transmitted in favour of his legal heir named Ashok Kumar. So he was classified as promoter

Note 6:- During the year shares of deceased shareholder Mr. Sunil Kumar has been transmitted in favour of his legal heir named Rekha Rani. So she was classified as promoter

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

S. NO	Name of the Shareholder	Shareholding at the beginning of the year as on (April 01, 2015)		Change during the year	Increase/Decrease in Shareholding		Cumulative Shareholding during the Year	
		No. Of shares	% of total shares of the company		No. Of Shares	% of Total Shares of the Company	No. Of shares	% of Total Shares of the Company
1.	Aaksha Khanna	100	0.00	Sub-division of shares	500	0.00	500	0.00
2.	Lajwanti	500	0.01	Sub-division of shares	2500	0.01	2500	0.01
3.	Kali Ram Suresh kumar	700	0.01	Sub-division of shares	3500	0.01	3500	0.01
4	Vijender Mann	700	0.01	Sub division of shares	3500	0.01	3500	0.01
5	Vipan Kapoor	700	0.01	Sub division of shares	3500	0.01	3500	0.01
				Sale of shares	1107	0.00	2393	0.01
6	Jagjit Singh	700	0.01	Sub division of shares	3500	0.01	3500	0.01
7	Des Raj Aggarwal #	700	0.01	Sub division of shares	5000	0.01	5000	0.01
8	Madan Lal Shashi Bhushan	700	0.01	Sub division of shares	3500	0.01	3500	0.01
9	Meena Kumari	700	0.01	Sub division of shares	3500	0.01	3500	0.01
10	Sunil Kumar #	700	0.01	Sub division of shares	3500	0.01	3500	0.01
11	Janak Raj Kapoor	700	0.01	Sub division of shares	3500	0.01	3500	0.01
12	Manu Kapoor	700	0.01	Sub division of shares	3500	0.01	3500	0.01
13	Anu Radha	700	0.01	Sub division of shares	3500	0.01	3500	0.01
14	Neeru Wadhwa	700	0.01	Sub division of shares	3500	0.01	3500	0.01
15	Manoj Ahuja	1000	0.01	Sub division of shares	5000	0.01	5000	0.01
				Sale of shares	5000	0.01	0	0
16	Renu Bajaj	1000	0.01	Sale of shares	5000	0.01	0	0
17	Shefali	1000	0.01	Sub division of shares	5000	0.01	5000	0.01
18	Rani Shastri	1000	0.01	Sub division of shares	5000	0.01	5000	0.01
19	Rajiv Mehra	1000	0.01	Sub division of shares	5000	0.01	5000	0.01
20	Bhupinder Nath Seth	1400	0.01	Sub division of shares	7000	0.01	7000	0.01
21	Manju Ahuja	3899	0.04	Sub division of shares	19495	0.041	19495	0.041
				Sale of shares	11694	0.02	7801	0.02
22	Satya Paul Dilawari	7700	0.08	Sale of shares	7700	0.01	0	0
23	Sanjeev Kishore	13400	0.14	Sale of shares	3000	0.031	10400	0.11
				Sub division of shares	52000	0.11	52000	0.11
				Sale of shares	1000	0.00	51000	0.11
24	Sukarn Setia*	56800	0.60					
				Sale of Shares	5500	0.02	51300 #	0.11
				Sub division of shares	256500	0.545	256500	0.545
				Sale of Shares	2455	0.00	254045	0.54
25	Neelam Setia	55000	0.58	Sub division of shares and shares under different folio belonging to Neelam Setia has been collectively shown	278500	0.59	278500	0.59



26	Sushma Setia	55200	0.58	Sub division of shares and shares under different folio belonging to Sushma Setia has been collectively shown	276000	0.59	276000	0.59
27	Ankit Setia	50000	0.53	Sub division of shares	250000	0.53	250000	0.53
28	Sankesh Setia	50000	0.53	Sub division of shares and shares under different folio belonging to Sankesh Setia has been collectively shown	251000	0.53	251000	0.53
29	Rajeev Setia	2378300	25.04	Sub division of shares and shares under different folio belonging to Mr. Rajeev Setia has been collectively shown	11892500	25.29	11892500	25.29
30	Chaman Lal Setia	2109300	22.21	Transfer of Shares	200	0	2109100	22.21
				Sub division of shares	10545500	22.42	10545500	22.42
31	Vijay Kumar Setia	2268800	23.89	Sale of Shares	1500	0.066	2267300	24.10
				Sub division of shares	11336500	24.10	11336500	24.10
				Sale of shares	3768	0.012	11332732	24.10

**Note:-** During the year due to forfeiture of 92200 shares Paid up Capital of Company reduced to Rs. 94061000. The face value of Equity shares at the beginning of the year was Rs. 10/- , however on account of sub-division of shares W.E.F 29.12.2015, the face value of Equity shares at the end of the year was Rs. 2/- therefore aforesaid information for the year ended has been stated accordingly .

# During the year shares of deceased shareholder Mr. Des Raj Aggarwal has been transmitted in favour of his legal heir named Ashok Kumar. So he was classified as promoter

# During the year shares of deceased shareholder Mr. Sunil Kumar has been transmitted in favour of his legal heir named Rekha Rani. So she was classified as promoter.

\* In point no. 24 collective holding of Mr. Sukarn Setia as on 01.04.2015 has been taken.

#### D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	Name of Shareholder For each of the Top Shareholders	Shareholding	
		No. of shares	% of total shares of the company
1	Laj Capital Services Private Limited		
	At the beginning of the year	280668	2.95
	At the end of the year	1317500	2.80
2	Sangeeta S		
	At the beginning of the year	97000	1.021
	At the end of the year	512450	1.09
3	Sabeena		
	At the beginning of the year	83600	0.880
	At the end of the year	418000	0.89

4	Yelmalchali Bebi Sarojini		
	At the beginning of the year	100750	1.061
	At the end of the year	355750	.76
5	Sunaina		
	At the beginning of the year	68900	0.725
	At the end of the year	344500	0.73
6	Sameer Kishore		
	At the beginning of the year	48500	0.511
	At the end of the year	236241	0.50
7	Devabhaktuni Krishna Kumari		
	At the beginning of the year	0	0
	At the end of the year	231970	0.49
8	Rajeev Aggarwal		
	At the beginning of the year	38218	0.40
	At the end of the year	191090	0.41
9	Ananda Krishnan C R		
	At the beginning of the year	25553	0.27
	At the end of the year	127253	0.27
10	Neelam Mittal		
	At the beginning of the year	11950	0.126
	At the end of the year	124165	0.26

The face value of Equity shares at the beginning of the year was Rs. 10/- , however on account of sub-division of shares W.E.F 29.12.2015, the face value of Equity shares at the end of the year was Rs. 2/- therefore aforesaid information for the year ended has been stated accordingly .

As on 31.03.2016 96.14% shareholding of Company are in dematerialised form. Shares of Company are listed on BSE Ltd. and it is not feasible to track movement of shares on daily basis. Therefore aforesaid information has been stated accordingly.

**e) Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Shareholding of key Managerial Personnel: Mr. Chaman Lal Setia (Managing Director) At the beginning of the year At the end of the year	2109300	22.21%	10545500** 10545500	22.42% 22.42%
2.	Ms. Kanika Nevatia Company Secretary At the beginning of the year At the end of the year	NIL	NIL	NIL	NIL

3.	Mr. Rajeev Setia (Executive Director & Chief Financial Officer ) At the beginning of the year At the end of the year	2378300	25.04%	11892500** 11892500	25.29% 25.29%
4.	Shareholding of Directors Mr. Vijay Setia At the beginning of the year At the end of the year	2268800	23.89%	11332732** 11332732	24.10 24.10
5.	Mr. Sukarn Setia At the beginning of the year At the end of the year	56800	0.60%	254045** 254045	0.54% 0.54%
6.	Mr. Sankesh Setia At the beginning of the year At the end of the year	50000	0.53%	251000** 251000	0.53% 0.53%
7.	Mr. Ankit Setia At the beginning of the year At the end of the year	50000	0.53%	250000** 250000	0.53% 0.53%
8.	Mr. Inder Dev Kukkar At the beginning of the year At the end of the year	300	0.003%	1500 1500	0.003% 0.003%
9.	Mr. Parmod Kumar Kukar At the beginning of the year At the end of the year	300	0.003%	1500 1500	0.003% 0.003%
10.	Mr. Raghav Peshawaria At the beginning of the year At the end of the year	NIL	NIL	NIL	NIL
11.	Mr. Naresh Kumar Suneja At the beginning of the year At the end of the year	NIL	NIL	NIL	NIL
12.	Mrs. Amar Jyoti Bagga At the beginning of the year At the end of the year	500 0	0.005% 0	0*** 0	
13.	Mr. Vijay Kumar Jhamb At the beginning of the year At the end of the year	NIL	NIL	NIL	NIL

Note :- \*The face value of Equity shares at the beginning of the year was Rs. 10/- , however on account of sub-division of shares W.E.F 29.12.2015, the face value of Equity shares at the end of the year was Rs. 2/- therefore aforesaid information for the year ended has been stated accordingly .

\*\* Details of changes has already been given under iv c of this extract.

\*\*\* Due to transfer of 500 shares holding decreased to o.

**F) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.**

	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
<b>Indebtedness at the beginning of the financial year</b>				
<b>i) Principal Amount</b>	332250468	167668154	-----	499918622
<b>ii) Interest due but not paid</b>	-----	-----	-----	-----
<b>iii) Interest accrued but not due</b>	-----	-----	-----	-----
<b>Total (i+ii+iii)</b>	-----	-----	-----	-----
<b>Change in Indebtedness during the financial year</b>	-----	-----	-----	-----
<b>* Addition</b>	-----	2238232	-----	2238232
<b>* Reduction</b>	258307046	-----	-----	258307046
<b>Net Change</b>	-----	-----	-----	-----
<b>Indebtedness at the end of the financial year</b>	-----	-----	-----	-----
<b>i) Principal Amount</b>	73943422	169906386	-----	243849808
<b>ii) Interest due but not paid</b>	-----	-----	-----	-----
<b>iii) Interest accrued but not due</b>	-----	-----	-----	-----
<b>Total (i+ii+iii)</b>	<b>73943422</b>	<b>169906386</b>	-----	<b>243849808</b>

**V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

**A. Remuneration to Managing Director and Whole-time Directors :**

SN	Particulars of Remuneration	Name of Managing Director and Whole-time Directors						
		Chaman Lal Setia	Vijay Setia	Rajeev Setia	Sukarn Setia	Ankit Setia	Sankesh Setia	Total Amount
		Managing Director	Whole Time Director	Whole Time Director & CFO	Whole Time Director	Whole Time Director	Whole Time Director	
1	Gross salary							
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4800000	4800000	4800000	600000	1800000	1800000	18600000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	115492	233988	1380746	39600	39600	39600	1849026
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-	-	-
2	Stock Option	-	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-	-
4	Commission - as % of profit - others, specify...	10000000	10000000	10000000	-	5000000	5000000	40000000
5	Others, please specify	-	-	-	-	-	-	-
	<b>Total (A)</b>	<b>14915492</b>	<b>15033988</b>	<b>16180746</b>	<b>639600</b>	<b>6839600</b>	<b>6839600</b>	<b>60449026</b>
	<b>Ceiling as per the Act</b>	As per Section 197 read with Schedule V of the Companies Act, 2013 i.e. 10% of Net profit (calculated as per section 198 of the Companies Act, 2013) for all Executive Directors –Managing Director and Whole-time Directors						

## B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors					
		Mr. Inder Dev Kukar	Mr. Parmod Kukar	Mr. Naresh Kumar Suneja	Mr. Raghav Peshawaria	Mrs. Amar Jyoti Bagga	Mr. Vijay Kumar Jhamb
1	Independent Directors						
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL	NIL	Nil
	Commission	NIL	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
	Total (1)	NIL	NIL	NIL	NIL	NIL	NIL
2	Other Non-Executive Directors	N.A	N.A	N.A	N.A	N.A	N.A
	Fee for attending board committee meetings	N.A	N.A	N.A	N.A	N.A	N.A
	Commission	N.A	N.A	N.A	N.A	N.A	N.A
	Others, please specify						
	<b>Total (2)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
	<b>Total =(1+2)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

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

SN	Particulars of Remuneration		
		CS	Total
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	272000	272000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission	0	0
	- as % of profit	0	0
	others, specify...	0	0
5	Others, please specify	0	0
6	Total	272000	272000
7	Ceiling as per the Act	NA	NA

**VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NONE				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NONE				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Punishment	NONE				
Compounding					

For and on behalf of the Board of Directors

Place: Amritsar  
Date: 29.08.2016

sd/-  
Chaman Lal Setia  
Managing Director  
(Din No. :- 01125789)

## **ANNEXURE-D (Director's Report)**

### **Form No. MR-3 SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31st March, 2016**

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

To,  
The Members,  
Chaman Lal Setia Exports Ltd.  
P.O Central Jai, Miran Kot Road,  
Amritsar-143002

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/S. Chaman Lal Setia Exports Ltd. (hereinafter called "the company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, , We hereby report that in our opinion, the company has, during the audit period covering the financial year commencing from 1st April, 2015 and ended on 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter along with Annexure 1 attached to this report:

- 1) We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/S. Chaman Lal Setia Exports Ltd. ("The Company") for the financial year ended on 31st March, 2016, according to the provisions of:
  - (i) The Companies Act, 2013 (the Act) and the rules made thereunder ;
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (No Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings was taken by the company during the audit period)
  - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
    - (a.) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (effective upto 14.05.2015 )and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective from 15.05.2015);
    - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time. (Not applicable to the Company during the audit period).
    - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period).
    - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the audit period).



- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period);
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period); and
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 effective from 01.12.2015.
- vi) Other Laws applicable to the Company
- 1) The Factories Act, 1948.
  - 2) The Water (Prevention & Control Of Pollution) Act, 1974 read with Water (Prevention & Control of Pollution) Rules, 1975
  - 3) The Air (Prevention & Control of Pollution) Act, 1981.
  - 4) The Labour Welfare Fund Board
  - 5) Agriculture & Processed Food Product Export Act, 1986,
  - 6) Food Safety & Standards Act, 2006 & rules made thereunder
  - 7) Indian Boilers Act, 1923 and rules made thereunder.
  - 8) The Standard of Weight & Measure Act, 1976
  - 9) Employees' State insurance Act
  - 10) The payment of Gratuity Act, 1972
  - 11) The Provident Fund & Miscellaneous Provisions Act, 1948
  - 12) Haryana State Agricultural Marketing Board
  - 13) The Punjab Agricultural Produce Market Act, 1961 and rules made thereunder;
  - 14) All other Labour, Employee, Industrial and other general Laws to the extent applicable to the Company.

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

- (i) The Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited:

3. During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, guidelines, Standards etc. to the extent applicable mentioned above subject to filing of certain e-forms with additional fees and subject to following:

As per Provision of section 135 of the Companies Act, 2013, the eligible amount required to be spent by the Company is Rs. 4961869/- however as per information provided, the Company despite of best efforts for the utilization of eligible amount towards CSR, could spend only Rs.789503/-. CSR Committee constituted by the Company has already approved some amount to be spent on some planned projects and Company is in process of taking approval from concerned authority for project implementation and besides that Company is also in the process of identifying projects on which required CSR amount be spent which include projects/programmes wherein it can deploy the CSR expenditure amount.

