

SHREEYASH INDUSTRIES LIMITED

BOARD OF DIRECTORS

Sitaram Singhania	Director
Bijal Patel	Director
Arun Bansal	Director
Meena Agarwal	Director
Sumedha Saraogi	Executive Director
Manoj Kumar	Managing Director

REGISTERED OFFICE

Plot No. 26, Anand Banjara Colony,
Road No. 12, Banjara Hills,
Hyderabad - 500034

AUDITORS

M/s Chakradhar & Nandan.,
Chartered Accountants

BANKS

AXIS Bank Limited
Greenlands, Hyderabad.

SHREEYASH INDUSTRIES LIMITED

NOTICE

NOTICE is hereby given that the Seventeenth Annual General Meeting of Members of the Company will be held on Monday the 30th September, 2010 at 11:00 a.m. at Hotel Tara International, Siddiamber Bazar, Hyderabad – 500012 to transact the following business:

ORDINARY BUSINESS:

To consider and adopt the Audited Balance Sheet as at 31st March, 2010 and Audited Profit & Loss Account for the period ended on that date together with the reports of Board of Directors and Auditors thereon.

To appoint a Director in place of Mr. Bijal Patel who retires by rotation and being eligible offers himself for reappointment.

To appoint M/s. Chakradhar & Nandan, Chartered Accountants, Hyderabad the retiring Auditors of the Company, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Board to fix their remuneration.

SPECIAL BUSINESS:

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

“**RESOLVED THAT** Mr. Arun Bansal, who was appointed as an Additional Director of the Company by the Board of Directors on 23.08.2010 and who holds the office as per Section 260 of the Companies Act, 1956, up to the ensuing Annual General Meeting and in respect of whom the Company has, pursuant to the provisions of Section 257 of the Companies Act, 1956, received a notice in writing from a member, proposing his candidature for the office of Director, be and is hereby appointed as the Director of the Company, liable to retire by rotation.”

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

“**RESOLVED THAT** Mrs. Meena Agarwal, who was appointed as an Additional Director of the Company by the Board of Directors on 23.08.2010 and who holds the office as per Section 260 of the Companies Act, 1956, up to the ensuing Annual General Meeting and in respect of whom the Company has, pursuant to the provisions of Section 257 of the Companies Act, 1956, received a notice in writing from a member, proposing his

SHREEYASH INDUSTRIES LIMITED

candidature for the office of Director, be and is hereby appointed as the Director of the Company, liable to retire by rotation.”

Place: Hyderabad
Dated: 03.09.2010

**On behalf of the Board of Directors of
SHREEYASH INDUSTRIES LTD.**

MANOJ KUMAR
Managing Director

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself and such proxy need not be a member of the Company.
2. Proxy Form duly executed should be deposited at the Registered Office of the Company atleast FORTY EIGHT hours before the commencement of the meeting.
3. The Register of Members and Share Transfer Books shall remain closed from 25th September, 2010 to 30th September, 2010 (both days inclusive) for the purpose of Annual General Meeting.

Explanatory Statement

(Pursuant to Section 173(2) of the Companies Act, 1956)

Item No. 4

The Board of Directors of the Company appointed Mr. Arun Bansal as Additional Director of the Company w.e.f 23.08.2010 and he will hold the office up to the ensuing Annual General Meeting. The Board has received a notice in writing from a member of the Company proposing his appointment as Director of the Company, under Section 257 of the Companies Act, 1956, liable to retire by rotation.

The Board of Directors recommends the passing of the resolution.

A brief profile of Mr. Arun Bansal is given elsewhere in the report.

None of the Directors other than the appointee is concerned or interested in the said resolution.

Item No. 5

The Board of Directors of the Company appointed Mrs. Meena Agarwal as Additional Director of the Company w.e.f 23.08.2010 and she will hold the office up to the ensuing Annual General Meeting. The Board has received a notice in writing from a member of

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the Company proposing her appointment as Director of the Company, under Section 257 of the Companies Act, 1956, liable to retire by rotation.

The Board of Directors recommends the passing of the resolution.

A brief profile of Mrs. Meena Agarwal is given elsewhere in the report.

None of the Directors other than the appointee is concerned or interested in the said resolution.

BRIEF PROFILE OF DIRECTOR WHO ARE BEING APPOINTED AT THE ENSUING ANNUAL GENERAL MEETING:

Mr. Bijal Patel : He is a graduate having 14 years of wide experience in the field of garment trading especially in relation to Wholesaler trade. He is well conversant with the latest fashion trends, the demand in relation to the garment industry and garments market in major metros of India. His association with the Company has contributed immensely in growth of the Company.

Mr. Arun Bansal : He is a marketing professional has hands on experience of the retail industry.

Mrs. Meena Agarwal : She is a graduate having 3 years of wide experience in the field of garment trading especially in relation to Wholesaler trade.

SHREEYASH INDUSTRIES LIMITED

DIRECTORS' REPORT

To,
The Members

Your Directors present the Seventeenth Annual Report of the Company together with the Audited Balance Sheet and Profit & Loss Account for the year ended 31st March, 2010.

