



Responsibility + Opportunity

= Sustainability

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www.ganeshhaecosphere.com

What goes around, comes around. In other words, what you give out in the world decides what you get back for yourself. For us, that element has been sustainability.

We've always geared towards ensuring a healthy and sustainable environment. Generating profit has been one part of our story. The bigger part has been taking up the responsibility of making a difference within the ecosystem and the communities by recycling PET bottles and utilizing the resources around us. With the growing awareness regarding the environment, the opportunities have been ripe for us to strive harder towards making sustainable environment a reality.

And by combining our responsibilities with the ongoing opportunities, we've succeeded in making our own operations sustainable. We're on our way to becoming a high-performance organisation with world-class infrastructure, R&D support, and high-quality products.

Sustainability is indeed
a two-way street!



Every business starts as an idea. Innovative business ideas have the power not just to generate profits, but also resolve critical environmental problems. It helps to transform communities. One such business is ours.

Ganesha Ecosphere has pioneered in the manufacture of Recycled Polyester Staple Fibre (RPSF) and Yarn from PET bottle scrap in India. With almost three decades of existence, the Company has emerged as one of the leading PET Recycling Company in the country.

Started in 1987 by Mr. Shyam Sunder Sharmma, the Chairman & Managing Director of the Company, our products are eco-friendly and consumed by downstream industries engaged in the manufacture of textiles, functional textiles and fillings.





Vision

To become a global corporate citizen committed to recycle every PET bottle which is thrown into waste with world- class recycling facilities and to create wealth for our stakeholders through conducting business around social and environmental concerns



Mission

- To be a high-performance organisation by making the best use of resources and empowering people.
- To be the preferred choice of our customers by providing world-class customer services
- To maintain high levels of quality in our products through innovative research and technology development in our processes, products and applications.
- To build relationships with stakeholders based on trust, transparency and ethical business conduct.
- To contribute to the cause of making our planet a better place to live in for the present and the future generations.

RPSF
(RECYCLED
POLYESTER
STAPLE
FIBRE)

87,600

TPA Capacity

87%

Capacity
utilisation

75%

Share of total
manufacturing
revenue in 2015-16

6 years

Average age of
machines

DYED
TEXTURISED/
TWISTED
FILAMENT
YARN

3,000

TPA Capacity

63%

Capacity
utilisation

5%

Share of total
manufacturing
revenue in 2015-16

15 years

Average age of
machines

RECYCLED
SPUN YARN

7,200

TPA Capacity

99%

Capacity
utilisation

20%

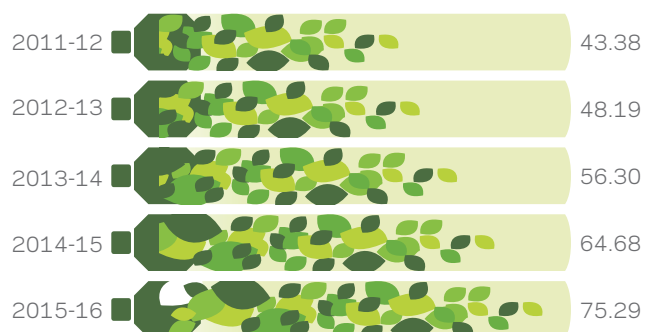
Share of total
manufacturing
revenue in 2015-16

3 years

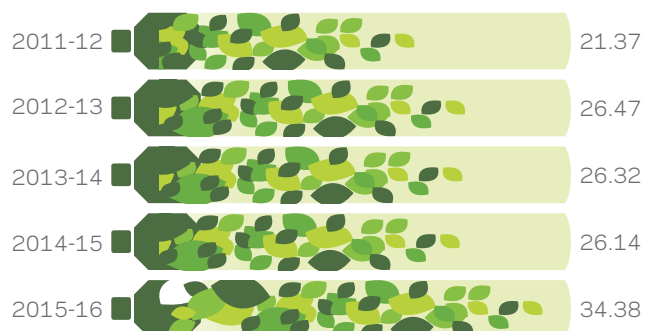
Average age of
machines

RESPONSIBILITY DRIVES SUSTAINABILITY

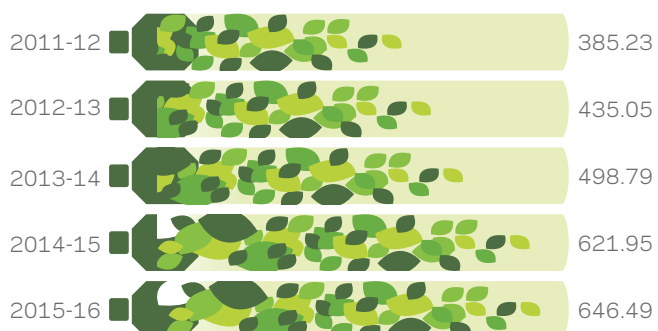
EBIDTA (₹ in crore)



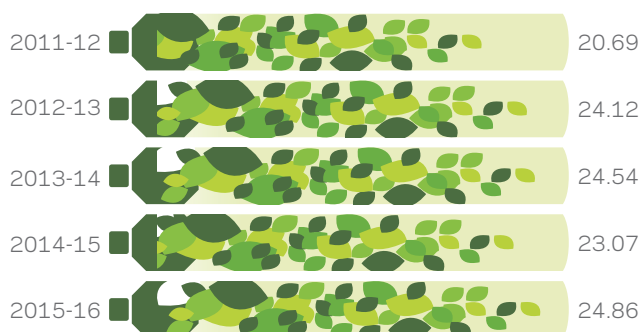
PBT (₹ in crore)



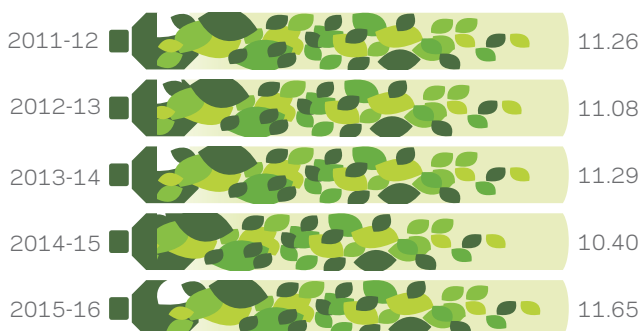
Revenues (₹ in crore)



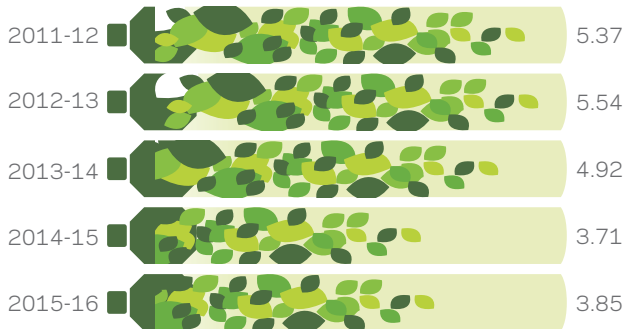
PAT (₹ in crore)



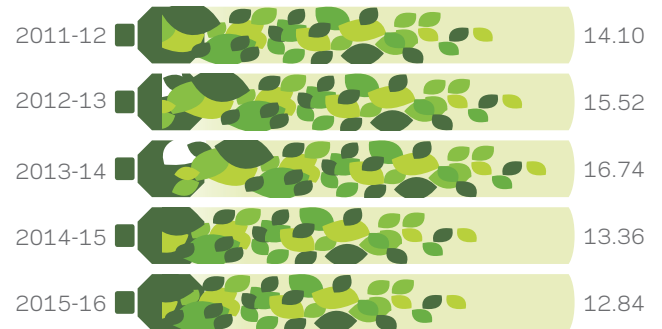
EBIDTA margin (%)



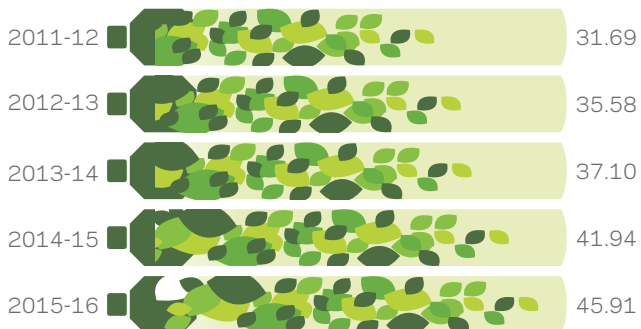
PAT margin (%)



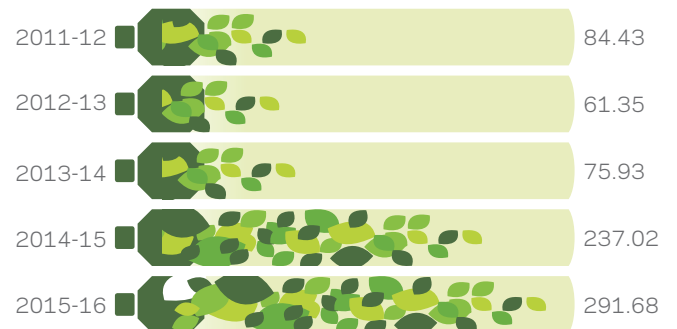
Earnings per share (₹)



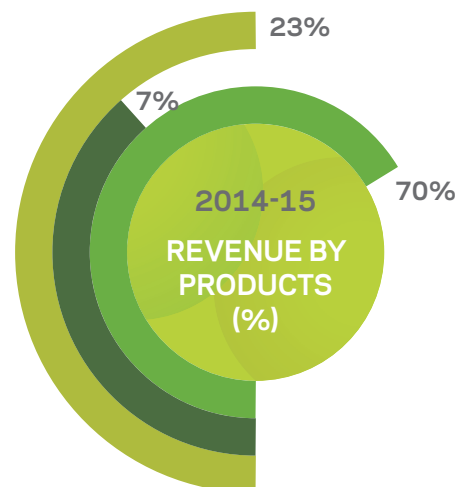
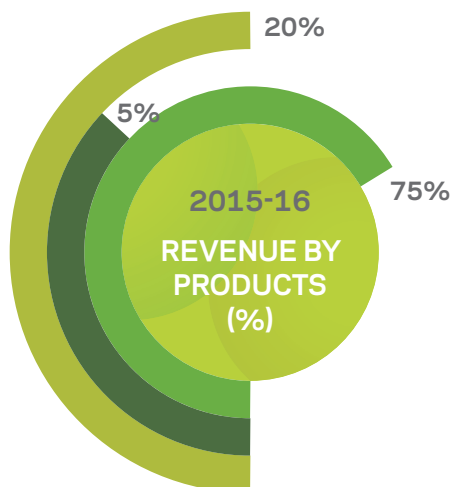
Cash Profit (₹ in crore)



Market Capitalisation* (₹ in crore)



*As on 31st March for each year



RPSF

Dyed Texturised /
Twisted Filament yarn

Recycled Spun Yarn

The pie charts represents revenue from
manufacturing activity only

CHAIRMAN'S MESSAGE



Dear Shareholders,

I am happy to announce that we posted a strong result during the FY2015-16 despite the ongoing macroeconomic scenario. Understanding the steep decline in polyester and crude oil prices, the Company showcased its true spirit by recording increase in production by more than 20% and sustainable rise in revenues and profitability by 4% and 8% respectively. Our continued efforts and growing tie-ups helped us strengthen our leadership position in the recycling industry. We believe that our hard work, dedication and innovative technology will help us create sustainable value for all our shareholders.

Performance Highlights

At a time when a number of macroeconomic developments conspired to create an inhospitable environment for growth and were generally outside the Company's control, we reorganised with speed and precision, taking some key measures.

First, we successfully completed the first full year of operations of our expanded RPSF capacity of Bilaspur Unit. With this achievement, we are now well positioned to rebalance our supplies aligning to demand variations. With an expanded capacity of more than 21,000 TPA, the new unit contributed 22% of the total production of the Company.

Second, Company successfully passed on steep fall in prices of its finished products, towing the price fall in Crude Oil prices, to its raw material suppliers and thereby minimizing the impact of price fall in its finished products.

Third, RPSF products of Bilaspur Unit got overwhelming response in the market due to superior quality and placed at premium over other products of the Company.

Fourth, Company added new set of customers and thus widening its customer base as well as deepening its market reach.

Fifth, our profit after tax improved by 8% despite higher provisioning of tax by ₹ 645 lac on expiry of tax holiday period at Rudrapur Unit of the Company.

Economy Overview

Slowdown in China and decrease in oil prices were the primary reasons for bleak macro economic conditions globally. Advanced economies are mostly making a modest recovery, while many emerging market and developing economies are under strain from the rebalancing of the Chinese economy, lower commodity prices and capital outflows.

However, India continued to emerge a stronger nation with GDP growth of 7.6% during FY2015-16 as against 7.2% during the previous year. Emerging as the world's fastest economy, the growth was substantiated by increase in per capita income, rebound in farm output, and an improvement in power generation. The dropping crude oil prices did result

in curbing the fiscal deficit to a large extent. Now, with the crude prices moving up steadily, economies across the globe are expected to get back to the path of stability and growth.

Changing Industry Dynamics

Plastic Waste Management Rules, 2016 issued by the Ministry of Environment, Forest and Climate Change puts extended responsibility for collection of plastic scraps to manufacturers, producers and bulk generators. This will ensure increased collection of plastic waste, greater investments in waste collection processes, higher income for waste collectors/ rag pickers, elimination of intermediaries and transformation of plastic scrap business into organized market.

The last two years of below normal monsoon caused significant rural distress, which in turn impacted many industries dependent on rural consumption and the economy in general. In 2016-17 monsoons are expected to be good. This shall not only result in better farm output and higher agricultural income, but also higher per capita income for rural and urban economies. We expect this higher per capita income to have a positive cascading effect on increase in demand for textile sector.

The recent approval for GST reform is another shot in the arm for several manufacturing industries, including us. The GST will make the market more conducive and transparent and provide a level playing field to organized players.

With soaring cotton prices due to lower production as well as disadvantageous position of cotton in GST regime by taking off its tax exempt status, manmade fibre industry will get level playing field and demand of polyester products will increase due to competitive pricing.

Road ahead

At Ganesha, we continue to sustain our market leadership backed by our core competencies - quality product,

wide product range and greater operational efficiencies. Our timely and strategic investments in capacities and technology have enabled us to capitalize on the market opportunities and derive tangible and intangible value. We continue to forge strong relationships with our clients to drive value for them on a long-term basis.

Foreseeing the increased appetite for quality recycled products as well as to capitalize the growing demand of Recycled Polyester Fibre, Company is marching towards expanding RPSF capacities with a proposed brownfield expansion of 21000 TPA at its Bilaspur Unit.

Sensing the opportunity put forth by new regulations for handling the plastic scrap, Company is strengthening and widening its collection network across the country.

Evolving with changing times and leveraging our deep market understanding, we are now focusing towards producing more value-added products with concentrated R&D efforts and cutting edge technology.

On a concluding note, although, we remain one of the largest and oldest Company in India to recycle PET bottles into valuable products, we strive to become more environment friendly and technologically sound. Hence, I congratulate my employees and co-workers for their valuable support and trust and their tireless efforts towards achieving our goals. Also, I would like to thank all our shareholders for their continued faith in our strength and capabilities.

With warm regards,

Yours Sincerely,

Shyam Sunder Sharmma
Chairman

A RESPONSIBLE BUSINESS MODEL

A business model that preserves or enhances environments quality; a business model that is inclusive of employment and empowerment of people; a business model that is committed towards creating social justice - is a responsible business model. A business model that we believe in!

There is growing prominence of 'circular economy' in the coming years, to ensure that we achieve the right balance for our society and increase prosperity. This, backed with reducing demands of finite raw materials and lessen the negative externalities. At Ganesha Ecosphere, we just do that.

While the PET industry provides several benefits, it also brings with it drawbacks which pose threat to external environment. Consider this: Today, 95% of plastic packaging material value or \$80-120 billion annually is lost to the economy after first use. The recycling rate for plastics in general is even lower than for plastic packaging, and both are far below the global recycling rates for paper (58%) and iron and steel (70-90%). PET, used in beverage bottles, has a higher recycling rate than any other type of plastic, but even this success story is only a modest one: globally, close to half of PET is not collected for recycling. (Source: World Economic Forum, 2016)

This is where we come in

We nearly collected 79000 tonnes of PET wastes during FY 2015-16. This translated into recycling more than 4.4 billion PET bottles (a 17% increase than the previous year). With our robust collection centre network across the country, we ensure steady raw material supply and contribute in saving valuable landfill space. In addition, we also have an integrated supply chain network with institutional collection centres like bottlers, hotels and corporates among others.

The integrated value-chain of streamlined supply and effective production, provides us with a competitive advantage. With increase in usage of PET bottles across several downstream industries, we are optimistic for enhancing our capacity utilisation levels. And with increasing demand for man-made fibres, we expect rise in demand for our finished goods as well as to create wealth for our stakeholder community.



Our product portfolio End use / application



NEW REGULATIONS UNLOCK NEW OPPORTUNITIES

A favourable alignment of rules and regulations for disposing PET waste are unlocking new opportunities. With implementation of new policies for recycling and waste disbursement, there is a visible shift towards achieving the right ecological balance.

The imposition of Extended Producer Responsibility (EPR) Rules aims at stimulating development of ecological economy with protection and restoration of natural resources. The move aims to address many core aspects of PET disposal and how their economics is still poorly understood. With responsibility now being put on PET manufacturers and users, this move would help develop a right socio-economic value model.

The right management of PET waste aims to create long-term systematic value by fostering after-use industry and thereby increasing recycling rate and conserving the resources as well as environment. Recycling one additional tonne of plastic, for example, reduces emissions by 1.5 tonnes of CO₂.

We are in the scheme of things

This is where the experience and visionary approach of our management made the difference. We started investing in our capacities since 1995, expanding our PET recycling capacity from 6000 TPA to 87,600 TPA by end of March 2016. Our integrated forward yarn spinning capacity stands at 7,200 TPA coupled with yarn dyeing / texturising capacity of 3000 TPA, ensures a cumulative capacity of 97,800 TPA.

With capital investments of more than ₹210 crore in last five years, we have created an integrated infrastructure for producing products for key downstream industries through raw material that help create a cleaner, greener environment.



Plastic packaging industry and Opportunities



4.3 KGS

INDIA'S PER CAPITA
CONSUMPTION
OF PACKAGING
CONSUMPTION



**\$10
BILLION**

THE EXPECTED INVESTMENTS
IN INFRASTRUCTURE FOR
PLASTIC INDUSTRY
IN INDIA



**~\$32
BILLION**

THE MARKET VALUE OF
PACKAGING INDUSTRY IN
INDIA IN FY15.

21%

5-YEAR CAGR IN
GROSS BLOCK TILL
2015-16

**₹210
CRORE**

OF CAPITAL
INVESTMENTS IN LAST
FIVE YEARS

87%

AVERAGE CAPACITY
UTILISATION LEVEL IN
2015-16

SUSTAINABILITY - A LONG TERM MANTRA

At Ganesha Ecosphere, we view business sustainability with striking a balance on our business responsibilities with an 'eye' on new opportunities. In fast changing socio-economic scenario, we are aligning our business strategies to achieve sustainability and create wealth for stakeholders.

The concept of sustainable business is fast gaining traction. Only those businesses would be sustainable in long term which contribute positively to the environment. At GESL, our primary focus is sustainability and entire business is revolving around it. Besides protecting the organisation's capital base, creating wealth for a wider stakeholder community is what defines an organisation's success.

Doing it right

One of the key aspects of business sustainability is financial prudence. Our experienced finance team has ensured that we achieve a right sized balance sheet. With our recent private placement and conversion of equity warrants, we increased our capital to ₹19.18 crore. With sustainable profit generation, we also stand at a healthy debt-equity ratio of 0.52 as on March 31, 2016.

We managed to improve our margins, reporting a healthy EBIDTA margin of 11.65% in 2015-16, rising by 125 basis points over the previous year. This has been backed by consistent revenue growth of 17.3% CAGR in last five years.

Our daily business operations also represents our commitment towards environmental management to create a better tomorrow. Our manufacturing process of PET fibre as opposed to virgin polyester is itself a 'green initiative'. This helps contribute at least 50% lower energy consumption, also effecting a reduced CO₂ emission. With a recycling capacity of more than 13 million bottles in a day, we are positively contributing towards saving of landfill space.



PET packaging industry and opportunities





BUSINESS MODEL

An environment-friendly business, we are into recycling PET waste, creating a ecological cycle of green economy - turning waste into valuable products.



SUPPLY-CHAIN

Our efficient collection centres across the country provide abundance supply of waste PET bottles.

WHAT MAKES US UNIQUE



ECONOMIES OF SCALE

With large capacities and better capacity utilisation levels, we ensure achieving economies of scale, resulting in better margins and profitability levels.



VALUES

Over the years, we have built our business around strong governance, ethics and values, complying with existing regulations and laws.



ACCREDITATIONS

Our facilities and plants are certified with ISO 9001:2008, ISO 14001:2004 and OHSAS 18001:2007 for the manufacture and supply of our products. We are among the few manufacturers to be accredited with Global Recycling Standards (GRS) certification for our effective, clean and green business model.



FINANCIAL MANAGEMENT

We have been successful in achieving financial prudence in our two decade long existence with sustainable profit generation, timely repayment of debt and increasing wealth for the stakeholders.



YOUNG WORKFORCE

With an average age of 35 years, our workforce has a unique mix of experience and dynamism.



INFRASTRUCTURE

Our ability to deliver and manufacture various products is manifested by our strong technological expertise. Our in-house infrastructure prowess enables us to manufacture finished products of wide variety for several downstream industries like automobiles, geo-textiles, medical and packaging, textiles and non-woven applications.



MARKET AWARENESS

We keep a check on evolving industry trends to be abreast with challenges that might pose a threat to our business existence and turn them into opportunities for future growth.



INVESTMENTS

We have made pro-active and timely investments in our production capacities being able to emerge with competitive edges that define our market leadership.

PROFILE OF BOARD OF DIRECTORS

1. Mr. Shyam Sunder Sharmma

Chairman-Cum-Managing Director

Mr. Shyam Sunder Sharmma, founder of the Company, aged 73 years, is a post-graduate in commerce. He is a first generation entrepreneur and textile technocrat having management experience of over 52 years including 25 years with various Birla Group Companies in senior positions.

He is associated with the Company as Chairman-cum-Managing Director since 1989. He is responsible for looking into the overall management, strategic planning and development of the Company.

3. Mr. Sharad Sharma

Joint Managing Director

Mr. Sharad Sharma, aged 50 years, is a commerce graduate and having more than 29 years experience in marketing and distribution.

He has been associated with the Company since inception and was appointed to the Board in 1992 as a Director. He was appointed as Joint Managing Director of the Company in 2004. He is responsible for overseeing day-to-day management and overall operations of the Company.

5. Mr. Gopal Singh Shekhavat

Director (Administration)

Mr. Gopal Singh Shekhavat, aged 63 years, is a bachelor in arts. He has rich experience spanning over 43 years in textile industry.

Presently, he looks after the Administration and HR of the Company. He was appointed to the Board of the Company as a Director (Administration) w.e.f. 1st June, 2013.

2. Mr. Vishnu Dutt Khandelwal

Executive Vice-Chairman

Mr. Vishnu Dutt Khandelwal, aged 67 years, is post-graduate in commerce and his area of expertise includes marketing and financial management. He possesses a rich experience of over 43 years in textile yarn trading.

He has been serving the Company since inception and was appointed as Executive Vice-Chairman of the Company in 2008. He is responsible for overseeing the marketing and business development of the Company.

4. Mr. Rajesh Sharma

Executive Director

Mr. Rajesh Sharma, aged 47 years, is a commerce graduate and has rich experience spanning over 26 years in plant administration and operations.

He is associated with the Company since its inception and was appointed as an Executive Director of the Company in 2008. He is responsible for looking after the administration and operations of the Company's Rudrapur and Bilaspur units.