4. Based on the information received and records maintained, We further report that :
- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive, Women and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Companies Act, 2013.
  - (b) Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. In case of shorter notice, the company has complied with the provisions of Section 173 of the Companies Act, 2013.
  - (c) Majority decision is carried through and recorded in the minutes of the Meetings. Further as informed, no dissent was given by any director in respect of resolutions passed in the board and committee meetings.
5. We further report that there are adequate systems and processes in the Company commensurate with the size and operation of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has not incurred any specific event / actions that can have major bearing on the company's affairs in pursuance of above referred laws, rules, regulations; guidelines, standards etc. except as follows:

- (a) Special Resolution under section 14 of the Companies Act, 2013 was passed by the members at its Annual General Meeting held on September, 29, 2015 for adoption of new set of Articles of Association containing regulations in conformity with the Companies Act, 2013.
- (b) Due to non payment of balance amount of allotment money along with share premium amount 92200 shares has been forfeited during the year resulting decrease in paid-up capital to Rs. 9,40,61,000/-.
- (c) The sub divided Issued Capital comprising of 47491500 Equity Shares of Rs. 2/- each and Paid Up Capital comprising of 47030500 Equity Shares of Rs. 2/- and were admitted for dealings in the Stock Exchange of BSE LTD. with effect from 29.12.2015.
- (d) The Board of Directors of the Company declared an Interim Dividend of Rs. 0.44/- (22%) per Equity Share of face value of Rs. 2 each at their meeting held on 12.03.2016.

For Sunil Dhawan & Associates  
(Practising Company Secretaries)

Sd/-  
Sunil Dhawan  
Proprietor

ACS No. 14500  
C P No.:3690

Place: Amritsar  
Date: 29.08.2016

\*This report is to be read with our letter of even date which is annexed as 'Annexure 1' and forms an integral part of this report



### **'ANNEXURE 1' to the Secretarial Audit Report**

To,  
The Members,  
Chaman Lal Setia Exports Ltd.  
P.O Central Jail, Mirankot Road,  
Amritsar - 143002

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

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

For Sunil Dhawan & Associates  
(Practising Company Secretaries)

Sd/-  
Sunil Dhawan  
Proprietor

ACS No. 14500  
C P No.:3690

Place: Amritsar  
Date: 29.08.2016

## ANNEXURE-E (Director's Report)

### Annual Report on Corporate Social Responsibility (CSR) Activities (Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014)

**1. A brief outline of the Company's CSR policy: (CSR Policy)**

This policy encompasses the Company's philosophy for giving back to society as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for the development of the rural communities at large. The Company's CSR is in alignment with the initiatives on Eradication of extreme hunger, Enhancement of livelihood projects, Rural development of host communities, Promoting Education and creating social, environmental and economic value to the society.

**2. Overview of projects or programs proposed to be undertaken:**

Focus areas relate to Eradication of hunger, Enhancement of livelihood projects, Rural development, quality education, providing infrastructure for promoting education, empowerment of women, health care, conservation of Environment, and creating social, environmental and economic value to the society.

**3. Web-link to the CSR policy and projects or programs :- [www.maharanirice.in](http://www.maharanirice.in)**

**4. Composition Of CSR Committee**

Name Of The Member	Designation	Status
Mr. Parmod Kumar Kukar	Independent Director	Chairman
Mr. Rajeev Setia	Executive Director	Member
Mr. Vijay Setia	Executive Director	Member

**3. Average Net Profit of the company for last three financial years:**

Average net profit is Rs. 248093432

**4. Prescribed CSR Expenditure (Two percent of the amount as in item 3 above)**

The company is required to spend Rs. 4961869/-

**5. Details of CSR spend for the financial year :**

- a) Total amount spent for the financial year : Rs. 789503/-
- b) Amount unspent if any : Rs. 4172366/-

c) Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR Projects or Activities Identified	Sector in which project is covered	Projects or Programs (1) Local Area or others (2) Specify the state and district where project or programmes were undertaken	Amount Outlay (Budget) project or programme wise (Rs. Lakhs)	Amount spent on project or programs Subheads (1) Direct Expenditure on project (2) Overheads	Cumulative Expenditure upto reporting period (Rs. Lakhs)	Amount Spent direct or through implement agency *
1.	Installation of digital display at grain market for welfare of farmers	Livelihood Enhancement	Rural Area, Karnal (Haryana)	241193/-	Direct: Rs.241193/-	241193/-	Direct
2	Food Distribution	Eradication of hunger	Rural Area, Amritsar, (Punjab)	Rs.548310/-	Direct: Rs.548310/-	789503/-	Direct

**6. Reasons for not spending the prescribed CSR expenditure:**

As per Section 135 of the Companies Act, 2013, the Company was required to spend Rs. 4961869/- towards CSR activities out of which Rs. 789503/- was utilized on activities specified in Schedule VII of the Companies Act, 2013. CSR committee has already approved amount to be spent on some planned projects however due to non receipt of timely approval from concerned authority it get delayed, however they are still part of on going csr Program and Company is in process of getting approval and to deploy the amount on planned projects for the welfare of society. The CSR Committee of your Company during the financial year met 4 times to discuss the CSR initiatives. The Company is also in the process of identifying feasible projects/programmes wherein it can deploy the CSR expenditure amount.

Actually CSR commitments are beyond financial performance. We are continuously looking at new CSR initiatives to give back to the society and for that it is of utmost importance that amounts are defrayed on deserving and genuine projects. Therefore Company has decided to undertake feasible projects which can give maximum benefit to society.

7. The CSR Committee confirms that the implementation and monitoring of the CSR Policy, is in compliance with the CSR objectives and Policy of the Company.

For and on behalf of the Board of Directors

SD/-

Rajeev Setia

Executive Director

SD/-

Parmod Kumar Kukkar

Chairman –CSR Committee

Place :- Amritsar

Dated :- 29.08.2016

## Management Discussion and Analyses

### 1. Economic Environment & Rice Industry:

It is believed that the Indian economy started to heal in 2015-16. India moved to a new series of GDP estimation, making 2011-2012 prices as the base price. The GDP growth rate, as per this new series adopted by the Central Statistical Office (CSO) data reached 7.6% during 2015-2016 as compared to 7.3% last year. India's GDP grew at an annual rate of 7.4% in the July-to-September quarter of 2015-16 (Q2FY16), putting it firmly ahead of China, where growth slowed to 6.9% during the same period. Declining oil prices have helped raise the GDP, as corporate margins increased, household purchasing power improved, tax collections increased and subsidy bills declined. The 'agriculture, forestry and fishing' sector has shown a growth rate of 1.2 percent, as against the growth rate of 1.1 percent in the Advance estimates. The upward revision is on account of use of third advance estimates of crop production released by the Ministry of Agriculture. Crops including fruits and vegetables account for 61% of GVA in 'agriculture, forestry and fishing' sector. Around 39% of GVA of this sector is based on livestock products, forestry, fishing and aquaculture, which has registered a combined growth of around 5.0 percent. As per the third advance estimates, the food grain production was 252.23 million tonnes in 2015-16 which is higher than the tentative estimates of food grain production used for compiling the Advance estimates. As per FAO data the World rice production is estimated for 2015-2016 is 490.3 millions tons, marginally down from 494.3 million tons in 2014-2015. This downtrend is due to influence of the El Nino weather anomaly. However the El Nino after peaking in November – December 2015 is expected to gradually neutralise and give way to La Nina resulting further improvement in world rice production. As per FAO global world rice production is estimated to increase to 495.2 million tons respectively in 2016-17. However in the year 2015-16 the rice utilization is estimated to reach 496.2 million tons. In FY 2016-17 the global rice consumption is expected to increase to 503.4 millions tons as per estimate of food and agriculture organization.

Rupee closed the FY 2015-16 at Rs. 66.30 per USD as against previous fiscal close at Rs. 62.65 per USD.

A moderate recovery is likely to shape up in Indian Economy in 2016-17 with progressive implementation of some of the reforms announced since 2012. These include FDI in multi brand retail, Amendment in Banking Regulation, Food Security Act, Insurance Reforms and some tremendous initiative like Make in India Campaign, Digital India, Start-up India etc.

### 2. Output Global Rice industry

Today, agriculture is the backbone of India's economy, providing direct employment to about 58% of working people in the country especially to rural households whose principal means of livelihood is agriculture. Agriculture, along with fisheries and forestry, is one of the largest contributors to the GDP. It forms the basis of many premier industries of India, including the textile, jute and sugar industries. Agricultural export constitutes 10 per cent of the country's exports and is the fourth-largest exported principal commodity.

#### India is the second largest rice producing country of the world :-

Rice is the most important food crop in India contributing to more than 40 percent of total food grain production and cultivated/ consumed across the country. Rice is predominantly a rainfed crop planted in the kharif season after the onset south-west monsoon rains during June through August. India is the second largest producer and exporter of rice in the world. Throughout history as per the Archeological evidence rice has been one of man's most important foods for more than 5000 years. Today, this unique grain helps sustain two-thirds of the world's population.

The major rice growing area in India are West Bengal, Uttar Pradesh, Madhya Pradesh, Orissa, Bihar, Andhra Pradesh, Assam, Tamil Nadu, Punjab, Maharashtra, Karnataka, Haryana, Gujarat, Kerala, Jammu- Kashmir, Tripura, Meghalaya, Manipur, Rajasthan, Nagaland, Arunachal Pradesh, Himachal Pradesh, Mizoram, Goa, Pondicherry, Sikkim, A & N Island and D & N Haveli.

Through a combination of increasing the area under cultivation and increasing cropping intensity today India is self reliant in Rice. Adoption of modern Varieties, rice production exceeded every year from its previous year since 1988. India is the leading exporter of the Basmati Rice to the global market. The country has exported approxed 4045796.25 MT of Basmati Rice to the world during the year 2015-2016. On the other hand Country has exported non basmati rice 6366585.53 approximately. However, total volume of rice exports increased during the said period but revenue received from rice exports declined due to lower rates of Indian rice in overseas market.



Over 80% of basmati rice grown in India is produced for export. The increase in demand of rice in India is expected to be followed by world as rice is being used increasingly in other products such as beer, liquor etc heavily consumed in USA, Europe etc. However India's rice exports have slowed down significantly since the beginning of 2015-16 due to weak export demand from traditional markets in Middle East, Africa and neighbouring Bangladesh and Sri Lanka. Basmati rice to Iran has slowed since October 2013 following the withdrawal of Iran sanctions by the United States and five other nations. The neighbouring Sri Lanka and Bangladesh decision to raise the import duty on rice has also affected Indian rice exports. Even the Nigeria one of the world's largest rice importers and a major destinations for Indian non-basmati rice exports has imposed trade restriction on rice, in line with its long-term policy of attaining self-sufficiency by the year 2017.

### **Strength & Opportunities**

- 1 The Company has developed a Novel and innovative process which involves recycling of most of the hot water used for soaking of paddy during parboiling of rice, thereby generating little waste water and still having a high quality product.
- 2 The Promotion of flagship brand Maharani is on the Top agenda of the company in the time to come. Company has introduced very attractive and novel packagings of Maharani Brand. The Company plans to go for aggressive advertising in print and electronic media and brand equity is likely to be future strength and business stimulators of the company.
- 3 The Company has explored new International markets and it is continued pursuit of Management to find new markets world around and also winning the confidence of the existing customers.
- 4 The company is also concentrating on new domestic centers through brand promotion, advertising and offering lucrative packaging of quality product at competitive prices.
- 5 The company's novel and innovative products viz ; Bhatti Sella, Pesticide Residue free rice and quick cooking rice and Rice for Diabetic People having moderate G.I. Sale is picking up in various directions of the World markets particularly the Maharani Rice suitable for Diabetic people. This rice has added qualities like taste, aroma, easy cooking and longer preservation period.
- 6 The Executive director of the Company Sh. Vijay Setia who was President Rice Exporters Association of India has been engaged by an International Company namely M/s Gerson Lehrman Group as a consultant in the field of Food Technology for having so in depth knowledge of the subject that he is being paid for that worldwide. This is a major achievement which can be highly instrumental to the growth of the company in the time to come.
7. Given the rising population, increasing income levels, increasing consumption of rice globally, perception of consumer about food, quality consciousness, brand value, changing lifestyles, health consciousness etc. further strengthen its opportunities.

### **Threats**

Under performance of world economy specially USA and UK, global recession and lower monsoon, new norms for import, Higher import duty in some countries, lower growth in Agricultural sector, lower share of agricultural sector in the real GDP frequent change in govt. policy, unfavourable weather conditions, sudden fluctuation in exchange rates may pose a threats to company's business profitability. This risk can be mitigated largely due to the concept that Food Industry has lesser elasticity of demand as compared to the other products. Further the business wisdom and technological aspirations inherent in the management team can be quiet helpful to overcome such difficulties.

### **Risks and Concerns**

In a business environment Risk management becomes a top priority and your Company has put in place a robust risk management framework for identification, appraisal and management of various risks on a timely manner.

As the company is mainly dependent upon Agriculture which totally depends upon the quality of rains in India, the poor and untimely rainfall can adversely affect the costing of the Company and consequent price realisation. But the Company has developed its procurement market throughout India and if in any region the rainfall is lesser the Company can buy its raw material from the another region.

The unprecedented nature of Rice Industry and volatile prices are areas of concern for which the company's focus is to make cost of production internationally competitive and reduce interest cost by more & more utilising its own resources and cutting other cost through technological upgradation and computerisation of company's operations.

The protectionist measures or non tariff barriers by other countries may hit or reduce the exports. However the company's focus is also on the domestic market. As a major portion of revenue coming from exports, volatility in exchange rates can affect Company's business. However Company has well defined planning and taking necessary steps for hedging against such outcomes. The global and domestic rice markets are witnessing cut throat competition in the market. However Company is successfully mitigating this risk viz attractive packaging, branding & standardization of quality of rice, creating of new markets overseas, handsome profit, innovative Ideas of management to produce better quality product and focusing to new International markets.

### **INTERNAL CONTROL SYSTEMS, RISK MANAGEMENT AND THEIR ADEQUACY:**

The company continued to lay emphasis on strengthening and improving internal supervision and control. The Company has a proper and adequate system of Internal controls to provide reachable assurance that all assets are safeguarded and protected against loss from unauthorized use or disposition, and that transaction are authorized, recorded and reported correctly. The internal control system provides for well-documented policies, guidelines authorization and approval procedures. Management information system (MIS) is the backbone of your company's control mechanism. Well-conceived annual planning and effective budgetary control ensures adequate control on all the expenditures of the company.

An extensive programme of Internal Audit by the internal audit department and periodic review by the Management further supplement the Company's internal control systems. In the line with the International trend, planning and conduct of internal audit is oriented towards review of control in the management of risks and opportunity in the Company's activity.

The Internal Controls and Risk Management systems are duly checked for their adequacy by carrying out regular and exhaustive internal audits. Internal Auditor carry out the internal audit of the Company's various divisions. The Internal Auditors report significant audit observations, periodically at regular intervals to the Audit Committee that comprises of three independent Directors. The Committee met regularly during the financial year and reviewed internal audit plan, audit observation and followed up implementation of corrective actions and covers all significant areas of Company's operations. The Audit committee also met the company's Statutory Auditors to ascertain their views on the adequacy of Internal Control System in the Company.

### **FINANCIAL PERFORMANCE:**

#### **During the year the sales of the company increased at a handsome rate despite**

During the year the Sales of the Company increased at a handsome rate. The Sales of the Company touched Rs. lacs in 2015-16 48245.53 from Rs 50802.91 lacs in 2014-15. The Profit of the company reached at the level of Rs. 5712.40 lacs in 2015-16 from Rs. 2954.27 lacs in 2014-15. The EPS of the company is Rs. 7.95 for the year 2015-16

### **INDUSTRIAL RELATIONS & HUMAN RESOURCE MANAGEMENT:**

Like any high performance organization, your company firmly believes that success of the company comes from good Human Resources. Employees are considered as important assets and key to its success. HRD always strives for sourcing and developing high caliber employees, providing them relevant training for enhancement of their competence and facilitating their assessment process through an effective performance Management System (PMS).

