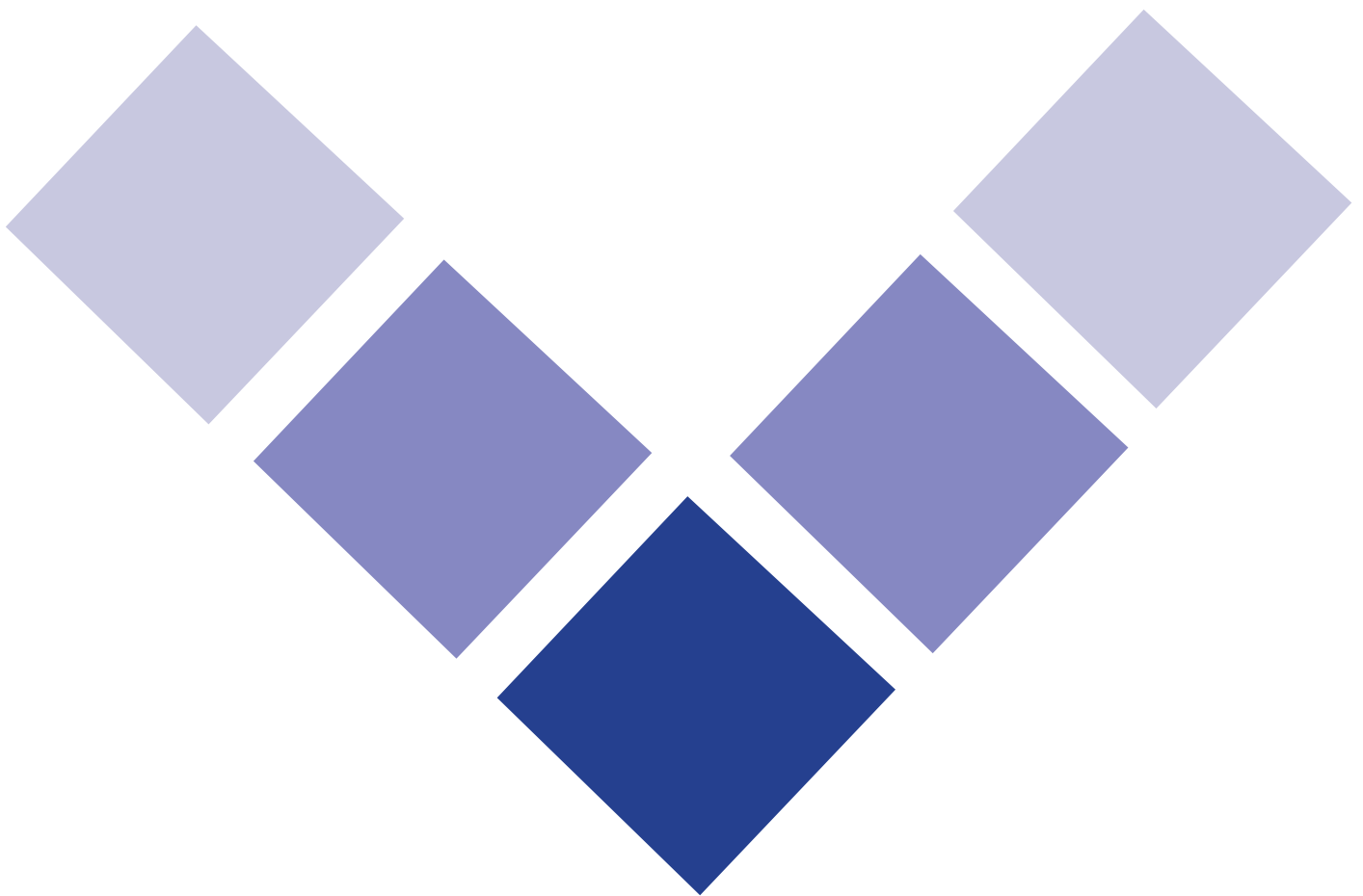


Value Industries Limited



ANNUAL REPORT 2015-16

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Bhujang Kakade
Mr. Avinash Malpani
Mr. Naveen Mandhana
Mrs. Gayathri R. Girish

REGISTERED OFFICE

14 K.M. Stone, Aurangabad-Paithan Road,
Village: Chittegaon, Taluka: Paithan,
District: Aurangabad-431 105 (Maharashtra)

AUDITORS

Khandelwal Jain & Co.

Chartered Accountants
12-B, Baldota Bhavan,
117, Maharshi Karve Road,
Opp. Churchgate Railway Station,
Mumbai - 400 020

Kadam & Co.