6. Mrs. Seema Sharma

Non-Executive Director

Mrs. Seema Sharma, aged 43 years, is a bachelor in arts and having administrative experience of approx. three years.

She was appointed to the Board as an Additional Director w.e.f. 30th March, 2016

7. Mr. Vishwa Nath Chandak*Non-Executive Independent Director*

Mr. Vishwa Nath Chandak, aged 79 years, is M.Com., LL.B. and has experience of over 40 years of working as a Senior President in Eastern Spinning Mills & Industries Ltd.

He had also been associated with Kesoram Industries Ltd. (a B.K. Birla Group Company) as a President of its divisions namely Kesoram Rayon and Hindusthan Heavy Chemicals for several years.

He was appointed to the Board of the Company in 2009.

9. Mr. Surendra Kumar Kabra*Non-Executive Independent Director*

Mr. Surendra Kumar Kabra, aged 72 years, is B.Com., LL.B. and is also a member of the Institute of Chartered Accountants of India. He brings rich professional experience of over 48 years in the textile industry.

He has been the Managing Director for over 11 years in Shree Manufacturing Company Ltd. and has over 25 years experience of working in various capacities in Birla Group Textile Companies. He has been running his own textile business for the past 20 years.

He was appointed to the Board of the Company in 1994.

11. Mr. Abhilash Lal*Non-Executive Independent Director*

Mr. Abhilash Lal, aged 51 years, is a mechanical engineer and a post-graduate in management from Indian Institute of Management (IIM), Bangalore. He has rich experience of more than 25 years in all aspects of financial services including banking, consulting, insurance, investments, advisory etc. and had worked with HSBC for more than 11 years.

He was appointed to the Board of the Company as a Non-Executive Independent Director w.e.f. 29th September, 2014.

8. Mr. Pradeep Kumar Goenka*Non-Executive Independent Director*

Mr. Pradeep Kumar Goenka, aged 62 years, is a member of the Institute of Chartered Accountants of India. He brings a rich professional experience of over 40 years in the field of finance and related consultancy services.

He is a practicing Chartered Accountant. Presently, he is a director of several listed and non-listed companies from various industries including manufacturing and financial consultancy.

He was appointed to the Board of the Company in 2006.

10. Mr. Anoop Gupta*Non-Executive Independent Director*

Mr. Anoop Gupta, aged 58 years, is Chartered Accountant and Cost Accountant, with additional qualifications in Law and Company Secretarial. He has three decades of diverse International experience in areas of Business Development, Corporate Finance, Strategy, Banking, Fund Management, Investment Product Engineering, Auditing and broad-spectrum Business Consulting. Mr. Gupta founded Concept Management Consulting Limited in 1998, and is presently the Managing Director of the company.

He was appointed to the Board in 2012.

12. Mr. Narayanan Subramaniam*Non-Executive Independent Director*

Mr. Narayanan Subramaniam, aged 55 years, is a graduate from Indian Institute of Management, Ahmedabad (IIMA), Chartered Accountant, Cost & Management Accountant and Company Secretary. He has rich experience in funding start-ups as well as Control transactions in listed entities. He has served on the Board of several companies with distinction. He is also the Founder Chairman of the Venture Capital Association of India (VCAI).

He was appointed to the Board of the Company as a Non-Executive Independent Director w.e.f. 29th September, 2014.

Management Discussion and Analysis

Global Economic Overview

Last year witnessed a slowdown in the global economy. The global economy reported a growth of 3.1% in 2015, declining from 3.4% in 2014. The year remained fraught with crude oil price volatility, slowdown in the Chinese economy, trade protection among others. The gradual slowdown and rebalancing of economic activity in China moving away from investment and manufacturing toward consumption and services, declining crude and commodity prices and a gradual tightening of the monetary policy in the United States impacted the global economy. Despite a marked slowdown in the Chinese economy, which grew at its weakest pace in a quarter of a century, global growth is forecasted at 3.4% in 2016 and 3.6% in 2017.

Indian Economic Overview

India is officially the world's fastest growing major economy. According to the government's latest economic figures, India's economy grew at 7.9% in the March quarter alone, summing upto a yearly GDP rate of 7.6% in fiscal year 2015-16. During a period of global economic slowdown, India's economic performance has been noteworthy. The government has ramped up efforts to promote India as a major manufacturing hub. The Government's flagship initiative, "Make in India" encourages international companies to invest in manufacturing their products in India. In doing so, the initiative aims to expand India's industrial base, improve skills, and create as many as ten million jobs a year, and increase opportunities for its growing youth population.

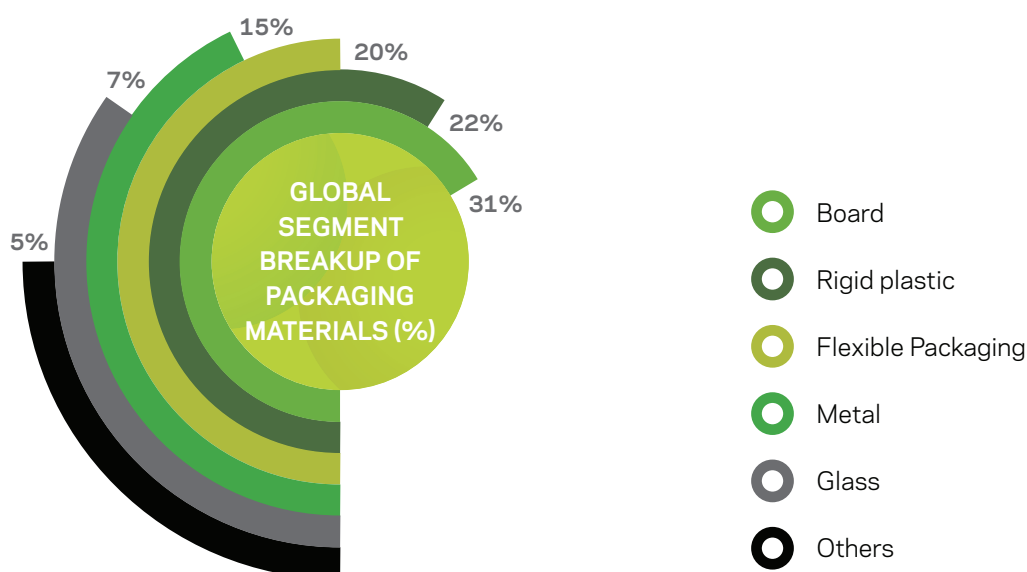
Global PET industry

Polyethylene terephthalate (PET) is a plastic polymer produced by reacting two raw materials, purified terephthalic acid (PTA) & monoethylene glycol (MEG). The worldwide demand for PET is largely determined by packaging activity. The main applications of PET are in packaging of bottled drinking water, carbonated soft drinks, edible oils, juices, alcoholic beverages etc.

Globally, the demand for PET packaging, particularly PET bottles has been rising since 2010 because they do not break, easy to handle, can be resealed and are light for on-the-go consumption. PET bottles are an increasingly popular type of packaging for carbonated soft drinks, bottled water, ready-to drink tea and functional drinks. PET packaging has also been making up its markets for juice, packaged food, household cleaning products and pharmaceuticals, replacing other packaging materials in these end-use sectors. As demand for juices, soft drinks and packed foods are increasing, the demand for PET bottles are expected to increase.

Current global consumption of PET bottles in the retail market, including beverage, foods, beauty and home care industries, amounted to 471 billion bottles in 2015, out of which approximately 42% of its demand was from Asia Pacific. China, with 28% of global demand, is the world's leading consumer of PET bottles.

Government's legislation and resource protection programs are major drivers for the development and recycling of PET. The growth of the recycled PET is also



Source: Industry Reports, Analysis by Tata Strategic

Graph not to scale

being driven by big global brand owners, who are signing up for recycled PET in order to make a real difference to their brands, both environmentally and economically. According to a research body, the demand for PET packaging is expected to increase by an average of 4.6% annually over the next five years, and will amount to 19.9 million tonnes worth \$60 billion by 2019.

Indian PET industry

PET resins have been witnessing robust growth over last five years on account of increasing usage in various end user industries such as packaging & bottling, automobile and electrical & electronics. Increased demand for PET resin is driven by replacement of traditional packaging materials like glass, aluminium, paper, metal and growth in FMCG sector. With increased Government focus on domestic manufacturing with 'Make in India' tag, the demand for PET resins are further expected to increase in India.

The Government of India has also introduced the plastic waste management rule recently with an extended responsibility for recycling plastic scraps on all the manufacturers, producers and bulk generators of plastic. Therefore, this will have a good and positive impact on the industry in the time to come. According to Ken Research, Indian recycling PET market is likely to reach ₹205 billion by FY2018-19.

Benefits of PET over other packaging media

PET has several advantages over other forms of packaging. Packaging made of PET is strong as well as lightweight,

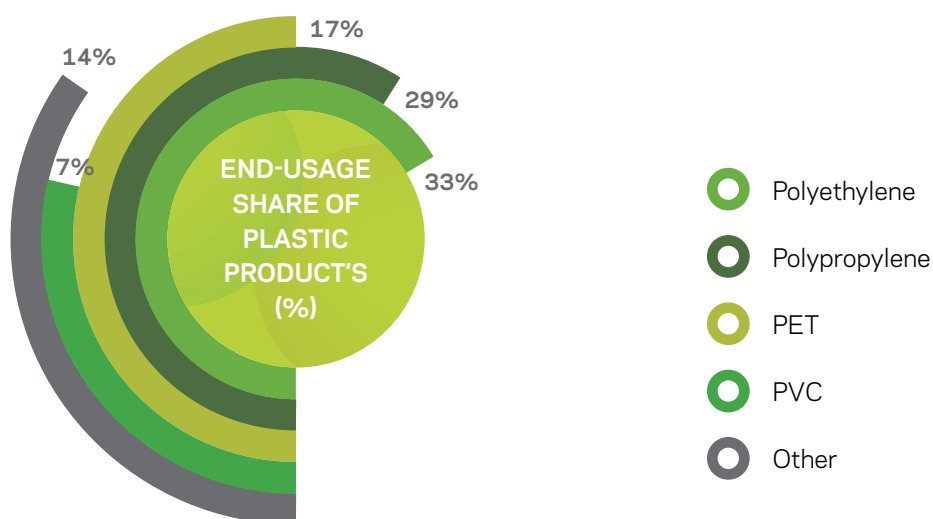
flexible yet near-unbreakable. PET packaging is normally inert in atmospheric conditions and does not react with its contents and is also resistant to microorganisms

Growth Drivers

Rapidly expanding FMCG and packaging market: A rapidly expanding population of 1.25 billion Indians is driving the Indian FMCG market growth to an estimated \$49 billion in 2016 (Source: Nielsen). The growth of the packaging industry rides the growth of the FMCG sector.

Cost-effective: PET-based packaging is one of the most economical media for packaging and transportation of food and beverages. PET-based packaging is light while at the same time durable and robust that prevents loss from transit damage and breakage. This property has prompted food and beverage manufacturers to shift from other forms of packaging to PET.

Hygienic: PET-based packaging provides high resistance to attacks from microorganisms; it does not react with foods and beverages. PET bottles and packaging are easy to clean, break-resistant, shatterproof under extreme impact punishment, heat-resistant and odourless. It is for these reasons that PET packaging is preferred over other media (glass and aluminium packaging) for foods and beverages.



Source: Industry Reports, Analysis by Tata Strategic

Graph not to scale

Global fibre market

The global fibre market consumption was at about 95.6 million tons in 2015. Oil-based synthetic fibre had the biggest share with 62.1%. Cellulosic and protein-based fibres consist of cotton of around 25.2%, wood-based cellulose fibres of around 6.4%, other natural fibres of approximately 1.5% and wool approx 1.2%.

Indian fibre market

India is the world's second largest producer of textiles and garments in the world. India accounts for 7% of global home textiles trade. The most significant change in the Indian textiles industry has been the advent of man-made fibres (MMF). India has successfully placed its innovative range of MMF textiles in almost all the countries across the globe.

The Indian textiles industry is set for strong growth, supported by strong domestic consumption as well as export demand. Moreover, in the Union Budget 2016, the Government has reduced the basic custom duty to 2.5% for textile raw materials used in technical textiles and for specified fabrics, it has been reduced to zero provided the articles are imported to manufacture garments for export.

According to IBEF, the Indian textile and apparel industry is estimated to grow to reach US \$141 billion by 2021 on account of increased penetration of organised retail, favourable demographics, and rising income levels.

Company Overview

Ganesha Ecosphere Ltd is India's largest Pet Bottle Scrap recycling Company with around 25% market share, primarily engaged in the production of Regenerated Polyester Staple Fibre (RPSF) from waste PET bottles. A pioneer in this process, GESL recycles more than 4.4 billion bottles annually.

The Company has three recycling units in India - Kanpur (U.P.), Bilaspur (U.P.) and Rudrapur (Uttaranchal) with a total installed capacity to produce 87,600 TPA of recycled Polyester Staple Fibre (RPSF) and 7,200 TPA recycled Polyester Spun Yarn (RPSY) by recycling PET waste.

Ganesha's modern PET waste washing and recycling facilities ensure the recycling of waste in environment and people friendly manner, with all environmental clearances in place from concerned departments for its facilities.

Financial Performance

- The Company's revenue from operations increased by 4% from ₹621.95 crore in 2014-15 to ₹646.49 crore in FY 2015-16.
- Earnings before interest depreciation and taxation was ₹75.29 crore during FY 2015-16, as compared to ₹64.68 crore in FY 2014-15, an increase of over 16% on account of lower raw material costs.
- EBITDA margins stood at 11.65% with an expansion in the margins by 125 bps over last year.
- During the year, the prices of raw materials and finished product which are linked to crude oil price have fallen down. In previous years company use to have tax benefits in Uttaranchal unit. After expiry of holiday period, the company had to pay much higher taxes in current year as compared to previous years.
- Profit after Tax was ₹24.86 crore in FY 2015-16 compared to ₹23.07 crore in FY 2014-15, an increase of 8%.

Shareholders' Funds

The authorised share capital of the Company is ₹24 crore with an equity share of ₹10 each, which remained unchanged during the year. The paid up share capital as on 31st March 2016 was ₹19.18 crore. As on 31st March 2016, company has reserves and surplus of ₹181 crore.

Finance

The Company continued to enjoy working capital facilities from various banks including State Bank of India, Allahabad Bank, Bank of Baroda and HDFC Bank. The Company has been regular in servicing these debts

SWOT Analysis for the PET Industry

Strengths 	▪ Rising per capita income, favourable demographics and a shift in preference to branded products boosts demand ▪ Apart from being lightweight, PET offers several other advantages such as pack weight reduction, ease of handling and longer shelf life of packaged goods ▪ PET bottles are persuasive in terms of sustainability, technical performance and aesthetics ▪ India has shown advancements in packaging material science and innovation ▪ Government's support and initiatives will aid for the growth of the sector
Weakness 	▪ Non-upgradation of technology of packaging machinery in India ▪ Customers with very high bargaining power ▪ Industry is highly fragmented with multiple players ▪ Large unorganised sector
Opportunities 	▪ Mounting demand for product protection and stability ▪ Shifting preference from glass bottles to PET bottles, rising demand for consumer goods and packaged drinking water, and the development of retail channels in the country and thus increased availability of raw material. ▪ The consumer base for several commodities in India, especially FMCGs are expanding ▪ Plastic packaging of beer is gaining preference
Threats 	▪ RPSF is likely to face completion from its substitute, virgin PSF, in terms of demand and pricing. ▪ Low barriers to entry with unorganised small players

Risk Management

Risk	Nature of risk	Control & Actions
Business portfolio risk	Ganesha is exposed to the risk of being focused on growth of PET industry - one of the core raw materials for the manufacture of its downstream products.	PET industry is poised for significant growth in the years to come, with increasing usage of PET across various industries. PET resin consumption is growing by more than 15% per annum and so the waste.
Currency volatility risk	Fluctuations in foreign currency could result in variations in margins for the Company	The Company's primary sourcing is done nationally, with strong base for its collection centres. In addition, with strong demand for its finished products across the globe, the Company stands to gain with currency depreciation for its increasing exports. The forex risks are managed through prudent hedging policies.

Risk Management

Risk	Nature of risk	Control & Actions
Profitability and margins risk	Being excessively dependent on volume based products could have an impact on the margins	While the Company drives about 70% of its revenue from high volume low margin products, it has gradually developed a strong portfolio of products that are value-added. It has invested substantially recently in capacity expansion for manufacturing products that are margin accretive. It is among the few manufacturers in the industry space to manufacture more than 100 RPSF varieties customised around customer needs and preferences.
Competition risk	Growing competition from new players and unorganised players could dent the future prospects of the Company	The Company possesses one of the largest capacities for PET recycling in India. With investments to the tune of ₹210 crore in last five years, its large capacities and infrastructural strength gives it competitive advantage for realising economies of scale. With its pan-India base and proximity to industrial hubs, it has created a unique advantage for itself and a entry barrier for new entrants to cause any potential threat in the near short-term.
Investment risk	The Company continues to make investments through organic route, expanding capacities for relevant business segments. If investments are not properly considered, it could result in lower returns than anticipated.	The Board reviews, monitors and analyse each of its prospective capital investments keeping in mind the contingencies. Understanding its position in the domestic market, the Company recently expanded its RPSF capacities for growing demand in PET as well as textile industry in domestic market.
Health, Safety and Environment	Being in the business of waste management, it is imperative for the Company to ensure 'no risk' in regards to health and safety of its stakeholder fraternity.	The Company endeavours to achieve zero tolerance and maintain full compliance with the laws and regulations that it is governed with. All its manufacturing facilities are certified with domestic and international certifications. In compliance with its business model, the Company ensures converting waste into valuable products.
Quality risk	Main input being PET bottle scrap, contamination levels may affect the quality of final products	The Company is committed for enhancing its operational efficiency with upgraded technology across its manufacturing facilities. Its competent workforce ensures high capacity utilisation levels with optimum production and reduced wastages. This enables the Company to produce products of high quality, fostering strong customer relationships.

Finance Review

Basis of preparation The financial statements have been prepared in compliance with all material aspects notified under the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

Financial statements are prepared in accordance with the generally accepted accounting principles, as adopted consistently, and are based on historical cost and items of income and expenditure are recognised on an accrual basis.

Financial snapshot

Particulars	FY 2015-16	FY 2014-15	% growth [increase/ (decrease)]
Revenues from operations (₹ lac)	64,728.59	62,324.80	3.86
Total revenues (₹ lac)	64,875.15	62,495.38	3.81
PBT (₹ lac)	3,437.71	2,614.15	31.50
PAT (₹ lac)	2,485.92	2,306.67	9.77
Cash profit (₹ lac)	4,950.82	4,193.89	9.46
EPS (₹)	12.82	13.36	(3.89)

Analysis of Profit & Loss Account

Though there is volume growth by 20% but due to steep fall in prices, tracking the fall in Crude Oil prices, of finished products, total revenues increased moderately by 3.81% from ₹62,495.38 lac in FY 2014-15 to ₹64,875.15 lac in FY 2015-16. Other incomes decreased by 14.09% from ₹170.59 lac in 2014-15 to ₹146.56 lac in 2015-16 owing to a decrease in interest income. Other incomes as a proportion of the total income (from sale of core products) stood at 0.23 % reflecting the Company's focus on core businesses.

The Company's growing scale of business translated into raw material expenditure cost being decreased by 2.18% from ₹39,928.50 lac in FY 2014-15 to ₹39,059.57 lac in 2015-16. Raw Material consumption is lower because of company's ability to pass on reduction in prices of finished goods to the downline raw material suppliers.

The Employee welfare costs increased from ₹3,366.61 lac in FY 2014-15 to ₹3,932.13 lac in FY 2015-16, owing to an increase in business volumes as well as general appraisal in remunerations.

Other expenses for 2015-16 stood at ₹12,486.15 lac, rising by 12.65% from ₹11,084.48 lac in FY 2014-15. The increase was largely due to an increase in consumption of stores and spares, power and fuel expenses and Repair charges which rose by 13.71%, 21.25% and 33.02%, respectively over the previous year. Owing to volume growth as well as general price increases.

Depreciation and amortization expenses increased by 11.53% from ₹1,887.22 lac in FY 2014-15 to ₹2,104.90 lac in FY 2015-16. Increase in expense is

owing to capacity addition of RPSF during December, 2014, full impact of which reflected in FY 2015-16 only.

Finance costs moderately increased by 0.96% in FY 2015-16 from ₹1,967.25 lac in FY 2014-15 to ₹1,986.22 lac due to loans tied up for funding the increase in capacity of RPSF during second half of FY 2015-16. The interest coverage ratio improved to 2.73x for FY 2015-16 over 2.33x for FY 2014-15.

The total tax outlay including deferred tax of the Company increased from ₹307.48 lac in FY 2014-15 to ₹951.79 lac in FY 2015-16 because of expiry of tax holiday period in one of our units.

Profit after tax increased to ₹2,485.92 lac during FY 2015-16 from ₹2,306.67 lac despite higher tax provisions and inventory losses due to price fall.

Analysis of Balance Sheet

Capital employed

The total capital employed decreased by 4.92% in FY 2015-16 to ₹36,283.03 lacs from ₹38,158.82 in FY 2014-15 largely owing to repayment of a long and short term borrowings over the previous year. The increase in net worth was mainly due to the infusion of share capital as well as profit earned during the year. The return on capital employed increased to 14.95% in FY 2015-16.

Loan funds

The long-term debt-equity ratio stood at 0.52 in FY 2015-16 against 0.64 in FY 2014-15, largely owing to a decrease in long-term borrowings from ₹11,440.90 lac as on 31st March 2015 to ₹10,400.97 lac as on 31st March 2016 and increase in Net Worth is due to plough back of profits.

Application of funds**Gross block**

A moderate increase of 0.34% in fixed assets (tangible assets, intangible assets and capital work-in progress) from ₹35,281.14 lac as on 31st March 2015 to ₹35,400.76 lac as on 31st March 2016 is due to maintenance capex.

Working capital management

Current assets as on 31st March 2016 stood at ₹15,301.21 lac compared to ₹17,120.77 lac as on 31st March 2015, a decrease of 10.63% is due to better working capital management. Current ratio improved to 1.23 as on 31st March 2016 against 1.04 as on 31st March 2015 mainly due to plough back of profits.

Inventories (finished and semi-finished goods along with raw materials) for 2015-16 decreased by 15.88% from ₹8234.28 lac as on 31st March 2015 to ₹6926.88 lac as on 31st March 2016. The closing inventory as on 31st March 2016 represents 45 days of turnover compared to 54 days of turnover in FY 2014-15. Inventory levels could be reduced due to better inventory management.

Debtors as on 31st March 2016 stood at ₹4,973.54 lac against ₹4,073.54 lac as on 31st March 2015, an increase of 22.09%. The debtors' cycle increased to 28

days of turnover as against 24 days in FY 2014-15 due to slow down in industry and demand post steep fall in prices of Fibre and Yarn.

Cash & bank Balances decreased from ₹1,595.25 lac in FY 2014-15 to ₹377.64 lac during FY 2015-16 mainly due to release of fixed deposits held with banks.

Other Current Assets decreased by 44% to stand at ₹235.26 lac as on 31st March 2016 as compared to ₹420.01 lac as on 31st March 2015, largely due to the receipt of pending export incentives as well as interest subsidy under TUF.

Short term borrowings decreased substantially from ₹7963.20 lac in FY 2014-15 to ₹4647.62 lac in 2015-16 due to better inventory management and decrease in cash and bank balances level.

Trade payables were also reduced by ₹1128.58 lac during 2015-16 partly due to reduction in raw material prices and partly with the objective of better negotiation power with ease of liquidity position.

Other Current liabilities increased by ₹587.54 lac during 2015-16 due to increase in current maturities of long term debts.