Training and development initiatives aim at bridging the gap between existing skills and desired skills of the employees in line with organisational needs. Extensive training inputs aim at building up competence amid commitment to employees through understanding and utilizing new technology, hands on job training, inter functional knowledge, furtherance of safety awareness and training in behavioral area etc.

During the year company has incurred Rs. 1001482/- on the training of its employees and Rs.1553279/- on staff welfare & other provisions for the benefit of employees.





Employee relation continued to be satisfactory. The number of persons directly and indirectly employed by company was about 300 as on 31st March 2016.

The company continued with the existing welfare schemes for the benefits of its employees. The Provident Fund, Bonus, Promotion, Gratuity and other fringe benefits were bestowed upon all the confirm employees of the company to motivate them for attaining the ultimate goals of the company. In addition to these benefits Group Insurance, Medical Insurance and Retrenchment Compensation were also assured for the employees of the company.

In addition to these ultimate benefits, employees are also provided with better working environment, first aid medical facilities, conveyance facility and computerised environment.

**CAUTIONARY STATEMENT:**

Statement in this report on Management's Discussion and analysis describing the company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied important factors that could make a difference to the Company's operations include economic conditions affecting global and domestic demand supply, finished goods prices in the domestic and overseas markets in which the Company operates, raw material cost and availability, changes in Government regulations, tax regimes, economic developments within India and other factors such as litigation and Industrial relations. The company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments information or events.

## Report on Corporate Governance

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

The Company's philosophy of Corporate Governance stems from a belief that the Company's strategy and plans should be consistent with the welfare of all its stakeholders comprising employees, shareholders, customers, vendors, regulators, investors and society at large. We believe that the essence of Corporate Governance lies in the phrase "Your Company". Therefore Your Company and its Board believes in conducting its affairs with the highest level of integrity with proper authorization, disclosure, accountability, transparency and independent monitoring.

### 2. BOARD OF DIRECTORS

**2.1** The strength of Board as on 31st March, 2016 is 12 Directors. The Board comprises of Executive and Non-Executive Directors who have an in depth knowledge of business in addition to expertise in their areas of specialization. Board currently comprises of 12 directors out of which 6 are Executive and rest 6 are non executive independent directors that include one women director. The number of Independent Directors on the Board is in conformity with the requirement of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as the Companies Act, 2013. All the independent Directors have confirmed that they meet the 'independence' criteria as mentioned under Section 149 of the Companies Act, 2013 read with Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **2.2 DIRECTORS ATTENDANCE RECORD AND THEIR OTHER DIRECTORSHIP/S AND COMMITTEE MEMBERSHIP/S**

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other companies as on March 31, 2016 are given herein below. None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than 10 (Ten) Board level Committees or Chairman of more than 5 (Five) Committees across companies in which he/she is a Director.

**Attendance of each Director at the Board meetings held during the financial year 2015-2016 and Last AGM held on 29.09.2015**

Name of Director	Category	Din No.	No. of Board Meeting Held During 2015-16	No. Of Board Meeting attended	Whether Attended last AGM held on September 29, 2015	No. of Other Directorship in all other Companies * as on 31.03.2016	No. Of Committee Positions held in all other Companies as on 31.03.2016**	
							Member	Chairman
Chaman Lal Setia	Executive Director	01125789	16	15	YES	-	-	-
Vijay Setia	Executive Director	01125966	16	11	YES	-	-	-
Rajeev Setia	Executive Director	01125921	16	11	YES	-	-	-
Sukarn Setia	Executive Director	01133561	16	12	YES	1	-	-
Ankit Setia	Executive Director	01133822	16	14	NO	-	-	-
Sankesh Setia	Executive Director	06620109	16	09	YES	1	-	-
Inder Dev Kukkar	Independent, Non Executive	01193209	16	15	YES	-	-	-
Naresh Kumar Suneja	Independent, Non Executive	01383235	16	12	YES	-	-	--
Parmod Kumar Kukkar	Independent, Non Executive	01193710	16	10	YES	-	-	-
Raghav Peshawaria	Independent, Non Executive	01386434	16	12	YES	-	-	-
Amarjyoti Bagga	Independent, Non Executive	06958408	16	09	YES	-	-	-
Vijay Kumar Jhamb	Independent, Non Executive	07021080	16	14	YES	-	-	-

\* This includes Directorships in all other Companies (Listed, Unlisted Public and Private Limited Companies) incorporated in India.

\*\* For the purpose of considering the limit of the committees on which a directors can serve, all other public limited companies, whether listed or not, are considered. Chairmanships / Memberships of Board Committees shall only include Audit Committee and Stakeholders' Relationship Committee.

### 2.3 LIMIT ON THE NUMBER OF DIRECTORSHIPS

All the Directors have periodically and regularly informed the Company about their Directorship and Membership on the Board/ Committees of the Board of other companies. As per the disclosure received, none of the Directors of your Company hold memberships/ Chairmanships/Directorship more than the prescribed limits across all companies in which he/she is a Director.

### 2.4 INDEPENDENT DIRECTORS :

The Board of the Company has an optimum number of Independent Directors, as required under Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the independent directors are persons of integrity and possess relevant expertise and experience in the industry. Independent Directors fulfil all the conditions for being independent to the Company, as stipulated under Regulation 16 (1) (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013. The company has also obtained declarations from all the Independent Directors pursuant to section 149 (7) of the Companies Act, 2013. The maximum tenure of Independent Directors is determined in accordance with the Companies Act, 2013 and clarifications/circulars issued by the Ministry of Corporate Affairs, from time to time.

### 2.5 Training of Independent Directors :

Whenever new Non-executive and Independent Directors are inducted in the Board they are introduced to our Company's culture through appropriate orientation session and they are also introduced to our organization structure, our business, constitution, board procedures, our major risks and management strategy.

The appointment letters of Independent Directors has been placed on the Company's website at [www.maharanirice.in](http://www.maharanirice.in).

### 2.6 Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements ) Regulations, 2015 , a separate exercise was carried out to evaluate the performance of individual Directors of the Board who were evaluated on parameters such as level of engagements and contribution and independence of judgement thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. However directors who were subject to evaluation did not participate. The performance evaluation of Non Independent Directors were carried out by the independent Directors. The Board also carried out annual performance evaluation of the working of its Audit, Nomination and remuneration as well as stakeholders relationship committee. The Director express their satisfaction with the evaluation process.

### 2.7 Separate Meeting of the Independent Directors

The Independent Directors held a Meeting on 30th March, 2016, without the attendance of Non-Independent Directors and members of Management. All the Independent Directors were present at the meeting. The following issues were discussed in detail :

- I) To Review the performance of non-independent directors and the Board of Directors of Company as a whole;
- II) To Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- III) To Assess the quality, quantity and timeliness of flow of information between the Company Management and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

### 2.8 Familiarization Programme for Independent Directors:

The Company familiarizes its Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, etc through various programmes. These include orientation programme upon induction of new Directors, as well as other initiatives to update the Directors on a continuing basis , responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. Such kind of training programme helps to develop relationship of Directors with the Company and familiarise them with the Company processes. The management provides such information and training either at the meeting of Board of Directors otherwise.

The familiarization programme for Independent Directors is disclosed on the Company's website at the following web link [www.maharanirice.in](http://www.maharanirice.in)

## 2.9 Details of Board Meetings held in 2015-16

Date of Meeting	No. of Directors on Board	No. of Directors in Attendance
06.04.2015	12	9
16.04.2015	12	7
23.04.2015	12	8
01.05.2015	12	8
12.05.2015	12	8
29.05.2015	12	10
15.06.2015	12	8
30.06.2015	12	7
23.07.2015	12	10
30.07.2015	12	10
28.08.2015	12	11
14.10.2015	12	8
14.11.2015	12	10
09.12.2015	12	10
12.02.2016	12	10
12.03.2016	12	10

During the year under review, 16 meetings were held. The maximum time gap between any two consecutive meetings did not exceed 120 days. The necessary quorum was present for all the meetings.

## 2.10 Disclosure of relationships between directors inter se :-

Mr. Chaman Lal Setia is a father of Mr. Vijay Setia and Mr. Rajeev Setia . Mr. Vijay Setia is son of Mr. Chaman Lal Setia and brother of Mr. Rajeev Setia and father of Mr. Ankit Setia . Mr. Rajeev Setia is son of Mr. Chaman Lal Setia and brother of Mr. Vijay Setia and father of Mr. Sukarn and Sankesh Setia . Mr. Sukarn setia is son of Mr. Rajeev Setia and brother of Mr. Sankesh Setia. Mr. Ankit Setia is son of Mr. Vijay Setia. Mr. Sankesh Setia is son of Mr. Rajeev Setia and brother of Mr. Sukarn Setia.

## 2.11 Details of equity shares of the Company held by the Non Executive Directors as on March 31, 2016 are given below:-

Name	Category	Number of Equity Shares
Mr. Inder Dev Kukkar	Non Executive	1500
Mr. Parmod Kumar Kukar	Non Executive	1500

The Company has not issued any convertible instruments

## 2.12 During the year 2015-2016, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration.

## 3. AUDIT COMMITTEE:

The Audit Committee functions according to its Charter that defines its composition, authority, responsibilities and reporting functions. The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Companies Act, 2013.

### 3.1 Terms of reference of the audit committee are broadly as under :-

The terms of references of the Audit Committee are as per the guidelines set out in Listing Regulations, read with Section 177 of the Companies Act, 2013. These broadly includes to review the reports to be submitted with the Board of Directors with respect to auditing and accounting matters, to supervises the Company's internal control and financial reporting process, to review risk management,

internal financial controls and governance processes, to discuss any related issues with the internal and statutory auditors and the management of the company, to discuss quarterly, half yearly and annual financial statement, to review the matters to be included in the Director's Responsibility Statement, to review the Management Discussion and Analysis Report of Company's Operation, to review the disclosure in financial statement including Related Party Transactions, to review the audit reports submitted by the Internal Auditor and Statutory Auditor, recommendation for appointment, remuneration and terms of appointment of auditors of the Company, to review and monitor the auditor's independence and performance, to investigate into any matter in relation to the items specified above or referred to it by the Board or information contained in the records of the company or other information as required under SEBI Listing Regulation. It also reviews the Company's established systems, Whistle Blower Mechanism/Vigil Mechanism, valuation of undertakings or assets of the Company wherever it is necessary, evaluation of internal financial controls and to approve and review the transactions with related parties, changes, if any, in accounting policies Major accounting estimates and significant adjustments in financial statement, Compliance with listing and other legal requirements concerning financial statements and to Carrying out any other allied function.

### 3.2 Composition

A qualified and independent Audit Committee has been set up by the Board in compliance with the requirements of Regulation 18 of SEBI Listing Regulations read with Section 177 of the Companies Act, 2013. Our Audit Committee ('the committee') comprises three independent directors :-

Sh. Inder Dev kukkar- Non Executive Director (Chairman)/Independent

Sh. Naresh Kumar Suneja :- Non Executive Director (Member)/Independent

Sh. Vijay Kumar Jhamb:- Non Executive Director (Member)/Independent

### 3.3 Audit Committee Attendance

Name	Category	No. of meetings during the financial year 2015-2016	
		Held	Attended
Sh. Inder dev kukkar (Chairman)	Independent Non Executive	6	6
Sh. Naresh Kumar Suneja (Member)	Independent Non Executive	6	6
Sh. Vijay Kumar Jhamb (Member)	Independent Non Executive	6	6

During the year ended on 31.03.2016 the Audit Committee met six times on 01.04.2015, 29.05.2015, 30.07.2015, 28.08.2015, 14.11.2015 and 12.02.2016

Sh. Inder Dev Kukkar, Chairman of the Audit Committee was present at the last Annual General Meeting of Company held on 29th September, 2015. The necessary quorum was present for all the meetings. Miss Kanika Nevatia, Company Secretary, acts as Secretary to the Committee.

## 4 Nomination And Remuneration Committee

The Nomination and Remuneration committee of the Company is constituted in line with the provision of Regulation 19 of the Sebi Listing Regulations, read with Section 178 of the Act.

### 4.1 Composition

Our Nomination And Remuneration committee ('the committee') comprises three Non Executive independent directors :-

Sh. Vijay Kumar Jhamb :- Non Executive Director (Chairman)/Independent

Sh. Naresh Kumar Suneja :- Non Executive Director (Member)/Independent

Sh. Raghav Peshawaria :- Non Executive Director (Member)/Independent

## 4.2 Terms of Reference

The role of the Nomination and Remuneration Committee of Chaman Lal Setia Exports Ltd. also covers such functions and scope as prescribed under Section 178 of the Companies Act, 2013 read with allied Rules framed thereunder and Regulation 19 of the Sebi (Listing Obligations and Disclosure Requirements) Regulation, 2015. These broadly include to identify the persons, who are qualified to become Directors of the Company and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment, remuneration and removal and also shall carry out evaluation of every director's performance. Committee shall also formulate the criteria for determining qualifications, positive attributes, independence of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other senior employees, formulate criteria for evaluation of Independent Directors and the Board and other allied matters. The committee shall specifically ensure that level and composition of remuneration is reasonable and sufficient to attract retain and motivate Directors of quality required to run the company successfully.

## 4.3 Details of Committee and No. of Meetings held during the year

Name	Category	No. of meetings held	No. of Meetings attended
Sh. Vijay Kumar Jhamb (Chairman)	None Executive Independent Director	4	4
Sh. Naresh Kumar Suneja (Member)	Non Executive Independent Director	4	4
Sh. Raghav Peshawaria (Member)	Non Executive Independent Director	4	4

Four Meeting held during the year 06.04.2015, 28.08.2015, 14.10.2015 and 12.02.2016

Mr. Vijay Kumar Jhamb, an Independent Director, is the Chairman of the Committee.

Mr. Vijay Kumar Jhamb was present at the last Annual General Meeting held on 29.09.2015

Miss Kanika Nevtia Company Secretary act as secretary of the Company.

## 4.4 Remuneration Policy :-

The Nomination and Remuneration Policy provides for appropriate composition of Executive, Non-Executive Independent Directors on the Board of Directors of your Company along with criteria for appointment, remuneration including determination of qualifications, positive attributes, independence of Directors and other matters as provided undersub-section (3) of Section 178 of the Companies Act, 2013. The remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration Policy of your Company. The highlights of this policy are as follows:

**The key factors considered in formulating the Policy are as under:**

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

### Remuneration to the Managing Director & Whole Time Director

The Remuneration paid to Managing Director/Wholetime Directors is recommended by the Nomination and Remuneration committee and approved by the Board of Directors in the Board Meeting, subject to the approval of shareholders at General Meeting and such other authorities, as the case may be if necessary. The details of the Remuneration paid to Managing Directors and Whole Time Directors are stated in the Form MGT- 9- Extract of the Annual Return which forms part of the Board's Report in this report.