Chartered Accountants
"Vedant", 8/9, Viraj Estate,
Opp. Tarapur Bus Stand,
Ahmednagar - 414 003

MANUFACTURING FACILITY

15 K.M. Stone, Aurangabad-Paithan Road,
Village: Chittegaon, Taluka: Paithan,
District: Aurangabad- 431 105 (Maharashtra)

BANKERS

Indian Bank
Allahabad Bank
Axis Bank Limited
Bank of Baroda
Bank of India
IDBI Bank Limited
Punjab National Bank
State Bank of Bikaner & Jaipur
State Bank of India
The Federal Bank Limited
UCO Bank

COMPANY SECRETARY

Ms. Anagha Joshi

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NOTICE

NOTICE is hereby given that the Twenty-Eighth Annual General Meeting of the Members of **VALUE INDUSTRIES LIMITED** (the "Company") will be held on Monday, 26th September, 2016, at the Registered Office of the Company at 14 K. M. Stone, Aurangabad - Paithan Road, Village: Chittegaon, Taluka: Paithan, District: Aurangabad – 431 105 (Maharashtra) at 10.30 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the financial period ended on 31st March, 2016 and the Audited Balance Sheet as at that date together with the Cash Flow Statement, Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Gayathri R. Girish (DIN: 07145426), who retires by rotation and, being eligible, offers herself for re-appointment.
3. To ratify the appointment of Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass the following resolution as an

Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and such other applicable provisions, if any, of the Companies Act, 2013 read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of M/s. Khandelwal Jain & Co., Chartered Accountants, Mumbai (Firm Registration No. 105049W) and M/s. Kadam & Co., Chartered Accountants, Ahmednagar (Firm Registration No. 104524W), as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting i.e. the 28th Annual General Meeting until the conclusion of the 29th Annual General Meeting on such remuneration as shall be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS:

4. To appoint Mr. Bhujang Kakade (DIN: 06383819) as an Independent Director at the ensuing Annual General Meeting and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 and such other applicable provisions of the Companies Act, 2013 (the "Act") and the Rules made thereunder read with Schedule IV to the Act, Mr. Bhujang Kakade (DIN: 06383819), who was appointed as an Additional Director (Independent) on the Board of the Company at the Board Meeting held on 30th May, 2016, and who holds office of Director upto the date of this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company for a term of five consecutive years from the date of this Annual General Meeting i.e. 26th September, 2016, and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member signifying its intention to propose candidature of Mr. Bhujang Kakade for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office upto a term of five consecutive years from 26th September, 2016, not liable to retire by rotation."

5. To consider and ratify the remuneration to be paid to Mr. Jayant B. Galande, (Membership No. 5255), Cost Auditor of the Company, and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and such other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any amendment thereto or re-enactment thereof for the time being in force) Mr. Jayant B. Galande (Membership No. 5255), Cost Accountant in Whole-Time Practice, Aurangabad, who was appointed as the Cost Auditor of the Company by the Board of Directors, for conducting the audit of the cost accounting records of the Company for the financial year commencing on 1st April, 2016 at a remuneration of ₹ 75,000/- (Rupees Seventy Five Thousand Only) excluding

service tax, travelling and other out-of-pocket expenses incurred by him in connection with the aforesaid audit be and is hereby ratified and confirmed."

By order of the Board of Directors of
VALUE INDUSTRIES LIMITED

ANAGHA JOSHI
COMPANY SECRETARY
ACS30976

Place: Mumbai
Date: 13th August, 2016

Registered Office:

14 K.M. Stone, Aurangabad-Paithan Road,
Village: Chittegaon, Taluka: Paithan,
District: Aurangabad – 431 105 (Maharashtra)

CIN: L99999MH1988PLC046445

E-mail id: secretarial_value@videoconmail.com

Website: www.valueind.in

Tel.No.: +91-2431-251552/5

Fax. No.: +91-2431-251571

NOTES:

1. **IN TERMS OF THE PROVISIONS OF SECTION 105 OF THE COMPANIES ACT, 2013, READ WITH RULE 19 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PERSON CAN BE A PROXY FOR MEMBERS NOT EXCEEDING 50 (FIFTY) AND HOLDING IN AN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. PROVIDED THAT A MEMBER HOLDING MORE THAN TEN PERCENT, OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. A PROXY FORM FOR THE MEETING IS ENCLOSED.**
2. In terms of the provisions of Section 102 of the Companies Act, 2013 and Secretarial Standard 2 issued by The Institute of Company Secretaries of India, a statement setting out the material facts concerning special business to be transacted at the Meeting is annexed and forms part of this Notice.
3. Copies of the Notice of 28th Annual General Meeting together with the Annual Report are being sent by electronic mode to all the Members whose email addresses are registered with the Company/Depository Participant(s) and for Members who have not registered their email addresses, physical copies of the Annual Report are being sent by the permitted mode, to those Members who hold shares in physical form and whose names appear in the Company's Register of Members on Saturday, 13th August, 2016 and as regards shares held in the electronic form, to those beneficial owners of the shares as at the close of business hours on Friday, 12th August, 2016 as per the particulars of beneficial owners furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Upon request, printed copy of Annual Report will be supplied to those Members to whom Annual Report has been sent through electronic mode.