Sources of funds

Particulars	FY 2015-16 (₹ lac)	% of capital employed	FY 2014-15 (₹ lac)	% of capital employed
Share capital	1,917.69	5.28	4,727.60	12.39
Reserves and surplus	18,100.35	49.89	12,993.14	34.05
Money received against share warrants	-	-	71.25	0.19
Net worth	20,018.04	55.17	17,791.99	46.63
Loan funds	15,048.59	41.48	19,404.10	50.85
Deferred tax liability	1,216.40	3.35	962.73	2.52
Capital employed	36,283.03	100	38,158.82	100

10 Years at a Glance

	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07
Key Financials										
Net sales	646.49	621.95	498.79	435.05	385.23	291.30	198.90	135.37	105.42	62.67
EBIDTA	75.29	64.68	56.30	48.19	43.38	36.30	24.30	17.31	12.35	7.00
PAT	24.86	23.07	24.54	24.12	20.69	18.02	9.00	4.34	3.75	1.89
EPS (₹)	12.84	13.36	16.74	15.52	14.10	12.99	8.45	4.35	3.62	2.03
Net worth	200.18	177.92	124.84	100.92	79.48	56.79	37.42	23.98	20.20	16.00
Book value per share (₹)	110.37	95.54	81.14	66.46	56.13	40.46	35.67	24.33	20.50	17.08
Net fixed assets per share (₹)	141.43	175.04	172.69	123.65	76.33	70.63	72.53	62.88	49.11	33.64
Cash accruals	45.91	41.94	37.10	35.58	31.68	26.92	15.92	10.00	7.35	3.70
Key Ratios										
Debt-equity ratio	0.52	0.64	1.18	1.22	0.64	0.96	0.94	1.54	1.37	0.95
Return on equity (ROE)	11.63%	13.92%	20.36%	23.37%	25.11%	30.62%	22.34%	15.72%	16.78%	11.25%
ROCE	14.95	12.01	11.88	19.29	17.84	18.8	16.5	12.2	11.7	10.3
Environmental Conservation										
Bottles consumed (in billion)	4.43	3.76	3.35	2.42	2.34	2.26	1.53	1.42	0.87	0.47
Landfill space saved (in cubic yards)	589,802	500,923	445,771	322,353	311,250	301,199	203,811	189,448	116,543	62,177
CO2 elimination (in tonnes)	119,554	101,538	90,359	65,342	63,091	61,054	41,313	38,402	23,624	12,604

Human resource development & industrial relations

The human resource philosophy and strategy of the Company has been designed to attract and retain the best talent. Employees are the Company's most valuable assets and the Company's processes are designed to empower employees and support creative approaches in order to create enduring value.

The Company's human resource management systems and processes aim to enhance organisational performances. The Company focuses on quick grievance resolution mechanisms and maintains absolute harmony with its work force and as such it has not faced any labour trouble since inception. As on 31st March 2016, the total direct employee strength of the Company stood at 1,822.

Internal control

The Company has built a robust internal control system based on the stringent reporting of all transactions, demonstrated efficiencies in operations and rigorous compliance, with of relevant laws and statutory regulations. The Company undertakes internal audits at

regular intervals to ensure that all procedures conform to all relevant regulations. The internal audit report is discussed by the senior management and the Audit Committee of the Board. The Audit Committee regularly reviews the adequacy and efficacy of the internal control systems and procedures.

Cautionary Statement

The Investors are hereby informed that statements in the Directors' Report and Management Discussion and Analysis describing the objectives, projections, estimates and expectations may be "forward looking Statements" within the meaning of applicable securities laws and regulations and the actual performance in coming years could differ from what is expressed or implied. The factors that could affect the Company's performance are the economic and other factors that affect the demand - supply balance in the domestic market as well as in the international markets, changes in government regulations, tax laws and other statutes and host of other incidental implications.

Directors' Report

To the Members of Ganesha Ecosphere Ltd.

Your Directors have pleasure in presenting the Twenty Seventh (27th) Annual Report of the Company together with the Audited Financial Statements for the financial year ended 31st March, 2016.

FINANCIAL RESULTS

The summarised financial results of the Company for the year ended 31st March, 2016 as compared to the preceding year are as under:

	(₹ in crore)	
Particulars	Current Year (2015-16)	Previous Year (2014-15)
Total Revenue	648.75	624.95
Profit before Finance Costs, Depreciation and Amortization Expense	75.29	64.68
Less: Finance Costs	19.86	19.67
Less: Depreciation & Amortization Expense	21.05	18.87
Profit before Tax	34.38	26.14
Tax Expense	(9.52)	(3.07)
Profit after Tax	24.86	23.07
Surplus brought forward from Previous Year	107.59	86.12
Balance available for appropriation	132.45	109.19
Less: Appropriations:		
Taxation/ MAT Credit adjustments for earlier years (Net)	0.05	0.42
Transferred from Debenture Redemption Reserve	-	(3.37)
Interim Dividend on Compulsorily Convertible Preference Shares (Including Dividend Distribution Tax)	1.52	-
Dividend on Equity Shares for previous years (Including Dividend Distribution Tax)	0.40	-
Proposed Dividend		
- Compulsorily Convertible Preference Shares	-	1.84
- Equity Shares	2.30	1.94
Dividend Distribution Tax on Proposed Dividend	0.47	0.77
Surplus carried to Balance Sheet	127.71	107.59

FINANCIAL AND OPERATIONAL PERFORMANCE

During the Year 2015-16, revenues from operations of your Company increased to ₹647.29 crore, as compared to previous year's revenues of ₹623.25 crore, hence representing the growth rate of 3.86%. Earnings before Depreciation, Interest and Taxation (EBITDA) increased by 16.40% being ₹75.29 crore in the current year as against ₹64.68 crore in the previous year. During the year under review, the Net Profits of the Company was placed at ₹24.86 crore as against ₹23.07 crore in previous year showing growth of 7.76%.

Your Company has been able to achieve satisfactory results, during the year, despite sharp fall in crude oil prices across the globe which resulted into steep decline

in prices of Recycled Polyester Staple Fibre. During the year, tax impact increased substantially due to expiry of tax holiday period at one of the manufacturing unit of the Company.

Your directors are pleased to inform you that the Company has decided to increase its installed capacity by setting up another production line of Recycled Polyester Staple Fibre (RPSF) with capacity of 21,000 Tons per annum (TPA) at its unit situated at Temra, Bilaspur, Distt. Rampur (U.P.), raising consolidated RPSF capacity of the Company to 1,08,600 TPA.

Your Directors hope that the additional capacity shall grab the increased demand and considerably reduce

the lead time for supplying the Company's products on a larger scale. The proposed expansion shall also lead to improvement in margins as well as profits.

The performance of the Company during the current year continues to be encouraging and barring unforeseen circumstances, your Directors expect your Company to achieve better results during the year.

DIVIDEND

Your Directors are pleased to recommend for approval of the members, a dividend of ₹1.20 per share (i.e. @ 12%) on Equity Shares of ₹10/- each of the Company, involving cash outflow of ₹2,76,97,005/- (inclusive of dividend distribution tax of ₹46,84,753/-) for the financial year 2015-16.

SHARE CAPITAL

During the year under review, 31,07,500 Compulsorily Convertible Preference Shares (CCPS) of ₹100/- each have been converted into 27,25,877 Equity Shares of ₹10/- each of the Company at a price of ₹114/- per Equity Share (including premium of ₹104/- per share).

The Company has allotted 2,50,000 Equity Shares of ₹10/- each at a premium of ₹104/- per share consequent upon conversion of outstanding Warrants, to MCAP India Fund Limited on preferential basis, during the year under review. The proceeds of the issue have been utilized for the purpose for which the funds were raised.

With the aforesaid allotments of Equity Shares, the total Paid-up Equity Share Capital of the Company stood increased from ₹16.20 Crore to ₹19.18 Crore.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Management Discussion & Analysis Report is provided in a separate section forming part of the Annual Report.

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

The Company has no Subsidiary, Associate and Joint Venture Companies during the year, as such; the requirement of furnishing information relating to performance and financial position of the Subsidiary, Associate and Joint Venture Companies is not applicable.

DIRECTORS

Mrs. Poonam Garg ceased to be the Director of the Company w.e.f. 11th February, 2016, due to withdrawal of her nomination by IFCI Venture Capital Funds Ltd. The Board places on record its appreciation for the valuable

services rendered by her during her tenure as Director of the Company.

Subsequently, the Board on recommendation of the Nomination and Remuneration Committee has appointed Mrs. Seema Sharma as an Additional Director w.e.f. 30th March, 2016, who holds office upto the date of ensuing Annual General Meeting and is eligible for appointment as Director of the Company.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Shri Rajesh Sharma, Director of the Company retires from the Board by rotation, at the ensuing Annual General Meeting of the Company and being eligible he has offered himself for re-appointment.

DECLARATION FROM INDEPENDENT DIRECTORS

The Company had received the declarations u/s 149(7) of the Companies Act, 2013 from all Independent Directors that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

COMPOSITION OF AUDIT COMMITTEE

The Audit Committee of the Company comprises of six Directors, out of which five Directors are independent. The composition and other details are provided in the Corporate Governance Report of the Company. All the recommendations made by the Audit Committee were accepted by the Board.

KEY MANAGERIAL PERSONNEL

During the year under review, following are the Key Managerial Personnel of the Company:

Sl. No.	Name of the person	Designation
1.	Shri Shyam Sunder Sharma	Chairman and Managing Director
2.	Shri Sharad Sharma	Joint Managing Director
3.	Shri Gopal Agarwal	Chief Financial Officer
4.	Shri Bharat Kumar Sajani	Company Secretary & Compliance Officer

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, in respect of the financial year ended 31st March, 2016, confirm that:-

- In preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;

- b) they have selected such accounting policies and applied them consistently and made judgements 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 of the Company for that year;
- c) they have taken proper and sufficient care for the maintenance of adequate Accounting Records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared Annual Accounts on a 'going concern' basis.
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively.
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Company has in place adequate internal financial controls commensurate with the size of the Company and the nature of its business, with reference to financial statements. The Audit Committee of the Board of Directors regularly reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same.

NUMBER OF MEETINGS OF THE BOARD

The details of the number of meetings of the Board held during the financial year 2015-16 are given under the Corporate Governance Report.

EXTRACTS OF ANNUAL RETURN

The extract of the Annual Return in Form MGT-9 as required under Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is included in this Report as **"Annexure A"** and forms an integral part of this Report.

LISTING

The Equity Shares of the Company are presently listed at BSE Limited and National Stock Exchange of India Ltd. and the listing fee for both the Stock Exchanges is paid upto date. The Company has entered into fresh Listing Agreement with BSE Limited and National Stock Exchange of India Ltd. in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

AUDITORS AND AUDITORS' REPORT

a. Statutory Auditors

M/s. Mehrotra Rakesh Kumar & Co., Chartered Accountants, Kanpur were appointed as Statutory Auditors of the Company at the 25th Annual General Meeting of the Company held on 29th September, 2014, to hold office till the conclusion of the 28th Annual General Meeting in accordance with the provisions of the Companies Act, 2013. However, their appointment was subject to ratification by the members at every Annual General Meeting held after appointment during their tenure of office. The Auditors have confirmed their eligibility and qualification under Section 141 of the Companies Act, 2013 and therefore, their ratification for appointment as Statutory Auditors for the year 2016-17 is being sought from the Members of the Company at the ensuing AGM.

The Auditor's Report for the financial year 2015-16 does not contain any qualification, reservation or adverse remark.

b. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Board has appointed M/s. S.K. Gupta & Co., Company Secretaries, as Secretarial Auditor, to undertake Secretarial Audit for the financial year 2015-16. The Secretarial Audit Report for the financial year ended 31st March, 2016 is annexed herewith as **"Annexure B"** to this report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

c. Cost Auditors

M/s. R. M. Bansal & Co., Cost Accountants (Firm Regn. No.: 00022) and M/s. Rakesh Misra & Co., Cost Accountants (Firm Regn. No.: 00249), have been appointed as Cost Auditors of the Company to conduct the audit of the Cost Accounts of the Company in respect of its products 'Yarn' and 'Recycled Polyester Staple Fibre' respectively, for the financial year 2016-17.

As required under the Companies Act, 2013, the resolutions seeking Member's ratification for the remuneration payable to Cost Auditors forms part of the Notice convening the Annual General Meeting.

d. Internal Auditors

The Company has appointed M/s. Kapoor Tandon & Co., Chartered Accountants as the Internal Auditors of the Company for the financial year 2015-16 on the recommendations of the Audit Committee. The Internal Audit Report is placed before the Audit Committee of the Company, time to time.

RELATED PARTY TRANSACTIONS

The Company has formulated a policy on dealing with Related Party Transactions. The policy is disclosed on the website of the Company at the link www.ganeshaecosphere.com/wp-content/uploads/2016/05/related-party-transaction.pdf

During the financial year under review, all transactions entered into with Related Parties were in the ordinary course of business and on an arm's length basis and they are placed before the Audit Committee as also to the Board for approval. Omnibus approval from the Audit Committee was obtained on annual basis for transactions which are of repetitive nature. Further, the Company had not entered into any contract/ arrangement/ transactions with related parties which can be considered as material in nature. The related party transactions are disclosed under Note No. 37 of the Notes to Financial Statements for the year ended 31st March, 2016. There were no material related party transactions requiring disclosure in Form AOC - 2.

PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS BY THE COMPANY

Your Company has not made any investments, given loans and guarantees attracting provisions of Section 186 of the Companies Act, 2013.

WHISTLE BLOWER POLICY

Pursuant to Section 177 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted Whistle Blower Policy for vigil mechanism for Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The details of the policy are explained in the Corporate Governance Report.

The Policy has been posted on the website of the Company and may be accessed at the link www.ganeshaecosphere.com/wp-content/uploads/2016/05/whistle-blower-policy.pdf

NOMINATION AND REMUNERATION POLICY

Our current Nomination and Remuneration Policy is to have an appropriate mix of Executive and Non-Executive directors including the independent directors to maintain the diversity and independence of the Board.

The detailed policy on director's appointment and remuneration, including criteria for determining positive attributes, qualifications and independence of a director as required under Section 178(3) of the Companies Act, 2013 is available on the website of the Company at the link www.ganeshaecosphere.com/wp-content/uploads/2016/08/Policy-on-Nomination-Remuneration-

[And-Board-Diversity.pdf](#) and is also annexed as "Annexure C" to this report. Further, we affirm that the remuneration paid to the Directors is as per the terms laid out in Nomination and Remuneration Policy of the Company.

BOARD EVALUATION

The Board of Directors at its meeting held on 11th February, 2016, had evaluated its own performance and of its committees along with performance of individual directors including independent directors. The Board of Directors expressed satisfaction with the evaluation process. The Evaluation Process was conducted through a structured questionnaire prepared after taking into consideration the various aspects laid down under the "Nomination, Remuneration and Board Diversity Policy" of the Company.

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the performance evaluation of the Chairman, the Non-Independent Directors, the Board and its Committees was carried out by the Independent Directors at its meeting held on 10th February, 2016.

RISK MANAGEMENT

Risk management is an ongoing process and embedded in the operating framework of your Company. Your Company believes that managing risks helps in maximizing returns. The Board members are regularly informed about the potential risks, their assessment and minimization procedures. The Board frames a plan for elimination / minimization of the risk and further lays out the steps for implementing and monitoring of the risk management plan.

There are no risks which in the opinion of the Board are of the nature that can threaten the existence of the Company. However, the risks inter-se those are generally dealt in regular course of business and have to be taken care of, are fluctuations in foreign exchange rates and prices of raw material as well as finished products.

The Risk Management Policy has been uploaded on the Company's website and may be accessed at the link www.ganeshaecosphere.com/wp-content/uploads/2016/05/risk-management-policy.pdf

CORPORATE SOCIAL RESPONSIBILITY

Your Company is committed to focus on inclusive growth and improving lives by contributing towards communities around which it operates. For achieving its CSR objectives, the Company has established a CSR Trust in the name of "Ganesh Memorial Trust" as a part of its initiative under the "Corporate Social Responsibility" (CSR) drive.

The Report on CSR activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out as **"Annexure D"**. The CSR Policy has been uploaded on the Company's website and may be accessed at the link www.ganeshaecosphere.com/wp-content/uploads/2016/05/corporate-social-responsibility-policy.pdf

DEPOSITS

During the year under review, the Company has neither accepted nor renewed any deposit from public in terms of the provisions of Sections 73 and 76 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

In terms of Rule 2(1)(c)(viii) of the Companies (Acceptance of Deposits) Rules, 2014, the Company, during the year, has accepted an amount of ₹4,61,50,000/- as unsecured loans from the directors and the balance outstanding as on 31st March, 2016 was ₹1,87,00,000/-.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year 2015-16 and the date of this Report. Further, there was no change in the nature of business of the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There were no significant and material orders passed by the regulators or courts or tribunals, which would impact the going concern status of the Company and its future operations.

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

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed herewith as **"Annexure E"**.

PARTICULARS OF EMPLOYEES

The Disclosure required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as **"Annexure F"** and forms an integral part of this Report.

The information showing names and other particulars of employees as per Rule 5(2) and 5(3) of the aforesaid Rules forms part of this report. However, as per first proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company and others entitled thereto. The said information is available for inspection by members at the registered office of the Company during business hours on all working days upto the date of ensuing Annual General Meeting. Any member interested in obtaining a copy thereof, may also write to the Company Secretary.

CORPORATE GOVERNANCE

As required under Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on Corporate Governance together with Certificate from the Company's Auditors confirming compliance of the conditions of Corporate Governance, forms an integral part of this Report.

POLICY ON SEXUAL HARASSMENT

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace with a mechanism of lodging complaints in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under. No complaints were reported to the Board for sexual harassment of women at work place during the financial year 2015-16.

ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record appreciation for the co-operation and support extended by various departments of the Central and the State Government(s), Bankers and Business associates.

Your Directors also wish to place on record appreciation to all the employees for their sincere and dedicated services rendered to the Company and are also grateful to all the Shareholders, customers, dealers, agents, suppliers and bankers of the Company for reposing continued trust, support and confidence in the management of the Company.

For and on behalf of the Board

(Shyam Sunder Sharma)

Place: Kanpur

Chairman and Managing Director

Date : 25th July, 2016

DIN: 00530921

Annexure 'A' to the Directors' Report

Form No. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31st March, 2016

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

I. REGISTRATION & OTHER DETAILS

i.	CIN	L51109UP1987PLC009090
ii.	Registration Date	30 th October, 1987
iii.	Name of the Company	Ganesha Ecosphere Ltd.
iv.	Category/Sub-category of the Company	Public Company Limited by Shares/ Indian non-govt Company
v.	Address of the Registered office & contact details	Raipur, (Rania), Kalpi Road, Distt. Kanpur Dehat, Uttar Pradesh. E-mail : gesl@ganeshaecosphere.com Website : www.ganeshaecosphere.com Tel. No. 0512-2555504-06,+919198708383 Fax No. 0512-2555293
vi.	Whether listed company	Yes
vii.	Name , Address & Contact details of the Registrar & Transfer Agent, if any.	Skyline Financial Services Pvt. Ltd. D- 153/A, First Floor, Okhla Industrial Area, Phase- I, New Delhi- 110020, Tel. No. 011- 26812682-83 E-mail: admin@skylinerta.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company are given hereunder-

S. No.	Name & Description of main products/ services	NIC Code of the Product /service	% to total turnover of the Company
1.	Polyester Staple Fibre	20302	73.37
2.	Spun Yarn	13114	19.85

III. PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

S. No.	Name & Address of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1.	N.A.	N.A.	N.A.	N.A.	N.A.

IV. SHARE HOLDING PATTERN (Equity Share Capital Break up as Percentage to Total Equity)

i. Category wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
a. Individual/HUF	6768935	-	6768935	41.78	6143935	-	6143935	32.04	(9.74)
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. State Govt.(s)	-	-	-	-	-	-	-	-	-
d. Bodies Corporates	2552001	-	2552001	15.75	2552001	-	2552001	13.31	(2.44)
e. Bank/FI	-	-	-	-	-	-	-	-	-
f. Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1) :-	9320936	-	9320936	57.53	8695936	-	8695936	45.35	(12.18)
2. Foreign									
a. NRI- Individuals	-	-	-	-	-	-	-	-	-
b. Other Individuals	-	-	-	-	-	-	-	-	-
c. Bodies Corp.	-	-	-	-	-	-	-	-	-
d. Banks/FI	-	-	-	-	-	-	-	-	-
e. Any other...	-	-	-	-	-	-	-	-	-
Sub Total (A) (2) :-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	9320936	-	9320936	57.53	8695936	-	8695936	45.35	(12.18)
B. Public Shareholding									
1. Institutions									
a. Mutual Funds	100	5400	5500	0.03	1364350	5400	1369750	7.14	7.11
b. Banks/FI	-	100	100	-	-	100	100	-	-
c. Central Govt.	-	-	-	-	-	-	-	-	-
d. State Govt.	-	-	-	-	-	-	-	-	-
e. Venture Capital Fund	-	-	-	-	-	-	-	-	-
f. Insurance Companies	-	-	-	-	-	-	-	-	-
g. FIs	30000	-	30000	0.19	14000	-	14000	0.07	(0.12)
h. Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i. Others (specify)	-	-	-	-	-	-	-	-	-
Sub Total (B)(1) :-	30100	5500	35600	0.22	1378350	5500	1383850	7.22	7.00
2. Non Institutions									
a. Bodies Corporates									
i. Indian	2247031	7400	2254431	13.92	4721769	7400	4729169	24.66	10.74
ii. Overseas	-	-	-	-	-	-	-	-	-
b. Individuals									
i. Individual shareholders holding nominal share capital upto ₹1 lakhs	1268468	1217496	2485964	15.34	1245869	1185796	2431665	12.68	(2.66)
ii. Individual shareholders holding nominal share capital in excess of ₹1 lakhs	1815228	-	1815228	11.20	1483194	-	1483194	7.73	(3.47)
c. Others (specify)									
i. NRI	70637	4000	74637	0.46	75602	-	75602	0.39	(0.07)
ii. Hindu Undivided Family	204071	-	204071	1.26	159705	-	159705	0.83	(0.43)
iii. Clearing Members/ House	10133	-	10133	0.06	217756	-	217756	1.14	1.08
Sub Total (B)(2) :-	5615568	1228896	6844464	42.25	7903895	1193196	9097091	47.43	5.18
Total Public Shareholding (B)= (B)(1)+(B)(2)	5645668	1234396	6880064	42.47	9282245	1198696	10480941	54.65	12.18
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	14966604	1234396	16201000	100	17978181	1198696	19176877	100	-

ii. Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares*	No. of Shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares*	
1.	Mr. Shyam Sunder Sharmma	2163927	13.36	9.88	1938927	10.11	8.34	(3.25)
2.	Mr. Vishnu Dutt Khandelwal	920200	5.68	0.00	720200	3.76	0.00	(1.92)
3.	Mr. Sharad Sharma	1075583	6.64	2.24	875583	4.57	1.89	(2.07)
4.	Mr. Rajesh Sharma	1095529	6.76	0.00	1095529	5.71	0.00	(1.05)
5.	Mrs. Seema Sharma	269215	1.66	0.00	269215	1.40	0.00	(0.26)
6.	Mr. Sandeep Khandelwal	106050	0.65	0.00	106050	0.55	0.00	(0.10)
7.	Mrs. Vimal Sharma	471250	2.91	1.94	471250	2.46	1.64	(0.45)
8.	Mrs. Ratna Sharma	257825	1.59	0.00	257825	1.34	0.00	(0.25)
9.	Shyam Sunder Sharmma HUF	107000	0.66	0.00	107000	0.56	0.00	(0.10)
10.	Sharad Sharma HUF	94731	0.58	0.00	94731	0.49	0.00	(0.09)
11.	GPL Finance Ltd.	2123201	13.11	7.64	2123201	11.07	0.00	(2.04)
12.	Sandeep Yarns Pvt. Ltd.	428800	2.64	0.00	428800	2.24	0.00	(0.40)
13.	Vishnu Dutt Khandelwal HUF	37500	0.23	0.00	37500	0.20	0.00	(0.03)
14.	Rajesh Sharma HUF	23250	0.14	0.00	23250	0.12	0.00	(0.02)
15.	Mrs. Nirmal Khandelwal	46875	0.29	0.00	46875	0.24	0.00	(0.05)
16.	Mr. Yash Sharma	100000	0.62	0.00	100000	0.52	0.00	(0.10)
Total		9320936	57.53	21.70	8695936	45.35	11.88	(12.18)