Financial Results

Particulars	31.03.2010	31.03.2009
Sales	4,287,375	-
Profit / (Loss) before depreciation		
Interest and Income Tax (PBDIT)	-	-
Interest & Finance Charges	-	-
Depreciation		
Net Profit / (Loss) before tax	(39,730,067)	(357,819)
Provision for tax	-	-
Net Profit / (Loss) carried to Balance Sheet	(45,458,688)	(5728621)

BUSINESS OPERATIONS:

The period under review has continued to be extremely difficult as the operations of the company relating to manufacture/production continued to be closed. The company has been seeking financial assistance from various sources but has not been successful, as there was no production activity undertaken by the company during the period, all the workforce /staff has left for alternative livelihood.

However the Company has commenced trading in garments and therefore income from operations/ sales has been 42,87,375, but due to accumulated previous losses aroused by way of writing off preliminary expenses and other statutory expenses resulted in Net loss of Rs. 3,97,30,067/- for the current year.

FUTURE OUTLOOK:

With the outlook showing reverse trends globally, the company has been making efforts for securing both Long Term and Working capital finance to restart the manufacturing operations but to no avail. No Financial Institution /Bank have extended any support. However the Company is making its best efforts to revive its business and is planning to foray in big time retail segment in the immediate future.

DIVIDEND:

In view of the losses suffered during the year under review, your Directors do not recommend any Dividend for the year ended 31.03.2010.

DIRECTORS:

In terms with the provisions of the Companies Act, 1956 and Articles of Association of the

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Company, Mr. Bijal Patel retires by rotation, at the conclusion of the ensuing Annual General Meeting and being eligible, offers himself for reappointment. The Board of Directors recommend for his re-appointment at the ensuing Annual General Meeting

AUDITORS:

M/s. Chakradhar & Nandan., Chartered Accountants, Statutory Auditors of the Company retire at the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received Certificate from them to the effect that their appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956. Board recommends for their re-appointment and requests members to authorize the Board to fix their remuneration.

FIXED DEPOSITS:

Your company has not accepted any Fixed Deposits covered section 58A and 58AA of the companies Act, 1956 from the public or its shareholders during the year under review.

DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, in respect of the financial statements as at 31st March, 2010, your Directors state:

- (i) That in the preparation of the Annual accounts, the applicable accounting standards have been followed.
- (ii) That your Directors have selected such accounting policies and applied them consistently and made judgement 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 and of the profit & loss of the Company for that period.
- (iii) That your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities.
- (iv) That your Directors have prepared the Annual Accounts for the Financial Year ended on 31st March, 2010. on a going concern concept.

PARTICULARS OF EMPLOYEES:

During the year under review, there were no employees drawing salaries more or equal to the limits laid under Section 217(2A) read with the Companies (Particulars of Employees) Rules, 1975 as amended.

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

- a. **Conservation of Energy:** Since there were no operations during the year, there was no usage of energy. Therefore, there are NIL measures for conservation of energy.

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b. **Technology absorption:** There were no operations during the year. Hence the measures for Technology absorption are NIL.

c. Foreign Exchange Earnings & outgo:	(Value in Rs. lakhs)
Value of Imports (CIF basis)	NIL
Expenditure in Foreign currency:	NIL
Earnings in Foreign Exchange:	NIL

LISTING:

The shares of your company are listed on Bombay Stock Exchange and Calcutta Stock Exchange but are suspended from trading at the exchanges.

CODE OF CONDUCT:

The Company has adopted a uniform Code of Conduct for Directors and Senior Management and above Officers level to ensure ethical standards and ensure compliance to the laid down standards.

SUBSIDIARY COMPANIES:

There are no subsidiaries to the Company as on date of the report.

BUSINESS RELATIONS:

Overall Business Relations continued to be cordial. The Directors place on record their appreciation for the contributed support and co-operation of all the people, which are connected to the business.

AUDITOR'S REPORT:

The observations made in the Auditor's Report are self explanatory and therefore, do not call for any further comments under section 217 of the Companies Act, 1956.

CORPORATE GOVERNANCE CODE:

The Code of Corporate Governance as per Clause 49 of the Listing Agreement is attached herewith. The Compliance Certificate on Corporate Governance received from the Statutory Auditors is given as Annexure to this report.

ACKNOWLEDGEMENTS:

Your Directors take this opportunity to express their grateful appreciation for the cooperation and assistance by Government Authorities, Bankers and other business associates as well as shareholders and employees.

**On behalf of the Board of Directors of
SHREEYASH INDUSTRIES LTD.**

Place: Hyderabad
Date: 03.09.2010

(Manoj Kumar)
Managing Director

(Sumedha Sarogi)
Executive Director

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ANNEXURE

FORM-B

Form for disclosure of Particulars with respect to Technology Absorption, Research and Development (R & D)

1. Specific areas in which R & D carried out by the Company.
2. Benefits derived as a result of the above R & D.
3. Future Plan of action.
4. Technology Absorption, Adoption and Innovation:
 1. Efforts in brief made towards technology absorption, adoption and innovation - NIL
 2. Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution. - NIL
 3. In case of imported technology (imported during the last five years reckoned from the beginning of the financial year) following information may be furnished: -NIL
 - a) Technology imported
 - b) Year of import
 - c) Has technology been fully absorbed.
 - d) If not fully absorbed areas where this has not been taken place reasons thereof and future plans of action.

**On behalf of the Board of Directors of
SHREEYASH INDUSTRIES LTD.**

Place: Hyderabad
Date: 03.09.2010

(Manoj Kumar)
Managing Director

(Sumedha Sarogi)
Executive Director

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MANAGEMENT DISCUSSION & ANALYSIS

Industry Structure and Development:

The Indian textile industry contributes about 14% to industrial production, 4% to the country's Gross Domestic product (GDP) and 17% to the country's export earnings but due to global recession, garment industry had to cut down production by 10% to 50%. High input cost and low demand had hit the textile- garment industries.