4. Corporate Members intending to send their Authorised Representative(s) to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing such representative(s) to attend and vote on their behalf at the Meeting.
5. For convenience of the Members and for proper conduct of the Meeting, entry to the place of Meeting will be regulated by attendance slip, which is annexed to the Annual Report. Members are requested to sign at the place provided on the attendance slip and hand it over at the entrance of the venue.
6. In case of joint holders attending the Meeting and who have not exercised their right to vote by remote e-voting facility, only such joint holder, who is higher in the order of names, shall be entitled to vote by ballot.
7. Details under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by The Institute of Company Secretaries of India in respect of Director(s) seeking re-appointment/appointment at this Annual General Meeting is appended to the Notice.
8. The Register of Members and Share Transfer Books shall remain closed from Wednesday, 14th September, 2016 to Monday, 26th September, 2016 (both days inclusive) for the purpose of the Meeting.
9. Members, who hold shares in dematerialized form, are requested to write their Client ID and Depository Participant ID and those who hold shares in physical form are requested to write their Folio Number on the attendance slip and bring their attendance slip, as enclosed, along with their copy of Annual Report to the Meeting.
10. The business set out in this Notice is also being conducted through remote e-voting. Pursuant to Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer the remote e-voting facility to the Members to cast their votes electronically on all resolutions set forth in this Notice as an alternate for physically casting the vote at the meeting. The detailed instructions for remote e-voting are given hereinafter. Please note that the Voting through Electronic Mode is optional. For this purpose the Company has entered into an agreement with CDSL for facilitating e-voting to enable the shareholders to cast their votes electronically. The Company is also providing facility for voting by Ballot at the Meeting apart from providing remote e-voting facility for all those Members who are present at the Meeting but have not casted their votes by availing the remote e-voting facility.
11. The remote e- voting facility shall be opened from Friday, 23rd September, 2016 at 9.00 a.m. to Sunday, 25th September, 2016 till 5.00 p.m. both days inclusive. Detailed instructions of Voting through Electronic Mode, forms part of this Notice. The remote e-voting facility shall not be allowed beyond 5.00 p.m. on Sunday, 25th September, 2016. During the period when facility for remote e-voting is provided, the members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date/entitlement date, may opt for remote e-voting. Provided that once the vote on a resolution is casted by the member, he shall not be allowed to change it subsequently or cast the vote again.
12. The Notice of the Meeting is being placed on the website of the Company viz., www.valueind.in and also on the website of CDSL viz., www.cdslindia.com.
13. Mrs. Kanchan Kakade, Company Secretary in Whole-Time Practice (CP No. 11999) or failing her, Mr. Mangesh Kamble, Company Secretary in Whole-Time Practice (CP No. 9621) has been appointed as a Scrutinizer for conducting the voting by ballot at the Meeting and remote e-voting process in a fair and transparent manner.
14. The Scrutinizer shall, immediately after the conclusion of voting at the Meeting, first count the votes casted by Ballot at the Meeting, thereafter unblock the votes casted through remote e-voting in the manner provided in the Rules and make, not later than 3 days of conclusion of the Meeting, consolidated Scrutinizer's Report of remote e-voting and voting by Ballot at the Meeting, of the total votes casted in favour or against, if any, to the Chairman of the Meeting and the Chairman or a person as may be authorized by him in writing shall declare the result of the voting forthwith and all the resolutions as mentioned in the Notice of the Meeting shall be deemed to be passed on the date of the Meeting. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.valueind.in and on the website of CDSL at www.cdslindia.com, immediately after the results are declared by the Chairman.
15. The resolutions placed for e-voting shall be deemed to be passed on the date of the Annual General Meeting of Members scheduled to be held on Monday, 26th September, 2016.
16. The Company has fixed Monday, 19th September, 2016, as the cut-off date/entitlement date for identifying the Shareholders for determining the eligibility to vote by electronic means or in the Meeting by Ballot. Instructions for exercising voting rights by remote e-voting are attached herewith and forms part of this Notice. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off/ entitlement date only shall be entitled to avail the facility of remote e-voting as well as voting at the Meeting.
17. Any person who becomes a member of the Company after the date of this Notice of the Meeting and holding shares as on the cut-off date/entitlement date i.e. Monday, 19th September, 2016 may obtain the User ID and Password by sending an email request to secretarial_value@videoconmail.com. Members may also call on +91 22 6611 3660 or send a request to The Company Secretary, by writing to her at Value Industries Limited at 2nd Floor, Fort House, Dr. D N Road, Fort, Mumbai- 400 001.
18. The Voting Rights will be reckoned on the paid-up value of shares registered in the name of shareholders on Monday, 19th September, 2016, the cut-off date/entitlement date for identifying the shareholders entitled to participate through voting through electronic mode or in the Meeting by Ballot.
19. The Company has transferred the unclaimed dividend for the financial year 2007-08 to the Investor Education and Protection Fund (IEPF) established by the Central Government. Dividend for the financial year ended 2008-09 and thereafter, which remain unclaimed for a period of seven years will be transferred to the IEPF. Members who have not encashed dividend warrant(s)/ instrument(s) for the said years are requested to contact M/s. MCS Share Transfer Agent Limited, Registrar and Share Transfer Agent of the Company, for seeking issue of duplicate warrant(s). Members are requested to note that upon transfer, no claims shall lie against the Company or the IEPF in respect of any amounts which remained unclaimed and unpaid for a period of seven years from the dates they first became due for payment and no payment shall be made in respect of any such claims. The details of the unclaimed dividend of the aforesaid years are available on the Company's website i.e. www.valueind.in and on the website of Ministry of Corporate Affairs at www.mca.gov.in.
20. Members who hold shares in physical form, under multiple folios, in identical names or joint accounts in the same order or names, are requested to send the share certificates to M/s. MCS Share Transfer Agent Limited, Registrar and Share Transfer Agent of the Company, for consolidation into a single folio.
21. Members holding shares in physical form are requested to kindly notify any change in their address(es) to the Company, so as to enable the Company to address future communications to their correct address(es). Members holding shares in electronic form are requested to notify any change in their address(es) to their respective Depository Participant(s).