* The % of shares pledged/ encumbered represents % of shares pledged/ encumbered as % of the total shares of the Company.

iii. Change in Promoters' Shareholding

S. No.	Name of the Promoter/ Promoter Group	Shareholding at the beginning of the year		Date	Increase/ Decrease in Shareholding*	Reason	Cumulative Shareholding during the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Mr. Shyam Sunder Sharmma	2163927	13.36	20.04.2015	(225000)	Sale	1938927	10.11	1938927	10.11
2.	Mr. Vishnu Dutt Khandelwal	920200	5.68	20.04.2015	(200000)	Sale	720200	3.76	720200	3.76
3.	Mr. Sharad Sharma	1075583	6.64	20.04.2015	(200000)	Sale	875583	4.57	875583	4.57
4.	Mr. Rajesh Sharma	1095529	6.76	-	-	-	-	-	1095529	5.71
5.	Mrs. Seema Sharma	269215	1.66	-	-	-	-	-	269215	1.40
6.	Mr. Sandeep Khandelwal	106050	0.65	-	-	-	-	-	106050	0.55
7.	Mrs. Vimal Sharma	471250	2.91	-	-	-	-	-	471250	2.46
8.	Mrs. Ratna Sharma	257825	1.59	-	-	-	-	-	257825	1.34
9.	Shyam Sunder Sharmma HUF	107000	0.66	-	-	-	-	-	107000	0.56
10.	Sharad Sharma HUF	94731	0.58	-	-	-	-	-	94731	0.49
11.	GPL Finance Ltd.	2123201	13.11	-	-	-	-	-	2123201	11.07
12.	Sandeep Yarns Pvt. Ltd.	428800	2.64	-	-	-	-	-	428800	2.24
13.	Vishnu Dutt Khandelwal HUF	37500	0.23	-	-	-	-	-	37500	0.20
14.	Rajesh Sharma HUF	23250	0.14	-	-	-	-	-	23250	0.12
15.	Mrs. Nirmal Khandelwal	46875	0.29	-	-	-	-	-	46875	0.24
16.	Mr. Yash Sharma	100000	0.62	-	-	-	-	-	100000	0.52

iv. Shareholding Pattern of top ten Shareholders as on 31st March, 2016 (other than Directors, Promoters & Holders of GDRs & ADRs)

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	MCAP India Fund Limited	0	0.00	03.08.2015	2725877	Allotment	2725877	14.40		
				19.09.2015	250000	Allotment	2975877	15.52	2975877	15.52
2.	SBI Mutual Fund	0	0.00	24.04.2015	850000	Purchase	850000	5.25		
				01.05.2015	20000	Purchase	870000	5.37		
				05.06.2015	54000	Purchase	924000	5.70		
				26.06.2015	10000	Purchase	934000	5.77		
				17.07.2015	6454	Purchase	940454	5.80		
				14.08.2015	7702	Purchase	948156	5.01		
				18.09.2015	16682	Purchase	964838	5.10		
				30.09.2015	393	Purchase	965231	5.03		
				09.10.2015	5354	Purchase	970585	5.06		
				30.10.2015	953	Purchase	971538	5.07		
				27.11.2015	331671	Purchase	1303209	6.80		
				11.12.2015	(4207)	Sale	1299002	6.77		
				01.01.2016	(2793)	Sale	1296206	6.76		
				15.01.2016	40795	Purchase	1337004	6.97		
				22.01.2016	11000	Purchase	1348004	7.03		
				19.02.2016	16246	Purchase	1364250	7.11	1364250	7.11
3.	Essel Industries Private Limited	603578	3.73	-	-	-	-	-	603578	3.15
4.	Sangeeta Pareekh	502538	3.10	11.09.2015	(10000)	Sale	492538	2.60	492538	2.60
5.	Commercial Advertising And Marketing Private Limited	408000	2.52	24.04.2015	(75000)	Sale	333000	2.06		
				01.05.2015	(33000)	Sale	300000	1.85		
				04.09.2015	(11225)	Sale	288775	1.53		
				18.09.2015	10632	Purchase	299407	1.58		
6.	Bajaj Allianz Life Insurance Company Ltd.			25.09.2015	593	Purchase	300000	1.56	300000	1.56
		0	0.00	08.01.2016	190000	Purchase	190000	0.99		
7.	Share India Securities Limited			15.01.2016	110000	Purchase	300000	1.56	300000	1.56
		269143	1.66	03.04.2015	6000	Purchase	275143	1.70		
				10.04.2015	47145	Purchase	322288	1.99		
				17.04.2015	20703	Purchase	342991	2.12		
				24.04.2015	(272570)	Sale	70421	0.43		
				01.05.2015	12814	Purchase	83235	0.51		
				08.05.2015	135548	Purchase	218783	1.35		
				15.05.2015	72442	Purchase	291225	1.80		
				22.05.2015	(20222)	Sale	271003	1.67		
				29.05.2015	22926	Purchase	293929	1.81		
				05.06.2015	15024	Purchase	308953	1.91		
				12.06.2015	8481	Purchase	317434	1.96		
				19.06.2015	6446	Purchase	323880	2.00		
				26.06.2015	(2130)	Sale	321750	1.99		
				30.06.2015	3922	Purchase	325672	2.01		
				03.07.2015	2373	Purchase	328045	2.02		
				10.07.2015	9759	Purchase	337804	2.09		
				17.07.2015	(3032)	Sale	334772	2.07		
				24.07.2015	(13853)	Sale	320919	1.98		
				31.07.2015	(22251)	Sale	298668	1.84		

iv. Shareholding Pattern of top ten Shareholders as on 31st March, 2016 (other than Directors, Promoters & Holders of GDRs & ADRs) (Contd..)

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
				07.08.2015	9018	Purchase	307686	1.63		
				14.08.2015	224925	Purchase	532611	2.81		
				21.08.2015	19069	Purchase	551680	2.91		
				28.08.2015	2138	Purchase	553818	2.93		
				04.09.2015	(20069)	Sale	533749	2.82		
				11.09.2015	8162	Purchase	541911	2.86		
				18.09.2015	1515	Purchase	543426	2.83		
				23.09.2015	(1645)	Sale	541781	2.83		
				25.09.2015	500	Purchase	542281	2.83		
				30.09.2015	(231)	Sale	542050	2.83		
				01.10.2015	2273	Purchase	544323	2.84		
				09.10.2015	1411	Purchase	545734	2.85		
				16.10.2015	11151	Purchase	556885	2.90		
				23.10.2015	(3927)	Sale	552958	2.88		
				30.10.2015	(1357)	Sale	551601	2.88		
				06.11.2015	(6808)	Sale	544793	2.84		
				13.11.2015	(188603)	Sale	356190	1.86		
				20.11.2015	3446	Purchase	359636	1.88		
				27.11.2015	(37024)	Sale	322612	1.68		
				04.12.2015	70459	Purchase	393071	2.05		
				11.12.2015	7643	Purchase	400714	2.09		
				18.12.2015	40159	Purchase	440873	2.30		
				25.12.2015	1012	Purchase	441885	2.30		
				31.12.2015	49589	Purchase	491474	2.56		
				01.01.2016	(154251)	Sale	337223	1.76		
				08.01.2016	(336614)	Sale	609	0.00		
				15.01.2016	27893	Purchase	28502	0.15		
				22.01.2016	25272	Purchase	53774	0.28		
				29.01.2016	13136	Purchase	66910	0.35		
				05.02.2016	18701	Purchase	85611	0.45		
				12.02.2016	5626	Purchase	91237	0.48		
				19.02.2016	7267	Purchase	98504	0.51		
				26.02.2016	18176	Purchase	116680	0.61		
				04.03.2016	6948	Purchase	123628	0.64		
				11.03.2016	15427	Purchase	139055	0.73		
				18.03.2016	6266	Purchase	145321	0.76		
				25.03.2016	972	Purchase	146293	0.76		
				31.03.2016	51117	Purchase	197410	1.03	197410	1.03
8.	Securocrop Securities India Private Limited	173371	1.07	-	-	-	-	-	173371	0.90
9.	Narippen Obhrai	123036	0.76	-	-	-	-	-	123036	0.64
10.	Shruti Mayank Shah	0	0.00	08.01.2016	100000	Purchase	100000	0.52		
				15.01.2016	7500	Purchase	107500	0.56	107500	0.56

v. Shareholding of Directors & Key Managerial Personnel

S. No.	Name	Shareholding at the beginning of the year		Date	Increase/Decrease in Shareholding	Reason	Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
A.	Directors							
1.	Mr. Shyam Sunder Sharmma (Chairman & Managing Director)	2163927	13.36	20.04.2015	(225000)	Sale	1938927	10.11
2.	Mr. Vishnu Dutt Khandelwal (Executive Vice Chairman)	920200	5.68	20.04.2015	(200000)	Sale	720200	3.76
3.	Mr. Sharad Sharma (Joint Managing Director)	1075583	6.64	20.04.2015	(200000)	Sale	875583	4.57
4.	Mr. Rajesh Sharma (Executive Director)	1095529	6.76	-	-	-	1095529	5.71
5.	Mr. Gopal Singh Shekhawat (Director-Administration)	46130	0.28	20.04.2015	(45730)	Sale	400	0.00
6.	Mr. Surendra Kumar Kabra (Non-Executive Independent Director)	-	-	-	-	-	-	-
7.	Mr. Vishwa Nath Chandak (Non-Executive Independent Director)	-	-	-	-	-	-	-
8.	Mr. Pradeep Kumar Goenka (Non-Executive Independent Director)	-	-	-	-	-	-	-
9.	Mr. Anoop Gupta (Non-Executive Independent Director)	-	-	-	-	-	-	-
10.	Mrs. Poonam Garg* (Nominee Director)	-	-	-	-	-	-	-
11.	Mr. Abhilash Lal (Non-Executive Independent Director)	-	-	-	-	-	-	-
12.	Mr. Narayanan Subramaniam (Non-Executive Independent Director)	-	-	-	-	-	-	-
13.	Mrs. Seema Sharma** (Additional Director)	269215	1.66	-	-	-	269215	1.40
B.	Key Managerial Personnel (KMPs)							
1.	Mr. Gopal Agarwal (Chief Financial Officer)	57766	0.36	20.04.2015	(39333)	Sale	18433	0.10
2.	Mr. Bharat Kumar Sajani (Company Secretary)	100	0.00	-	-	-	100	0.00

*Ceased from directorship w.e.f. 11th February, 2016

**Appointed as an additional director w.e.f. 30th March, 2016

V. INDEBTEDNESS

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

(₹ in crore)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	190.39	3.65	-	194.04
ii. Interest due but not paid	0.57	0.04	-	0.61
iii. Interest accrued but not due	0.44	0.00	-	0.44
Total (i+ii+iii)	191.40	3.69	-	195.09
Change in Indebtedness during the financial year				
Additions	81.15	9.13	-	90.28
Reduction	(131.83)	(2.01)	-	(133.84)
Net Change	(50.68)	7.12	-	(43.56)
Indebtedness at the end of the financial year				
i. Principal Amount	139.85	10.64	-	150.49
ii. Interest due but not paid	0.75	0.17	-	0.92
iii. Interest accrued but not due	0.12	0	-	0.12
Total (i+ii+iii)	140.72	10.81	-	151.53

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Director and/or Manager:

(Amount in ₹)

S. No.	Particulars of Remuneration	Name of the MD/WTD/Manager					Total Amount
		Mr. Shyam Sunder Sharmma	Mr. Sharad Sharma	Mr. Vishnu Dutt Khandelwal	Mr. Rajesh Sharma	Mr. Gopal Singh Shekhavat	
1.	Gross salary						
	a. Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	2,522,500	1,200,000	1,200,000	1,620,000	1,615,000	8,157,500
	b. Value of perquisites u/s 17(2) of the Income Tax Act, 1961	39,600	39,600	32,400	39,600	53,257	204,457
	c. Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	0	0	0	0	0	0
2.	Stock option	0	0	0	0	0	0
3.	Sweat Equity	0	0	0	0	0	0
4.	Commission						
	- as % of profit	5,290,000	5,290,000	5,290,000	5,290,000	0	21,160,000
	- others (specify)	0	0	0	0	0	0
5.	Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
Total (A)		7,852,100	6,529,600	6,522,400	6,949,600	1,668,257	29,521,957
Ceiling as per the Act		10% of the Net Profit calculated under Section 198 of the Companies Act, 2013.					34,875,079

B. Remuneration to other directors:

(Amount in ₹)

S.No.	Particulars of Remuneration	Name of the Directors						Total Amount
		Mr. Pradeep Kumar Goenka	Mr. Surendra Kumar Kabra	Mr. Vishwa Nath Chandak	Mr. Anoop Gupta	Mr. Abhilash Lal	Mr. Narayanan Subramaniam	
1.	Independent Directors							
	a. Fee for attending board committee meetings	40,000	40,000	30,000	20,000	35,000	5,000	170,000
	b. Commission	363,636	363,636	272,727	181,818	318,182	71,429	1,571,428
	c. Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total (1)		403,636	403,636	302,727	201,818	353,182	76,429	1,741,428
2.	Other Non Executive Directors	Mrs. Poonam Garg*	Mrs. Seema Sharma**					
	a. Fee for attending board committee meetings	5,000	NIL					5,000
	b. Commission	71,429	NIL					71,429
	c. Others, please specify.	NIL	NIL					NIL
Total (2)		76,429	NIL					76,429
Total (B)=(1+2)								1,817,857
Total Managerial Remuneration								31,339,814
Overall Ceiling as per the Act		11% of the net profits as per Section 198 of the Companies Act, 2013.						38,362,587

*Ceased from directorship w.e.f. 11th February, 2016**Appointed as an additional director w.e.f. 30th March, 2016

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (Contd..)

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTB

(Amount in ₹)

S. No.	Particulars of Remuneration	Key Managerial Personnel		
		CFO	Company Secretary	Total
1.	Gross Salary			
	a. Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	1533000	657000	2190000
	b. Value of perquisites u/s 17(2) of the Income Tax Act, 1961	32400	0	32400
	c. Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	0	0	0
2.	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission			
	-as % of profit	0	0	0
	-others, specify	0	0	0
5.	Others, please specify	0	0	0
Total		1565400	657000	2222400

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/Court)	Appeal made if any (give details)
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A. Company

Penalty	NIL				
Punishment					
Compounding					

B. Directors

Penalty	NIL				
Punishment					
Compounding					

C. Other officers in default

Penalty	NIL				
Punishment					
Compounding					

Annexure 'B' to the Directors' Report

SECRETARIAL AUDIT REPORT

For the Financial Year ended on 31st March, 2016

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Ganesha Ecosphere Limited,
Raipur (Rania), Kalpi Road,
Distt. Kanpur Dehat (U.P.)

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Ganesha Ecosphere Limited (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has during the Financial year ended on 31st March, 2016 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- i. The Companies Act, 2013 (the 'Act') and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder in respect of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October, 2014 **(Not applicable to the Company during the Audit Period);**
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period);**
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period).**

We have also examined compliance with the applicable Clauses of the following:

- i. Secretarial Standards issued by 'The Institute of Company Secretaries of India'.
- ii. The Listing Agreements entered into by the Company with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) for the period from 1st April, 2015 to 30th November, 2015; and
- iii. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period from 1st December, 2015 to 31st March, 2016.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We have relied upon the representation made by the Company and its Officers for compliances under the laws and regulations as applicable to the Company and are of the opinion that there are no sectoral laws applicable specifically to the Company.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all Directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation at the Meeting. All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that based on the information provided by the Company, its officers and authorised representatives during the conduct of Audit and review of Internal Auditor's Report, periodical Compliance Reports submitted by respective Departmental heads and taken on record by the Audit Committee / Board of Directors of the Company, in our opinion there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines. However, the same needs to be further streamlined.

We further report that during the Audit Period:

- a. The Company has allotted 27,25,877 Equity Shares at a price of ₹114/- per Equity Share (inclusive of premium of ₹104/- per share) on 3rd August, 2015 against conversion of 31,07,500 Compulsorily Convertible Preference Shares (CCPS) of ₹100/- each issued to MCAP India Fund Limited on preferential basis in terms of Offer Letter dated 30th September, 2014.
- b. The Company has allotted 2,50,000 Equity Shares of the face value of ₹10/- each at a price of ₹114/- per Equity Share (inclusive of premium of ₹104/- per share) on 19th September, 2015 to MCAP India Fund Limited against conversion of 2,50,000 Warrants issued on preferential basis in terms of Offer Letter dated 30th September, 2014.

For **S.K. Gupta & Co.**
Company Secretaries

(S.K. GUPTA)

Managing Partner

F.C.S -2589

CP-1920

Place: Kanpur

Date: 25th July, 2016

Annexure 'C' to the Directors' Report

POLICY ON NOMINATION, REMUNERATION AND BOARD DIVERSITY

1. PREAMBLE

The Board of Directors (the "Board") on the recommendation of the Nomination & Remuneration Committee (the "Committee") has approved and adopted this Nomination, Remuneration and Board Diversity Policy (the "Policy") in compliance with the provisions of Section 178 of the Companies Act, 2013 and rules made there under and Regulation 19(4) of Listing Regulations (erstwhile Clause 49 of the Listing Agreement with the stock exchanges).

2. OBJECTIVES

The main objectives of this Policy are:

- To lay down criteria for determining qualifications, attributes and independence of a director.
- To lay down criteria with regard to remuneration of directors, KMPs and other employees.
- To lay down criteria for evaluation of directors (executive and non-executive including Independent directors), the Board and its committees.
- To lay down criteria for determining the Company's approach to ensure adequate diversity in its Board.
- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become directors (executive and non-executive including Independent directors), Key Managerial Personnel ("KMP") and persons who may be appointed in senior management positions.

3. ATTRIBUTES, QUALIFICATIONS AND DIVERSITY POLICY

3.1 Directors

The Committee shall be responsible for identifying a suitable candidate for appointment as director of the Company.

The Board shall consist of such number of Directors as is necessary to effectively manage the Company of the size and nature as of Ganesha Ecosphere Ltd. ('GESL'), subject to a minimum of 3 and maximum of 15, including woman Directors. The Board shall have an appropriate combination of Executive, Non-Executive and Independent Directors.

While making appointment/re-appointment of directors, the Committee shall consider and evaluate number of factors including but not limited to background, knowledge, skills, professional experience & functional expertise, educational and professional background, personal accomplishment, age, experience, understanding of the industry and the related field viz. manufacturing, marketing, technology, finance, taxation, law, governance and other disciplines relevant to the business etc. and such other factors that the Committee might consider relevant and applicable from time to time towards achieving a diverse Board.

The Committee shall ensure that the proposed director satisfies the following additional criteria:

- Eligible for appointment as a director on the board of the Company and is not disqualified in terms of Section 164 and other applicable provisions of the Companies Act 2013 and the listing agreements.
- Does not hold directorship in more than 20 companies (Including private and public limited companies) or 10 public limited companies.
- Will be able to devote sufficient time and efforts in discharge of duties and responsibilities effectively.
- Completed the age of 21 years and has not attained the age of 70 years. Provided that appointment of a person who has attained the age of seventy years may be made by passing a special resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person.

3.2 Independent Directors

While evaluating a person for appointment/re-appointment as an independent director, the Committee shall ensure that the proposed appointee satisfies the following additional criteria:

- Meet the baseline definition and criteria of "independence" as set out in Section 149 of the Companies Act, 2013 and Regulation 16(b) of Listing Regulations (erstwhile Clause 49 of the Listing Agreement with the stock exchanges).

- Should not hold the position of independent director in more than seven listed companies and if serving as whole-time director in any listed company then in not more than three listed companies.
- Should not hold any board/employment position with a competitor in the geographies where the company is operating. However, the Board may in special circumstances waive this requirement.

The reappointment / extension of term of any board members shall be on the basis of their performance evaluation report.

3.3 KMP & Senior Management

While evaluating a person for appointment/re-appointment as KMP or in a senior management position, the management shall consider various factors including individual's background, competency, skills, educational and professional background, personal accomplishment, age, relevant experience and understanding of related field viz. manufacturing, marketing, technology, finance, taxation, law, governance or such other discipline relevant to present and prospective operations of the Company.

Senior Management means personnel of the company who are members of its core management team excluding Board of Directors and shall comprise of all members of management one level below the executive directors, including all functional heads.

4. REMUNERATION POLICY

4.1 Board Members:

The overall limits of remuneration of the board members including executive board members are governed by the provisions of Section 197 of the Companies Act, 2013, rules made there under and shall be approved by the shareholders of the Company and shall be subject to availability of profits of the Company.

Within the overall limit approved by the shareholders, on the recommendation of the Committee, the Board shall determine the remuneration. The Board can determine different remuneration for different directors on the basis of their role, responsibilities, duties, time involvement etc.

4.2 Non-executive directors including independent directors:

- A Non executive director shall be entitled to receive sitting fees for each meeting of the Board or committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and

the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;

- A Non Executive Director will also be entitled to receive commission on an annual basis, of such sum as may be approved by the Board on the recommendation of the Nomination and remuneration Committee;
- The Total commission payable to the Directors shall not exceed 1% of the net profits of the Company.
- The Non executive Directors shall be entitled to reimbursement of travel, hotel and other incidental expenses incurred by them in performance of their role and duties.

4.3 Executive Board Members:

- The remuneration (Including revision in the remuneration) of executive board members shall be approved by the Board on the basis of the recommendation of the Nomination & Remuneration committee.
- The remuneration payable to executive directors shall consist of (a) fixed pay, which is payable monthly, and shall include basic pay, contributions to retirement benefits, house rent allowance or company leased accommodation, other allowances and perquisites as per the Company's policy (b) Variable pay directly linked to the performance of the individual Director, his respective Business unit and the overall company's performance (c) long term incentive/ ESOPs as may be decided by the Nomination & Remuneration Committee from time to time.

4.4 Remuneration to Key Managerial Personnel (Other than Managing Director and Whole-Time director), Senior Management and other employees

- The remuneration of Key Managerial Personnel (other than managing director and whole time director), Senior Management and other employees, shall be as per compensation and appraisal policy of the Company.
- The remuneration payable to key managerial personnel (Other than managing director and whole time director) senior management and other employees may consist of (a) Fixed Pay, which is payable monthly and include basic pay, contributions to retirement benefits, house rent allowance or company-leased accommodation and other allowances as per company's policy (b) Variable pay (paid at the end of Financial year) directly linked to the performance of the

individual employee, his/her respective business unit and the overall company performance (c) long term incentive/ESOPs, as may be decided by the Committee from time to time.

- The remuneration including annual increment and performance bonus is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, industry benchmark and current compensation trends in the market.

5. PERFORMANCE EVALUATION

The performance of the Board as a whole, of its committees and of its members shall be evaluated at least once a year keeping in view the objectives of the Company.

It is the responsibility of the Chairman who shall be supported by the Company Secretary to organize the evaluation process and act on its outcome.

The results of board evaluation shall remain confidential between the Chairman, Directors concerned & the Company Secretary.

To carry out performance evaluation of Board, Committees and Directors, criteria to be considered would, inter alia, include following:

5.1 Evaluation of the Board

- Frequency of meetings and procedures;
- Development of suitable strategies and business plans at appropriate time and its effectiveness;
- Implementation of robust policies and procedures;
- Willingness to spend time and effort to learn about the Company and its business; and
- Awareness about the latest developments in the areas such as corporate governance framework, financial reporting, industry and market conditions.

5.2 Evaluation of Committees

- Discharge of its functions and duties as per its terms of reference;
- Process and procedures followed for discharging its functions;
- Effectiveness of suggestions and recommendations received;
- Size, structure and expertise of the Committee; and
- Conduct of its meetings and procedures followed in this regard.