Global financial crisis was inevitable to fall on the Indian economy, resulting in drying up of the investment in the country and manufacturing sector certainly faced the direct impact of the crisis.

Indian companies have adopted a policy of temporarily discharging workers to deal with menace of the global economic meltdown. Not only this, textile manufacturing units at major hubs like Delhi, Bangalore and Tripura have been closed, rendering thousands of people jobless. The Indian textile garment industry rallied under declining domestic demand and high input cost in the current year.

Opportunities and Threats:

As the Indian economy is in revival phase there is an increase in disposable income and purchasing power of the Indian customer, this gives an opening to new market development. The Company has set all the plans to grab the opportunity and shore up its trading activity. Retail industry is emerging and malls provide huge opportunities for the apparel, the company has set plans to arrange a tie up with mall constructors and other Renowned malls in the city and open up retail outlets.

As there is an increase in branded manufacturers and opening up of international brand retail outlets in the market, this pose a real threat to the Company. As there is been increase in number of seasons per year fashion cycle is shortening day by day but the Company is making sincere efforts to sustain itself. The advantage that rests with the Company is that it has a large number of committed clients internationally as a legacy from its older days as manufacturer.

Outlook:

The Company is drawing plans to upgrade the available technological equipments and to purchase new machinery to commence manufacturing activity in near future and come up with quality products. The company is trying to enter into some strategic alliance with the garment manufacturers and traders to shore up the trading activity and to have an access to some common infrastructure pools in terms of fashion trends, buyer preferences, quality checks and assistance to commence the manufacturing activity. The Company is trying to raise funds from banks and

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financial institutions but at present it is unable to get any financial assistance for gearing up its operations.

Risks and Concerns:

The major risk in the textile industry is the change in the end users buying patterns. The Company shall identify, consider, assess and analyze all the risk like keeping up with fashion trends, competing on non- price factors and implement various business plans in near future.

The major concern is that the Company is facing is low availability of cheap finance, for which the company is been drawing plans to get an access to institutions supporting industries to meet the working capital requirement.

The Company is been striving and drawing plans to first understand the variables which are acting as bottlenecks to growth and further design strategies to overcome the same.

Internal control systems and their adequacy

Since the operations were discontinued with plans to diversify, the new guidelines for control will be implemented according to the Industry specific requirement at appropriate time.

The internal control systems are aimed at promoting operational efficiencies. The Company is conducting internal audit at regular intervals to ensure that:

- a) Transactions are executed in accordance with the Company's policies and authorizations.
- b) Deployment of funds is in accordance with the Company's policies and Project Budgets.

The internal audit, which at present is suspended due to no business, is conducted as per the requirement of the Company and the report is submitted to the Audit committee and to the Management.

The Audit committee with three independent and non-executive directors meets to investigate any matter relating to the internal control system and reviews the Internal Audit. The committee reviews the quarterly and half yearly financials before they are submitted to the Board of Directors.

The Company shall place sufficient systems to ensure that assets are safeguarded against loss from unauthorized use or disposition.

Financial Condition

Share Capital

During the year under review, there was no further issue of shares and paid up capital of the Company stands at Rs. 543.56 Lakhs.

Secured Loans

SHREEYASH INDUSTRIES LIMITED

Since the Company has paid off all the Secured Loans outstanding under a One time Settlement Scheme approved by IDBI and UTI Bank Limited, the secured loans of the Company as at 31.03.2010 are NIL.

Fixed Assets

During the year under review the Company has sold entire fixed assets and after providing for depreciation the net block of the Company is Nil.

Human Resources

The Company strongly believes that a right workforce makes all the difference in catapulting an organization to the highest echelons of success and achievement. Company plans to build up a strong workforce once the Company resumes its business operations.

CAUTIONARY STATEMENT

Statement made in Management Discussion and Analysis report which seeks to describe the Objectives, projections, estimates, predictions may be considered to be forward looking statements and are stated as required by applicable laws and regulations. Actual results could differ from those expressed or implied and are determined by many factors including global and domestic demand – supply conditions, process, raw materials availability, tax laws, governmental policies and other statutes which may affect actual results which may be different from what the Directors envisaged in terms of future performance and outlook.

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CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Listing Agreement entered into by the Company with the Stock Exchanges contemplates compliance with the Code of Corporate Governance. The Company has always believed in managing its affairs with diligence, transparency, responsibility and accountability. It is firmly believed that good corporate governance practices would ensure efficient conduct of the affairs of the company and help the company achieve in its goal of maximizing stakeholder's value.

As a part of the compliance of revised Clause 49 of Listing Agreement, the Company presents hereunder the required disclosures in the form of a Report for information of all the stakeholders.

BOARD OF DIRECTORS

The Company has 5 Directors out of which 3 are non-executive directors.