Name of the Director	Salary	Benefits	Commission	Total
Chaman Lal Setia	48,00,000	1,15,492	1,00,00,000	1,49,15,492
Vijay Setia	48,00,000	2,33,988	1,00,00,000	1,50,33,988
Rajeev Setia	48,00,000	13,80,746	1,00,00,000	1,61,80,746
Sukarn Setia	6,00,000	39,600	-----	6,39,600
Ankit Setia	18,00,000	39,600	50,00,000	68,39,600
Sankesh Setia	18,00,000	39,600	50,00,000	68,39,600

## Remuneration to Non – Executive Directors

The Non Executive Independent Director may receive remuneration by way of commission/compensation/sitting fee as per the provisions of the Companies Act, 2013. The amount of sitting fee shall be subject to the approval of board of Directors/including any sub-committee thereof, upto the limits as specified under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force and also in Compliance with the Sebi (Listing Obligations and Disclosure Requirement) Regulations, 2015.

## Review of Performance and Compensation to Senior Management:

The Managing Director will approve the Remuneration of Senior Management which will be subject to review by Nomination and Remuneration Committee. The Nomination and Remuneration Committee reviews the performance of the senior management of your Company. The Committee ensures that the remuneration to the Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of your Company and its goals.

The full policy is available at website of company. i.e. [www.maharanirice.in](http://www.maharanirice.in)

## 5 Stakeholders Relationship Committee

5.1 The Stakeholders Relationship committee is constituted in line with the provisions of Regulation 20 of Sebi Listing Regulations read with Section 178 of the Act

5.2 Composition and Attendance during the year :-

Name	Category	No. of meetings held	No. of Meetings attended
Sh. Raghav Peshawaria (Chairman)	Non Executive Director	4	4
Sh. Rajeev Setia (Member)	Executive Director	4	4

Four Meeting held during the year 29.05.2015, 28.08.2015, 14.11.2015 and 12.02.2016

Miss Kanika Nevtia, Company Secretary acts as Company Secretary and Compliance Officer to the Committee.

5.3 Terms of reference

The broad terms of reference of the Stakeholders Relationship Committee are:- To consider and redress Shareholders/Investors Grievances relating to Transfer of shares, Non receipt of declared dividend, Non receipt of Annual Reports, demat/remat of shares, issue of duplicate Certificates, and all such complaints or matters consider necessary related to Shareholders/Investors of Company. The Board shall in an efficient manner ensure that all issues / concerns of stakeholders are addressed / resolved promptly.

5.4 Mr. Raghav Peshawaria, a Non- Executive Independent Director, is the Chairman of the Stakeholder's Relationship Committee. Mr. Raghav Peshawaria, Chairman of the Committee was present at the last Annual General Meeting of Company held on 29.09.2015.

5.5 The Company has received .....35..... complaints from the investors during the year. All of these have been redressed. There is no pending complaint during the year .

## 6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has constituted a Corporate Social Responsibility (CSR) Committee as required under Section 135 of the Companies Act, 2013.

6.1 Composition and Attendance during the year :-

Name	Category	No. of meetings held	No. of Meetings attended
Sh. Parmod Kumar Kukar (Chairman)	Non Executive Independent Director	4	4
Sh. Rajeev Setia (Member)	Executive Director	4	4
Sh. Vijay Setia (Member)	Executive Director	4	4

During the year ended on 31.03.2016 the Corporate Social Responsibility Committee met four times on 29.05.2015, 28.08.2015, 09.12.2015 and 12.03.2016.

## 6.2 Terms of Reference :-

To frame the CSR POLICY and its review from time to time. To ensure effective implementation and monitoring of the CSR activities as per the approved policy, plan and budget. To ensure compliance with the laws rules and regulations governing the CSR and to periodically report to the Board of Directors. The CSR Policy as formulated and recommended by the Committee is displayed on the website of the Company [www.maharanirice.in](http://www.maharanirice.in). The Annual Report on CSR activities for the Financial Year 2015-16 forms a part of the Directors' Report.

## 7. RISK MANAGEMENT COMMITTEE :-

As per provision of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Risk Management Committee is applicable to top 100 Listed entities, therefore Board of directors decided to dissolve this committee constituted on 30.08.2014 and established a well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process, which is periodically reviewed by the Board. Board further inform the Board members about the risk assessment and minimisation procedures. A detailed exercise is being carried out to identify, evaluate, monitor and manage risks and Board periodically reviewed it and suggests steps to be taken to control and mitigate the same through a properly defined framework.

## 8. General Body Meeting:-

(a) The Details of Last Three Annual General Meetings of the Company are as follows;

Date & Time	Venue	Special Resolution Passed
SEP 29, 2015	Hotel P.R Residency, 101, Distt. Shopping Centre, Ranjit Avenue, Amritsar at 4:30 p.m.	Adoption of New Set of Articles of Association
SEP 29, 2014	Hotel P.R Residency, 101, Distt. Shopping Centre, Ranjit Avenue, Amritsar at 4:00 p.m.	Reappointment of Managing Director under section 196, 197, 203 of Companies Act, 2013
SEP 28, 2013	Hotel P.R Residency, 101, Distt. Shopping Centre, Ranjit Avenue, Amritsar at 4:30 p.m.	NIL

The Company will hold the next Annual General Meeting on Sep 29, 2016 at 4.30 p.m. at Hotel P.R Residency, 101, Distt. Shopping Centre, Ranjit Avenue Amritsar.

(b) No Postal Ballot was conducted last year. No Special Resolution is proposed to be conducted through Postal Ballot. Postal Ballot whenever conducted will be carried out as per the procedure mentioned in Companies Act, 2013 and rules made thereunder, including any amendment thereof.

## 9. Means of Communication

The quarterly, half yearly and yearly financial results of the Company are published in the following newspapers in India—Business Standard, Financial Express, Economic Times, Jansatta, Punjabi Jagran and Nawan Zamana. The results are also displayed on the Company's website i.e. [www.maharanirice.in](http://www.maharanirice.in). The results and other relevant information are displayed on the Company's Website i.e. [www.maharanirice.in](http://www.maharanirice.in). During the year Company has not issued any press release and no presentation was made to Institutional Investors/Analysts.

In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under 'Investors Relations' on the Company's website i.e. [www.maharanirice.in](http://www.maharanirice.in) gives information on various announcements made by the Company, status of Unclaimed dividend, Shareholding Pattern, Annual Report, Quarterly/Half yearly/ Nine-months and Annual financial results along with the applicable policies and other compliances of the Company on the Company's website.

## 10. General Shareholders Information:

### A. Annual General Meeting

Date & Time 29.09.2016 at 4.30 p.m  
Venue Hotel P.R residency,  
Ranjit Avenue, Amritsar

As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Director seeking re-appointment at the forthcoming Annual General Meeting are given herein and in the Annexure to the Notice of the Annual General Meeting to be held on 29 September, 2016.





**B. Financial Year** 1st April to 31st March

**C. Dividend Payment Date for the Year 15-16**

The Board of Directors has not recommended any Final Dividend for the Financial year 2015-2016. However Board has declared an interim dividend in their Board Meeting held on 12.03.2016 @ 22% i.e. Rs. 0.44/- per Equity share of Rs. 2 each and the interim dividend was paid to those equity Shareholders whose names appear in the Register of Members of the Company as on March 22, 2016 being record date fixed for the purpose. Those shareholders holding shares in electronic form were paid dividend as per the beneficiary data provided by the Depositories.

**D Book Closure** 23.09.2016 to 29.09.2016 (both days inclusive)

**E. Listing**

The Company's shares are listed on BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 and Listing Fees as applicable have been paid.

**F. Name of the Stock Exchange** Stock Code

The Bombay Stock Exchange Ltd. 530307

**(G) ISIN Code for the Company's Equity Share**

UPTO 29.12.2015 ----- INE419D01018 (having face value of Rs. 10/-)

FROM 30.12.2015 ----- INE419D01026 (having face value of Rs.2/-)

**(H). Corporate Identity Number ("CIN ") of the Company :-**

L51909PB1994PLC015083

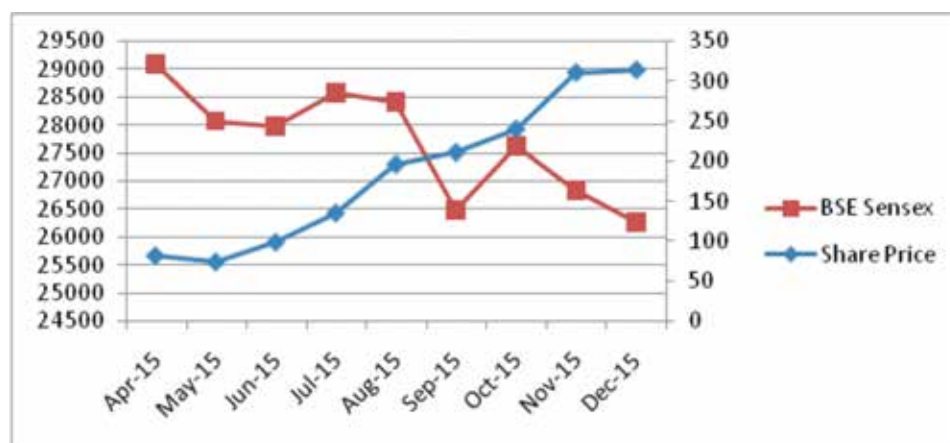
**(I). Market Price data:-** High/Low during each month of 2015-16 on Bombay Stock Exchange

Month	Highest price	Lowest Price	Volume
April 2015	81.90	65.20	68052
May 2015	74.00	67.25	33444
June 2015	98.70	76.40	173618
July 2015	135.15	97.30	233873
August 2015	195.90	132.00	311336
September 2015	210.80	142.50	126248
October 2015	239.70	171.00	157999
November 2015	310.40	248.80	222580
December 2015	313.70	62.70	67842
January 2016	78.40	56.30	1242346
February 2016	68.00	50.60	552858
March 2016	66.95	52.10	336438

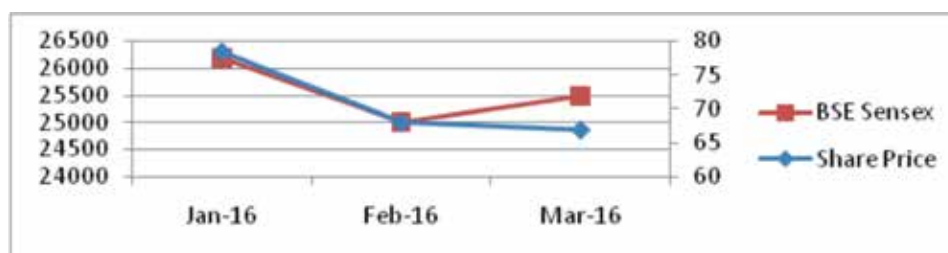
Performance of the share price of the Company in comparison to BSE Sensex

Note :- Due to sub-division of shares w.e.f 29.12.2015 face value of Equity shares at the beginning of year was Rs. 10/- and at the end of year was Rs. 2/- therefore below mention information has been stated accordingly.

From 01.04.2015 to 29.12.2015 having face value of Rs. 10/- each



After 29.12.2015 having face value of Rs. 2 each



(J) The Securities of the Company have never been suspended from trading.

(K). Registrar Share Transfer Agent

Beetal Financial & Computer Services (P) Ltd., a SEBI approved Registrar and Share Transfer Agent, has been entrusted the job of Registrar and Share Transfer Agent for the company. Investors may send all their communication regarding transfer/transmission of shares, change of address and change in bank account at the following address:

**M/s Beetal Financial & Computer Services (P) Ltd.,**

Beetal House IIIrd floor 99 madangir

Near dada Harsukh dass Mandir

New Delhi.

Telephone :- 011-29961281-283

Fax : 011-29961284

E-mail :- beetalrta@gmail.com

Website :- www.beetalfinancial.com

(L) . Share Transfer System:

96.14% of the equity shares of the Company are in electronic form. Transfer of these shares are done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form the transfer documents can be lodged with our Registrar and Share Transfer Agent named Beetal Financial & Computer Services Private Limited at above mentioned address. Transfer of shares in physical form is normally processed within 15 days from the date of receipt, if the documents are complete in all respects. The Compliance Officer, under the authority of the board, approve transfers, which are noted at subsequent board meeting.

**(M) Distribution Schedule**

	As on 31.03.2016				As on 31.03.2015			
Shareholding of Nominal Value	No. of Shares Holders	% of shares holders	Number of Shares	% of share holding	No. of Shares Holders	% of shares holders	Number of Shares	% of share holding
1-5000	3987	93.42	3709849	7.89	2960	84.62	560169	5.8976
5001-10000	139	3.26	1001981	2.13	269	7.69	217983	2.2950
10001-20000	67	1.57	960552	2.04	131	3.74	191093	2.0119
20001-30000	25	0.59	620356	1.32	30	0.86	79155	0.8334
30001-40000	10	0.23	355186	0.76	28	0.80	97789	1.0295
40001-50000	8	0.19	360776	0.77	20	0.57	89630	0.9436
50001-100000	11	0.26	751839	1.60	20	0.57	143540	1.5112
100001 above	21	0.49	39269961	83.50	40	1.14	8118941	85.4778

Note :- Due to sub-division of shares w.e.f 29.12.2015 face value of Equity shares at the beginning of year was Rs. 10/- and at the end of year was Rs. 2/- therefore aforesaid information has been stated accordingly.

**(N) Shareholding & Distribution Pattern (as on 31.03.16)**

Category	No. of Shares Held
Promoters/their Relatives/	35206471
Domestic Companies/Clearing Members	1907955
Indian Public/Resident Individuals/HUF	9411865
NRI/OCB/others	504209

**O Dematerialisation of Shares**

As on 31.03.2016 about 96.14% of the Company's Equity Shares has been held in dematerialised form with NSDL & CDSL.

**P Outstanding GDRs/ADRs/warrants or any convertible instruments, conversion date and likely impact on equity**

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence as on 31st March 2016, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

**Q Commodity price risk or foreign exchange risk and hedging activities**

Please refer to Management Discussion and Analysis Report for the same

**R Plant Locations**

The Company has a manufacturing facility  
Plant at Kaithal Road, Karnal  
Plant at P.O Central Jail, Meerankot Road, Amritsar  
Plant at Alipur –Delhi

**S. Address For Correspondence**

Chaman Lal Setia Exports Ltd.  
Meera ankot Road, P.O.Central Jail  
Ajnala Road, Amritsar, Pin 143002,  
Tel No. :- 0183-2592708, Fax : 0183-2590453  
Email id :- clsetia@rediffmail.com  
Website :- www.maharanirice.in

#### **11. Materially Significant Related Party Transactions :-**

(a) All transactions entered into with Related Parties during the financial year were in the ordinary course of business and on an arm's length basis. There are no materially significant related transaction of the Company with its Directors, management and /or relatives that would have potential conflict with the interest of the Company at large. Transactions with related parties, as per the requirements of Accounting Standard (AS) – 18, are disclosed in Notes to Accounts vide no. 12 (ii) to the Financial Statements forming part of this Annual Report. The Board has approved a policy for related party transactions which has been uploaded on the Company's website i.e. www.maharanirice.in. The Statement containing the transactions with related parties were submitted periodically to the Audit Committee.

#### **(b). Material Disclosures**

There was no instance of non-compliance by the Company on any matter related to Capital markets.

#### **(c). Disclosure of commodity price risks and commodity hedging activities**

Please refer to Management Discussion and Analysis Report for the same

#### **(d). Vigil Mechanism/Whistle Blower Policy**

The Company has a Whistle Blower Policy/Vigil Mechanism to report genuine concerns and grievances.