5.3 Evaluation of Executive Director(s)

- Achievement of financial / business targets prescribed by the Board;
- Developing and managing / executing business plans, operational plans, risk management and financial affairs of the organization;
- Display of leadership qualities i.e. correctly anticipating business trends, opportunities, and priorities affecting the Company's prosperity and operations;
- Development of policies and strategic plans aligned with the vision and mission of the Company and which harmoniously balance the needs of shareholders, clients, employees and other stakeholders;
- Managing relationships with the Board, management team, regulators, bankers, industry representatives and other stakeholders.
- Adherence to the code of conduct of the Company.

5.4 Evaluation of Non-Executive Directors

- Participation at the Board / Committee meetings;
- Commitment (including guidance provided to senior management outside of Board / Committee meetings);
- Effective deployment of knowledge and expertise;
- Effective management of relationship with stakeholders;
- Integrity and maintaining of confidentiality;
- Independence of behaviour and judgement;
- Impact and Influence;
- Adherence to the code of conduct of the Company.

6. DISCLOSURES BY THE COMPANY

This Policy shall be disclosed in the Company's annual report as well as on the Company's website.

7. POLICY REVIEW

This policy shall be reviewed by the Nomination and Remuneration Committee as and when any changes are to be incorporated in the policy due to change in the provisions of Companies Act, 2013 or any other regulations or as may be felt appropriate by the Committee. Any changes or modification on the policy as recommended by the Committee would be given for approval of the Board of Directors.

Annexure 'D' to the Directors' Report

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES/INITIATIVES

(Pursuant to Section 135 of the Companies Act, 2013 and Rule 9 of the Companies (Accounts) Rules, 2014)

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

The Corporate Social Responsibility (CSR) Policy as approved by the Board has been uploaded on the Company's website and may be accessed at the link www.ganeshaecosphere.com/wp-content/uploads/2016/05/corporate-social-responsibility-policy.pdf. In terms of the CSR Policy of the Company, the following areas have been identified:

1. Promotion of Education at pre-school and school level.
2. Providing environmentally sustainable social infrastructure.
3. Providing better health facilities and combating disease.
4. Eradicating hunger, poverty and malnutrition.

The Ganesh Memorial Trust established by the Company for achieving its CSR objectives, is engaged in various activities such as Eye Check-up Camps, Free Ambulance Services, Blanket Distribution, Education for differently abled and Sanitation facility in the villages around factory units of the Company. A dispensary is also being established by the Trust for the needy people at Village Temra, Tehsil Bilaspur, Distt. Rampur.

2. Composition of CSR Committee:

The Corporate Social Responsibility committee of the Company comprises four Directors, out of which two Directors are independent. The Composition of CSR committee is as under:

Name of the Director	Category
Shri Abhilash Lal (Chairman)	Non- Executive Independent Director
Shri Pradeep Kumar Goenka	Non- Executive Independent Director
Shri Vishnu Dutt Khandelwal	Promoter Executive Director
Shri Sharad Sharma	Promoter Executive Director

3. Average net profit of the Company for last three financial years: ₹29,09,70,970/-

4. Prescribed CSR Expenditure (2% of the amount as in item 3 above): ₹58,19,420/-

5. Details of CSR spent during the financial year:

- a. Total amount to be spent for the financial year: ₹58,20,000/-
- b. Amount unspent, if any: - Nil

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

(1) S.No.	(2) CSR Project or activity Identified	(3) Sector in which the project is covered	(4) Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	(5) Amount outlay (budget) project or programs wise (₹)	(6) Amount spent on the projects or programs Sub-heads: (1) Direct Expenditure on projects or programs (2) Over-heads	(7) Cumulative expenditure up to the reporting period (₹)	(8) Amount Spent: Direct or through implementing agency
1.	Health Care & Education	- Promoting Healthcare including preventive healthcare - Promoting Education among differently abled, orphans	- Kanpur (U.P.) - Rudrapur (Uttarakhand) - Rampur (U.P)	57,93,900/-	Direct Expenditure	57,93,900/-	Ganesh Memorial Trust
2.	Education	Promoting Education among differently abled, orphans	- Kolkata - Kanpur (U.P)	26,100/-	Direct Expenditure	26,100/-	a. Adarsh Charitable Trust b. Kamakhya Balak Ashram
Total				58,20,000/-		58,20,000/-	

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report. Not applicable

7. **Responsibility Statement:** The CSR committee has confirmed that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

(Shyam Sunder Sharma)
Chairman and Managing Director

(Abhilash Lal)
Chairman of CSR Committee

Annexure 'E' to the Directors' Report

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

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

I. CONSERVATION OF ENERGY

a. *the steps taken or impact on conservation of energy:*

In its endeavour to efficiently conduct its business operations, the Company during the financial year has taken following specific measures to optimize energy generation and consumption at its manufacturing facilities-

- i. Maintenance of the machines as per schedule.
- ii. Replacing old pumps and motors by high efficiency pumps and low power consumption motors.
- iii. Improved efficiency of own generation by usage of diesel generator only for emergencies and as stand by.
- iv. Equipment efficiencies evaluated and optimised.
- v. Optimisation of fuel viscosity and other related parameters of D.G. set.
- vi. Installation of LEDs at several locations.
- vii. Lights in the Raw Material/ Packing Material and Finished Stock godown area are switched off during night across locations.
- viii. Use of natural lighting and ventilation by creating awareness in the employees for energy saving.
- ix. Regular monitoring and maintenance of major energy consuming machines to increase productivity and efficiency of equipments resulting in power saving.
- x. Various other measures taken in earlier years are continuing.

b. *Steps taken by company for using alternate sources of energy:*

All new projects and line extensions in factories are equipped with high efficiency motors, variable frequency drives, LED lights, roof mounted self-driven ventilators and maximized use of natural illumination. These are also being retrofitted in existing factories after feasibility evaluation.

c. *Capital investment on energy conservation equipments:*

Not Significant.

II. TECHNOLOGY ABSORPTION

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

- i. Process optimization for improved quality of PSF and Yarn.
- ii. Shortening of process route keeping product quality intact.
- iii. Technology absorption from:
 - Technical Journals.
 - Training of personnel on powerful CAD/CAM tools.
 - National and International exhibitions / seminars.

2. *Benefit derived as a result of the above efforts:*

- i. Introduction of new products in the market.
- ii. Increased volume of value added products.
- iii. Productivity improvement due to machine speed & process improvement.
- iv. Improvement in product quality meeting customer stringent requirements and hence enhancement of value to customers.

3. *In case of Imported Technology (imported during the last three years reckoned from the beginning of Financial Year):*

The company has not imported any technology during the preceding three years.

4. *Expenses incurred on Research and Development:*

The expenses involved in in-house research and development carried out in a routine manner are insignificant; therefore the same have not been accounted for separately.

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

The details with regard to Foreign Exchange earnings and out go are as under:

(₹ in crores)

	Current Year (2015-16)	Previous Year (2014-15)
A. Foreign Exchange earnings (F.O.B. Value)	35.89	30.56
B. Foreign Exchange outgo	22.37	37.53

Note: For details, please refer note no. 32, 33 and 34 to the financial statements.

Annexure 'F' to the Directors' Report

The information as required under Section 197(12) of the Companies Act, 2013 read with the Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2015-16 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16 are as under:

S. No.	Name	Designation	Remuneration in F.Y. 2015-16 (₹ in lacs)	Remuneration in F.Y. 2014-15 (₹ in lacs)	% increase/ (decrease) in remuneration	Ratio of remuneration of each Director to the median remuneration of employees
1.	Mr. Shyam Sunder Sharmma	Chairman cum Managing Director	78.52	81.08	(3.16%)	72.70
2.	Mr. Sharad Sharma	Joint Managing Director	65.30	58.50	11.62%	60.46
3.	Mr. Vishnu Dutt Khandelwal	Executive Vice-Chairman	65.22	58.50	11.49%	60.39
4.	Mr. Rajesh Sharma	Executive Director	69.50	67.70	2.66%	64.35
5.	Mr. Surendra Kumar Kabra*	Independent Director	4.04	3.73	8.31%	3.74
6.	Mr. Vishwa Nath Chandak*	Independent Director	3.03	2.80	8.21%	2.81
7.	Mr. Pradeep Kumar Goenka*	Independent Director	4.04	5.60	(27.86%)	3.74
8.	Mr. Anoop Gupta*	Independent Director	2.02	2.80	(27.86%)	1.87
9.	Mr. Gopal Singh Shekhavat	Director (Administration)	16.68	15.10	10.46%	15.44
10.	Mrs. Poonam Garg*	Nominee Director	0.76	0.68	11.76%	0.70
11.	Mr. Abhilash Lal*	Independent Director	3.53	1.40	152.14%	3.27
12.	Mr. Narayanan Subramaniam*	Independent Director	0.76	1.35	(43.70%)	0.70
13.	Mrs. Seema Sharma*	Additional Director	NIL	**	N.A.	NIL
14.	Mr. Gopal Agarwal	Chief Financial Officer	15.65	14.29	9.52%	N.A.
15.	Mr. Bharat Kumar Sajnani	Company Secretary	6.57	5.73	14.66%	N.A.

* The Non-Executive Directors of the Company are paid remuneration by way of sitting fees at the rate of ₹5,000/- per meeting for attending every Board Meeting as well as Audit Committee Meeting and commission upto 1% on the net profits of the Company, as approved by the shareholders.

** As Mrs. Seema Sharma was appointed on the Board w.e.f. 30th March, 2016, therefore the details of remuneration for the financial year 2014-15 are not given.

- ii. During the year 2015-16, there was an increase of 5.94% in median remuneration of employees.
- iii. There were 1822 permanent employees on the roll of the Company as on 31st March, 2016.
- iv. Average percentage increase made in the salaries of employees other than the managerial personnel in the Financial Year 2015-16 was 11.31%, whereas the increase in the managerial remuneration for the same financial year was 5.11%.
- v. It is hereby affirmed that the remuneration paid during the Financial Year ended 31st March, 2016 is as per the remuneration policy of the Company.

Corporate Governance Report 2015-16

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

At GESL, we believe that as we move towards achieving our growth targets, our Corporate Governance processes must adhere to the globally benchmarked standards. Corporate Governance is an integral element of the Company's value system, management ethos and business practices. Our Corporate Governance practices are driven by timely disclosures, transparent accounting policies and high levels of integrity in decision-making. The Company believes that the governance process should ensure that the resources employed must be utilised optimally so as to meet the stakeholders' aspirations and expectations. This is demonstrated in improving shareholder returns and performance focused work environment. Our customers have benefited from the high quality products made available to them at reasonable prices. Our employee satisfaction is reflected in the stability of our senior management and substantially high productivity. The Company is committed to contribute to the "Triple

Bottom Line" i.e. ensuring the conduct of business around social, environmental and economic concerns and this is apparently reflected in the Company's area of business. GESL's governance philosophy revolves around trusteeship, transparency, control, accountability and ethical business conduct. The practice of each of these enables the management to direct and control the affairs of the Company in an efficient manner and in creating the right corporate culture towards emerging as a socially responsible corporate citizen.

2. BOARD OF DIRECTORS

A. Composition and category of Board of Directors, attendance at Board Meetings, at last Annual General Meeting and details of Membership of other Boards / Committees:

The Board has an optimum combination of Executive and Non-Executive Directors as per the Corporate Governance requirements. The composition of the Board of Directors and other relevant details as on 31st March, 2016 are as under:

Name of Director	Category	No. of Board Meetings during tenure		Whether present at the last Annual General Meeting held on 19 th September, 2015	No. of Boards / Committees of Public Limited Companies (including Ganesha Ecosphere Ltd.)		
		Held	Attended		Directorship	Committee (only Audit Committee & Stakeholders Relationship Committee)	
						Member	Chairman
Mr. Shyam Sunder Sharmma	Promoter Executive Director	7	6	Yes	1	1	Nil
Mr. Vishnu Dutt Khandelwal	Promoter Executive Director	7	6	Yes	1	2	Nil
Mr. Sharad Sharma	Promoter Executive Director	7	7	Yes	1	1	Nil
Mr. Rajesh Sharma	Promoter Executive Director	7	4	No	1	Nil	Nil
Mr. Gopal Singh Shekhavat	Executive Director	7	3	No	1	Nil	Nil
Mrs. Seema Sharma*	Promoter Non-Executive Director	0	N.A.	N.A.	1	Nil	Nil
Mr. Surendra Kumar Kabra	Non- Executive/ Independent Director	7	4	No	3	1	Nil

Name of Director	Category	No. of Board Meetings during tenure		Whether present at the last Annual General Meeting held on 19 th September, 2015	No. of Boards / Committees of Public Limited Companies (including Ganesha Ecosphere Ltd.)		
		Held	Attended		Directorship	Committee (only Audit Committee & Stakeholders Relationship Committee)	
						Member	Chairman
Mr. Pradeep Kumar Goenka	Non- Executive/ Independent Director	7	5	Yes	4	2	4
Mr. Vishwa Nath Chandak	Non- Executive/ Independent Director	7	3	No	1	1	Nil
Mr. Anoop Gupta	Non-Executive/ Independent Director	7	2	No	4	1	Nil
Mrs. Poonam Garg#	Nominee Director	7	1	No	N.A.	N.A.	N.A.
Mr. Abhilash Lal	Non- Executive/ Independent Director	7	4	No	3	3	Nil
Mr. Narayanan Subramaniam	Non- Executive/ Independent Director	7	1	No	5	2	1

*Mrs. Seema Sharma inducted as an Additional Director on the Board w.e.f. 30th March, 2016 through a circular resolution.
Mrs. Poonam Garg ceased to be Director of the Company w.e.f. 11th February, 2016, due to withdrawal of her nomination by IFCI Venture Capital Funds Ltd.

Mr. Sharad Sharma and Mr. Rajesh Sharma are sons of Mr. Shyam Sunder Sharmma and Mr. Vishnu Dutt Khandelwal is brother of Mr. Shyam Sunder Sharmma. Mrs. Seema Sharma is wife of Mr. Sharad Sharma and daughter-in-law of Mr. Shyam Sunder Sharmma.

The number of Directorships, Committee Membership(s)/ Chairmanship(s) of all Directors is within respective limits prescribed under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations').

Shareholding of Non-Executive Directors:

As on 31st March, 2016, Mrs. Seema Sharma, Non-Executive Director, is holding 2,69,215 Equity Shares of ₹ 10/- each of the Company. None of the other Non-Executive Directors hold any shares in the Company.

B. Details of Board Meetings held during the year:

The Board met seven times during the year. The details of the Board Meetings are as under:

S. No.	Date of Meeting	Board Strength	No. of Directors Present
1.	30.05.2015	12	5
2.	03.08.2015	12	4
3.	10.08.2015	12	10
4.	19.09.2015	12	4
5.	03.11.2015	12	9
6.	20.12.2015	12	5
7.	11.02.2016	12	9

Information placed before the Board:

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II to Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant.

C. Terms and conditions of appointment of Independent Directors:

The terms and conditions of appointment of Independent Directors have been disclosed on the website of the Company i.e. www.ganeshaecosphere.com/Letter_of_appointment_to_Independent_Directors_GESL.pdf

D. Familiarization Programme for Independent Directors:

The Board members are provided with necessary documents and reports to enable them to familiarise with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee meetings, on business and performance updates of the Company, business strategy and risks involved.

Quarterly updates on relevant statutory changes encompassing important laws are regularly informed to the Directors.

The details of Familiarization Programme for Independent Directors are posted on the Company's website at the following web link: www.ganeshaecosphere.com/wp-content/uploads/2016/08/Familiarization-Programme-for-Independent-Directors.pdf

E. Separate Meeting of the Independent Directors:

During the year ended 31st March, 2016, one Independent Directors Meeting was held on 10th February, 2016. At the meeting, the Independent Directors inter-alia:

1. Reviewed the performance of non-independent directors and the Board as a whole;
2. Reviewed the performance of the Chairperson of the Company; and
3. Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Mr. Surendra Kumar Kabra, Mr. Pradeep Kumar Goenka, Mr. Vishwa Nath Chandak and Mr. Abhilash Lal were present at the meeting.

F. Code of Conduct:

In compliance with Regulation 17(5) of the Listing Regulations, the Company's Board has laid down a

Code of Conduct for all Board Members and Senior Management Personnel of the Company. All Board members and designated senior management personnel have affirmed compliance with this Code of Conduct. A declaration to this effect, signed by Shri Shyam Sunder Sharmma, Chairman and Managing Director of the Company, is enclosed at the end of this report. Code of Conduct of the Company is available on the official website of the Company www.ganeshaecosphere.com

3. COMMITTEES OF THE BOARD:

The Company has five Board level Committees:

- A. Audit Committee,
- B. Nomination and Remuneration Committee,
- C. Stakeholders Relationship Committee,
- D. Securities Allotment and Certificate Issuance Committee and
- E. Corporate Social Responsibility Committee.

The composition of the Committees of the Board of Directors is available on the website of the Company at www.ganeshaecosphere.com/board-committee/

A. Audit Committee**Composition:**

The Company has an Audit Committee constituted in accordance with the Corporate Governance requirements. As on 31st March, 2016, the Committee consisted of six Directors namely, Mr. Pradeep Kumar Goenka (Chairman), Mr. Surendra Kumar Kabra, Mr. Vishnu Dutt Khandelwal, Mr. Vishwa Nath Chandak, Mr. Anoop Gupta and Mr. Abhilash Lal.

Mr. Pradeep Kumar Goenka, Mr. Surendra Kumar Kabra and Mr. Anoop Gupta are Chartered Accountants. Mr. Vishnu Dutt Khandelwal is Post Graduate in Commerce and has also rich experience in the field of Accounting and Financial Management. Mr. Vishwa Nath Chandak is M.Com., L.L.B. and has rich experience in the Textile Industry. Mr. Abhilash Lal is Post Graduate in Management from IIM, Bangalore and has also rich experience in all aspects of financial services.

Mr. Bharat Kumar Sajnani, Company Secretary of the Company also acts as Secretary to the Committee.

Terms of Reference:

The terms of reference of the Audit Committee are in conformity with the requirements specified in Regulation 18(3) read with Part C of Schedule II to the Listing Regulations and also comply with the requirements of Section 177 of the Companies Act, 2013.

Brief description of terms of reference:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of statutory auditors including cost auditors of the Company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the Annual Financial Statements and Auditor's Report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgement by the management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of related party transactions
 - g. Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the Company with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
14. Discussion with Internal Auditors of any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
16. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower Mechanism.
19. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate.
20. Reviewing the reports of the Company's Cost Auditors.
21. Reviewing the following information:
 - Management Discussion and Analysis of financial condition and results of operations;
 - Statement of significant related party transactions, submitted by management;
 - Management letter(s) of internal control weaknesses, if any, issued by statutory auditors;

- Internal Audit Reports relating to internal control weaknesses; and
- Appointment, removal and terms of remuneration of internal auditor.

22. Carrying out such other functions as may be specifically referred to the Committee by the Board of Directors of the Company.

Meetings:

During the financial year ended 31st March, 2016, four Audit Committee Meetings were held on 30th May, 2015, 10th August, 2015, 2nd November, 2015 and 10th February, 2016. Chief Financial Officer, Internal Auditors and the Statutory Auditors were invited to be present at the Audit Committee Meetings.

Details of the Attendance at the Meetings are as follows:

S. No.	Name of Director	Category	No. of Committee meeting during the tenure	
			Held	Attended
1.	Mr. Pradeep Kumar Goenka, Chairman	Non- Executive/ Independent Director	4	3
2.	Mr. Surendra Kumar Kabra	Non- Executive/ Independent Director	4	4
3.	Mr. Vishnu Dutt Khandelwal	Promoter Executive Director	4	3
4.	Mr. Vishwa Nath Chandak	Non- Executive/ Independent Director	4	3
5.	Mr. Anoop Gupta	Non- Executive/ Independent Director	4	2
6.	Mr. Abhilash Lal	Non- Executive/ Independent Director	4	3

Mr. Pradeep Kumar Goenka, Chairman of the Audit Committee was present at the last Annual General Meeting held on 19th September, 2015.

B. Nomination and Remuneration Committee

Composition:

The Nomination and Remuneration Committee of the Board consists of three Directors namely, Mr. Surendra Kumar Kabra (Chairman), Mr. Pradeep Kumar Goenka and Mr. Vishwa Nath Chandak.

Terms of Reference:

The terms of reference of the Nomination and Remuneration Committee are in conformity with the requirements specified in Regulation 19 read with Part D of Schedule II to the Listing Regulations and also comply with the requirements of Section 178 of the Companies Act, 2013.

Brief description of terms of reference:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to

the Board a policy relating to, the remuneration of the directors, key managerial personnel and other employees.

- Formulation of criteria for evaluation of performance of Independent Directors and the Board.
- Devising policy on Board diversity.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

Meetings:

During the year ended 31st March, 2016, three Nomination and Remuneration Committee Meetings were held on 10th August, 2015, 2nd November, 2015 and 10th February, 2016.

Details of Attendance at the Meetings are as follows:

S. No.	Name of Director	Category	Status	No. of Committee meeting during the tenure	
				Held	Attended
1.	Mr. Surendra Kumar Kabra	Non- Executive/ Independent Director	Chairman	3	3
2.	Mr. Pradeep Kumar Goenka	Non- Executive/ Independent Director	Member	3	2
3.	Mr. Vishwa Nath Chandak	Non- Executive/ Independent Director	Member	3	3

Remuneration Policy:

The Company has adopted Policy on Nomination, Remuneration and Board Diversity which is forming part of this annual report and available on the website of the Company at the link www.ganeshaecosphere.com/wp-content/uploads/2016/08/Policy-on-Nomination-Remuneration-And-Board-Diversity.pdf

Details of Remuneration of the Directors for the financial year 2015-16:

i. Executive Directors:

The Company pays remuneration to the Executive Directors by way of salary, perquisites and allowances (fixed component) and performance linked remuneration (variable component). The amount of performance linked remuneration payable to such Directors is determined by the Board.

The Details of Remuneration are as follows:

Name of Director	Status	Salary & Allowances (₹)	Perquisites (₹)	Performance linked remuneration (₹)	Tenure
Mr. Shyam Sunder Sharmma	Chairman & Managing Director	25,22,500	39,600	52,90,000	3 years (from 18 th September, 2015)*
Mr. Vishnu Dutt Khandelwal	Executive Vice Chairman	12,00,000	32,400	52,90,000	5 years (from 19 th June, 2013)
Mr. Sharad Sharma	Joint Managing Director	12,00,000	39,600	52,90,000	5 years (from 1 st February, 2014)
Mr. Rajesh Sharma	Executive Director	16,20,000	39,600	52,90,000	5 years (from 19 th June, 2013)
Mr. Gopal Singh Shekhavat	Director (Administration)	16,15,000	53,257	-	5 years (from 1 st June, 2013)

**Mr. Shyam Sunder Sharmma was re-appointed as Managing Director of the Company for a further period of 3 years w.e.f. 18th September, 2015 upon expiry of his term of office.*

ii. Non-Executive Directors:

Non-Executive Directors (NEDs) of the Company play a crucial role to the independent functioning of the board. They bring in external and wider perspective to the decision-making by the board. They provide leadership and strategic guidance, while maintaining objective judgement.

The Non-Executive Directors (NEDs) are paid remuneration by way of Sitting Fees and Commission. They are paid sitting fees at the rate of ₹5,000/- per meeting for attending every Board Meeting as well as Audit Committee Meeting. In the light of the services rendered by the NEDs to the Company, the Members, at the 23rd Annual General Meeting of the Company approved payment of remuneration to NEDs of the Company, by way of commission upto 1% on the net profit of the Company. The distribution of commission amongst the NEDs is determined by the Board. The Board decided that

such commission shall be distributed in following manner for the year 2015-16 amongst the Non-Executive Directors on the basis of their attendance and contribution at the Board and Audit Committee Meetings (subject to maximum limit of ₹5,00,000/- for each such Director, as decided by the Board at its meeting held on 14th February, 2013).