Composition and Category of Directors:

Name	Designation	Category	No. of other Director-ships	Attendance at Board Meetings	Attendance at previous AGM
Mr. Manoj Kumar	Managing Director	Executive	1	7	Yes
Mrs. Sumedha Saraogi	Whole time Director	Executive	-	7	Yes
Mr. Sitaram Singhania	Director	Non -Executive - Independent	-	-	-
Mr. Bijal Patel	Director	Non- Executive - Independent	1	7	-
Mr. Arun Bansal	Director	Non- Executive	-	-	-
Mrs. Meena Agarwal	Director	Executive	-	-	-

Meetings of the Board of Directors

The Board of Directors met 7 times during the financial year on 30.04.2009, 30.07.2009, 27.08.2009, 30.08.2009, 01.01.2010, 31.01.2010. 30.03.2010.

Information supplied to the Board

Board members are given agenda papers along with necessary documents and information in advance of each meeting of the Board and Committees. In addition to the regular business items, the following are regularly placed before the Board to the extent applicable.

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- Quarterly and Half yearly results of the Company.
- Minutes of the Audit Committee, Shareholders Committee meetings.
- Details of Agreements entered into by the Company
- Non – Compliance of any statutory or listing requirement

3. AUDIT COMMITTEE

Terms of Reference:

The terms of reference of the Audit committee include the following:

1. To review the quarterly, half yearly and annual financial results of the Company before submission to the Board.
2. To oversee the financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
3. To hold periodic discussions with statutory auditors and internal auditors of the Company concerning the accounts of the company, internal control systems, scope of audit and observations of auditors.
4. To make recommendations to the Board on any matter relating to the financial management of the Company, including the audit report.
5. To recommend the appointment and removal of external auditors, fixation of audit fees and also approval of fee for any other services by the auditors.
6. To investigate into any matter in relation to items specified in section 292A of the Companies Act, 1956 or as may be referred to it by the Board and for this purpose to seek any relevant information contained in the records of the Company and also seek external professional advice if necessary.
7. To make recommendations to the Board on any matter relating to the financial management of the Company.

Composition

The Audit Committee of the Company consists of three members. All the members are non-executive independent directors. Committee was re-constituted during the period.

Meetings of the Committee and Attendance of the Members during 2009-2010	Meetings held	Meetings Attended
Mr. Sitaram Singhanian	5	5
Mr. Arun Bansal	-	-
Mr. Bijal Patel	5	5
Mrs.Meena Agarwal	5	-

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- Mr. Sitaram Singhania, a member of the committee resigned During the financial year, the Audit Committee met on, 30.04.2009, 30.07.2009, 30.08.2009, 31.01.2010

4. REMUNERATION COMMITTEE:

Terms of Reference:

The Remuneration Committee constituted by the Company is responsible for looking into the remuneration payable to the Whole-time Directors and other Employees of the Company. The Non-Executive Directors of the Company are not entitled for any remuneration other than fee payable for attending Board & Committee Meetings. The Committee frames the policy on specific remuneration packages for Whole-time Directors including pension rights and compensation payments. The Committee also approves the Remuneration Policy for employees other than Whole-time Directors as may be recommended to it.

Composition

The Remuneration Committee of the Company comprises of three directors all of them being non-executive independent directors.

Mr. Arun Bansal

Mr. Bijal Patel

Mrs.Meena Agarwal

Meetings of the Committee and Attendance

Since no business was carried out during the year 2009-2010, there was no meeting of the Committee held during the year under review.

During the year, no remuneration by way of salary, commission, etc was paid to Whole Time Director or Managing Director.

5. INVESTORS' GRIEVANCE COMMITTEE

Composition

The Investor's Grievance Committee of the Company has been re-constituted with Three Directors viz.

Mr. Manoj Kumar - Chairman

Mr. Meena Agarwal

Mr. Bijal Patel

The Company has appointed Mr. Sunil Agarwal as the Compliance Officer of the Company. All the investor complaints received by the Company during the financial year are being attended as all are very old matters.

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6. ANNUAL GENERAL MEETINGS

Details of previous Annual General Meetings

Day	Date	Time	Venue
Friday	28th September,2007	11.30 AM	Plot No. 26, Anand Banjara Colony, Road No.12, Banjara Hills, Hyderabad- 500 034
Monday	29 th September, 2008	11.30 AM	1-11-252/A3, Jabbar Apartments Begumpet, Hyderabad – 500034
Monday	28 th September2009	11.30 AM	1-11-252/A3, Jabbar Apartments Begumpet, Hyderabad – 500034

Details of special resolution passed – NIL

Postal ballot resolution any such proposal:-

The Company has conducted postal Ballot issuing notice on 30th July, 2010 and the result was announced on 1st September 2010 for Appointment of Auditors i.e. M/s Chakradhar & Nandan, u/s 224(6)(a) to hold the office from the date of this meeting until the conclusion of the next Annual General Meeting.

7. DISCLOSURES

1. No transaction of material nature has been entered into by the company with directors or management and their relatives etc that may have a potential conflict with the interests of the company. The Register of contracts containing transactions in which directors are interested is placed before the Board regularly.
2. There has been no filing towards compliance by the Company on the matters relating to capital markets, particularly listing agreement compliance.
3. The Company is in compliance with all the mandatory requirements and has fulfilled the non-mandatory requirements as prescribed in Annexure 1D of the revised Clause 49 of the Listing Agreement with Stock Exchanges.
4. The Company has adopted with the Code of Conduct applicable to all Directors, senior management and employees. The Declaration as required under Clause 49 is as below:

“All the Directors and Senior Management of the Company have affirmed compliance with the Company’s Code of Conduct for the financial year ended 31st March, 2010.”