Under this Whistle Blower /vigil mechanism both directors and employees can report their concern about the unethical behaviour, actual or suspected fraud or violation of Company's code of conduct. All Directors and Employees of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company. All Protected Disclosures should be addressed to the Chairman of the Audit Committee. If an investigation leads to a conclusion that an improper or unethical act has been committed, the Chairman of the Audit Committee shall recommend to the Board of Directors of the Company to take such disciplinary or corrective action as it may deem fit. It is further confirmed that no person has been denied access to the audit committee

#### **(e). Transfer of unclaimed dividend to Investor Education and Protection Fund:**

Pursuant to the provisions of Section 124 and Section 125 of the Companies Act, 2013, read with section 205C of the Companies Act, 1956, the Company is required to transfer the Dividend unpaid for a period of 7 (seven) years from the due date to the Investor Education and Protection Fund (IEPF) set up by the Central Government. Accordingly, the unclaimed Final Dividend for the year 2007-08 has been transferred and necessary Statement in Form-1 INV pursuant to Rule 3 of the Investor Education and Protection Fund (Awareness and Protection of Investors) Rule, 2001 has been filed. Shareholders are requested to make their claim immediately for Unclaimed Final Dividend for the Financial year 2008-2009 as it is due for transfer to IEPF later this year. As once unclaimed Dividend is transferred to IEPF, no claims will lie in respect thereof.

#### **12. Details of Compliance with discretionary Requirements under Regulation 27 read with Schedule II Part E of the Listing Regulations:-**

The status of adoption of the Discretionary Requirements as specified in Sub – Regulation 1 of Regulation 27 of the Sebi Listing Regulations, 2015 are as follow :-

- a) The Board: The Chairman of the Company is Executive Chairman;
- b) Shareholder Rights: As the quarterly and half-yearly Financial performance are published in newspapers, and are also posted on the Company's website, the same are not being sent to the shareholders.
- c) Modified opinion(s) in audit report: The Company's financial statement for the year ended on 31.03.2016 does not contain any modified opinion.
- d) Separate posts of Chairperson and MD/CEO: Mr. Chaman Lal Setia is the Chairman and Managing Director of the Company.
- e) Reporting of Internal Auditor: The Internal Auditor of the Company has direct access to the Audit Committee.

### 13. **SEBI Complaints Redressal System (SCORES):**

The Investor complaints are processed in a centralised web-based complaints redress system (known as SEBI Complaints Redress System i.e. SCORES). The salient feature of this system are :- Centralised database of all complaints, online upload of Action Taken Reports (ATR) by concerned companies and online viewing by investors of actions taken on complaint & its address.

Further the Company disseminated to the Stock Exchange (i.e BSE), wherein its equity shares are listed, all mandatory information and price sensitive such other information, which in its opinion, are material and/or have a bearing on its performance/operations for the information of the public at large. For the benefit of the shareholders, a separate email id had been created for shareholder correspondence viz. clsetia@rediffmail.com.

### 14. **Shareholding Profile**

Mode of Holding	As on 31st March, 2016		As on 31st March, 2015	
	No. Of Shares	% to Equity	No. Of Shares	% to Equity
Demat	45215910	96.14%	8704689	91.64%
Physical	1814590	3.86%	793611	8.36%
Total	47030500	100%	9498300	100%

Note :- Due to sub-division of shares w.e.f 29.12.2015 face value of Equity shares at the beginning of year was Rs. 10/- and at the end of year was Rs. 2/- therefore aforesaid information has been stated accordingly.

### 15. **Detail of shares held by directors**

Name	Shareholding as on 31/03/2015	Final Dividend Paid for year ended 31.03.2015	Shareholding as on 31/03/2016	Interim Dividend Paid for the year ended 31.03.2016
Sh. Chaman Lal Setia	2109300	4218200	10545500	4640020
Sh. Vijay Setia	2268800	4537600	11332732	4986402
Sh. Rajiv Setia	2378300	4757000	11892500	5232700
Sh. Sukarn Setia	56800	113600	254045	111780
Sh. Ankit Setia	50000	100000	250000	110000
Sh. Sankesh Setia	50000	100000	251000	110440

Note :- Due to sub-division of shares w.e.f 29.12.2015 face value of Equity shares at the beginning of year was Rs. 10/- and at the end of year was Rs. 2/- therefore aforesaid information has been stated accordingly.

### 16. **RECONCILIATION OF SHARE CAPITAL AUDIT**

As stipulated by SEBI, Reconciliation of Share Capital Audit is carried out to reconcile the total admitted capital with National Securities Depositories Limited (NSDL) and the Central Depository Services Limited (CDSL), those held in physical form and the total issued and Listed Capital. This audit is carried out on quarterly basis and the report thereon is submitted to the Stock Exchange, where the Company's shares are listed and is also placed before the Board of Directors of the Company. No discrepancies were noticed during these Audits.

### 17. **Prevention of Insider Trading :-**

During the year Board of directors in their Board Meeting held on 29.05.2015 approved Chaman Lal Setia Exports Ltd. Code of Conduct in accordance with the requirements of SEBI (Prohibition of insider trading) Regulation, 2015.

**18. Green Initiative in the Corporate Governance:**

As part of the green initiative process, the company has taken an initiative of sending documents like notice calling Annual General meeting, Corporate Governance Report, Directors Report, audited Financial Statements, Auditors Report, Dividend intimations etc., by email. Physical copies are sent only to those shareholders whose email addresses are not registered with the company and for the bounced-mail cases. Shareholders are requested to register their email id with Registrar and Share Transfer Agent / concerned depository to enable the company to send the documents in electronic form.

**19. FRESH LISTING AGREEMENT**

The Securities and Exchange Board of India ("SEBI") on 2nd September, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "Listing Regulations") with an aim to consolidate and streamline the provisions of the Listing Regulations for different segments of capital markets to ensure better enforceability. The Listing Regulations were effective from 1st December, 2015. Accordingly, all listed entities were required to enter into the Listing Agreement within 6 (six) months from the effective date. Your Company has entered into Listing Agreement with BSE Limited during the month of February, 2016.

**20. CEO/CFO Certification**

A prescribed certificate as stipulated in Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 duly signed by the Managing Director and Chief Financial Officer was placed before the Board.

**21. Code of Conduct**

The members of the board and senior management personnel have affirmed the compliance with Code applicable to them during the year ended March 31, 2016. The annual report of the Company contains a certificate by the Managing Director in terms of SEBI Listing Regulations on the compliance declarations of Directors and Senior Management.

**22. Information on Deviation from Accounting Standards:-**

There has been no deviation from the Accounting Standards as laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of Annual Accounts for the Financial Year 2015-16.

**23. Compliance on Corporate Governance:-**

The quarterly compliance report has been submitted to the Stock Exchange where the Company's equity shares are listed in the requisite format. The Auditors' Certificate in Compliance on conditions of Corporate Governance requirements as per the Listing Agreement/Regulations forms part of this Annual Report.

All the mandatory requirements have been complied with as stated in this report on Corporate Governance. There is no non-compliance with any requirement of corporate governance report of sub-para (2) to (10) of the Corporate Governance report as given in Schedule V(C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Regulations), have been made in this Corporate Governance report. Details required under clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the said Regulations are displayed on the website of the Company at [www.maharanirice.in](http://www.maharanirice.in)

For and on behalf of Board of Directors

Place: Amritsar  
Date: 29.08.2016

sd/-  
Chaman Lal Setia  
(Managing Director)  
Din No. :- 01125789



## DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT

I hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended 31st March, 2016.

Place: Amritsar  
Date: 29/08/2016

Sd/-  
Chaman Lal Setia  
(Managing Director)  
Din No. :- 01125789

## Certification by Chief Executive Officer and Chief Financial Officer (Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015)

To,  
The Board of Directors,  
Chaman Lal Setia Export Ltd.  
Amritsar.

We, Chaman Lal Setia Chairman & Managing Director and Mr. Rajeev Setia, Executive Director and Chief Financial Officer of M/s Chaman Lal Setia Exports Ltd. hereby certify that:

- (a) We have reviewed the financial statements and the Cash Flow Statement of the company for the financial year ended 31st March, 2016 and that to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact of contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing Accounting Standards ,applicable laws and regulations.
- (b) There are , to the best of our knowledge and belief , no transaction entered into by the company during the year ended 31st March, 2016 which are fraudulent ,illegal or violative of the Company's code of conduct .
- (c) We accept responsibility for establishing and maintaining internal control for financial reporting and that we have evaluated the effectiveness of Internal Control Systems of the listed company pertaining to financial reporting and we have disclosed to the Auditors and the Audit committee, deficiencies in design or operation of such Internal Controls, if any, of which we are aware and the steps we have taken or propose to taken to rectify these deficiencies.
- (d) We have indicated to the Auditors and to the audit committee
  - i) There has not been any significant change in internal control over financial reporting during the year under reference.
  - ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements. and
  - iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Sd/-  
Chaman Lal Setia (Managing Director)

sd/-  
Rajeev Setia (Chief Financial Officer)

Place: Amritsar  
Date: 30.05.2016

## **Auditors' Certificate On Corporate Governance**

To

The Members of Chaman Lal Setia Exports Ltd.

We have examined the compliance of conditions of Corporate Governance by M/s Chaman Lal Setia Exports Ltd. ("the Company") for the year ended on 31st March, 2016, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchange for the period from 01st April, 2015 to 30th November, 2015 and as per the relevant provisions of the Securities Exchange Board of India (Listing Obligations and Disclosures Requirement) Regulations, 2015 ('SEBI Listing Regulations, 2015') as referred to in Regulation 15(2) of the SEBI Listing Regulations, 2015 for the period from 1st December, 2015 to 31st March, 2016.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the review of the procedures and implementation thereof, adopted by the company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We state that in respect of the investor grievances received during the year ended March 31, 2016, no such investor grievances remained unattended/pending for more than 30 days.

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

Place: Amritsar  
Date: 29/08/2016

For M/s Rajesh Kapoor & Co.  
Chartered Accountants

Sd/-  
(Rajesh Kapoor)  
Prop.  
M.No: 092692



## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF CHAMAN LAL SETIA EXPORTS LIMITED**

#### **1. REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying financial statements of CHAMAN LAL SETIA EXPORTS LTD. (the Company), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary accounting policies and other explanatory information.

#### **2. MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

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

#### **3. AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### **4. OPINION**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2016
- (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 Cash Flow Statement, of the cash flows for the year ended on that date.

#### **5. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

- 1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:
- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of written representations received from the Directors as on March 31, 2016, and taken on record by the Board of Directors, none of the Directors are disqualified as on March 31, 2016, from being appointed as a Director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over the financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" and
  - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors), 2014, in our opinion and to the best of our information and according to the explanations given to us;
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
    - ii. In our opinion and as per the information and explanations provides to us, the Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses, and
    - iii. There has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2016.

For Rajesh Kapoor & Co.  
Chartered Accountants

Sd/-  
(Rajesh Kapoor)  
Prop.

M.No.: 92692

Pan No. :- ABEPK2044H

Place: Amritsar  
Date: 30.05.2016

## Annexure A to the Independent Auditors' Report

With reference to the Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2016, we report the following :-

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) All the fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable, having regard to the size of the company and the nature of its assets and no serious discrepancies have been noticed in respect of those assets which have been physically verified.
- (c) According to the information and explanation gives to us and on the basis of examination of the records of the company, the title deeds of immovable properties are held in the name of the Company.
- (ii) (a) Inventory has been physically verified by the management at reasonable intervals during the year.
- (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) The company is maintaining proper records of inventory. No material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, during the year Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraphs 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made any investments or provided any guarantees and securities covered under section 185 and 186 of the Companies Act, 2013.
- (v) In our opinion and according to the information and explanations given to us the Company is not required to maintain the cost records under sub-section (1) of Section 148 of the Companies Act, 2013.
- (vi) According to the information and explanations given to us, the Company has not accepted any deposits from the public during the year.
- (vii) (a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in accordance with the generally accepted auditing practices in India, the company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Sales tax, Service tax, Value added tax, duty of excise, duty of custom, cess and any other statutory dues as applicable with the appropriate authorities and we have been informed that there are no arrears of outstanding statutory dues as at the last day of the financial year under audit for a period of more than six months from the date they became payable.
- (b) As explained to us, as at 31st March 2016, the amounts of taxes, cess, duty etc. which have been disputed by the Company, have been duly shown under the notes to accounts along with the name of departments.
- (viii) In our opinion and according to the information and explanations given to us, the company during the year has not defaulted in repayment of dues to the Government. The Company did not have any outstanding dues to its bankers and financial institution. The Company has no debenture holders.
- (ix) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.
- (x) According to the information and explanations given to us, during the year no material fraud on or by the company by its officers or employees has been noticed or reported during the course of our audit.
- (Xii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- (Xii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required by applicable Accounting Standards.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- (Xv) According to the information and explanations give to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xvi) According to the information and explanations give to us the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Rajesh Kapoor & Co.  
Chartered Accountants

Sd/-  
(Rajesh Kapoor)  
Prop.

Place: Amritsar  
Date: 30.05.2016

M.No.: 92692  
Pan No. :- ABEPK2044H

## **ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT – 31 MARCH 2016**

(Refer to in our report of even date)

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Chaman Lal Setia Exports Ltd. ("the Company") as of 31<sup>st</sup> March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013, ("the Act").

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under Section 143 (10) of the Companies Act, 2013 issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable, to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

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

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Rajesh Kapoor & Co.  
Chartered Accountants

Sd/-  
(Rajesh Kapoor)

Prop.

M.No.: 92692

Pan No. :- ABEPK2044H

Place: Amritsar

Date: 30.05.2016

## BALANCE SHEET AS ON MARCH 31, 2016

(Amount in Rs.)

Particulars	Refer Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	1-3	94061000	94469678
(b) Reserves and surplus	4	1008246000	701848591
<b>3 Non-current liabilities</b>			
(a) Long-term borrowings	5	169906386	167668154
(b) Deferred tax liabilities (Net)		14266737	12479737
<b>4 Current liabilities</b>			
(a) Short-term borrowings	6	73943422	332250468
(b) Trade payables	7	38666807	34978048
(c) Other current liabilities	8	27483453	38143893
(d) Short-term provisions	9	403591195	287838765
		<u>1830165000</u>	<u>1669677334</u>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
1 (a) Fixed assets			
(i) Tangible assets	10	224270197	222416977
(b) Non-current investments	11	1242040	1230040
(d) Long-term loans and advances	12	2,002,699	2,002,699
(e) Other non-current assets	13	434123	285498
(f) Deferred revenue expenditure		3314620	3314620
2 Current assets			
(a) Current investments		10000000	0
(b) Inventories	14	494034191	681426625
(c) Trade receivables	15	323602036	475901292
(d) Cash and cash equivalents	16	498720511	126,855,905
(e) Short-term loans and advances	17	5937357	5,343,820
(f) Other current assets	18	266607226	150899858
<b>TOTAL</b>		<u>1830165000</u>	<u>1669677334</u>

### ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

For and on behalf of the Board of Directors

Signed in terms of our report of even date  
FOR RAJESH KAPOOR & CO.  
CHARTERED ACCOUNTANTS  
sd/-  
RAJESH KAPOOR  
PROP.  
M.No 92692

sd/-  
CHAMAN LAL SETIA  
CHAIRMAN CUM MANAGING DIRECTOR  
Din No-01125789

sd/-  
RAJEEV SETIA  
EXECUTIVE DIRECTOR & CFO  
DIN No-01125921

PLACE : AMRITSAR  
DATE 30.05.2016

Sd/-  
KANJIKA NEVTIA  
COMPANY SECRETARY  
MEMBERSHIP NO. : 29680

## PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

(Amount in Rs.)