The Details of Sitting Fees Paid and Commission payable to such directors for the year 2015-16 are as follows:

Name of Director	Sitting Fees (₹)	Commission (₹)	Tenure
Mr. Surendra Kumar Kabra	40,000	3,63,636	5 years (from 29 th September, 2014)
Mr. Pradeep Kumar Goenka	40,000	3,63,636	5 years (from 29 th September, 2014)
Mr. Vishwa Nath Chandak	30,000	2,72,727	5 years (from 29 th September, 2014)
Mrs. Poonam Garg*	5,000	71,429	N.A.
Mr. Anoop Gupta	20,000	1,81,818	5 years (from 29 th September, 2014)
Mr. Abhilash Lal	35,000	3,18,182	5 years (from 29 th September, 2014)
Mr. Narayanan Subramaniam	5,000	71,429	5 years (from 29 th September, 2014)
Mrs. Seema Sharma#	-	-	N.A.

*Sitting Fees and Commission is paid/payable to nominating institution, M/s. IFCI Venture Capital Funds Ltd.

#Inducted w.e.f. 30th March, 2016.

Commission to Non-Executive Directors will be paid after the accounts are approved by the members at the Annual General Meeting scheduled to be held on 8th September, 2016.

Performance evaluation criteria for Independent Directors:

The performance of Independent Directors was evaluated by the entire Board on the basis of the criteria laid down under the "Nomination, Remuneration and Board Diversity Policy" of the Company.

C. Stakeholders Relationship Committee

Composition:

The Stakeholders Relationship Committee of the Board comprises of four Directors namely, Mr. Pradeep Kumar Goenka (Chairman), Mr. Shyam Sunder Sharmma, Mr. Vishnu Dutt Khandelwal and Mr. Sharad Sharma.

Terms of Reference:

The Stakeholders Relationship Committee looks into all the matters relating to transfer/transmission of shares and redressal of investors' grievances like non-receipt of annual reports, non-receipt of dividend warrants, etc. The Committee also oversees the working of Registrar and Transfer Agents of the Company.

Meetings:

The Committee has been holding regular meetings to ensure compliance with the provisions of the Companies Act, 2013 and the Listing Regulations and to ensure proper service to investors.

Details of the Attendance at the Meetings are as follows:

S. No.	Name of Director	Category	Meetings Held	Meetings Attended
1.	Mr. Pradeep Kumar Goenka, Chairman	Non-Executive/ Independent Director	18	17
2.	Mr. Shyam Sunder Sharmma	Promoter Executive Director	18	6
3.	Mr. Vishnu Dutt Khandelwal	Promoter Executive Director	18	13
4.	Mr. Sharad Sharma	Promoter Executive Director	18	13

Investor Grievance Redressal:

Number of complaints received and resolved to the satisfaction of investors during the financial year ended 31st March, 2016, are as under:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
Nil	7	7	Nil

As on 31st March, 2016, no request for transfer / transmission was pending for approval.

Compliance Officer:

Compliance Officer of the Company: Mr. Bharat Kumar Sajnani, Company Secretary.

D. Securities Allotment and Certificate Issuance Committee**Composition:**

The Securities Allotment and Certificate Issuance Committee of the Board consists of three Directors namely, Mr. Pradeep Kumar Goenka (Chairman), Mr. Surendra Kumar Kabra and Mr. Shyam Sunder Sharmma.

Terms of Reference:

The Committee looks into all matters relating to allotment of securities, issuance of certificates of shares/ debentures/ bonds and other securities upon allotment/ split/ consolidation/ renewal thereof and issuance of duplicate certificates of securities.

Meetings:

During the financial year ended 31st March, 2016, four Securities Allotment and Certificate Issuance Committee meetings were held on 30th May, 2015, 10th August, 2015, 27th October, 2015 and 6th February, 2016.

E. Corporate Social Responsibility Committee**Composition:**

The Corporate Social Responsibility (CSR) Committee of the Board consists of four Directors namely, Mr. Abhilash Lal (Chairman), Mr. Vishnu Dutt Khandelwal, Mr. Sharad Sharma and Mr. Pradeep Kumar Goenka.

Terms of Reference:

The Committee has been constituted with the following terms of reference:

1. To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII.
2. To review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a) above.
3. To monitor the CSR policy of the Company from time to time.
4. To institute a transparent monitoring mechanism for implementation of the CSR projects/ programs/ activities undertaken by the Company.
5. Any other matter as the Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

Meetings:

During the year ended 31st March, 2016, three Corporate Social Responsibility (CSR) Committee Meetings were held on 30th May, 2015, 3rd November, 2015 and 10th February, 2016.

4. GENERAL BODY MEETINGS

The details of General Body Meetings of the Company held during the last three years are as follows:

Annual General Meetings:

Year	Date of Meeting	Time	Place	Particulars of Special Resolutions passed at the Meeting
2015	19 th September, 2015	1:00 P.M.	Raipur (Rania), Kalpi Road, Distt. Kanpur Dehat.	1) Consent to re-appoint Shri Shyam Sunder Sharmma (DIN: 00530921) as Managing Director.
2014	29 th September, 2014	3:00 P.M.	Raipur (Rania), Kalpi Road, Distt. Kanpur Dehat.	1) Consent for Continuation of tenure of Shri Shyam Sunder Sharmma (DIN: 00530921), as Managing Director of the Company, for the remaining period of his tenure. 2) Consent for re-appointment of Shri Sharad Sharma (DIN: 00383178) as Joint Managing Director of the Company.

Year	Date of Meeting	Time	Place	Particulars of Special Resolutions passed at the Meeting
				3) Consent to borrow money upto ₹750 crores under Section 180(1)(c) of the Companies Act, 2013. 4) Consent for mortgaging/ charging Company's properties/ assets against borrowing under Section 180(1)(a) of the Companies Act, 2013. 5) Consent for the issue of 31,07,500 Compulsorily Convertible Preference Shares of ₹ 100/- each on preferential basis under Section 42,55 & 62 of the Companies Act, 2013. 6) Consent for the issue of 2,50,000 Warrants on preferential basis under Section 42 & 62 of the Companies Act, 2013 . 7) Consent to issue further share capital by way of Private Placement/ QIP etc. 8) Consent to increase the Authorised Share Capital of the Company. 9) Consent for alteration in Capital Clause of the Memorandum of Association of the Company. 10) Consent to adopt new Articles of Association of the Company.
2013	11 th September, 2013	5:30 P.M.	Raipur (Rania), Kalpi Road, Distt. Kanpur Dehat.	1) Consent to voluntarily delist the Equity Shares of the Company from U.P. Stock Exchange Limited, Kanpur, subject to the condition that the Equity Shares of the Company shall continue to remain listed at BSE Limited, Mumbai.

Extraordinary General Meeting:

Year	Date of Meeting	Time	Place	Particulars of Special Resolutions passed at the Meeting
2014	22 nd February, 2014	2:30 P.M.	Raipur (Rania), Kalpi Road, Distt. Kanpur Dehat.	1) Consent and approval to create, offer, issue and allot upto 16,25,000 convertible warrants on Preferential basis u/s 81 (1A) of Companies Act, 1956.

Postal Ballot

At the last Annual General Meeting no resolution was passed by way of Postal Ballot.

At the ensuing Annual General Meeting there is no resolution proposed to be passed by way of Postal Ballot.

5. MEANS OF COMMUNICATION

The quarterly and annual financial results of the Company are submitted to the Stock Exchanges and published in 'Business Standard' (in English and Hindi) newspaper in terms of the requirements of Regulation 33(3) & 47(1)(b) of Listing Regulations.

The Financial results are also available on the official website of the BSE Limited and National Stock Exchange of India Limited, Mumbai i.e. www.bseindia.com & www.nseindia.com, respectively.

The Financial results and Annual Report of the Company along with official news releases and presentations made to Institutional Investors and Analysts are posted on the Company's official website i.e. www.ganeshaecosphere.com, from time to time.

The 'Management Discussion and Analysis Report' is given separately forming part of the Annual Report.

6. GENERAL SHAREHOLDERS' INFORMATION

- A. Annual General Meeting** **Date:** 8th September, 2016
Time: 1:00 P.M.
Venue: Raipur (Rania), Kalpi Road, Distt. Kanpur Dehat.
- B. Financial Year/Calendar:** **Particulars of Quarter** **On or before**
First Quarter 14.08.2016
Second Quarter 14.11.2016
Third Quarter 14.02.2017
Fourth Quarter & Annual Results 30.05.2017
- C. Date of Book Closure:** From Friday, 2nd September, 2016 to Thursday, 8th September, 2016 (both days inclusive).
- D. Dividend Payment Date:** On and after 13th September, 2016.
- E. Listing on Stock Exchanges:** The Company's Equity Shares are listed at following Stock Exchanges:
▪ BSE Limited, Mumbai and
▪ National Stock Exchange of India Limited, Mumbai
The annual listing fee to these stock exchanges has been paid up-to-date.
- F. Stock Codes - Equity Shares:** ▪ BSE Limited, Mumbai : **514167**
▪ National Stock Exchange of India Limited: **GANECOS**

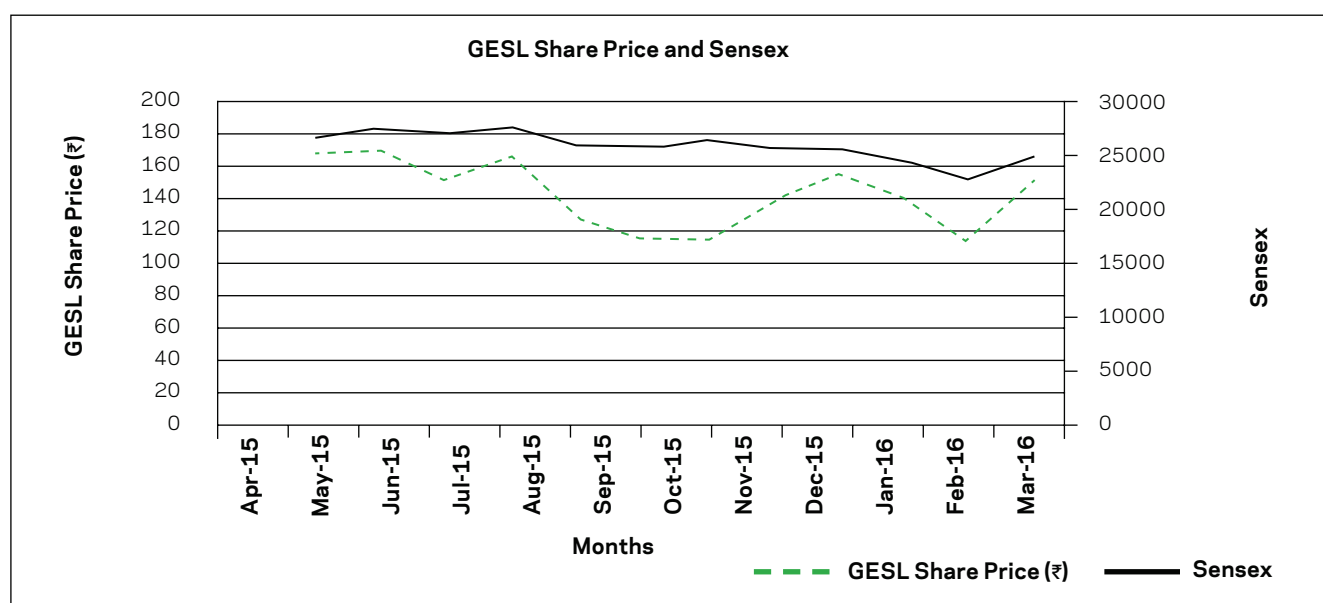
G. Stock Market Price Data for the year 2015-16:

Month	BSE PRICES				NSE PRICES			
	High (₹)	Low (₹)	Close (₹)	No. of Shares Traded	High (₹)	Low (₹)	Close (₹)	No. of Shares Traded
April, 2015	171.50	134.00	169.80	11,01,892	171.20	134.00	169.45	29,84,610
May, 2015	179.70	155.00	171.80	4,71,989	178.90	155.30	171.85	6,42,178
June, 2015	170.70	146.00	152.10	1,72,195	172.00	145.30	152.00	2,19,277
July, 2015	183.80	140.60	167.90	4,37,589	196.25	140.00	168.45	5,65,324
August, 2015	175.40	126.00	130.20	1,76,548	175.40	123.00	130.00	2,94,012
September, 2015	132.80	113.70	117.90	76,481	132.05	112.50	117.75	93,512

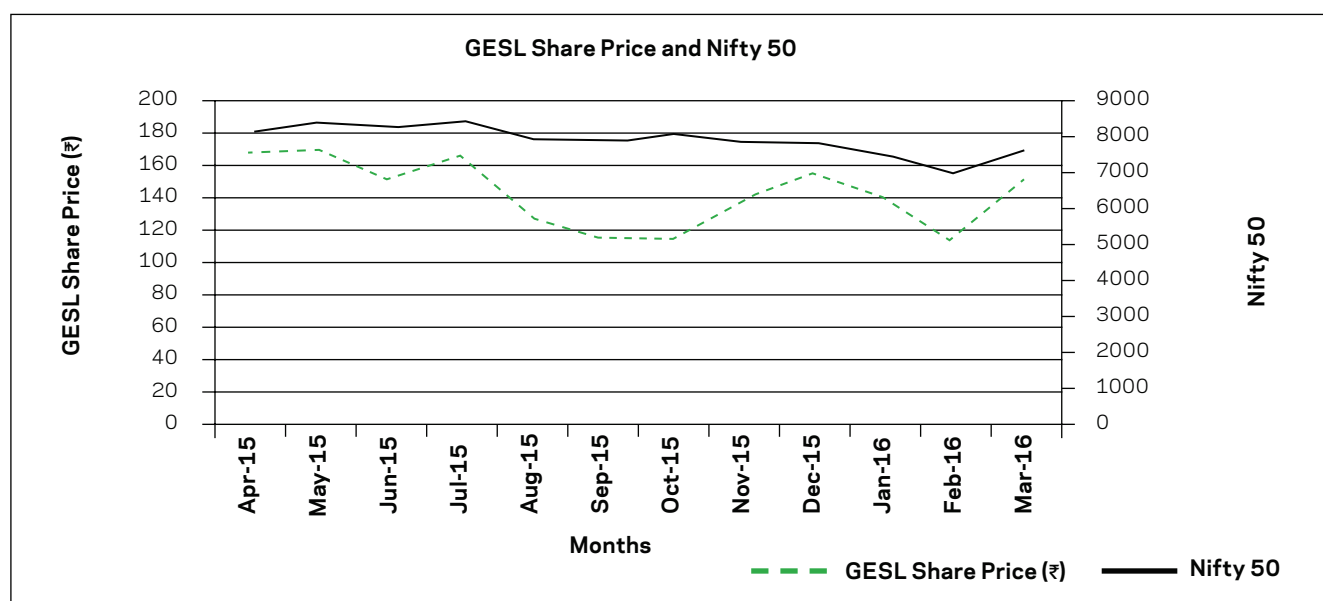
Month	BSE PRICES				NSE PRICES			
	High (₹)	Low (₹)	Close (₹)	No. of Shares Traded	High (₹)	Low (₹)	Close (₹)	No. of Shares Traded
October, 2015	129.30	115.00	116.70	63,392	132.00	114.75	117.55	1,11,134
November, 2015	148.00	109.00	140.50	3,23,792	154.70	106.65	140.50	9,10,192
December, 2015	164.90	128.00	157.50	6,46,585	164.95	128.05	157.10	11,28,523
January, 2016	168.30	132.50	143.20	10,40,966	168.40	135.00	143.40	13,46,942
February, 2016	159.00	112.10	115.10	1,29,935	159.35	112.05	115.00	2,41,375
March, 2016	159.90	112.80	152.10	91,909	164.90	113.95	151.80	3,50,099

The information is downloaded from official website of the BSE Limited & National Stock Exchange of India Limited.

Performance of the Share Price of the Company in comparison to the BSE Sensex:



Performance of the Share Price of the Company in comparison to the NSE Nifty 50:



H. Registrar and Share Transfer Agents:

Skyline Financial Services Pvt. Ltd.
D-153/A, First Floor,
Okhla Industrial Area, Phase-I,
New Delhi-110020
Tel: 011- 26812682-83
E-mail: admin@skylinert.com

I. Share Transfer System:

The Board of Directors of the Company have delegated the power of approval of share transfer, transmission, dematerialization and related matters to M/s. Skyline Financial Services Private Limited, the Registrar and Share Transfer Agent of the Company, subject to review by Stakeholders Relationship Committee of the Board on quarterly basis.

Applications for transfer of shares in physical form are processed by the Company's Registrar and Transfer Agent within the time limit stipulated by the Listing Regulations, subject to transfer instrument being valid and complete in all respects.

J. Distribution of Share Holding as on 31st March, 2016:

No. of Shares	Shareholders		Shareholding	
	Number	% of total	Number	% of total
Upto 500	11564	94.22	1636937	8.54
501 - 1000	403	3.28	339120	1.78
1001 - 2000	132	1.08	200303	1.04
2001 - 3000	46	0.38	119305	0.62
3001 - 4000	19	0.15	69658	0.36
4001 - 5000	23	0.19	109635	0.57
5001 - 10000	23	0.19	165047	0.86
10001 & above	63	0.51	16536872	86.23
Total	12273	100.00	19176877	100.00

Shareholding Pattern as on 31st March, 2016:

S. No.	Category of Shareholder	Number of Shareholders	Total Number of Shares	As a Percentage of (A+B)
(A)	Shareholding of Promoter and Promoter Group			
	(1) Indian	16	8695936	45.35
	(2) Foreign	0	0	0.00
	Total Shareholding of Promoter and Promoter Group	16	8695936	45.35
(B)	Public Shareholding			
	(1) Institutions	10	1383850	7.21
	(2) Non-Institutions	12247	9097091	47.44
	Total Public Shareholding	12257	10480941	54.65
	Total (A+B)	12273	19176877	100.00

K. Dematerialisation of shares and liquidity:

ISIN Code- Equity Shares: INE 845 D01014

As on 31st March, 2016, 93.75% of the total Equity Shares of the Company have been dematerialised. Trading in Equity Shares of the Company is permitted only in dematerialised form w.e.f. 1st January, 2002 as per the notification issued by Securities and Exchange Board of India (SEBI).

L. Outstanding GDRs/ ADRs/ Warrants or any convertible instruments:**GDRs/ADRs:**

There were no outstanding GDRs/ ADRs as on 31st March, 2016.

Warrants and other convertible instruments:

31,07,500 Compulsorily Convertible Preference Shares of ₹100/- each were converted into 27,25,877 Equity Shares of ₹10/- each at a price of ₹114/- per share (including premium of ₹104/- per share) on 3rd August, 2015.

2,50,000 Warrants were converted into equal number of Equity Shares of ₹10/- each at a premium of ₹104/- per share on 19th September, 2015.

As on 31st March, 2016, there were no warrants or any convertible instruments outstanding for conversion.

M. Commodity price risk or foreign exchange risk and hedging activities:

The Company is exposed to the risk of price fluctuation of raw material as well as finished goods. In the absence of alternate use of raw material, its price fluctuations are directly linked to the price fluctuations of finished products. Accordingly, Company passes on any adverse movement in prices of finished goods to raw material suppliers. The Company's reputation for quality, product differentiation and service coupled with robust marketing network mitigates the impact of price risk on finished goods.

The Company is also exposed to foreign exchange risk due to import of raw materials, colour/ chemicals, stores and spares etc. and export of its finished products to various countries. The Company evaluates exchange rate exposure arising from these transactions and takes required hedging from time to time, which minimizes the impact of fluctuations in exchange rate movement.

N. Plant Location:

- 1. Kanpur Unit :** Raipur (Rania), Kalpi Road, Distt. Kanpur Dehat.
- 2. Rudrapur Unit :** Plot No. 6, Sector -2, Integrated Industrial Estate, Pantnagar, Uttarakhand.
- 3. Bilaspur Units :** a) Khata No. 96 and 97, Arazi Village Kotha, Ali Nagar, Pargana and Tehsil Bilaspur, Distt. Rampur (U.P.)
b) Gata No. 112, Village Temra, Tehsil Bilaspur, Distt. Rampur (U.P.)

O. Address for Correspondence:**With the Registrar and Transfer Agents:**

Skyline Financial Services Pvt. Ltd.
D-153/A, First Floor,
Okhla Industrial Area, Phase-I,
New Delhi-110020
Tel: 011- 26812682-83
E-mail: admin@skylinert.com

With the Company:

The Company Secretary,
Ganesha Ecosphere Ltd.
113/216-B, First Floor,
Swaroop Nagar, Kanpur- 208002.
Tel: 0512-2555504-06
Fax: 0512-2555293
E-mail: shrdept@gmail.com
bharat@ganeshaeosphere.com

P. Corporate Identification Number (CIN NO.): L51109UP1987PLC009090**Q. E-mail for Investors :**

The Company has designated complaints@ganeshaeosphere.com as email address especially for investor grievance(s).

R. Nomination Facility:

Shareholders holding Shares in physical form and desirous of making a nomination in respect of their Shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, may submit their request to the Company's Registrar and Transfer Agents, M/s. Skyline Financial Services Private Limited, in the prescribed Form SH-13 which will be sent by the Company upon such request.

7. DISCLOSURES

a) Related Party Transactions:

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of Listing Regulations during the financial year were in the ordinary course of business and on an arm's length basis and they are placed before the Audit Committee as also to the Board for approval. Omnibus approval from the Audit Committee was obtained on annual basis for transactions which are of repetitive nature. None of the transactions with any of the related parties were in conflict with the interests of the Company. Further, the Company had not entered into any contract/ arrangement/ transactions with related parties which can be considered as material in nature.

The Policy on dealing with Related Party Transactions is disclosed on the website of the Company at the link www.ganeshaecosphere.com/wp-content/uploads/2016/05/related-party-transaction.pdf

b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchanges, Securities and Exchange Board of India or any other statutory authorities on matters relating to Capital Markets during the last three years:

None.

c) Whistle Blower Policy:

Pursuant to Section 177 of the Companies Act, 2013 and Regulation 22 of Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism for Directors and employees to report

to the management about the unethical behavior, actual or suspected fraud, violation of Code of Conduct or legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports etc. The vigil mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee.

The Policy has been posted on the website of the Company and may be accessed at the link www.ganeshaecosphere.com/wp-content/uploads/2016/05/whistle-blower-policy.pdf

d) Adoption of Mandatory and Non-Mandatory Requirements:

The Company has complied with all mandatory requirements of Listing Regulations. However, the Company has not adopted the non-mandatory requirements.

8. CEO AND CFO CERTIFICATION:

The Chairman and Managing Director and the Chief Financial Officer of the Company provide annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations. They also provide quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2)(a) of the Listing Regulations.

Declaration

Pursuant to Regulation 26(3) of Listing Regulations, I, Shyam Sunder Sharmma, Chairman and Managing Director of Ganesha Ecosphere Ltd., declare that all Board Members and Senior Management Personnel of the Company have affirmed their compliance with the Code of Conduct for the financial year 2015-16.

Place : Kanpur
Date : 25th July, 2016

(Shyam Sunder Sharmma)
Chairman and Managing Director
DIN: 00530921



Auditors' Certificate

To the Members of
Ganesha Ecosphere Limited

We have examined the compliance of conditions of Corporate Governance by Ganesha Ecosphere Limited for the year ended on 31st March, 2016, as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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

For Mehrotra Rakesh Kumar & Co.

Chartered Accountants

Firm Registration No. 002978C

Place: Kanpur

Date: 25th July, 2016

Deepak Seth

Partner

Membership No.: 073081

Independent Auditor's Report

TO THE MEMBERS OF GANESHA ECOSPHERE LIMITED

Report on the Standalone Financial Statements

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

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require

that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-A, a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors as on 31st March 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-B"; and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014,

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

- i. The Company has disclosed the impact of pending litigations as at 31st March 2016 on its financial position in its financial statements - Refer Note 38 to the financial statements.
- ii. In our opinion and as per the information and explanations provided to us, the Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March 2016.