Place: Hyderabad

Date: 03.09.2010

SD/-

MANOJ KUMAR
Managing Director

SHREEYASH INDUSTRIES LIMITED

5. **CEO Certification:** The Managing Director has given a certificate as contemplated in Clause 49 of the Listing Agreement.

6. The requirements of the Audit and other Committees as contemplated in Clause 49 have been complied with as per the report set above in respect of the same.

The Management Discussion and Analysis is provided elsewhere in this report.

8. MEANS OF COMMUNICATION

The Company has not published financial results for four quarters of previous financial year as specified by the Listing agreement. No targeted presentations were made during the year under review. The Management Discussion & Analysis Report forms part of the Annual Report of the Company as required under the Listing Agreement.

9. GENERAL SHAREHOLDER INFORMATION

17th Annual General Meeting Schedule: Monday the 30th September, 2010 at 11 a.m at Hotel Tara International, Siddiamber Bazar, Hyderabad – 500012.

i. Financial Calendar (Tentative):

Financial Year	1st April to 31st March
Un-audited Financial Results for quarter ended 30.06.2010	Last week of July, 2010
Un-audited Financial Results for quarter ended 30.09.2010	Last week of October, 2010
Un-audited Financial Results for quarter ended 31.12.2010	Last week of January, 2011
Un-audited Financial Results for quarter ended 31.03.2011	Last week of April, 2011
18 th Annual General Meeting	September, 2011

ii. Dates of Book Closure (Period) : 23rd September, 2010 to 27th September, 2010

iii. Dividend Payment Date : Not Applicable

iv. Listing at Stock Exchanges : Bombay Stock Exchange (BSE)
Calcutta Stock Exchange (CSE)

v. The Listing Fees for the year 2009 - 2010 has been paid to the Stock Exchanges.

vi. Stock Code : BSE - 530219
CSE – Shreeyash Industries limited.

vii. Market Price Data: The shares of the Company have not been traded at Stock Exchanges during the financial year.(from 1st April, 2009 to 31st March, 2010.)
The Monthly high and low quotations of shares traded – NIL

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viii. Comparative Performance : Not Available

ix. Registrar & Share Transfer Agents :

CIL Securities Limited

223, Raghav Ratna Towers,

Chirag Ali Lane, Abids, Hyderabad- 500 001

Tel. No. 23203155, Fax No. 23203028

Email: cilsec@rediffmail.com

x. Share Transfer process: The Company's shares are traded in Demat form at the Stock Exchanges. Only Off- market trades can be delivered in physical form. All shares received for transfer etc. are processed and returned to the shareholders within 21 days of receipt of lodgment.

xi. Distribution of shareholding: (As on 31.03.2010)

Category (No. of shares)	Number of holders	% of total holders	Number of shares	% of total shares
Upto 500	882	0.57	350800	0.06
501-1000	395	0.25	309300	0.06
1001-2000	94	0.06	144400	0.03
2001-3000	39	0.03	100000	0.02
3001-4000	18	0.01	68700	0.01
4001-5000	35	0.02	170200	0.03
5001-10000	33	0.02	269300	0.05
Above 10001	63	0.04	4022900	0.74
Total	1559	1.00	5435600	1.00

xii. Shareholding pattern as on: 31st March, 2010.

Category	No.of Shares Held	Percentage of Share holding
A Promoter's holding		
1 Promoters-Indian Promoters- Foreign Promoters	1750000 Nil	32.20 Nil
2 Persons acting in concert Sub-Total	278700 2028700	5.13 37.33
B Non-promoters Holding		
3 Institutional Investors	Nil	Nil
a Mutual Funds and UTI	330400	6.08

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b. Banks, Financial Institutions, Insurance Companies (Central/State Government Institutions/non-government Institutions)	350000	6.44
C.FII's Sub-Total	Nil 680400	Nil 12.52
4 Others		
a. Private Corporate Bodies	175595	3.23
b. Indian Public•		
(i) Individual shareholders holding nominal share capital upto Rs 1 lakh•	1441005	26.51
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1000900	18.41
c. NRIs/OCBs	109000	2.00
d. Any other (Please Specify)	Nil	Nil
Sub-Total	2726500	50.15
GRAND TOTAL(A+B+C)	5435600	100.00

xiii. Dematerialization of shares: The Company has entered into separate Tripartite Agreements with the Depositories viz. NSDL and CDSL along with M/s CIL Securities Limited. Physical transfers are handled in-house by the Company. As on 31st March, 2010, a total of **10,42,400 shares i.e. about 19.17% of the total shares have been dematerialized.**

ISIN: INE536C01011

xiv. Outstanding Bonds/ Convertible Instruments: NIL

xv. Address for Communication:

Plot No. 26, Anand Banjara Colony, Road No. 12,
Banjara Hills, Hyderabad - 500034
E-mail: shreeyashindustries@gmail.com

Registered Office Address:

Plot No. 26, Anand Banjara Colony, Road No. 12,
Banjara Hills, Hyderabad - 500034

**On behalf of the Board of Directors of
SHREEYASH INDUSTRIES LTD.**

(Manoj Kumar)
Managing Director

(Sumedha Sarogi)
Executive Director

Place: Hyderabad

Date: 03.09.2010

SHREEYASH INDUSTRIES LIMITED

10. Auditors' Certificate on Compliance with the Provisions of Corporate governance pursuant to Clause 49 of the Listing Agreement

To
The Members
Shreeyash Industries Limited
Hyderabad.