22. Non-Resident Indian Members are requested to inform M/s. MCS Share Transfer Agent Limited, the Registrar and Share Transfer Agent of the Company, immediately of change in their residential status on return to India for permanent settlement together with the particulars of their Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank with Pin Code Number, if not furnished earlier.
23. The equity shares of the Company are compulsorily tradable in electronic form and your Company has established connectivity with both the Depositories i.e. NSDL and CDSL. Taking into consideration the enormous advantages offered by the Depository System, Members are requested to avail the facility of dematerialization of the Company's shares on either of the Depositories, as aforesaid.
24. The Annual Report of the Company as circulated to the Members of the Company will be made available on the Company's website at www.valueind.in.
25. The relevant documents referred to in the accompanying Notice are available for inspection at the Registered Office of the Company on all working days between 12.00 noon to 3.00 p.m. upto the date of the Meeting.
26. Members desiring any information as regards to the Financial Statements/ Directors' Report are requested to write to the Company at an early date so as to enable the Management to reply at the Meeting.
27. Members may address their queries/ communications at secretarial_value@videoconmail.com.
28. Members are requested to kindly bring their copy of the Annual Report to the Meeting.
29. GREEN INITIATIVE: Securities & Exchange Board of India & the Ministry of Corporate Affairs encourages paperless communication as a contribution to greener environment. E-mail communications to the shareholders will result in multiple benefits as under:
 - 1) Timely receipt of all communications without any transit loss.
 - 2) Helping in protecting environment and conservation of resources.
 - 3) Easy storage in soft copy, thereby eliminating the requirement of storage of bulky documents for subsequent reference.

The Company will simultaneously display full text of the Annual Report and other shareholders' communications on its website viz., www.valueind.in, as soon as the same is e-mailed to the shareholders and will also be made available for inspection at the Registered Office of the Company during the office hours.

Members holding shares in physical mode are requested to register their e-mail ID's with M/s. MCS Share Transfer Agent Limited, the Registrar and Share Transfer Agent of the Company and Members holding shares in demat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs) in case the same is still not registered. If there is any change in the e-mail ID already registered with the Company, Members are requested to immediately notify such change to the Registrar and Share Transfer Agent of the Company in respect of shares held in physical form and to their respective Depository Participants in respect of shares held in electronic form.

REMOTE E-VOTING INSTRUCTIONS:

The process and manner for voting by electronic means and the time schedule including the time period during which the votes may be casted as under:

- (i) The voting period begins on Friday, 23rd September, 2016 at 9.00 a.m. and ends on Sunday, 25th September, 2016 at 5.00 p.m. both days inclusive. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date/entitlement date i.e. Monday, 19th September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for **VALUE INDUSTRIES LIMITED** on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on

"OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

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

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

(xvii) If 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.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

(xxi) Any person who becomes a member of the Company after the date of this Notice of the Meeting and holding shares as on the cut-off date/entitlement date i.e., Monday, 19th September, 2016 may obtain the User ID and Password by sending an email request to secretarial_value@videoconmail.com. Members may also call on +91 22 6611 3660 or send a request to The Company Secretary, by writing to her at Value Industries Limited at 2nd Floor, Fort House, Dr. D N Road, Fort, Mumbai- 400 001.

For and on behalf of the Board of Directors of
VALUE INDUSTRIES LIMITED

ANAGHA JOSHI
COMPANY SECRETARY
ACS30976

Place: Mumbai

Date: 13th August, 2016

A STATEMENT SETTING OUT THE MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

Mr. Bhujang Kakade (DIN: 06383819) was appointed as an Additional Director (Non-Executive, Independent) at the Board Meeting held on 30th May, 2016. In terms of the provisions of Section 161 of the Companies Act, 2013 and the Rules made thereunder, he holds the office of Director upto the date of ensuing Annual General Meeting. A notice under Section 160 of the Companies Act, 2013 has been received in writing from a member together with requisite deposit signifying its intention to propose his candidature for the office of the Director of the Company.

Further, in terms of Section 149 of the Companies Act, 2013 and the Rules made thereunder, the Board proposes his appointment as an Independent Director to hold office upto a term of five consecutive years from the date of this Annual General Meeting.