Particulars	Refer Note No.	Figures for the current reporting period	Figures for the previous reporting period
I. Revenue from operations	19	4827583516	5,083,494,833
II. Other income	20	49917106	20,070,183
<b>III. Total Revenue (I + II)</b>		<b>4877500622</b>	<b>5,103,565,016</b>
IV. Expenses:			
Cost of materials consumed	21	907,340,141	1,308,335,280
Purchases of Stock-in-Trade		2273306614	2734324057
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	22	-229529234	31586741
Employee benefits expense	23	60648784	53771081
Finance costs	24	35369964	63,158,203
Depreciation and amortization expense	25	28712353	29,875,790
Other expenses	26	771352560	650259455
Total expenses		4,306,259,650	4808137125
<b>V. Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>571,240,972</b>	<b>295427891</b>
VI. Exceptional items		0	0
<b>VII. Profit before extraordinary items and tax (V - VI)</b>		<b>571,240,972</b>	<b>295,427,891</b>
VIII. Extraordinary Items		0	0
<b>IX. Profit before tax (VII- VIII)</b>		<b>571,240,972</b>	<b>295,427,891</b>
X Tax expense:			
(1) Current tax		196994899	101124000
(2) Deferred tax		1787000	-709000
<b>XI Profit (Loss) for the period from continuing operations (VII-VIII)</b>		<b>372,459,073</b>	<b>195,012,891</b>
XII Profit/(loss) from discontinuing operations		0	0
XIII Tax expense of discontinuing operations		0	0
<b>XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>			
XV Profit (Loss) for the period (XI + XIV)		372,459,073	195,012,891
XVI Earnings per equity share:			
(1) Basic		7.95	4.19*
(2) Diluted		7.95	4.19*

Accounting policies and Notes on Accounts

The face value equity shares at the beginning of year was Rs 10 ,however on account of sub division of shares w.e.f 29.12.2015,the face value of equity shares at end of year war Rs 2 therefore EPS for last year has been restated accordingly for comparision purpose.

For and on behalf of the Board of Directors

Signed in terms of our report of even date  
FOR RAJESH KAPOOR & CO.  
CHARTERED ACCOUNTANTS  
sd/-  
RAJESH KAPOOR  
PROP.  
M.No 92692

Sd/-  
CHAMAN LAL SETIA  
CHAIRMAN CUM MANAGING DIRECTOR  
Din No-01125789

Sd/-  
RAJEEV SETIA  
EXECUTIVE DIRECTOR & CFO  
DIN No-01125921

PLACE : AMRITSAR  
DATE 30.05.2016

Sd/-  
KANIKA NEVTIA  
COMPANY SECRETARY  
MEMBERSHIP NO. : 29680

## CASH FLOW STATEMENT FOR YEAR ENDING 31.03.2016

(Amount in Rs.)

	AMOUNT 31.03.16	AMOUNT 31.03.15
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	571240972	295427891
ADJUSTMENT FOR:-		
DEPRECIATION ON OLD FIXED ASSETS		1645636
DEPRECIATION/AMORTISATION	28712353	29875790
INTEREST/DIVIDEND RECEIVED	23753598	9837059
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	576199727	313820986
ADJUSTMENT FOR:-		
TRADE AND OTHER RECEIVABLES	25998353	-22326344
INVENTORIES	187392434	-5879735
TRADE PAYABLES/OTHERS	108780749	88798703
CASH GENERATED FORM OPERATION	898371263	374413610
DIVIDEND /ADJUSTED	24906100	22639760
DIRECT TAXES PAID	239858010	145518000
CASH FLOW BEFORE EXTRAORDINARY ITEMS	633607153	206255850
EXTRAORDINARY ITEMS		0
<b>NET CASH FROM OPERATING ACTIVITIES:-</b>	<b>633607153</b>	<b>206255850</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
PURCHASE OF FIXED ASSETS ( NET )	30565575	44410775
SALE OF FIXED ASSETS		0
ISSUE EXPENSES		0
PURCHASE OF INVESTMENTS (Net)	12000	0
ADJ IN OTHER NON CURRENT ASSETS	148625	0
INTEREST RECEIVED	23753598	9837059
DIVIDEND PAID		0
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>6972602</b>	<b>34573716</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
PROCEEDS FROM FORFEITED SHARES	733395	
PROCEEDS FROM SHARE CAPITAL ( Net)	565474	776640
PROCEEDS FROM BORROWINGS	-256068814	-110660055
REPAYMENT OF FINANCE LEASE LIABILITIES		0
NET CASH FROM FINANCING ACTIVITIES	-254769945	-109883415
NET INCREASE IN CASH AND CASH EQUIVALENTS		
CASH AND CASH EQUIVALENTS AS AT 01.04.2015	126855905	65057186
(OPENING BALANCE)		
CASH AND CASH EQUIVALENTS AS AT 31.03.2016	498720511	126855905
(CLOSING BALANCE)		

Place: Amritsar Date: 30.05.2016

For and on behalf of Board

Sd/-

Chaman Lal

Chairman Cum Managing Director

Din No-01125789

Sd/-  
KANIKA NEVTIA

Company Secretary  
Membership No. : 29680

Sd/-  
RAJEEV SETIA

Whole Time Director  
& CFO  
DIN No-01125921

### Auditor's Certificate

We have verified the above cash flow statement of CHAMAN LAL SETIA EXPORTS LTD. derived from the audited financial statements for the year ended March 31st, 2016 and found the same to be drawn in accordance there with and also with the requirements of the listing agreement/regulations with stock exchange.

For Rajesh Kapoor & Co.  
CHARTERED ACCOUNTANTS

Sd/-  
(Rajesh Kapoor)  
Prop.  
M.No 92692

Place: Amritsar

Date: 30.05.2016

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rs.)

	As at 31 March 2016		As at 31 March 2015	
	Number	Amount	Number	Amount
<b>NOTE : 1</b>				
<b>Share Capital</b>				
<b>Authorized, Issued &amp; Paid up capital</b>				
Equity Shares of 2/- each (pvs year Rs10)	60,000,000	120,000,000	12,000,000	120,000,000
<b>Issued</b>				
Equity Shares of 2/- each (pvs year Rs10)	47,491,500	94,983,000	9,498,300	94,983,000
<b>Subscribed &amp; Paid up</b>				
Equity Shares of 2/- each fully paid (pvs year Rs10)	47030500	94061000	9093800	90938000
<b>Subscribed but not fully Paid up</b>				
Equity Shares of ₹ 10 each, not fully paid up	0	0	404500	3531677
<b>Total</b>	<b>47030500</b>	<b>94061000</b>	<b>9498300</b>	<b>94469677</b>

- The Company has only one class of share referred to as equity shares having a par value Rs.2(pvs year Rs 10)/- .Each holder of equity shares is entitled to one vote per share.
- The Company declares and pays dividend in Indian rupees.During the Year ended 31.03.2016 ,Interim Dividend @22 % i.e is 0.44/- per share was paid to Equity Shareholders.
- In the event of liquidation of the Company,the holder of equity shares will be entitled to receive any of the remaining assets of the company,after distribution of all preferential amounts.The distribution will be in proportion to number of equity shares held by the shareholders
- No Share was issued during last five years for otherwise than cash.
- No Share was reserved for issue under options and contracts.
- No bonus shares were issued during last five years.
- No shares was bought back.
- The shares of Directors/officers are fully paid up.
- During the year 92200 of Rs 10 each (Face value) Shares were forfeited by the company due to continuous default of call money

### NOTE : 2 Reconciliation of Share Capital

Particulars	Equity Shares		Preference Shares	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	47491500	94983000	0	0
Shares Issued during the year	0		0	0
Shares Forfeited during the year	461000	922000	0	0
<b>Shares outstanding at the end of the year</b>	<b>47,030,500</b>	<b>94,061,000</b>	<b>-</b>	<b>-</b>

During the year 92200 of Rs 10 each (Face value) Shares were forfeited by the company due to continuous default of call money. Thereafter w.e.f 29.12.2015 Equity shares has been sub divided from face value of rs 10 to Rs. 2 each ,hence aforesaid information is stated accordingly



**NOTE : 3 List of Share holder holding more than 5% share**

List of Share holder holding more than 5 % share	As at 31 March 2016		As at 31 March 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
SH.CHAMAN LAL SETIA	10545500	22.42	2109300	22.21
SH.VIJAY KUMAR SETIA	11332732	24.10	2268800	23.89
SH.RAJEEV SETIA	11892500	25.29	2378300	25.04

**NOTE : 4 Reserve & Surplus**

	As at 31 March 2016 ₹	As at 31 March, 2015 ₹
<b>a. Securities Premium Account</b>		
Opening Balance	102209032	101626554
Add : Securities premium credited	974152	582478
Closing Balance	103183184	102209032
<b>b. Shares Forfeited account</b>	733395	
<b>b. General Reserves</b>		
Opening Balance	107250669	87749380
(+) Current Year Transfer	37245907	19,501,289
(-) Written Back in Current Year		
Closing Balance	144496576	107250669
<b>c. Surplus</b>		
Opening balance	492,388,890	385556682
(+) Net Profit/(Net Loss) For the current year	372459073	195,012,891
(-) Prior Period Tax/Dividend Adjustments	42863111	44394000
(-) Transfer to General Reserves	37245907	19501289
(-) Depreciation in respect of assets whose life is over		1645634
(-) Proposed Dividends/Interim Dividend	24906100	22639760
Closing Balance	759,832,845	492,388,890
<b>Total</b>	<b>1008246000</b>	<b>701,848,591</b>

**NOTE : 5 Long Term Borrowings**

	As at 31 March 2016 ₹	As at 31 March, 2015 ₹
<b>a. Unsecured</b>		
(a) Directors' Deposits	169,906,386	167,668,154
From Executive Non Independent Directors		
<b>Total</b>	<b>169,906,386</b>	<b>167,668,154</b>

There is no default in the Repayment of either Principal or Interest Amount of Secured as well as Unsecured Loan as on the Balance Sheet Date. There is no Secured Long Term Borrowings.

	As at 31 March 2016 ₹	As at 31 March, 2015 ₹
<b>NOTE : 6</b>		
<b>Short Term Borrowings</b>		
<b>(a) Loans repayable on demand</b>		
From banks		
Punjab National Bank	73943422	332250468
Cash Credit/Packing Credit/Post Shipment Credit are secured against Current Assets ,entire Fixed assets and property belonging to M/s setia Rice Mills Situated at Amritsar and Property belonging to M/s Chaman Lal Setia Exports Ltd situated at Karnal and Corporate Guarantee of the Borrower company and personal guarantees of Directors Sh.Chaman Lal ,Vijay Setia and Rajeev Setia.		
<b>Total</b>	<b>73,943,422</b>	<b>332,250,468</b>

**NOTE : 7 Trade Payables**

	As at 31 March 2016 ₹	As at 31 March, 2015 ₹
Micro, Small and Medium Enterprise	0	0
For Goods	26625760	15218044
For Expenses	12041047	19760004
<b>Total</b>	<b>38,666,807</b>	<b>34,978,048</b>

**NOTE : 8 Other Current Liabilities**

	As at 31 March 2016 ₹	As at 31 March, 2015 ₹
(a) Current maturities of long-term debt		
(b) TDS Payables	21874880	9712481
(c ) CST/Vat Payable/Service Tax Payable	15442	1000663
(d) Income received in advance	878890	489695
(e) Unpaid Dividends	4714241	3296866
(f) Cheque issued but not presented for payments	0	23,644,188.00
<b>Total</b>	<b>27,483,453</b>	<b>38,143,893</b>

There is no fresh issue of Shares/Securities after the first Issue as such no Share Application Money is pending for refund .Further there was no Unpaid Matured Debentures/Deposits

**NOTE : 9 Short Term Provisions**

	As at 31 March 2016 ₹	As at 31 March, 2015 ₹
<b>(a) Provision for employee benefits</b>		
Salary & Reimbursements	1025410	732545
Contribution to PF	234862	217892
Provision for tax gross	386948899	245604000
Proposed final dividend on Equity Share	0	18811600
Tax on dividend	0	3828160
<b>(b) Others (Specify nature)</b>	15382024	18644568
<b>Total</b>	<b>403,591,195</b>	<b>287,838,765</b>

**NOTE : 10**

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	BALANCE AS AT 01/04/2015	ADDITIONS	DISPOSAL	BALANCE AS AT 31/03/2016	BALANCE AS AT 01/04/2015	FOR THE YEAR	DISPOSAL	BALANCE AST AT 31.03.16	AS AT 31/03/2016	AS AT 31/03/2015
LAND	18146868.00	887000.00	0.00	19033868.00	347113.00	0.00	0.00	347113.00	18686755.00	17799755.00
BUILDING:	118355849.00	13348124.00	0.00	131703973.00	33521624.00	5473693.00		38995317.00	92708656.00	84834225.00
FURNITURE & FIXTURES	2558780.00	469224.00	0.00	3028004.00	1634530.00	319831.00		1954361.00	1073643.00	924250.00
OFFICE EQUIPMENTS	11404608.00	976588.00	0.00	12381196.00	7807806.00	1084711.00		8892517.00	3488679.00	3596802.00
PLANT & MACHINERY:	209935306.00	11483036.00	10179274.00	211239068.00	116837494.00	11079471.00	5996116.00	121920849.00	89318219.00	93097812.00
VEHICLES:	48260968.00	3833092.00	3154360.00	48939700.00	28206165.00	6231975.00	2344856.00	32093284.00	16846416.00	20054803.00
OTHERS	16677085.00	2902342.00	0.00	19579427.00	14567757.00	4522672.00		19090429.00	488998.00	2109330.00
CAPITAL WORK IN PROGRESS		1658831.00		1658831.00					1658831.00	
<b>TOTAL</b>	<b>425339464.00</b>	<b>35558237.00</b>	<b>13333634.00</b>	<b>447564067.00</b>	<b>202922489.00</b>	<b>28712353.00</b>	<b>8340972.00</b>	<b>223293870.00</b>	<b>224270197.00</b>	<b>222416977.00</b>

Note1 No fix assests was equired through business reorganisation during the year .

Note 2 No fix assests was revalued during the year .