FOR **MEHROTRA RAKESH KUMAR & CO.,**
Chartered Accountants,
(Firm Registration No. 002978C)

Deepak Seth
Partner

Place: Kanpur
Dated: 22nd May, 2016

Membership No. 073081

Annexure-A to Independent Auditors' Report

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Ganesha Ecosphere Limited on the standalone financial statements as of and for the year ended 31st March 2016.

- (1) (i) The Company is maintaining proper records showing full particulars including quantitative details & situation of fixed assets on the basis of available information.
- (ii) As explained to us, the fixed assets are physically verified by the management, according to a phased programme designed to cover all the items over a period of three years, which in our opinion is reasonable, having regard to the size of the Company & nature of its assets. Pursuant to the programme, a portion of fixed assets has been physically verified by the management during the year and as informed to us, no material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (2) As explained to us, the physical verification of inventory has been conducted at reasonable intervals by the management during the year and discrepancies noticed on such physical verification between physical stock and book records were not material considering the operations of the Company and the same have been appropriately dealt with in the books of account.
- (3) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties as covered in the register maintained under Section 189 of the Companies Act 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable.
- (4) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186 of the Companies Act, 2013. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- (5) According to the information and explanations given to us, the Company has not accepted any deposit from the public, within the meaning of Sections 73, 74, 75 and 76 of the Companies Act, 2013 and the Rules framed there under to the extent notified.
- (6) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148 (1) of the Companies Act, 2013 in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determining whether they are accurate or complete.
- (7) (i) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has generally been regularly depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax and other material statutory dues applicable to it. There are no outstanding statutory dues as at the last day of the financial year under audit for a period of more than six months from the date they became payable.
- (ii) According to the records of the Company and as per the information and explanations given to us, the disputed statutory dues as at 31st March 2016 that have not been deposited on account of matters pending before appropriate authorities are as under:

Name of the Statute	Nature of the Dues	Amount (₹)	Forum where dispute is pending
U. P. Trade Tax Act, 1948	Entry Tax	156,030*	Supreme Court
U. P. Trade Tax Act, 1948	Entry Tax	666,061*	Supreme Court
U. P. Trade Tax Act, 1948	Entry Tax	571,833*	Supreme Court
Haryana Value Added Tax Act, 2003	Purchase Tax & Interest	297,751	Haryana Tax Tribunal Chandigarh

Name of the Statute	Nature of the Dues	Amount (₹)	Forum where dispute is pending
Haryana Value Added Tax Act, 2003	Purchase Tax & Interest	1,906,632	Haryana Tax Tribunal Chandigarh
Central Excise Act, 1944	Service tax & Penalty	285,007*	Commissioner (Appeals), Central Excise & Service Tax Allahabad
Income Tax Act, 1961	Income Tax Deducted at Source	1,026,790	Commissioner of Income Tax (Appeals), Kanpur

* Net of amount deposited under dispute.

- (8) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of loans or borrowing to financial institutions, banks, Government. The Company has not issued any debentures during the year.
- (9) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained. Further as per the records, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments).
- (10) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (11) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- (12) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (13) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Companies Act, 2013. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (14) During the year, the Company has made preferential allotment of 250,000 Equity Shares of ₹10/- each at a premium of ₹104/- per share on conversion of equal number of warrants allotted on preferential basis and according to the information and explanations given to us by the Management, the requirement of Section 42 of the Companies Act, 2013 have been complied with and we further report that according to the records of the company and as per the information and explanations given to us, the amounts raised have been used for the purposes for which the funds were raised.
- (15) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with its Directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (16) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

FOR **MEHROTRA RAKESH KUMAR & CO.,**
Chartered Accountants,
(Firm Registration No. 002978C)

Deepak Seth
Partner

Place: Kanpur
Dated: 22nd May, 2016

Membership No. 073081

Annexure-B to Independent Auditors' Report

Referred to in Paragraph 2(f) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Ganesha Ecosphere Limited on the standalone financial statements as of and for the year ended 31st March 2016.

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

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls

over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR **MEHROTRA RAKESH KUMAR & CO.,**

Chartered Accountants,
(Firm Registration No. 002978C)

Deepak Seth

Partner

Place: Kanpur

Dated: 22nd May, 2016

Membership No. 073081

Balance Sheet As at 31st March, 2016

		Amount in ₹	
Particulars	Note No.	As at 31 st March, 2016	As at 31 st March, 2015
I. EQUITY AND LIABILITIES			
1. Shareholders' Funds			
a. Share Capital	2	191,768,770	472,760,000
b. Reserves & Surplus	3	1,810,035,146	1,299,313,646
c. Money Received against Share Warrants	4	-	7,125,000
Sub-total		2,001,803,916	1,779,198,646
2. Non - Current Liabilities			
a. Long Term Borrowings	5	717,480,390	869,128,083
b. Deferred Tax Liabilities (Net)	6	121,639,699	96,272,669
c. Other Long Term Liabilities	7	7,972,828	8,323,152
d. Long Term Provisions	8	32,080,347	26,466,728
Sub-total		879,173,264	1,000,190,632
3. Current Liabilities			
a. Short Term Borrowings	9	464,762,139	796,320,389
b. Trade Payables	10	217,297,666	330,155,511
c. Other Current Liabilities	11	517,617,771	458,864,314
d. Short Term Provisions	12	42,658,811	55,191,965
Sub-total		1,242,336,387	1,640,532,179
Total		4,123,313,567	4,419,921,457
II. ASSETS			
1. Non - Current Assets			
a. Fixed Assets:			
i) Tangible Assets	13	2,556,495,107	2,577,288,606
ii) Intangible Assets	13	1,929,320	1,929,177
iii) Capital Work-in-Progress	13	5,398,814	97,854,618
iv) Intangible Assets under development	13	1,139,659	-
b. Long Term Loans and Advances	14	25,084,050	27,268,976
c. Other Non-Current Assets	15	3,145,488	3,502,722
Sub-total		2,593,192,438	2,707,844,099
2. Current Assets			
a. Inventories	16	692,688,421	823,428,243
b. Trade Receivables	17	497,353,684	407,354,245
c. Cash & Bank Balances	18	37,764,300	159,524,830
d. Short Term Loans and Advances	19	278,789,005	279,768,822
e. Other Current Assets	20	23,525,719	42,001,218
Sub-total		1,530,121,129	1,712,077,358
Total		4,123,313,567	4,419,921,457
Significant Accounting Policies	1		

The accompanying notes form an integral part of these financial statements.

In terms of our annexed report of even date

For **MEHROTRA RAKESH KUMAR & CO.**
Chartered Accountants
(Firm Registration No. 002978C)

For and on behalf of the Board

Deepak Seth
Partner
Membership No. 073081

Sharad Sharma
Joint Managing Director

Shyam Sunder Sharmma
Chairman and Managing Director

Place : Kanpur
Dated: 22nd May, 2016

Bharat Kumar Sajnani
Company Secretary

Gopal Agarwal
Chief Financial Officer

Statement of Profit and Loss for the year ended 31st March, 2016

Amount in ₹

Particulars	Note No.	Year ended 31 st March, 2016	Year ended 31 st March, 2015
I. Revenue from Operations	21		
a. From Sale of products		6,546,060,715	6,275,104,975
b. Other Operating Revenues		7,939,259	13,011,549
Sub-total		6,553,999,974	6,288,116,524
c. Less: Excise Duty		81,140,689	55,636,965
		6,472,859,285	6,232,479,559
II. Other Income	22	14,655,798	17,058,655
III. Total Revenue (I+II)		6,487,515,083	6,249,538,214
IV. Expenses			
a. Cost of Materials Consumed	23	3,905,957,144	3,992,849,888
b. Purchases of Stock-in-Trade	24	102,496,679	163,646,653
c. Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	25	84,349,679	1,070,446
d. Employee Benefits Expense	26	393,213,326	336,660,637
e. Finance Costs	27	198,622,371	196,725,433
f. Depreciation and Amortization Expense	28	210,489,974	188,721,905
g. Other Expenses	29	1,248,614,821	1,108,447,824
Total Expenses		6,143,743,994	5,988,122,786
V. Profit before Tax (III-IV)		343,771,089	261,415,428
VI. Tax Expense:			
1) Current Tax		(73,366,251)	(54,793,980)
Less: MAT Credit		3,553,768	54,793,980
2) Deferred Tax		(25,367,030)	(30,748,368)
VII. Profit for the year (V-VI)		248,591,576	230,667,060
VIII. Earnings per Equity Share of face value of ₹10 each	30		
- Basic		12.84	13.36
- Diluted		12.84	13.34
Significant Accounting Policies	1		
The accompanying notes form an integral part of these financial statements.			

In terms of our annexed report of even date

For **MEHROTRA RAKESH KUMAR & CO.**

Chartered Accountants

(Firm Registration No. 002978C)

For and on behalf of the Board

Deepak Seth

Partner

Membership No. 073081

Sharad Sharma

Joint Managing Director

Shyam Sunder Sharmma

Chairman and Managing Director

Place : Kanpur

Dated: 22nd May, 2016**Bharat Kumar Sajnani**

Company Secretary

Gopal Agarwal

Chief Financial Officer

Cash Flow Statement for the year ended 31st March, 2016

Amount in ₹

Particulars	Year ended 31 st March, 2016		Year ended 31 st March, 2015	
A: CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit before tax as per Statement of Profit and Loss		343,771,089		261,415,428
Adjusted for :				
Prior Period Items (Net)	100,267		1,116,263	
Provision for Doubtful Debts/Advances	3,732,315		3,213,961	
Provision for Doubtful Debts Written Back	(1,542,470)		(1,166,084)	
Loss on fixed assets Sold/Discarded	2,590,429		495,674	
Depreciation/Amortisation	210,489,974		188,721,905	
Finance Costs	198,622,371	413,992,886	196,725,433	389,107,152
Operating Profit before Working Capital Changes		757,763,975		650,522,580
Adjusted for :				
Decrease/(Increase) in Trade & Other Receivables	44,181,187		(38,295,278)	
Decrease/ (Increase) in Inventories	130,739,822		(215,962,892)	
(Decrease)/Increase in Trade & Other Payables	(96,053,823)	78,867,186	54,606,413	(199,651,757)
Cash Generated from Operations		836,631,161		450,870,823
Prior Period Items (Net)		(100,267)		(1,116,263)
Direct Taxes Paid		(68,707,954)		(60,255,537)
Net Cash From Operating Activities		767,822,940		389,499,023
B: CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Fixed Assets		(103,883,282)		(283,410,164)
Proceeds from sale/insurance claim of Fixed Assets		4,212,742		41,689,023
Net Cash Used in Investing Activities		(99,670,540)		(241,721,141)
C: CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds from/(Repayment) of Long Term Borrowings (Net)		(103,992,564)		(328,266,437)
Proceeds from/(Repayment) of Short Term Borrowings (Net)		(331,558,250)		31,382,505
Proceeds from Compulsorily Convertible Preference Shares		0		310,750,000
Conversion of share warrants		21,375,000		48,720,000
Money received against Share Warrants		0		7,125,000
Share Issue Expenses		0		(16,781,342)
Finance Charges		(198,641,388)		(228,089,228)
Interim Dividend paid on Preference Shares		(12,668,384)		0
Dividend paid on Equity Shares		(22,712,252)		(18,223,200)
Dividend paid on Preference Shares		(18,389,589)		0
Tax on Dividend Distribution		(10,946,354)		(3,097,033)
Net Cash Used in Financing Activities		(677,533,781)		(196,479,735)
Net Increase in Cash and Cash Equivalents (A+B+C)		(9,381,381)		(48,701,853)
Opening Balance of Cash and Cash Equivalents		31,283,266		79,985,119
Closing Balance of Cash and Cash Equivalents (Refer Note 18)		21,901,885		31,283,266

The accompanying notes form an integral part of these financial statements.

In terms of our annexed report of even date

For **MEHROTRA RAKESH KUMAR & CO.**
Chartered Accountants
(Firm Registration No. 002978C)

For and on behalf of the Board

Deepak Seth
Partner
Membership No. 073081

Sharad Sharma
Joint Managing Director

Shyam Sunder Sharmma
Chairman and Managing Director

Place : Kanpur
Dated: 22nd May, 2016

Bharat Kumar Sajnani
Company Secretary

Gopal Agarwal
Chief Financial Officer

Notes to the Financial Statements for the year ended 31st March, 2016

Note 1: Significant Accounting Policies

1.1 Basis of Preparation of Financial Statements:

The financial statements have been prepared to comply in all material aspects with the Accounting Standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Companies Act, 2013.

Financial statements are prepared in accordance with the generally accepted accounting principles, as adopted consistently, and are based on historical cost and items of income and expenditure are recognized on accrual basis.

All the assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criterion set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle to be 12 months for the purpose of current and non-current classification of assets and liabilities.

1.2 Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions, based upon the best knowledge of current events and actions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the reported amounts of incomes and expenses during the reporting period. Actual results may differ from those estimates. Any difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

1.3 Revenue Recognition:

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of goods is recognized on transfer of significant risks and rewards of ownership to the customer which is generally on the dispatch of goods. Revenue from operations is disclosed inclusive of excise duty and net of sales tax / value added tax, discounts and returns.

Benefits on account of entitlement to import goods free of duty, Duty Draw back Scheme, etc. are accounted for in the year of exports made and are included in revenue from operations.

1.4 Fixed Assets:

Tangible Assets

Tangible fixed assets are stated at cost, net of Cenvat and VAT input credit availed, less accumulated depreciation, amortization and impairment losses, if any, except freehold land which is carried at cost. Cost includes all expenditure necessary to bring the asset to its working condition for its intended use.

Foreign currency exchange variations to the extent covered under AS-11 are capitalized as per the policy stated in note 1.7.

Tangible assets which are not ready for their intended use are disclosed under Capital work-in-progress. Expenditure during construction period (including borrowing cost relating to borrowed funds for construction or acquisition of fixed assets) incurred on projects/ assets, including trial run expenses (net of revenue) are treated as Pre-operative expenses, pending allocation to the assets, and are included under "Capital work-in-progress". These expenses are apportioned to related fixed assets on commencement of commercial production. Capital work-in-progress is stated at the amount expended up to the date of Balance Sheet.

The carrying amounts of fixed assets are reviewed at each balance sheet date to assess if they are recorded in excess of their recoverable amounts and where carrying values exceed their estimated recoverable amount, assets are written down to their recoverable amount.

Intangible Assets

Intangible assets are stated at cost less accumulated amortization. Cost includes all expenditure necessary to bring the asset to its working condition for its intended use. Intangible assets which are not ready for their intended use are disclosed as Intangible assets under development and are stated at the amount expended up to the date of Balance Sheet.

1.5 Depreciation/Amortization:

- i) Depreciation on fixed assets is provided on "Written Down Value Method (WDV)" except in respect of Building and Plant & Machinery of Kanpur Unit and Temra (Bilaspur) Unit where depreciation is provided on "Straight Line Method (SLM)".
- ii) Depreciation is provided based on useful life of the assets as provided in Schedule II to the Companies Act, 2013 except in respect of the following assets, where useful life is different than those prescribed in Schedule II are used:

Notes to the Financial Statements for the year ended 31st March, 2016

Note 1: Significant Accounting Policies (contd..)

- a) The useful life of certain plant and machinery being continuous process plants, which is required and designed to operate for 24 hours a day, has been estimated, based on independent technical evaluation, as 18 years;
 - b) In respect of power line payments made to Electricity Authorities, useful life is estimated at five years and expenditure is amortized accordingly on Straight Line Method.
 - c) Cost of Technical Know-how and Software capitalized is amortised over a period of five years on Straight Line Method.
 - d) Individual assets, whose actual cost does not exceed ₹10,000 are depreciated fully within the year of acquisition.
- iii) Premium paid on Leasehold land is amortized over the period of the Lease.
- iv) In respect of additions or extensions forming part of existing assets, including incremental cost arising on translation of foreign currency liabilities for acquisition of Fixed Assets, depreciation is provided over the residual life of the respective assets.

1.6 Borrowing Costs:

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Interest and other borrowing costs that are attributable to acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit & Loss in the period in which they are incurred.

1.7 Foreign Currency Transactions:

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transaction or that approximates the actual rate at the date of the transaction.

Monetary items denominated in foreign currencies, which are outstanding as at the year-end and not covered by forward contracts, are restated at year end rates. Resultant gain or loss, other than in relation to acquisition of fixed assets, is charged to revenue during the year. In case of items covered by forward exchange contracts, the difference between the forward rate and the exchange rate

at the inception of the forward exchange contracts is recognized as income/expense over the life of the contract. The exchange differences arising on such forward exchange contracts are recognized as income or expense along with the exchange differences on the underlying assets/liabilities. Profit or loss on cancellations/renewals of forward contracts is recognized during the year. Non-monetary foreign currency items are carried at cost.

In accordance with Accounting Standard (AS) 11, "Accounting for the effects of changes in foreign exchange rates", exchange difference arising in respect of long term foreign exchange liabilities, where they relate to acquisition of depreciable fixed assets, are adjusted to the carrying cost of such assets and are depreciated over the balance useful life of the asset.

1.8 Valuation of Inventories:

Items of Inventories are valued at lower of cost and net realizable value after providing for obsolescence, if any. Cost of inventories is ascertained on the 'weighted average' basis. Inventory of Finished goods* and Work in progress is valued on full absorption cost incurred in bringing the inventories to their present location and condition. Waste & Scrap are valued at net realizable value.

(*Excise duty, wherever applicable, is included in finished goods inventory valuation.)

1.9 Lease Rentals:

Rental charges in respect of assets acquired under finance leases prior to 1st April 2001 are amortized over the useful economic life of the asset and excess of lease rentals paid over the amount accrued are treated as prepaid lease rentals. No leased assets, except leasehold land, were acquired on or after 1st April 2001.

1.10 Employee Benefits:

Defined contribution plans such as contributions to Provident Fund, Family Pension Fund and Employee's State Insurance are made to the funds administered by the Govt. of India, and are recognized as an expense when employees have rendered service entitling them to the contributions. Defined benefit plans such as leave encashment and gratuity are determined using the Projected Unit Credit Method, on the basis of actuarial valuation carried out by independent actuaries at each balance sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the year in which they arise.

Notes to the Financial Statements for the year ended 31st March, 2016

Note 1: Significant Accounting Policies (contd..)

1.11 Taxation:

Tax expense comprises Current and Deferred Tax.

Current Income Tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates in accordance with the provisions of the Income Tax Act, 1961.

Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred charge or credit resulting from timing difference is measured based on the current tax rates and tax laws that have been enacted or substantively enacted as on the Balance Sheet date. Deferred tax assets are recognized and carried forward to the extent there is a reasonable certainty that these assets can be realized in future against future taxable income. Deferred tax assets/liabilities are reviewed at each Balance Sheet date.

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing reasons that the company will pay normal income tax during the specified period. MAT credit entitlement is reviewed at each balance sheet date.

1.12 Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligations. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

1.13 Earnings per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.14 Government Grants:

Grants and subsidies from the Government are recognized when there is reasonable certainty that the grant/ subsidy will be received and all attaching conditions will be complied with.

Grants received against specific fixed assets are adjusted to cost of assets and those in the nature of promoter's contribution are credited to Capital Reserve. Revenue Grants are recognized in the Statement of Profit and Loss on a systematic basis to match them with related costs.

1.15 Application of Securities Premium Account:

Share issue expenses and Premium payable on redemption of Preference Shares are charged, first against available balance in Securities Premium Account.

Notes to the Financial Statements for the year ended 31st March, 2016

Note 2: Share Capital

Amount in ₹

Particulars	As at 31 st March, 2016		As at 31 st March, 2015	
Authorised:				
24,000,000 (Previous Year 24,000,000)	240,000,000		240,000,000	
Equity Shares of ₹10/- each				
3,150,000 (Previous Year 3,150,000)	315,000,000	555,000,000	315,000,000	555,000,000
Preference Shares of ₹100/- each				
Issued, Subscribed & Paid up:				
19,176,877 (Previous Year 16,201,000)	191,768,770		162,010,000	
Equity Shares of ₹10/- each fully paid up				
Nil (Previous Year 3,107,500) Compulsorily	-	191,768,770	310,750,000	472,760,000
Convertible Preference Shares of ₹100/-				
each fully paid up				
		191,768,770		472,760,000

2.1 Reconciliation of the number of shares outstanding:

Particulars	As at 31 st March, 2016 Numbers	As at 31 st March, 2015 Numbers
a. Equity Shares outstanding at the beginning of the year	16,201,000	15,186,000
Add: Shares issued during the year	2,975,877	1,015,000
Equity Shares outstanding at the end of the year	19,176,877	16,201,000
b. Compulsorily Convertible Preference Shares outstanding at the beginning of the year	3,107,500	-
Add: Issued during the year	-	3,107,500
Less: Converted into Equity Shares during the year	(3,107,500)	-
Compulsorily Convertible Preference Shares outstanding at the end of the year	-	3,107,500

2.2 The Company is having only one class of equity shares having par value of ₹10/-per share. Each Shareholder is eligible for one vote per share. Equity shareholders are having the right of dividend, proposed by the Board of Directors subject to the approval of shareholders except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their holding.

2.3 Compulsorily Convertible Preference Shareholders did not have the voting rights except as provided under section 47(2) of the Companies Act, 2013. These shares were having the preferential rights over equity shareholders, for getting the fixed dividend of ₹12/- per share, i.e., @ 12% on a pro-rata basis from the date of allotment on non-cumulative basis and also repayment of Capital in the event of liquidation. These shares were converted in to 2,725,877 (Twenty Seven Lakhs Twenty Five Thousand Eight Hundred Seventy Seven Only) Equity Shares of ₹10/- each of the Company at the Price of ₹114/- per Equity Share (including Premium of ₹104/- per Share), on 3rd August, 2015.

Notes to the Financial Statements for the year ended 31st March, 2016

Note 2: Share Capital (contd)

2.4 Details of Shareholders holding more than 5% shares:

Name of the Shareholder	As at 31 st March, 2016		As at 31 st March, 2015	
	No. of Shares held	% of holding	No. of Shares held	% of holding
a. Equity shares				
MCAP India Fund Limited	2,975,877	15.52	N.A.	N.A.
GPL Finance Ltd.	2,123,201	11.07	2,123,201	13.11
Shyam Sunder Sharmma	1,938,927	10.11	2,163,927	13.36
SBI Mutual Fund	1,364,250	7.11	N.A.	N.A.
Rajesh Sharma	1,095,529	5.71	1,095,529	6.76
Sharad Sharma	N.A.	N.A.	1,075,583	6.64
Vishnu Dutt Khandelwal	N.A.	N.A.	920,200	5.68
b. Compulsorily Convertible Preference Shares				
MCAP India Fund Limited	N.A.	N.A.	3,107,500	100

2.5 The Company has neither issued shares for a consideration other than cash/ bonus shares nor bought back any shares during the period of 5 years immediately preceding the reporting date.

Note 3: Reserves And Surplus

Particulars	As at 31 st March, 2016		As at 31 st March, 2015	
a. Capital Reserve				
As per last Balance Sheet	22,528,028		22,528,028	
Add: Addition during the year	22	22,528,050	-	22,528,028
b. Capital Redemption Reserve				
As per last Balance Sheet		45,000,000		45,000,000
c. Securities Premium Account				
As per last Balance Sheet	129,468,357		91,439,699	
Add: Premium Received During the Year	309,491,208		54,810,000	
Less: Share Issue Expenses	-	438,959,565	(16,781,342)	129,468,357
d. Debenture Redemption Reserve				
As per last Balance Sheet	-		33,750,000	
Less: Transferred to Statement of Profit and Loss	-	-	(33,750,000)	-
e. General Reserve				
As per last Balance Sheet		26,413,041		26,413,041
f. Surplus				
Balance at the beginning of the year	1,075,904,220		861,187,793	
Add: Profits for the year	248,591,576		230,667,060	
	1,324,495,796		1,091,854,853	
Less: Appropriations:				
MAT Credit (Recognised)/ Reversed for earlier years	259,560		2,819,980	
Taxation adjustments for earlier years (net)	220,409		1,348,406	
Transferred from Debenture Redemption Reserve	-		(33,750,000)	

Notes to the Financial Statements for the year ended 31st March, 2016

Note 3: Reserves And Surplus (Contd..)