The Company has received from Mr. Bhujang Kakade (1) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, (2) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-Section (2) of Section 164 of the Companies Act, 2013, (3) a declaration to the effect that he meets the criteria of independence as provided in Sub-Section (6) of Section 149 of the Companies Act, 2013.

A brief profile of Mr. Bhujang Kakade, nature of expertise in specific functional area, name of other public companies in which he holds directorship and membership/ chairmanship of the committees of the Board of Directors, the particulars of the shareholding and relationship between the directors, key managerial personnel and manager of the Company inter-se as stipulated under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by The Institute of Company Secretaries of India is appended to the Notice.

In the opinion of the Board of Directors, Mr. Bhujang Kakade fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder and he is independent of the Management.

All the relevant documents in connection with the appointment of Mr. Bhujang Kakade, are available for inspection without any fee by the Members at the Company's Registered Office during normal business hours on working days upto the date of ensuing Annual General Meeting.

The Board considers that his appointment would be of immense benefit to the Company and it is desirable to appoint Mr. Bhujang Kakade as an Independent Director. Hence, the said appointment is being proposed for approval of the Members at the ensuing Annual General Meeting.

Save and except, Mr. Bhujang Kakade, to whom the resolution relates, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in the Resolution.

ITEM NO. 5

The Board of Directors of the Company, on the recommendation of the Audit Committee, have approved the appointment of Mr. Jayant B. Galande (Membership No. 5255), Cost Accountant in Whole-Time Practice, Aurangabad, as the Cost Auditor of the Company to conduct the audit of the cost accounting records of the Company for the financial year commencing from 1st April, 2016. The Board of Directors of the Company, on the recommendation of the Audit Committee, have decided to pay a remuneration of ₹ 75,000/- (Rupees Seventy Five Thousand Only) excluding service tax and other taxes, travelling and other out-of-pocket expenses at actual to Mr. Jayant B. Galande, for the financial year commencing from 1st April, 2016. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit & Auditors) Rules, 2014, the remuneration payable to the Cost Auditor shall be fixed by the Board of Directors of the Company

on recommendation of the Audit Committee and the same shall be subsequently ratified by the shareholders of the Company at a general body meeting.

The Board accordingly, recommends the passing of the Ordinary Resolution as set out in Item No. 5 of the accompanying Notice for approval of the Members of the Company.

None of the Directors and the Key Managerial Personnel of the Company and their respective relatives is concerned or interested in the passing of the above resolution.

For and on behalf of the Board of Directors of
VALUE INDUSTRIES LIMITED

ANAGHA JOSHI
COMPANY SECRETARY
ACS30976

Place: Mumbai
Date: 13th August, 2016

BRIEF PROFILE OF THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING (PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)

Particulars	Profile of the Director	
Name of the Director	Mr. Bhujang Kakade	Mrs. Gayathri R. Girish
DIN	06383819	07145426
Date of Birth	2nd June, 1962	1st December, 1978
Educational Qualification	Bachelor of Commerce	Bachelor of Commerce, Associate Member of The Institute of Company Secretaries of India
Age (in years)	54	37
Date of appointment on the Board	30th May, 2016	31st March, 2015
The Category of the Director	Independent- Non Executive	Professional Non - Executive
Area of Expertise / Senior Position Held / Work Experience	He carries with him vast experience in diversified fields.	She carries with her rich experience in the field of Company Law and Secretarial Practice
Terms and Conditions of Appointment or Re-appointment along with the details of remuneration sought to be paid	Independent Director for a term of five consecutive years.	Reappointment as a Professional Non Executive Director liable to retire by rotation.
Remuneration last drawn, if applicable	Nil. Only sitting fees are paid.	Nil. Only sitting fees are paid.
Details of Directorships in other Public Limited Companies (including subsidiaries of Public Company)	1. CE India Limited	Nil
Names of the other Committees in which Chairman	Nil	Nil
Names of the other Committees in which Member	Nil	Nil
No. of shares held	Nil	Nil
Relationships between Directors, Key Managerial Personnel and Managers of the Company.	NA	NA
Number of Board Meetings attended	NA	2 (Two)

DIRECTORS' REPORT

Dear Shareholders,

Your Directors take pleasure in presenting the Twenty - Eighth Annual Report together with the Audited Financial Statements and Auditors' Report for the financial period ended on 31st March, 2016.

PERFORMANCE REVIEW

The performance of the Company, for the financial period ended on 31st March, 2016, is summarized below:

Particulars	(₹ in Million)	
	15 months ended 31st March, 2016	Year ended 31st December, 2014
Net Revenue from Operations	19,091.97	15,132.11
Other Income	95.33	18.04
Total Income	19,187.30	15,150.15
Profit Before Finance Costs, Depreciation and Tax	1,799.08	1,193.69
Finance Costs	1,199.06	957.37
Depreciation and Amortization	990.58	779.64
Profit/(Loss) Before Tax	(390.56)	(543.32)
Profit/(Loss) for the Period/Year	(333.86)	(437.88)

The current financial period is for 15 months commencing from 1st January, 2015 to 31st March, 2016 and the previous financial year was of 12 months commencing from 1st January, 2014 to 31st December, 2014, hence the figures are not comparable.