**NOTE : 11 Non Current Investments**

	As at 31 March 2016 ₹	As at 31 March, 2015 ₹
<b>(a) Trade investments (at cost)</b>		
PNB Gilts Ltd.	300000	288000
Mutual Funds	850000	850000
PNB Equity Shares (Fully Paid quoted)	92040	92040
<b>Total</b>	<b>1,242,040</b>	<b>1,230,040</b>

**NOTE : 12 Long Term Loans and Advances**

	As at 31 March 2016 ₹	As at 31 March, 2015 ₹
<b>(b) Security Deposits</b>		
Secured, considered good	0	0
Unsecured, considered good	2002699	2002699
Doubtful	0	0
	2002699	2,002,699
<b>Total</b>	<b>2002699</b>	<b>2,002,699</b>

There is no Loans and Advances to Related parties outstanding as on Balance Sheet date

**NOTE : 13 Other non current assets**

	As at 31 March 2016 ₹	As at 31 March 2015 ₹
Investors Education and Protection Fund	434123	285498
<b>Total</b>	<b>434,123</b>	<b>285,498</b>

**NOTE : 14 Inventories**

	As at 31 March 2016 ₹	As at 31 March 2015 ₹
a. Raw Materials and components	188236910	145423638
b. Finished goods	305797281	536002987
<b>Total</b>	<b>494034191</b>	<b>681,426,625</b>

Valued at Cost or Net Realisable Value which ever is less and as per Inventories taken and Certified by management

**NOTE : 15 Trade Receivables**

	As at 31 March 2016 ₹	As at 31 March, 2015 ₹
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Secured, considered good		
Unsecured, considered good	300682427	466240508
Unsecured, considered doubtful		
	300682427	466240508
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	0	0
Unsecured, considered good	22919609	9660784
	22919609	9660784
<b>Total</b>	<b>323602036</b>	<b>475901292</b>

Nothing is Receivables from Directors ,Other Officers of the Company and Firm/s in which Directors is a partner and form a Private Company in which director is a member

**NOTE : 16 Cash and cash equivalents**

	<b>As at 31 March 2016</b>	<b>As at 31 March, 2015</b>
	₹	₹
a. Balances with banks*	121310102	29434867
This includes:		
Earmarked Balances (eg/- unpaid dividend accounts)	3851350	3016725
b. Cheques, drafts on hand	2607122	7419889
c. Cash on hand*	2293697	1984424
d. Deposits with less than 12 Months Maturity	368658240	85000000
<b>Total</b>	<b>498,720,511</b>	<b>126,855,905</b>

**NOTE : 17 Short-term loans and advances**

	<b>As at 31 March 2016</b>	<b>As at 31 March, 2015</b>
	₹	₹
a. Others (Staff Members)		
Secured, considered good		
Unsecured, considered good to staff	4689706	4149783
Doubtful	0	0
Advances other than staff	1247651	1194037
<b>Total</b>	<b>5,937,357</b>	<b>5,343,820</b>

No loans and advances to related parties as on balance Sheet date

**NOTE : 18 Other current assets**

	<b>As at 31 March 2016</b>	<b>As at 31 March, 2015</b>
	₹	₹
Prepaid and Unexpired	4159585	3164600
Advance Tax/TDS	259379281	146412420
Vat /Service Tax	2384031	643509
Advance against pending appeal	684329	679329
<b>Total</b>	<b>266607226</b>	<b>150899858</b>

**NOTE : 19 Revenue from Operation**

	<b>As at 31 March 2016</b>	<b>As at 31 March, 2015</b>
	₹	₹
Sale of products	4824553666	5080291106
Sale of services	0	0
Other operating revenues	3029850	3203727
<b>Total</b>	<b>4,827,583,516</b>	<b>5,083,494,833</b>

**NOTE : 20 Other income**

	<b>As at 31 March 2016</b>	<b>As at 31 March, 2015</b>
	₹	₹
Interest Income (in case of a company other than a finance company)	23753598	9837059
Misc Income	85454	10550
Applicable net gain/loss on foreign currency transactions and translation	25195513	10024444
Forfeiture of Contract		198130
Profit on Sale of Fixed Assets	882541	0
<b>Total</b>	<b>49917106</b>	<b>20,070,183</b>

**NOTE : 21 Cost of material consumed**

	<b>As at 31 March 2016</b>	<b>As at 31 March, 2015</b>
	₹	₹
Cost of Raw material consumed	0	0
Indigenous	907340141	1308335280
Imported	0	0
<b>Total</b>	<b>907,340,141</b>	<b>1,308,335,280</b>

**NOTE : 21A Particulars of material consumed**

	<b>As at 31 March 2016</b>	<b>As at 31 March, 2015</b>
	₹	₹
Particulars		0
Paddy	907340141	1308335280
Other	0	0
<b>Total</b>	<b>907,340,141</b>	<b>1,308,335,280</b>

**NOTE : 22 Changes in Inventories of Finished**

	<b>As at 31 March 2016</b>	<b>As at 31 March, 2015</b>
	₹	₹
<b>Inventories (at close)</b>		
Finished Goods/Stock in trade	297058728	526587962
<b>Inventories(at commencement)</b>		
Finished Goods/Stock in trade	526587962	495001221
<b>Total</b>	<b>-229529234</b>	<b>31586741</b>

**NOTE : 23 Employee Benefit Expenses**

	<b>As at 31 March 2016</b>	<b>As at 31 March, 2015</b>
	₹	₹
<b>Employee benefits consist of;</b>		
Salaries, Wages and Allowances	54898485	49100600
Contribution to:		
Gratuity fund/Provident Fund	3137422	2955641
Staff welfare expenses	2612877	1714840
<b>Total</b>	<b>60648784</b>	<b>53771081</b>

**NOTE : 24 Finance Costs**

	<b>As at 31 March 2016</b>	<b>As at 31 March, 2015</b>
	₹	₹
Bank charges	11930422	10023585
Interest	23439542	53134618
<b>Total</b>	<b>35369964</b>	<b>63158203</b>

**NOTE : 25 Depreciation & Amortization Expenses**

	<b>As at 31 March 2016</b>	<b>As at 31 March, 2015</b>
	₹	₹
Depreciation of Tangible Assets	28712353	29875790
Amortization of Intangible Assets		
<b>Total</b>	<b>28712353</b>	<b>29,875,790</b>

	<b>As at 31 March 2016</b>	<b>As at 31 March, 2015</b>
	₹	₹

**Note no. : 26(1)**

**Establishment Expenses**

**These Includes the following**

Rent,Rate & Taxes	1323244	955354
Postage,Telegram & Courier Charges	3116256	3481539
Printing & Stationery	2478236	872103
Insurance Charges	3106977	3459234
Vehicle Running & Maintenance	1982647	2585439
Membership Fees & Subscription	295562	186534
Professional & Consultancy	5318390	3298311
Payment to Auditor	150000	150000
Travelling,Lodging,Boarding	14897523	7744315
Donation	531787	895084
Loss on sale of fixed Asset	0	885546
CSR exp	789503	1137500
General Exp	2194647	2829873
<b>Total</b>	<b>36184772</b>	<b>28480832</b>

**Note no. : 26(2)**

**Payment To Auditor**

**Payment to Auditor includes:**

Statutory Audit Fees	50000	50000
Tax audit fees	50000	50000
Taxation Matters	50000	50000
Other Matters		0
<b>Total</b>	<b>150000</b>	<b>150000</b>

**Note no. : 26(3)**

**Selling & Distribution Exp.**

Export Commission	30419319	30566169
E.C.G.C Expenses	4806177	5177920
Advertisement & business promotion exp	15181397	6469353
Direct Export Expenses	293370984	245343183
Brokerage	46062230	11998187
Bill Discount/Rebate	66000	4884145
Misc.Expenses	0	119642
BAD Debts	7200	3693706
Fare Expenses	28295	24796
<b>Total</b>	<b>389941602</b>	<b>308277101</b>

**Note no. : 26(4)**

**Manufacturing Expenses**

Power & Fuel	41527928	42607768
Machinery Repair & Maintenance	9823297	8311505
Sheller Lease/Godown Lease	9493840	5010290
Bardana Repair	23920	262889
Packing Expenses	2401808	1672992
Stacking, Weighing Loading etc	8043095	6064049
Packing Material/Empty Cost	207698233	190498095
Sample Testing	790958	1179151
Fumigation	8617330	6384438
Other Repair	1975824	3680435
Overheads	15056125	12664695
security exp	1152475	758699
<b>Total</b>	<b>345226186</b>	<b>313501522</b>
<b>Grand Total Of Other Expenses</b>	<b>771352560</b>	<b>650259455</b>





## **Significant Accounting Policies & Notes forming part of the Balance Sheet and statement of Profit & Loss for the year ended 31.03.2016.**

### **Company Overview**

A) Your company has been running successfully into rice business since 1973. The long outstanding experience of the Directors has helped the Company to expand its global footprint. Your Company's diverse product line covers product like Sella Rice, Bhatti Sella, Rice for Diabetic peoples, Smoked rice, Pesticide Residue free rice. Company's uses its strong relationship with Domestic and Global Business partners for market penetration and presence. Company has introduced newer policies and strategies to facilitate development further.

### **B) Statements of significant accounting policies:**

#### **1. Basis of Preparation of Financial Statements**

The financial statements have been prepared on accrual basis under the historical cost convention and to comply in all material aspects with Generally Accepted Accounting Principles in India to the extent applicable including the applicable Accounting Standards as prescribed and notified by the Companies Act, 2013.

#### **2. Use of Estimates and Judgments**

The preparation of the financial statements are in conformity with the applicable Accounting Standards which requires management to make estimates and the assumption that affect the reported amount of assets and liabilities and disclosures relating to the contingent liabilities as on date of balance sheet and the reported amount of revenues and expenditure during the reported period. The estimates and assumptions used in the financial statements are based upon management's best evaluation of the statements. Examples of such estimates include useful life of fixed assets, creation of deferred tax asset, lease rentals and write off of deferred revenue expenditure. Difference, if any, between the actual and the estimate is recognised in the year in which the same are acknowledged/ materialized.

#### **3. Revenue Recognition**

The Company follows the mercantile system of accounting and recognizes the income and expenditure on accrual basis except in case of significant uncertainties. Certain items of income such as insurance claim, market fees refund, Service Tax Refunds, Interest Subventions, overdue interest from customers etc have been considered on Payment Basis/receipt basis to the extent the amount is accepted by the parties. The principles of the revenue recognition are given below

Sales are recognized as follows

Domestic Sales-At the point of dispatches to customers.

Export Sales - At the time of issue of bill of lading

Sales are recorded net of sales returns, price differences and sales tax. Sale of license and duty draw back are recognized on realization basis.

#### **4. Fixed Assets**

Fixed Assets are stated as per Schedule II of Companies Act, 2013. Fixed Assets are stated at cost (of acquisition/ construction, as the case may be), net of CENVAT and Subsidy, less accumulated depreciation and accumulated impairment losses, if any.

#### **5. Depreciation/Amortisation**

Depreciation is provided on written down value basis at rates provided in Schedule II to the Companies Act, 2013 and is systematically allocated over the useful life of an asset as specified in part C of schedule II of Companies Act, 2013.

Depreciation on plant & Machinery has been provided on the basis of shifts worked in the case of both the units. Cost of leasehold land is amortized over the period of lease.

## **6. Capital work in Progress**

Capital work in progress comprises cost of fixed assets not yet commissioned, incidental preoperative expenses and borrowing costs.

## **7. Leases**

In respect of operating lease, lease rentals are accounted on accrual basis in accordance with the respective lease agreements. However there is no lease as on the date .

## **8. Government Grants**

Grants in the nature of capital contribution towards setting up modernization of projects is adjusted from the cost of the related fixed assets.

## **9. Deferred Tax**

Deferred tax assets and liabilities are computed on the timing differences at the balance sheet date between the carrying amount of assets and liabilities and their respective tax bases. Deferred Tax Assets (DTA) is recognized based on management estimates of virtual certainty that sufficient future taxable income will be available against which such DTA can be realized. The deferred tax charge or credit is recognized using the tax rates and tax law that have been enacted or substantively enacted by the balance sheet date.

## **10. Employees Benefits**

### **10.1 Defined Contribution Plans**

Defined contribution plans are benefit plans under which the company pays fixed contribution to state managed benefit schemes. The company contributions to defined contribution plans are recognized in the profit and loss account in the financial year to which they relate.

### **10.2 Defined Benefits Plans**

The company has defined benefit plan in respect of its gratuity liability and contributes to a Gratuity Fund managed by LIC of India. Contribution is made to this fund yearly on the basis of calculation made by LIC keeping in view certain factor. This premium is charged to Profit & loss a/c in the year of payment.

## **11. Investments**

Long Term Investment is intended to be held for more than a year. All others investment are current in nature.

Long Term Investments are stated at cost while current investment at lower of cost and fair value.

## **12. Inventories**

Inventories are valued at cost or net realizable value whichever is lower, as taken, valued and certified by the management. The basis for determining cost for various categories of inventories is as under

Raw Material- At cost on FIFO Basis

Finished Stock -At material cost + appropriate share of production overhead

Packing Material -At Cost

Stores & Spares

Stores & spares are charged to profit & loss A/c in the year of purchase.

## **13. Foreign Exchange Transactions**

Foreign currency transactions are accounted at exchange rate ruling on the date of transactions. At the year end all monetary assets and liabilities denominated in foreign currency are restated at the closing exchange rates. Exchange differences arising out of actual payments/realizations and from the year end restatement referred to above are dealt within the Profit & Loss Account.

Forward contracts other than those entered into to hedge foreign currency risk on unexecuted firm commitment or on highly probable forecast transactions are treated as foreign currency transactions and accounted accordingly. Premium on foreign exchange forward contracts are recognized in the profit and loss account over the life of contract. Any profit and loss arising on cancellation of forward contract is recognized as income or expense in the period in which they arise. This practice is being followed as per the AS11.

#### **14. Researches and Development**

Revenue Expenditure on Research & Development is charged as an expense in the year in which it is incurred. Capital expenditure is included in respective heads under fixed assets.

#### **15. Provisions, Contingent Liabilities and contingent assets:**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes to accounts. Contingent assets are neither recognized nor disclosed in the financial statements.

#### **16. Segment Reporting**

Segment Reporting as per Accounting Standard 17: The Company has only one product segment i.e Rice and only one geographical segment.

#### **17. Borrowing Cost**

Borrowing Costs that are attributable to the Acquisition, Construction or Production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

#### **18. Corporate Social Responsibility :-**

As per section 135 of Companies Act, 2013 average net profit of Company for immediately preceeding three years is Rs. 248093432. Company has to spent Rs. 4961869/- i.e. 2% on average net profit of Company. However during the year 2015-16 Company has spent Rs. 789503/- & amount unspent is Rs. 4172366/- and reason for unspent has given in CSR report under Annexure E forming part of Director's Report.

#### **19. Deferred Revenue Expenditure**

Company has spent Rs. 3314620/- on its advertisement campaign which is yet to begin & these expenses has not being charged to revenue & has been shown under the head deferred revenue expenditure in the Balance Sheet.

#### **20. Brief Information on the Treatment of Amount Received on Forfeited Shares:**

As per schedule III of Companies Act, 2013, amount of Rs. 7.33 lacs originally received against forfeited shares has been transferred to Reserve and Surplus Account during the year 2015-2016.

### **Notes to Accounts**

#### **1. Managerial Remuneration**

During the year Company has given remuneration to all the directors including managing director & Wholetime directors as per section 197 of Companies Act, 2013 read with Schedule V which is within overall limit as prescribed under Companies Act, 2013 read with Schedule V.

2. Value of Assets as at 21.9.94 the date of Conversion of the firm to the Company under Part IX of the Companies Act 1956 has been taken at value shown in books of erstwhile firm Chaman Lal & Sons.
3. Gratuity Payable to employees at some future date has been duly provided for by the Company by taking Group Gratuity Scheme from LIC of India.
4. Stores, Spares and Labour in respect of internally carried out repair and maintenance of Plant and Machinery and Building have not

been charged separately but have been directly charged to stores and spares consumed and wages account.