We have examined the Compliance of conditions of Corporate Governance by Shreeyash Industries Limited, Hyderabad, for the period ended on 31st March, 2010 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been in the manner described in the guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India and has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of 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, and based on our reliance upon the representations made by the management that there were no transactions of material nature with the management or by relatives that may have potential conflict with the interest of the Company at large.

We certify that the Company has complied in all material respects with the conditions of the Corporate Governance as stipulated in the Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that several investor grievances were pending for a period of more than one month against the Company as explained to us by the management.

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

For Chakradhar & Nandan.,
Chartered Accountants

(K.S. Nandan)
Partner

Place: Hyderabad
Date: 03.09 2010

SHREEYASH INDUSTRIES LIMITED

AUDITOR'S REPORT

To
The Members of
M/s. Shreeyash Industries Limited

01. We have audited the attached Balance Sheet of M/s. Shreeyash Industries Limited, as at 31st March 2010 and also the annexed Profit & Loss Account of the Company for the year ended on that date annexed thereto. These financial statements are responsibility of the Company Management. Our responsibility is the express an opinion on these financial statements based on our audit.
02. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes Examining, on a test basis, evidence supporting the presentation. We believe that our audit provides a reasonable basis for our opinion.
03. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Sub-section (4A) Section 227 of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order to the extent applicable.
04. Further to our comments in the Annexure referred to in paragraph 3 above, we state that:
 - a) We have obtained all the information and explanation, which to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - b) In our opinion, the Company has kept proper books of account as required by law so far, as appears from our examination of those books.
 - c) The Balance Sheet and the Profit and Loss Account referred to in this report are in agreement with the books of account.
 - d) In our opinion, the Profit & Loss Account and the Balance Sheet comply with the entire mandatory Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956.
 - e) On the basis of written representations received from the directors, and taken on record by the Board of Directors, in our opinion, none the directors is disqualified for the year ended on that date from being appointed as director in terms of clause (g) of Sub-section (1) Section 274 of Companies Act, 1956.
 - f) In our opinion and as per the our information and according to the explanation given to us, the said Balance Sheet and the Profit and Loss Account, read together with notes thereon, give the information required be the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

SHREEYASH INDUSTRIES LIMITED

- i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2010;
- ii) In the case of the Profit and Loss Account, of the **Loss** of the Company for the year ended on that date and;
- iii) In the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

for **Chakradhar & Nandan**
Chartered Accountants

(K.S Nandan)
Partner

Place: Hyderabad
Date: 03.09.2010

SHREEYASH INDUSTRIES LIMITED

ANNEXURE TO AUDITORS' REPORT (This is the Annexure referred to in our Report of even date)

- 1 The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The assets have been physically verified by the management during the period as per a program of verification which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- 2 None of the fixed assets have been revalued during the year under audit.
- 3 The stocks of finished goods, raw materials and stores have been physically verified during the period by the management at reasonable intervals.
- 4 The procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- 5 The discrepancies noticed on verification between the physical stocks and the book records were not material.
- 6 On the basis of examination of stock records, we are of the opinion that the valuation of stocks is fair and proper and in accordance with the normally accepted accounting principles and are on the same basis in the preceding year.
- 7 The Company has not granted any loans, secured or unsecured from companies, firms or other parties listed in the register maintained under section 301 of the companies Act, 1956. As per the information and explanation given to us there are no companies under the same management as defined under sub-section (1-B) of section 370 of the said Act.
- 8 In our opinion and according to the information and explanations given to us there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of stores, raw materials, including components, Plant & Machinery, equipment and other assets and with regard to the sale of goods.
- 9 The central Government has not prescribed the maintenance of cost records by the by the Company under section 209(1) (d) of the Companies Act, 1956 for any its products.
- 10 In our opinion and according to the information and explanations given to us, there are no transactions of purchase of goods and materials or sale of goods and materials made by the Company in pursuance of contracts or arrangements entered in the registered maintained under Section 301 of the companies Act, 1956 aggregating during the year for Rs.50, 000 or more in respect of each party.
- 11 According to the information and explanations given to us, there are no unserviceable or damaged stores, raw materials or finished goods.

SHREEYASH INDUSTRIES LIMITED

- 12 The Company has not accepted any deposits from the public.
- 13 The Company has not given any guarantee for loans taken by others from bank or financial institutions.
- 14 During the year No Operations/Production, so The Company does not get any scrap in the manufacturing processing, thereby the maintenance of the records does arise. We are informed that the manufacturing Process of the Company does not give rise to any by-products.
- 15 The Company has no Internal Audit system.
- 16 During the financial year there were no transactions exceeding the value of five lacs rupees in respect of each party, which need to be, entered into a registrar in pursuance of section 301 of the Companies Act, 1956.
- 17 The Provisions of provident fund Act and the Employees Sate Insurance Act is applicable to this Company and the Company is not made any payment during the year. Since there is no lab our exists.
- 18 According to the information and explanations given to us, no undisputed amounts applicable in respect of income Tax, Sales Tax, Custom Duty and Excise Duty were outstanding for a period of more than six months from the date they became payable. The Provisions of Wealth Tax Act do not applicable to this Company.
- 19 According to the information and explanation given to us, no personal expenses of employees or Directors have been charged to revenue account, other than that payable under contractual obligations.
- 20 The Company is a sick industrial Company within the meaning of clause (O) of Sub-Section 1 of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.

for Chakradhar & Nandan
Chartered Accountants

(K.S Nandan)