There was no change in the nature of business of the Company during the period under review.

DIVIDEND

In view of the loss incurred by the Company, the Board of Directors do not recommend any dividend for the financial period ended 31st March, 2016.

TRANSFER TO RESERVES

The Company do not propose to transfer any amount to any reserve.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the period the Company has transferred a sum of ₹ 1.22 Million in respect of unpaid/unclaimed dividend for the Financial Year 2007-08 to the Investor Education and Protection Fund.

FIXED DEPOSITS

Your Company has not accepted any Fixed Deposit within the meaning of Chapter V of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 and as such, no amount of principal or interest was outstanding as on the Balance Sheet date.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY, OCCURRING AFTER THE BALANCE SHEET DATE AND AS AT THE DATE OF SIGNING THIS REPORT

No material changes and commitments affecting the financial position of the Company occurred after the Balance Sheet date and as at the date of signing this report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of loans, guarantees given and investments made during the period as required are provided in Notes 14 and 34A of the Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS (SECTION 188(1))

All the related party transactions are entered at arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have

potential conflict with the interest of the Company at large or which warrants the approval of the shareholders. Accordingly, no transactions are being reported on the Company's weblink at <http://www.valueind.in/image/value/Value%20Related%20Party%20Transaction%20Policy.pdf>.

The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's weblink at <http://www.valueind.in/image/value/Value%20Related%20Party%20Transaction%20Policy.pdf>.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any subsidiary, joint venture or associate.

COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION (SECTION 178)

The Company has in place the Nomination and Remuneration Committee. The Company has further formulated the Nomination and Remuneration Policy on directors' appointment and remuneration including the criteria for determining qualifications, positive attributes and independence of director. The other details form part of the Corporate Governance Report.

EMPLOYEES REMUNERATION

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, further in terms of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016, the Boards' Report shall include a statement showing the names of top ten employees in terms of the remuneration drawn and the names of every employee of the Company who draws remuneration as per the limits prescribed under the said Amendment Rules. A statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said Rules are provided in the Annexure 1. A statement pursuant to Section 197(12) of the Companies Act, 2013 and Rules made thereunder is provided in Annexure 2 and forms part of the Directors' Report.

CONSERVATION OF ENERGY

In today's tough economic climate, all organizations are pushing harder to save cost. At the same time, many are under strain to comply with the latest environmental legislation and wish to reduce their carbon footprint. Every organization tries to reduce its overheads by emphasizing on the energy conservation perspective.

Sustainable development is an integral part what Company does. Our Company's commitment to sustainable development is reflected in its ambitious targets to reduce consumption footprints in energy, water and waste. Our Company has shifted energy management parameters from the 'can do' alternative to the 'must do'. It strives to conserve energy on a perpetual basis in order to meet the future demands.

The Company has taken various steps for the conservation of energy. Your Company strives to preserve and uphold the natural resources and reduce the environmental impact of its product and services. Reduction in power consumption in products, manufacturing process and operations has always been a major area of thrust for the Company. Focusing on green technology and following the principles of sustainable development has been on the forefront of your Company. The Company has properly implemented the functioning of the five R's, viz; Reduce, Recycle, Renew, Reuse and Respect. Your Company aims to engage with government and non-government agencies to promote conservation of energy.

The Company has in place an in-house team comprising of experts to regularly keep a check on the energy conservation at the work place.

Some of the specific measures undertaken by the Company are:

- Replacement of high consumption bulbs with lesser consumption tube lights and CFL (Compact Fluorescent Lamps).
- Modifications in air line distribution network of compressed air for the optimization of running hours of compressors.
- Use of smooth well-rounded air inlet for fan air intakes and avoid poor flow distribution at the fan inlets.

- Maintenance of electrical power factor to at least 0.95 underrated load conditions.
- Planting trees to just shade the air conditioning units but not to block the airflow. A unit operating in the shade uses as much as 10% less electricity than the same one operating in the sun.
- Minimizing day lighting arrangements and maximizing the use of solar energy.
- Use of motion sensor switches for auto switch ON/OFF of toilet lights & exhaust fans.
- Introduced natural sources of light by providing transparent sheets, and ventilators in roofs for good air circulation.
- Ensured optimum utilization in resources.
- Reduction in energy cost by printing only when necessary. This in turn has reduced the wastage of paper to great extent thereby cutting the energy required to run printer and increasing the life of the printer.

The adoption of the above energy conservation measures have helped to curtail the proportionate increase in total energy usage consequent to overall increase in production. This has made it possible to maintain cost of production at optimum levels.

The Company was conferred with the prestigious National Energy Conservation Award for 2015 by the Bureau of Energy Efficiency (BEE), for the First Prize in the Manufacturers of BEE Star Labeled Appliances (Refrigerator) Sector.