5. Confirmation of some of the accounts at year-end included under heads 'Sundry Debtors', Sundry Creditors' and Loans and Advances have yet to be received as at the date of the Auditors Report.
6. Payment against supplies from small scale and ancillary undertakings are generally made in accordance with agreed credit terms and to the extent ascertained from available information, there was no amount overdue in this regard.
7. Contingent liabilities as at 31.3.2016
8.
  - a) The Company's appeal with Commissioner Excise and Taxation, Punjab for the year 2009-10 is pending for wrong imposition of Vat amounting Rs. 782343/- & CST amounting Rs.9389/- . However Company has deposited Rs. 195590/- against Vat and Rs. 2400/- against CST being the 25% of the total amount for tendering its appeal.
  - b) The Company's appeal with Commissioner Excise and Taxation, Punjab for the year 2010-11 is pending for wrong imposition of Vat amounting Rs. 1843094/- & CST amounting Rs. 82260/- . However Company has deposited Rs. 460774/- against Vat and Rs. 20565/- against CST being the 25% of the total amount for tendering its appeal.
  - c) The Punjab Government has imposed PIDF (development fund) @ 3% on paddy purchase since 2009-2010 on all the rice sheller and the liability of the Company on this issue has yet to be determined. However all the rice shellers has appealed against this levy of development fund on the Ground that this is not applicable on exports sales. However domestic sales achieved by the Company in Punjab will be subjected to this development fund if decided against.
  - d) Company's appeal is also pending with CESAT Ahmedabad against imposition of penalty by Custom Authorities Kandla amounting Rs. 1750000/- on the alledged ground of containing higher Non Basmati Grain in one of the export lot.
  - e) The Company Appeal with Income Tax Appellate Authority Tribunal Amritsar, is pending for the Assessment Year 2012-2013 and Assessment Year 2013-2014 for wrong imposition of TDS amount Rs. 896937/- and Rs. 1211055/- respectively by the Income Tax Authorities.
9. Prior period items include Expenses/Income related to previous year not provided for are separately classified as prior period expenditure/income during the current year in accounts.
10. In the opinion of the Board and to the best of their knowledge and belief, the value on realization of the current assets, loan & advances, deposits in the ordinary course of business will not be less than the value stated in Balance Sheet.
11. Pursuant to the provisions of Section 124 and Section 125 of the Companies Act, 2013, read with Section 205C of the Companies Act, 1956, the Dividend which remain unclaimed/unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

The status of dividend remaining unclaimed as on 31.03.2016 is given here under:

YEAR	(Rupees in Lacs)
2008-2009	1.76
2009-2010	2.09
2010-2011	2.24
2011-2012	2.60
2012-2013	2.33
2013-2014	3.44
2014-2015	2.28

As per the Companies Act, dividends that are unclaimed for a period of seven years, statutorily get transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government and thereafter, cannot be claimed by investors. The Company had, accordingly, transferred Rs. 148625/- being the unpaid and unclaimed dividend amount pertaining to Final Dividend for the

financial year ending 2007-2008 to the Investor Education and Protection Fund of the Central Government.

- A) There are no specific claims from suppliers under interest on delayed payments covered under Small Scale & Ancillary Act, 1993.
- B) The Company does not have any dues payable to any micro, small and medium enterprises as at the year end. The identification of the micro, small & medium enterprises is based on management's knowledge of their status. The Company has not received any intimation from the suppliers regarding their status under the MSMED Act 2006. Hence, disclosures, if any, relating to amounts unpaid as at the year end, together with interest paid/payable as required under the said act have not been given.

12. Compliance with Accounting Standard

- (i) AS-15 Accounting Standard for "Employee benefits" the disclosures as defined in the Accounting Standard are given below:

Defined Contribution Plans

Contribution to Defined Contribution plans, recognized as expense for the year is as under:

	2015-16 (Rs.)	2014-15 (Rs.)
Contribution to Provident Fund	1130306	1047638
Contribution to Pension Scheme	709290	595066
Contribution to ESI	70851	66949

Defined Benefit Plan

The employee's gratuity fund scheme managed by a Trust (Life Insurance Corporation of India) is a defined benefit plan. The premium as determined by the Trust keeping in view the date of joining, salary last drawn etc. of the employee's is paid yearly by the Company and debited under the head Employee Benefit Expenses. During the year Rs.284598/- has been paid to LIC towards groups gratuity scheme of employees.

- (ii) AS-18 Related party transaction

Details pertaining to related party transaction in respect of key managerial personnel of the company are as follow: -

- |     |                       |                                 |
|-----|-----------------------|---------------------------------|
| (a) | Shri Chaman Lal Setia | Chairman cum Managing Director. |
| (b) | Shri Vijay Setia      | Executive Director              |
| (c) | Shri Rajeev Setia     | Executive Director              |
| (d) | Shri Sukarn Setia     | Executive Director              |
| (e) | Shri Ankit Setia      | Executive Director              |
| (f) | Shri Sankesh Setia    | Executive Director              |

- (1) The Company has identified all related parties and transactions with them during the year as follow :-

Name of the Related Party	Relationship	Nature of Transaction	Amount (Rs.)
Sh. Chaman Lal	Chairman Cum Mg. Director	Remuneration	49,15,492/-
		Interest	49,13,700/-
Sh. Vijay Setia	Executive Director	Remuneration	5033988/-
		Interest	4111442/-
Sh. Rajeev Setia	Executive Director	Remuneration	6180746/-
		Interest	3006244/-

Shri Sukarn Setia	Executive Director	Remuneration Interest	639600/- 2354508/-
Shri Sankesh Setia	Executive Director	Remuneration Interest	1839600/- 1883162/-
Shri Ankit Setia	Executive Director	Remuneration Interest	18,39,600/- 10,54,912/-
Smt. Isha Setia	Director's Wife	Remuneration	6,00,000/-
Setia Rice Mills	Sister Concern	Lease Rent	3,00,000 /-
Select Exports	Sister Concern	Sale of Rice	48,66,350/-
Avn Group	Sister Concern	Lease Rent	60,00,000/-
Star Exports	Sister Concern	Sale of Rice	1,44,15,000/-

In addition interim dividend /commission was also paid to them, disclosed in this report elsewhere.

(2) Interest on unsecured loans paid to directors during the year@ 12% p.a is Rs. 17323968/-

**(iii) AS-20 Earning per share**

As there is no potential equity share outstanding and as such the diluted earning

Per share is same as basic earning per share.

EPS = Rs. 7.95

**(iv) AS-22 Deferred Taxes**

In accordance with the accounting standard AS-22 the deferred tax has been accounted for during the year ended 31.03.2016. The deferred tax Assets up to 31.03.2001 amounting to Rs 2902273/- has been credited to Revenue Reserve and disclosed separately under current liability and provision. The deferred tax liability related to current year is Rs 1787000/- and current outstanding as at 31.03.2016 is Rs. 14266737/-

The deferred taxes has arisen only on account of difference in depreciation allowable under Income Tax Act and as per books.

**(v) AS-17 Segmental Reporting**

The Company has only one business segment namely rice. There is no different geographical segment.

13. The provisions of the Industries (Development and Regulation) Act, 1951, relating to licensed capacity are not applicable to the Company. The installed capacities in metric tones per hour are as under:

Amritsar (Leased) 2 MT Rice per hour.

Karnal 12 MT Rice per hour.

The installed capacity is as certified by the management and relied upon by the Auditors, being a technical matter

14. Stores & Spares are charged to Profit & Loss at time of Purchase and no inventory in respect of these is being maintained.
15. There was no payment exceeding Rs One Lac due to any small scale industrial undertaking as known to Management.
16. Additional Information Pursuant to point no. 5 of part-II of Schedule-III to the Companies Act 2013:-

(A) Licensed and installed Capacity, Actual Production and Opening Stocks:-

	<b>31.03.16</b>	<b>31.03.15</b>
Licensed Capacity (per hour)	14 MT	14 MT
Installed Capacity (per hour)	14 MT	14 MT
Actual Production (In Qtls)	310958	313252

(B) Quantitative Stocks (In Qtls)

Opening Stock as at		Closing Stock as at	
01.04.2014	01.04.2015	31.03.2015	31.03.2016
151907	213741	213741	158821

(C) Expenditure in Foreign Exchange

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Value of Import of Capital Goods	4561844	13533303
Export Commission	30419319	30566169
Travelling Expenses	12816236	6310927

Ocean Freight as on 31 Mrch, 2015 is Rs. 9,40,23,216/-

(D) Value of Exports (FOB)

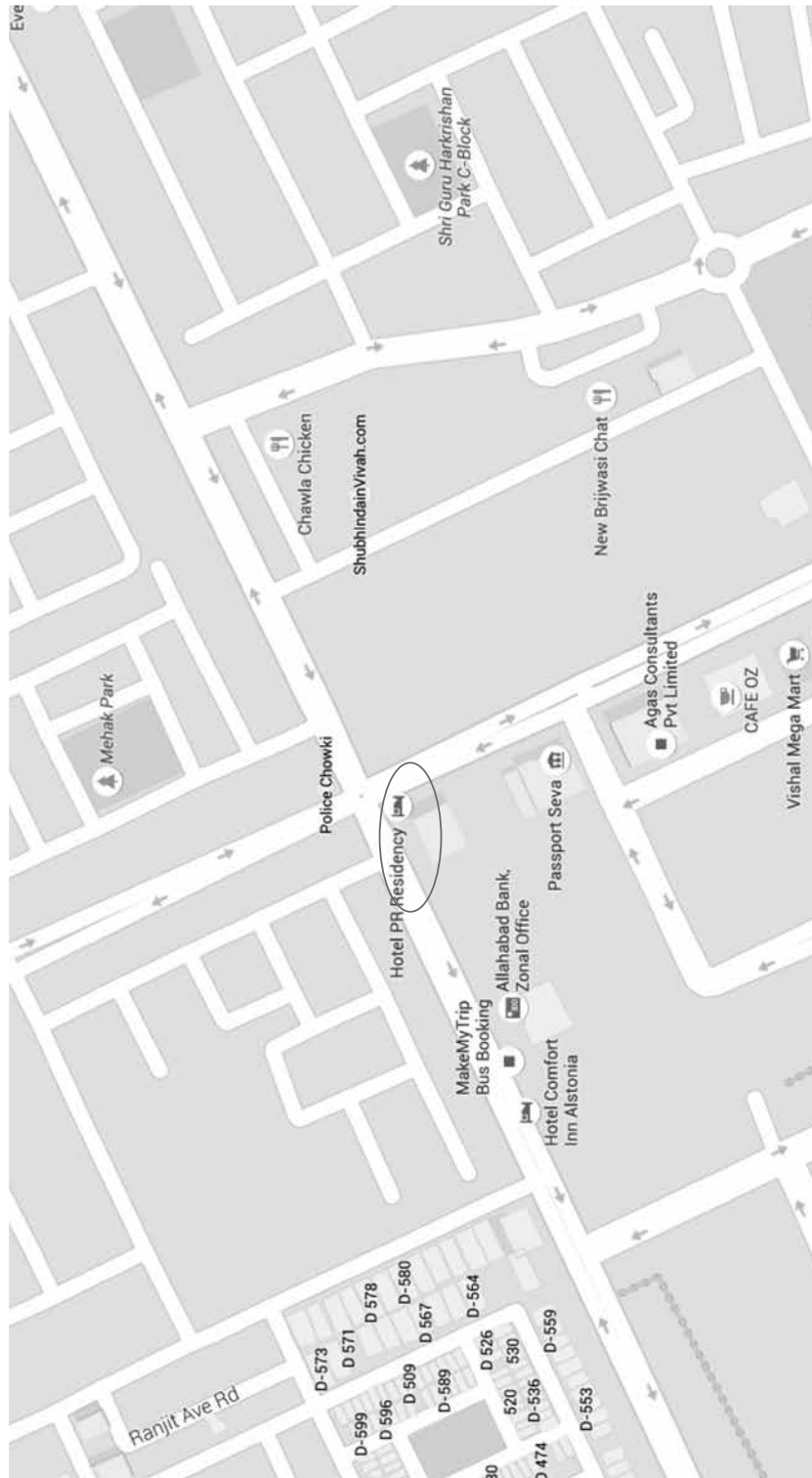
Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Value of Goods Exported	3737016519	3935040014

(E) Raw Material Consumed:

		(In Qtls)	
31.03.2016	31.03.2016	31.03.2015	31.03.2015
Quantity	Value	Quantity	Value
479870	907340141	489457	1308335280

17. Previous Years figures have been regrouped & rearranged where ever considered necessary.

## Route Map







**CHAMAN LAL SETIA EXPORTS LIMITED**  
**Miran Kot Road, P.O Central Jail Amritsar.**  
**ATTENDANCE SLIP**

Shareholders attending the meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the Meeting Hall.

Full Name of the member attending .....  
(In Block letters)

Member's Folio No./Client Id : ..... No. of Shares Held .....

Name of Proxy .....

(To be filled in, if the proxy attends instead of the members)

I, hereby record my presence at the 22nd Annual General Meeting of the Chaman Lal Setia Exports Ltd. At Hotel P.R Residency, Ranjit Avenue, Amritsar-143001 on Thursday 29th September, 2016 at 04:30 p.m.

.....  
Member's/Proxy's Signature

**CHAMAN LAL SETIA EXPORTS LIMITED**  
Regd. Office : MIRANKOT ROAD, P.O CENTRAL JAIL , AMRITSAR-143002  
Phone No. :- 0183-2592708, Fax No. :- 0183-2590456  
Website :- www.maharanirice.in, Email id :- clsetia@rediffmail.com  
CIN NO. :- L51909PB1994PLC015083

**Proxy form**

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

**22<sup>nd</sup> Annual General Meeting on Thursday, 29.09.2016 at 04:30 p.m.**

CIN:	L51909PB1994PLC015083
Name of the company:	Chaman Lal Setia Exports Ltd.
Registered office:	Miran Kot Road, P.O Central Jail, Amritsar

Name of the member(s): Registered address: Email Id: Folio No./Client Id: *DP ID:
---

I/We, being the member (s) of ..... shares of Chaman Lal Setia Exports Ltd. hereby appoint

- (1) Name: ..... Address:.....  
.....  
E-mail Id:..... Signature:.....
- (2) Name: ..... Address:.....  
.....  
E-mail Id:..... Signature:.....
- (3) 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 22nd Annual General Meeting of the company, to be held on the Thursday, 29th day of September, 2016 at 04:30 p.m. at Hotel P.R Residency, Ranjit Avenue, Amritsar-143001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.		Resolution	Optional	
Ordinary Business			For	Against
1.		To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31.03.2016 along with the Reports of the Board of Directors and Auditors' thereon.		
2.		To confirm the Interim Dividend paid on Equity Shares for the financial year ended 31.03.2016.		
3.		To appoint a Director in place of Mr. Sukarn Setia (Din :01133561), who retires by rotation and being eligible, offer himself for reappointment.		
4.		To appoint a Director in place of Mr. Ankit Setia (Din :01133822), who retires by rotation and being eligible, offer himself for reappointment.		
5.		To consider and approve appointment of M/S. Rajesh Kapoor & Co. Chartered Accountants (Firm Registration No. 13527N) as Statutory Auditor of the Company and to fix their remuneration for the next year		
Special Business				
6.		To Increase the remuneration of Mr. Ankit Setia (Din 01133822) Wholetime Director of Company.		
7.		To Increase the remuneration of Mr. Sankesh Setia (Din 06620109) Wholetime Director of Company.		
8.		To approve issuance of Bonus Shares.		
9.		To determine the fees to be charged for service of document(s) in a particular mode.		

\* Applicable for investors holding shares in electronic form.

Signed this..... day of..... 2016

Affix  
Revenue  
Stamp

Signature of shareholder

Signature of Proxy holder(s)

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

For the Resolution, Explanatory Statement and notes, please refer to the Notice of the 22nd Annual General Meeting.

A proxy need not be a member of the Company.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person of shareholder.

It is optional to put 'x' in the appropriate column against the Resolution indicated in the box. If you leave the For or Against column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Please complete all details of member (s) in the above box before submission.

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**Packing Plant**



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## Chaman Lal Setia Exports Ltd.

(A Govt. Recognised Star Exports House)

**Regd. Off. :** Meerankot Road , P.O., Central jail, Ajnala Road, Amritsar-143002 (india)  
Tel: +91-183-2590318, 2592708 | Fax: +91-183-2590453

**Rice Mill :** Kaithal Road , Karnal - 132001, Haryana (india)  
Tel./Fax: : +91-184-2291067

**CIN :** L51909PB1994PLC015083

**Email :** setia.maharanirice@maharanirice.in | setia@maharanirice.org  
clsetia@rediffmail.com | begum@futerice.com

**Website :** www.maharanirice.in