Partner

Place: Hyderabad

Date: 03.09.2010

SHREEYASH INDUSTRIES LIMITED

BALANCE SHEET AS ON 31-03-2010

Particulars	Schedule	AS AT 3/31/2010	AS AT 3/31/2009
SOURCES OF FUNDS:			
SHARE HOLDER'S FUNDS			
Share capital	A	54356000	54356000
Reserves & Surplus	B	750000	750000
LOAN FUNDS			
Unsecured loans	C	1074193	1074193
Total		56180193	56180193
APPLICATION OF FUNDS:			
Fixed Assets			
Gross Block	23309995	52940816	
Less: Depreciation	D 23309995	23309995	
Net Block	-----	-----	29630821
Investments		-----	65000
Loan & Advances	E 10577658	24794835	
Less: current Liabilities & Provisions,	F 668270	5064077	
Net Curret Assets	-----	9909388	19730758
Miscellaneous Expenditure: (To the extent not written off Or Adjusted)	G	812117	1024993
Profit & Loss Account		45458688	5728621
Notes on Accounts'	H	56180193	56180193

for Chakradhar & Nandan

Chartered Accounts

Sd/-

(K.S. Nandan)

Partner

Place : Hyderabad

Date : 03.09.2010

On behalf of the Board of Directors of
SHREEYASH INDUSTRIES LTD.

Sd/-

(MANOJ KUMAR)

Managing Director

Sd/-

(SUMEDHA SARAOGI)

Director

SHREEYASH INDUSTRIES LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31-03-2009

PARTICULARS	AS AT 3/31/2010	AS AT 3/31/2009
INCOME:	0	0
SALES	4287375	0
OTHER INCOME	4982557	0
CLOSING STOCK		9558000
TOTAL	9269932	9558000
EXPENDITURE:		
Opening Stock	9558000	9558000
Purchases	4079250	_____
Administrative Expenses	6169047	7500
Preliminary Expenses Written off	212876	212876
Listing fee	207005	112443
Consultancy fee	145000	25000
Loss on Sale of Assets	28628821	_____
TOTAL	48999999	9915819
Net Loss/Profit for the Year	(39730067)	(357819)
Add: Balance brought forward from previous years	(5728621)	(5370802)
Balance carried to Balance Sheet	(45458688)	(5728621)

As per our Report of Even Date

for Chakradhar & Nandan
Chartered Accounts
Sd/-
(K.S. Nandan)
Partner

Place : Hyderabad
Date : 03.09.2010

On behalf of the Board of Directors of
SHREEYASH INDUSTRIES LTD.

Sd/-
(MANOJ KUMAR)
Managing Director

Sd/-
(SUMEDHA SARAOGI)
Director

SHREEYASH INDUSTRIES LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET & PROFIT AND LOSS ACCOUNT

PARTICULARS	AS AT 3/31/2010	AS AT 3/31/2009
SCHEDULE - A:		
SHARE CAPITAL		
Authorised 60,00,000 equity shares of Rs. 10/- Each	60000000	60000000
Issued, subscribed and paid up shares 5435600	54356000	54356000
Equity shares of Rs.10/- Each	54356000	54356000
SCHEDULE-B:		
RESERVES & SURPLUS	750000	750000
SCHEDULE - C:		
UNSECURED LOAN		
From Directors	1074193	1074193
	1074193	1074193

SHREEYASH INDUSTRIES LIMITED

SCHEDULE-D

DEPRECIATION AS PER COMPANIES ACT, 1956

Particulars	Gross Block		Depreciation		Net Block	
	As at 4/1/2009	As at 3/31/2010	As at 4/1/2009	Rate For the Year	As at 3/31/2010	As at 3/31/2008
Land	0	0	0	0	0	0
Buildings	1529279	1529279	0	3.34%	1529279	0
Plant & Machinery	49234218	21032710	0	7.42%	21032710	0
Furniture & Fixtures	864524	353722	0	6.33%	353722	0
Office equipments	689824	189524	0	4.75%	189524	0
Vehicles	622971	204760	0	9.50%	204760	0
Total	52940816	23309995	23309995		23309995	0

SHREEYASH INDUSTRIES LIMITED

PARTICULARS	AS AT 3/31/2010	AS AT 3/31/2009
SCHEDULE - E:		
CURRENT ASSETS, LOANS & ADVANCES		
Cash in Hand	87203.53	0
Deposits	0	3889824
Interest receivable on Miscellaneous Deposits	0	1783488
Other Advances	645872	8373
Stock on Hand	0	9558000
Sundry Debtors	9030354	8740922
TDS	89939	89939
Advances for expenses	685472	685472
Prepaid expenses	36589	36589
Other amount receivable	2228	2228
	10577657.5	24794835
SCHEDULE - F:		
CURRENT LIABILITES AND PROVISIONS		
Creditors for Expenses	579250	1562426
Creditors for Suppliers	0	3420131
Outstanding Expenses:		
Audit Fee	89020	81520
	668270	5064077
SCHEDULE - G:		
MISCELLANEOUS EXPENDITURE		
(To the extent not written off or adjusted)		
Preliminary Expenses	0	5133
Public issue Expenses	0	1232736
	1024993	1237869
Total	1024993	1237869
Less : Written off to P&L a/c	212876	212876
	812117	1024993

SHREEYASH INDUSTRIES LIMITED

SCHEDULE - H:

NOTES ON ACCOUNTS

Significant Accounting Policies

1. BASIS OF ACCOUNTING:

The Financial statements are prepared under Historical costs convention on actual method of accounting and are in accordance with the requirements of the Companies Act, 1956.