RESEARCH & DEVELOPMENT; TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Improving the product lines, experiencing growth through these improvements and through the development of new goods and services has enabled the Company to grow in businesses and markets. Coupled with the growth in the business and markets, the Company also focuses on co-creating the innovation so as to open up new business opportunities.

Research and Development (R&D) are integral to your Company's innovation agenda for achieving growth, business profitability, sustainability and rural transformation. Your Company focuses on the ways and strategies to innovate new products and blend in the latest technology.

R & D could result in developments such as:

- Increase in profitability;
- Improved sales;
- Easy access to new supply chains;
- Maintenance of quality;
- Cost reduction; and
- Updated and sophisticated technology.

Various benefits derived from R & D activities are:

- Latest technology which resulted in providing economies of scale;
- Cost reduction and profit maximization;
- Higher customer satisfaction; and
- New/ Improved Products.

Future plan of action:

The Company shall focus on environment friendly products, introduce and adopt the principle of "Green Technology". Innovation and modernization of sophisticated technology will help the Company in setting itself apart from its counterparts. The Company shall garner its strength towards minimizing cost and maximizing profit thereby emerging as a market leader in the domestic market.

During the period under review, the Company has incurred ₹ 11.21 Million representing 0.06% of the turnover towards recurring R&D expenses.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars of Foreign Exchange Earnings and Outgo during the financial period ended on 31st March, 2016 are set out hereunder:

(₹ in Million)

Particulars	15 Months ended 31st March, 2016	Year ended 31st December, 2014
Foreign Exchange Earnings	103.75	-
Foreign Exchange Outgo	2,168.94	865.80

RISK MANAGEMENT POLICY OF THE COMPANY

The Company's approach to risk management is three-fold i.e. market risk, credit risk and liquidity risk. The Company has identified the risk elements and manages, monitors and reports on the risk elements and uncertainties that can hinder in achieving its strategic and financial business objectives. The Company has proper confidentialities and privacy policies to control risk elements. The Company has wherever required, taken insurance policies to protect the property, assets etc.

Risk management and control forms an integral part of the business planning and review cycle. The Company's Risk Management Policy is designed and formulated in such a manner so as to provide reasonable assurance that objectives are met by complying with all the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has formed a Risk Management Committee. The scope and composition of the Committee forms part of the Corporate Governance Report. The Company has set up a core group of leadership team which includes the members of the Risk Management Committee and the senior management personnel who reviews the Risk Management Policy periodically and discuss and mitigate the identified risks from time to time.

CORPORATE SOCIAL RESPONSIBILITY POLICY

Corporate Social Responsibility (CSR) functions as a self – regulatory mechanism whereby a business monitors and ensures its active compliance with the true spirit of law, ethical standards and national or international norms. CSR, in a nutshell, aims to increase long term profit on the one hand and stakeholder trust on the other hand in order to reduce business and legal risks by taking responsibility for corporate actions. CSR is an ethical framework that suggests that an entity, be it an organization or individual, has an obligation to act to benefit society at large. It is a duty that every individual has to perform so as to maintain a balance between the economy and the ecosystems.

The major thrust area should be to maximize stakeholder's expectations, bring in sustainable management of resources and to continuously improve the social, environmental and economic aspects.

We don't just plant – but create a wide socio-environmental impact. Together with locals, we embark upon a journey which starts with planting trees, becomes visible as they grow taller and also touch many hearts as their roots get deeper into the ground. As our program has matured over a period, we now offer various service offerings under the green umbrella. Therefore it doesn't remain a mere tree plantation campaign but becomes a widespread program bringing lives to the planet in the form of greenery, addressing various social objectives, establishing a cohesive bond among corporates, their employees and customers and also the community around the factory premises and nearby villages.

CSR includes core elements of CSR activities such as ethical functioning, respect for all stakeholders, protection of human rights and care for the environment. We believe that its success is interlinked with the well-being of all sections of the society and equal opportunity be given to all the sections of the society. The most important responsibility is to fulfil the expectations of our stakeholders and to continuously improve our social, environmental and economical performance while ensuring the sustainability and operational success of our Company.

The Company has formed a CSR Committee in terms of the provisions of Section 135 of the Companies Act, 2013 and Rules made thereunder read along with Schedule VII of the Act. The scope and composition of the Committee forms part of the Corporate Governance Report.

Further, since the average net profit for the three immediately preceding financial years was negative, the Company has not made any CSR expenditure.

HEALTH, SAFETY AND ENVIRONMENT MEASURES

Your Company's Health, Safety and Environment Measures strategies are directed towards achieving the greenest operations by optimizing the use of natural resources and providing a safe and healthy workplace. The Company focuses on ensuring safe and health – oriented working conditions by complying with all the statutory and regulatory requirements related to health/ safety of the workers/ employees. The Company has been taking efforts in building health awareness among its employees.

Safety is an area of paramount importance in our Company. A well defined occupational health and safety management system is in place to ensure the safety of employees, workforce as well as equipment and machinery. Our Company continues to exhibit a robust assurance towards Safety, Health and Environment during the period under review.

Some of the initiatives / measures taken by your Company for building a healthy work culture are:

- Installation of 50 fire extinguishers, 50 Fire Balls and arranging the Fire Security guard in shop floor with small 1 kg Fire Extinguisher to attend immediate small fire in case of emergency.
- Availability of first aid box & fire blanket at security check point for every department.
- Improving overall health and hygiene by reducing the incidence of water-borne diseases.
- Defined the fire points at high hazard area (Zone-0).
- Preparation of emergency plans and the provisions of first-aid training.
- Celebration of Safety promotional activities like – National Safety Week and the Service Week.
- Compliance with the legal requirements of Directorate of Industrial Safety & Health (DISH), Chief Fire Office etc.
- Conducting periodical Health and Safety Meetings to strengthen the safety.
- Availability of well – equipped Occupational Health Center in case of emergency.
- Display of all Emergency Exit and Evacuation Plan in auto glow board at shop floors.
- Development of emergency scenarios in the event of harmful chemical substance spills, fires, explosions and natural disasters.

Preventive health checks and health promotion programs are put in place by the Company so as to ensure that all employees are covered under it. Productivity at work is directly influenced by the health status of the workers.

Environmental Measures:

Minimizing the negative environmental impact and maximizing long – term stakeholder's value has been of paramount importance for the Company. The Company continues to develop eco – friendly products and strives to address the matters related to conservation of environment through a variety of initiatives.

Your Company has emphasized on the proposition of "Environment Ethics" which basically deals with the moral relations between human beings and their natural environment. More specifically, it refers to the value that a mankind places on protecting, conserving and efficiently using resources that the earth provides.

Your Company is committed to Green Initiative wherein it has established a green management goal for significantly reducing greenhouse gases and launching eco-friendly products.

Your Company adopted the following eco-friendly initiatives for the environment:

- Working to reduce greenhouse gas emissions.
- Submitted yearly environment statement (Form-05) and annual hazardous returns (Form – 04) to Maharashtra Pollution Control Board (MPCB) as per legal requirement.
- Reducing the impact of environmental accidents by introducing employee education programs for fire and chemical safety, operations and personal safety and drills for emergency evacuation.

- Accumulation of roof rain water for water harvesting purpose to avoid scarcity in summer season.
- Celebration of Vanamahotsav (Annual Festival for Tree Plantation) and World Environment Day to increase mass awareness among the employees.
- Implementation of 5 R's – Reduce, Reuse, Recycle, Renew and Respect for the optimum utilization of natural resources.
- Disposal of solid and hazardous wastes.

Our Company is in compliance with e-waste rules and guidelines and has a tie up on all India basis, with authorized recycler for collection and disposal of e-waste products. The Company has taken the initiative to spread awareness regarding e-waste management and its handling and disposal through print media, social sites, and advertisement campaign by way of putting standee-educating the dealers and the end consumers.

Reduction of Greenhouse Gas Emissions (GHG's):

In order to encourage and facilitate a low-carbon life style, Company measures the total amount of GHG emissions produced throughout the life cycle of our major products (carbon footprint). The Company makes concerted efforts to reduce GHG emissions produced in all stages of their life cycle, such as making our products lighter, reducing the use of resources, and enhancing energy efficiency. In particular, the Company plans to contribute to the reduction of GHG emissions associated with product use by developing and introducing highly energy-efficient products. In 2015, the Company introduced new products with highly energy-efficient features, contributing to a reduction of GHG emissions associated with product. In order to achieve the reduction target by 2020, Company plans to push forward with a broad range of initiatives for enhancing energy efficiency.

INFORMATION TECHNOLOGY

India's manufacturing sector has evolved through several phases - from the initial industrialization to liberalization and to the current phase of global competitiveness. Today, Indian manufacturing companies in several sectors are targeting global markets and are becoming formidable global competitors. Many are already amongst the most competitive in their sectors.

Information Technology (IT) covers a broad spectrum of hardware and software solutions that enables organizations to gather, organize and analyze data that helps them achieve their goals. It also details technology – based workflow process that expands the capacity of an organization to deliver services that generate revenue. It has helped in shaping both the business world and society in general. Your Company has been making continuous advancements in IT which has led to the following:

- Increase in production and saving time;
- Improvement in data storage and file management;
- Improvement in financial management by using various accounting software tools;
- Ensuring data integrity and security; and
- Improved database management.

The result of better use of IT has helped in better data management and faster access to the inventory and other details.

IT is the vital and integral part of our Company. We have evolved our IT strategy and roadmap in line with our business strategy. Usage of IT is revolutionizing the rules of businesses resulting in structural transformation across enterprises.

We are continuously upgrading our infrastructure by replacing obsolete desktops/ laptops/ servers etc. and also upgrading the connectivity backbone across enterprise. The robust infrastructure is the essential component of an enterprise and our management has given due focus towards this. The digital revolution has entered into a new age that presents unprecedented challenges as well as tremendous business opportunities. We are continuously exploring new ways to deal with digital disruption and preparing a digital transformation strategy for our enterprise.