2. FIXED ASSETS:

To state Fixed Assets at cost of acquisition inclusive of inward freight duties, taxes and incidental expenses related to acquisition.

3. VALUATION OF INVENTORY:

Cost or Market value which ever is Lower and certified by the management.

4. DEPRECIATION:

The Depreciation is calculated on Straight-line method under Schedule xiv of the Companies Act, 1956. During the year no operations exist, hence no depreciation is calculated.

4. RECOGNITION OF INCOME & EXPENDITURE:

Revenues/Incomes and Costs/Expenditures are generally accounted on the basis of as they are earned or incurred.

5. REVENUE RECOGNITION:

The Company follows Mercantile system of accounting and in consonance.

6. During the year No operations/ Production in the company.

7. Auditors Remuneration

Audit fee

2009-10

Rs. 7500

2008-09

Rs. 7500

NOTES ON ACCOUNTS:

	Current Year	Previous Year
8. Expenditure in Foreign currency		
Foreign Currency out go	Nil	NIL
Value on Imports on CIF Value		
9. Previous Figures are regrouped/ rearranged wherever necessary when compared to the current year figures.		
10. Particulars of Employees in accordance with Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars Of Employees) — NIL		

As per our Report of Even Date
For **Chakradhar & Nandan**

on behalf of the Board of Directors
of M/s. Shreeyash Industries Limited

Chartered Accountants

(K.S Nandan)

Partner

Place: Hyderabad

Date: 03-09-2010

(Manoj Kumar)

Managing Director

(Sumedha Sarogi)

Executive Director

SHREEYASH INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2010

(As required under clause 32 of the Agreement with Stock exchanges)

For the year ended 31st March	2010 Rs.	2009 Rs.
Net Profit/Loss Before Tax and Extraordinary items	-3973067	-35819
Adjustments for:		
Depreciation	0	0
Miscellaneous Expenditure written off	212876	212876
Loss on sale of assets	0	0
Financial Expenses	0	0
Operating Profit before Working Capital change	-39517191	-144943
Adjustment for:		
(Increase)/Decrease in Inventories	9558000	0
(Increase)/Decrease in Sundry Debtors	289432	0
(Increase)/Decrease in Other Current Assets	5100813	163405
Increase/(Decrease) in Current Liabilities	-4395807	-18462
Cash generated from operations	-29543617	0
Financial Expenses paid	0	0
Net cash flow from Operating Activities (A)	-29543617	0
CASH FLOW FROM OPERATING ACTIVITIES		
Purchases of fixed assets	0	0
Sale of fixed assets	29630821	0
Net cash used in Investing Activities (B)	29630821	0
Cash Flow from Financing Activities		
Proceeds from long term Borrowing	0	0
Working Capital Borrowings	0	0
Hire-purchase Finance	0	0
Net cash used in Financing Activities (C)	0	0
Net Increased in Cash and Cash Equivalentents (A+B+C)	87204	0
Opening balance of cash and cash equivalentents	0	0
Closing balance of cash and cash equivalentents	87204	0
For & On behalf of Board of Directors		For Chakradhar & Nandan Chartered Accountants
Manoj Kumar Managing Director		(K.S. Nandan) Partner

SHREEYASH INDUSTRIES LIMITED

SHREEYASH INDUSTRIES LIMITED

Plot No. 26, Anand Banjara Colony, Road No. 12,
Banjara Hills, Hyderabad - 500034

ATTENDANCE SLIP

Seventeenth Annual General Meeting - Thursday, 30th September, 2010 at 11.00 a.m. at Hotel Tara International, Siddiamber Bazar, Hyderabad – 500 012.

Regd.Folio No./Client _ ID..... No. of Shares

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the 17 ANNUAL GENERAL MEETING of the Company. at Hotel Tara International, Siddiamber Bazar, Hyderabad – 500 012. on Thursday, the 30th day of September, 2010.

Member’s/Proxy’s name in Block Letter Member’s/Proxy’s Signature

Note: Please fill this attendance slip and hand it over at the ENTRANCE OF THE HALL

----- (TEAR HEAR) -----

SHREEYASH INDUSTRIES LIMITED

Plot No. 26, Anand Banjara Colony, Road No. 12,
Banjara Hills, Hyderabad - 500034

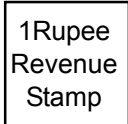
FORM OF PROXY

I/We.....
of.....in the district of being a
member/members of the above-named company hereby appoint or failing
himof in the district of as my/our proxy to
vote for me/us on my behalf at the 17th ANNUAL GENERAL MEETING of the Company to be held on
Thursday the 30th day of September, 2010 at 11.00 a.m.

Signed this day..... 2010

Regd.Folio No./Client _ ID

Signature



SHREEYASH INDUSTRIES LIMITED

BOOK-POST

If undelivered, please return to :

SHREEYASH INDUSTRIES LIMITED

Plot No. 26, Anand Banjara Colony, Road No. 12,
Banjara Hills, Hyderabad - 500034

SHREEYASH INDUSTRIES LIMITED

**SHREEYASH
INDUSTRIES LIMITED**

Hyderabad

**SEVENTEENTH ANNUAL REPORT
2009-2010**