Amount in ₹

Particulars	As at 31 st March, 2016		As at 31 st March, 2015	
Dividend				
- Equity for previous year (Refer Note 3.1)	3,271,052		-	
- Equity - Proposed (₹1.20 per share)	23,012,252		19,441,200	
- Compulsory Convertible Preference - Interim 12% p.a.	12,668,384		-	
- Compulsory Convertible Preference - Proposed 12% p.a.	-		18,389,589	
Dividend Distribution Tax				
- Equity for previous year	665,911		-	
- Equity - Proposed	4,684,753		3,957,770	
- Compulsory Convertible Preference - Interim	2,578,985		-	
- Compulsory Convertible Preference - Proposed	-		3,743,688	
	47,361,306	1,277,134,490	15,950,633	1,075,904,220
Total		1,810,035,146		1,299,313,646

3.1 Represents dividend payment relating to previous year in respect of 2,725,877 equity shares (Previous Year Nil), which were allotted to MCAP India Fund Ltd. on conversion of Compulsory Convertible Preference Shares after 31st March 2015 but before 12th September 2015 (record date).

Note 4: Money Received Against Share Warrants

Amount in ₹

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Money Received against Share Warrants	-	7,125,000
Total	-	7,125,000

4.1 The reconciliation of the number of Share Warrants is as under:

Particulars	As at 31 st March, 2016 Numbers	As at 31 st March, 2015 Numbers
Balance at the beginning of the year	250,000	1,015,000
Add: Issued during the year	-	250,000
	250,000	1,265,000
Less: Converted into Equity Shares during the year	250,000	1,015,000
Balance at the end of the year	-	250,000

4.2 During the year, 250,000 (Previous Year 1,015,000) Warrants have been converted into equal number of Equity Shares of ₹10/- each at a premium of ₹104/- (Previous Year 54/-) per share.

Notes to the Financial Statements for the year ended 31st March, 2016

Note 5: Long Term Borrowings

Amount in ₹

Particulars	As at 31 st March, 2016		As at 31 st March, 2015	
	Non Current	Current	Non Current	Current
SECURED				
Rupee Term Loans from Banks & Financial Institution	501,393,607	257,531,379	627,059,084	215,898,996
Rupee Term Loans from Others	6,103,261	12,840,526	18,943,787	12,154,811
Foreign Currency Loan from Banks & Financial Institution	115,007,578	30,802,762	147,248,692	27,609,130
Buyers Credit from Bank in Foreign Currency	32,200,944	11,765,859	74,699,649	-
UNSECURED				
Rupee Term Loans from Others	-	1,176,871	1,176,871	19,299,331
Loans from Director & Directors' relatives (Related Parties)	62,775,000	8,500,000	-	-
Total	717,480,390	322,617,397	869,128,083	274,962,268
Less: Amount disclosed under the head "Other Current Liabilities" (Refer Note 11)		322,617,397		274,962,268
Net Amount	717,480,390	-	869,128,083	-

Nature of Security and Terms of Repayment:

a. Rupee Term Loans from Banks & Financial Institution:

- i) Rupee Term Loans and Foreign Currency Loan from Banks & FI, including Buyers credit from Banks, aggregating to ₹948,702,129 (Previous Year ₹1,089,505,569) are secured by way of first charge, on pari-passu basis among lending banks & FI, over entire fixed assets (present & future) (except the assets exclusively charged/ hypothecated against specific loan) including equitable mortgage of entire properties of the Company. These loans are further secured by way of extension of first charge on pari-passu basis, on current assets of the Company and personal guarantees of executive directors and others. These loans are repayable in monthly/ quarterly installments as per following maturity profile:

Years	2016-17	2017-18	2018-19	2019-20
₹	300,100,000	355,812,844	165,200,000	127,589,285

- ii) Loans aggregating to ₹ Nil (Previous Year ₹3,009,982) relate to vehicle purchased and are secured by way of hypothecation & exclusive charge of specified vehicles.

- b. Rupee term loans from Others aggregating to ₹18,943,787 (Previous Year ₹31,098,598) relate to assets purchased under hire purchase/ financing arrangements with finance companies and are secured by way of hypothecation of the specified assets. These loans are further secured by personal guarantees of some of the executive directors, repayable in monthly installments and maturity profile is as under:

Years	2016-17	2017-18	2018-19
₹	12,840,526	5,613,807	489,454

- c. Repayment of Rupee term loans of ₹1,176,871 (Previous Year ₹20,476,202) from other parties have been guaranteed by executive directors. Out of above, Loan of ₹ Nil (Previous Year ₹1.50 Crore) is additionally secured by pledge of shares owned by executive directors and others. These loans are repayable entirely during 2016-17 in monthly installments.
- d. Unsecured Loans from Director and Directors' relatives aggregating to ₹71,275,000 (Previous Year Nil) are repayable during 2020-21 after the repayment of Banks' term loans as per terms of sanction.

Notes to the Financial Statements for the year ended 31st March, 2016

Note 6: Deferred Tax Liability (Net)

		Amount in ₹	
Particulars	As at 31 st March, 2016	As at 31 st March, 2015	
Deferred Tax Liability			
Related to Fixed Assets	141,380,077		110,599,708
Deferred Tax Assets			
- Expenditure allowable on actual payment basis under the Income Tax Act	17,538,286	12,692,677	
- Others	2,202,092	1,634,362	14,327,039
Net Deferred Tax Liability	121,639,699		96,272,669

Note 7: Other Long Term Liabilities

		Amount in ₹	
Particulars	As at 31 st March, 2016	As at 31 st March, 2015	
Trade payables			
- Due to Micro, Small & Medium Enterprises (Refer Note - 40)	-	-	
- Others	5,393,218	5,496,180	5,496,180
Other payables	2,579,610		2,826,972
Total	7,972,828		8,323,152

Note 8: Long Term Provisions

		Amount in ₹	
Particulars	As at 31 st March, 2016	As at 31 st March, 2015	
Provision for Employee benefits (Refer Note 26.1)			
- Gratuity	28,302,306	23,054,395	
- Leave encashment	3,778,041	3,412,333	26,466,728
Total	32,080,347		26,466,728

Note 9: Short Term Borrowings

		Amount in ₹	
Particulars	As at 31 st March, 2016	As at 31 st March, 2015	
SECURED			
Working Capital Loans from Banks			
- Rupee Loans	430,847,743	646,095,312	
- Foreign Currency Loans	39,396	40,190	
- Foreign Currency Loans - Buyers Credit arrangements	-	134,159,887	780,295,389
UNSECURED			
Loans repayable on demand:			
- from Directors, their relatives & other related parties	28,725,000	6,725,000	
- from others	5,150,000	9,300,000	16,025,000
Total	464,762,139		796,320,389

Notes to the Financial Statements for the year ended 31st March, 2016

Note 9: Short Term Borrowings (contd..)

- a. Working capital loans from Banks except Buyers' Credit arrangements of ₹ Nil (Previous Year ₹92,680,394/-) are secured by hypothecation of current assets of the Company both present and future, ranking pari-passu inter-se. These loans are further secured by way of extension of pari-passu 1st charge on fixed assets (except the assets exclusively charged/ hypothecated against specific loan) of the Company and also guaranteed by the Executive Directors and others.
- b. Buyers' credit arrangements of ₹ Nil (Previous Year ₹92,680,394/-) from banks are secured by way of pledge of fixed deposit receipts

Note 10: Trade Payables

Amount in ₹

Particulars	As at 31 st March, 2016		As at 31 st March, 2015	
a. Due to Micro, Small & Medium Enterprises (Refer Note - 40)	-		-	
b. Others	217,297,666	217,297,666	330,155,511	330,155,511
Total		217,297,666		330,155,511

Note 11: Other Current Liabilities

Amount in ₹

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
a. Current maturities of long term debts (Refer Note 5)	322,617,397	274,962,268
b. Interest accrued but not due on borrowings	1,266,608	4,396,496
c. Interest accrued and due on borrowings	9,205,780	6,094,909
d. Unclaimed Dividend #	6,174,184	5,167,002
e. Creditors for Capital Expenditure	21,842,546	18,973,233
f. Advances from Customers	6,702,004	11,347,071
g. Statutory dues	10,007,071	8,116,173
h. Other Payables*	139,802,181	129,807,162
Total	517,617,771	458,864,314

There are no outstanding dues to be paid to Investor Education and Protection Fund.

* Dues payable to employees and accrued expenses.

Note 12: Short Term Provisions

Amount in ₹

Particulars	As at 31 st March, 2016		As at 31 st March, 2015	
a. Provisions for Gratuity & Leave Encashment (Refer Note 26.1)				
- Gratuity	4,573,899		3,600,598	
- Leave encashment	1,373,688	5,947,587	1,212,258	4,812,856
b. Provision for Income Tax (net of Advance tax)		6,529,112		1,650,406
c. Proposed Dividend		23,012,252		37,830,789
d. Provision for Tax on Proposed Dividend		4,684,753		7,701,458
e. Provision for Excise Duty		2,485,107		3,196,456
Total		42,658,811		55,191,965

Notes to the Financial Statements for the year ended 31st March, 2016

Note 13: Fixed Assets

Amount in ₹

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 31 st March, 2015	Additions during the Year	Deductions/ Adjustment	As at 31 st March, 2016	As at 31 st March, 2015	For the Year	Deductions/ Adjustment	Upto 31 st March, 2016	As at 31 st March, 2016	As at 31 st March, 2015
Tangible Assets:										
Own Assets:										
Freehold Land & Site Development	112,949,278	-	-	112,949,278	-	-	-	-	112,949,278	112,949,278
Leasehold Land	14,520,209	-	-	14,520,209	1,216,211	161,336	-	1,377,547	13,142,662	13,303,998
Buildings	686,831,449	69,616,838	-	756,448,287	105,114,430	32,980,797	-	138,095,227	618,353,060	581,717,019
Plant & Machinery	2,553,048,305	121,725,486	89,812,893	2,584,960,898	701,445,967	168,607,150	83,275,293	786,777,824	1,798,183,074	1,851,602,338
Furniture & Fixtures	12,946,845	333,295	644,631	12,635,509	9,002,246	1,435,417	580,466	9,857,197	2,778,312	3,944,599
Office Equipments	23,744,438	3,940,704	2,284,083	25,401,059	16,355,805	4,479,654	2,126,441	18,709,018	6,692,041	7,388,633
Vehicles	20,369,457	77,845	480,319	19,966,983	13,986,716	2,020,142	436,555	15,570,303	4,396,680	6,382,741
Total	3,424,409,981	195,694,168	93,221,926	3,526,882,223	847,121,375	209,684,496	86,418,755	970,387,116	2,556,495,107	2,577,288,606
Previous Year's Total	2,727,150,943	783,256,037	85,996,999	3,424,409,981	702,899,882	188,033,795	43,812,302	847,121,375	2,577,288,606	2,024,251,061
Intangible Assets:										
Technical Knowhow	1,462,548	-	-	1,462,548	1,462,548	-	-	1,462,548	-	-
Software	4,386,995	805,621	-	5,192,616	2,457,818	805,478	-	3,263,296	1,929,320	1,929,177
Total	5,849,543	805,621	-	6,655,164	3,920,366	805,478	-	4,725,844	1,929,320	1,929,177
Previous Year's Total	5,330,118	519,425	-	5,849,543	3,232,256	688,110	-	3,920,366	1,929,177	2,097,862
Capital Work-in- progress (including Pre-operative expenses pending allocation to assets - Refer Note 35)									5,398,814	97,854,618
Intangible assets under development									1,139,659	-

13.1 Pursuant to the Companies (Accounting Standards) Amendment Rules, 2011, Company has exercised the option of capitalizing the exchange differences arising on foreign currency long term loans for purchase of depreciable capital assets, in respect of accounting periods commencing from 1st April, 2011, which were hitherto recognized as income or expense in the period in which they arose. Accordingly, gain/ (loss) on account of foreign exchange fluctuations amounting to ₹16,181,509/- [Previous Year (₹8,037,980)] has been adjusted with the cost of capital assets, to be depreciated over the balance useful life of respective assets.

13.2 Current year's depreciation includes ₹ Nil [Previous Year ₹3,035,446] being the written down value of Fixed Assets whose lives have expired as at 1st April 2014.

Note 14: Long Term Loans & Advances

Amount in ₹

Particulars	As at 31 st March, 2016		As at 31 st March, 2015	
(Unsecured and considered good unless otherwise stated)				
a. Capital Advances		-		1,300,362
b. Security Deposits		23,913,009		23,913,009
c. Other Loans & Advances*	3,750,551		4,969,369	
Less: Provision for Doubtful Advances (other than employees)	(2,579,510)	1,171,041	(2,913,764)	2,055,605
Total		25,084,050		27,268,976

* Includes Loans to Employees.

Notes to the Financial Statements for the year ended 31st March, 2016

Note 15: Other Non Current Assets

Amount in ₹

Particulars	As at 31 st March, 2016		As at 31 st March, 2015	
(Unsecured)				
a. Long term Trade Receivables	3,783,447		1,894,598	
Less: Provision for Doubtful Debts	(3,783,447)	-	(1,894,598)	-
b. Credit/ Refund of Statutory Dues		3,145,488		3,502,722
Total		3,145,488		3,502,722

Note 16: Inventories

Amount in ₹

Particulars	As at 31 st March, 2016		As at 31 st March, 2015	
(Refer Note no. 1.8 for valuation)				
a. Raw-Materials	203,270,922		265,526,020	
Raw-Materials in transit	267,380	203,538,302	964,182	266,490,202
b. Work-in-progress		50,694,667		61,125,331
c. Finished Goods		303,876,801		383,448,025
d. Stock-in-trade		7,248,987		1,596,778
e. Stores & Spares		127,329,664		110,767,907
Total		692,688,421		823,428,243

16.1 Details of Raw Materials

Amount in ₹

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Plastic/ Pet Bottle Scrap	107,949,043	194,312,514
POY/ Texturised/ Twisted Yarn	5,182,676	1,787,757
Colour & Chemicals	82,532,099	62,265,282
Packing Materials	7,874,484	8,124,649
Total	203,538,302	266,490,202

16.2 Details of Work-in-progress

Amount in ₹

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Polyester Staple Fibre	28,348,955	33,381,335
Dyed Texturised Yarn	9,976,312	11,505,555
Spun Yarn	12,369,400	16,238,441
Total	50,694,667	61,125,331

16.3 Details of Finished Goods

Amount in ₹

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Polyester Staple Fibre	191,975,995	223,776,948
Dyed Texturised Yarn	18,296,324	25,030,163
Spun Yarn	93,354,482	134,576,994
Waste & Scrap	250,000	63,920
Total	303,876,801	383,448,025

Notes to the Financial Statements for the year ended 31st March, 2016

Note 16: Inventories (contd..)

16.4 Details of Stock in Trade

Particulars	Amount in ₹	
	As at 31 st March, 2016	As at 31 st March, 2015
Polyester Staple Fibre	7,222,883	598,394
Yarn	26,104	998,384
Total	7,248,987	1,596,778

Note 17: Trade Receivables

Particulars	Amount in ₹	
	As at 31 st March, 2016	As at 31 st March, 2015
(Unsecured and considered good)		
a. Over Six Months from due date	3,864,679	10,125,431
b. Others	493,489,005	397,228,814
Total	497,353,684	407,354,245

Note 18: Cash & Bank Balances

Particulars	Amount in ₹			
	As at 31 st March, 2016		As at 31 st March, 2015	
A. Cash and Cash Equivalents:				
a. Balances with Banks (in current accounts)	13,368,409		16,433,929	
b. Cheques on hand	4,047,397		6,239,910	
c. Cash on hand	828,080		1,012,784	
d. Fixed Deposits with Banks	3,657,999	21,901,885	7,596,643	31,283,266
B. Other Bank Balances:				
a. Unclaimed dividend accounts	6,174,184		5,167,002	
b. Fixed Deposits with Banks #				
- Held as margin money with Banks/ pledged to Excise authorities	6,228,194		117,066,157	
- Others	3,460,037	15,862,415	6,008,405	128,241,564
Total		37,764,300		159,524,830

Fixed deposits with banks include deposits of ₹2,898,006/- (Previous Year ₹2,798,626/-) with maturity of more than 12 months.

Note 19: Short Term Loans & Advances

Particulars	Amount in ₹	
	As at 31 st March, 2016	As at 31 st March, 2015
(Unsecured and considered good)		
a. Prepaid Expenses & Lease rent	6,426,166	7,119,370
b. Security Deposits	1,392,150	1,330,050
c. Advances to Vendors	32,353,921	32,686,612
d. Advances to Employees and Others	2,860,821	3,379,150
e. Credits/ Refund of Statutory Dues	10,976,550	13,768,451
f. Mat Credit available for set off	224,779,397	221,485,189
Total	278,789,005	279,768,822

Notes to the Financial Statements for the year ended 31st March, 2016

Note 20: Other Current Assets

Amount in ₹

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
a. Export incentives receivable	8,452,973	20,782,354
b. Interest Subsidy and Interest receivable	14,875,418	19,908,164
c. Discarded Fixed Assets held for disposal	197,328	1,310,700
Total	23,525,719	42,001,218

Note 21: Revenue From Operations

Amount in ₹

Particulars	As at 31 st March, 2016		As at 31 st March, 2015	
a. Sale of Products				
i) Manufactured				
- Polyester Staple Fibre	4,803,034,721		4,255,345,623	
- Dyed Texturized Yarn	316,046,060		407,714,928	
- Spun Yarn*	1,299,100,710		1,408,774,369	
- Waste and Scrap	14,884,621	6,433,066,112	17,554,148	6,089,389,068
ii) Traded Goods				
- Polyester Staple Fibre	43,086,254		55,543,169	
- Yarn	42,232,440		87,098,853	
- Plastic Scrap	27,675,909	112,994,603	43,073,885	185,715,907
Sub-Total		6,546,060,715		6,275,104,975
b. Other Operating Revenues				
i) Job Work receipt		735,770		444,575
ii) Insurance Claims received		1,518,365		5,245,796
iii) Service Tax refund		2,055,287		806,976
iv) Others		3,629,837		6,514,202
Sub-Total		7,939,259		13,011,549
Total		6,553,999,974		6,288,116,524
Less: Excise Duty		81,140,689		55,636,965
Total		6,472,859,285		6,232,479,559

* Own manufacturing as well as conversion of own manufactured Polyester Staple Fibre into Spun yarn on job work from an outside party.

Note 22: Other Income

Amount in ₹

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
a. Interest received	8,335,715	13,837,514
b. Net Gain on foreign currency transaction & translation	6,061,145	1,723,946
c. Other non-operating Income	258,938	1,497,195
Total	14,655,798	17,058,655

Notes to the Financial Statements for the year ended 31st March, 2016

Note 23: Cost of Materials Consumed

Amount in ₹

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Raw Materials:		
a. Plastic/ Pet bottles scraps	3,216,369,350	3,281,076,477
b. POY/Texturized/ Twisted Yarn	159,885,812	232,375,172
c. Colour & Chemicals	462,980,584	415,686,584
d. Packing Material & Expenses	66,721,398	63,711,655
Total	3,905,957,144	3,992,849,888

Note 24: Purchases of Stock-In-Trade

Amount in ₹

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
a. Polyester Staple Fibre	41,361,420	45,691,178
b. Yarn	35,953,668	78,733,811
c. Plastic Scrap	25,181,591	39,221,664
Total	102,496,679	163,646,653

Note 25: Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade

Amount in ₹

Particulars	As at 31 st March, 2016		As at 31 st March, 2015	
a. Closing Inventories:				
i) Finished Goods & Stock-in-trade	311,125,788		385,044,803	
ii) Work-in-progress	50,694,667	361,820,455	61,125,331	446,170,134
Less:				
b. Opening Inventories (Including Trial Run Stock):				
i) Finished Goods & Stock-in-trade	385,044,803		370,583,055	
ii) Work-in-progress	61,125,331	446,170,134	76,657,525	447,240,580
Total		(84,349,679)		(1,070,446)

Note 26: Employee Benefits Expense

Amount in ₹

Particulars	Year ended 31 st March, 2016	Year ended 31 st March, 2015
a. Salaries, Wages and Bonus etc.	368,366,409	311,659,175
b. Contribution to Provident & Other Funds	15,994,298	14,712,225
c. Staff Welfare Expenses	8,852,619	10,289,237
Total	393,213,326	336,660,637

Notes to the Financial Statements for the year ended 31st March, 2016

26.1 Disclosures in accordance with Accounting Standard - 15 on Employee benefits

a. Defined Contribution Plans

Contribution towards Defined Contribution Plans, recognized as expenses for the year is ₹15,994,298 (Previous Year ₹14,712,225), excluding ₹ Nil (Previous Year ₹108,843) transferred to Preoperative Expenses.

b. Defined benefit Plans

As per Actuarial Valuation on 31st March, 2016

i. Expenses recognized in the Statement of Profit & Loss for the year ended 31st March, 2016:

Amount in ₹

Particulars	Gratuity		Leave Encashment	
	2015-16	2014-15	2015-16	2014-15
1. Current Service Cost	5,347,709	4,996,642	1,972,624	1,869,258
2. Past Service Cost	-	-	-	-
3. Interest Cost	2,079,089	1,609,146	360,718	303,930
4. Expected Return on the Plan Assets	-	-	-	-
5. Net Actuarial (Gain)/ Losses recognized	(130,596)	3,238,416	(1,519,554)	(737,128)
6. Curtailment Cost/ Settlement Cost	-	-	-	-
7. Total Expense	7,296,202	9,844,204	813,788	1,436,060

ii. Net Asset/ (Liability) recognized in Balance Sheet as at 31st March, 2016:

Amount in ₹

Particulars	Gratuity		Leave Encashment	
	2015-16	2014-15	2015-16	2014-15
1. Present value of Defined Benefit Obligation on 31st March	32,876,205	26,654,993	5,151,729	4,624,591
2. Fair Value of Plan Assets on 31st March	-	-	-	-
3. Funded Status [Surplus/ (Deficit)]	(32,876,205)	(26,654,993)	(5,151,729)	(4,624,591)
4. Net Asset/ (Liability) recognized in Balance Sheet on 31st March	32,876,205	26,654,993	5,151,729	4,624,591

iii. Change in Present Value of Obligation during the year ended 31st March, 2016:

Amount in ₹

Particulars	Gratuity		Leave Encashment	
	2015-16	2014-15	2015-16	2014-15
1. Present value of Obligation at the beginning of the year	26,654,993	17,682,923	4,624,591	3,339,895
2. Interest Cost	2,079,089	1,609,146	360,718	303,930
3. Past Service Cost	-	-	-	-
4. Current Service Cost	5,347,709	4,996,642	1,972,624	1,869,258
5. Curtailment Cost/ Settlement Cost	-	-	-	-
6. Benefit payments	(1,074,990)	(872,134)	(286,650)	(151,364)
7. Actuarial (Gain)/ Loss on obligation	(130,596)	3,238,416	(1,519,554)	(737,128)
8. Present value of Obligation at the end of the year	32,876,205	26,654,993	5,151,729	4,624,591

iv. Fair value & changes in fair value of Plan Assets during the year ended 31st March, 2016:

Gratuity & Leave encashment obligations are not funded

Notes to the Financial Statements for the year ended 31st March, 2016

26.1 Disclosures in accordance with Accounting Standard - 15 on Employee benefits (contd..)

v. Actuarial Assumption

Particulars	Amount in ₹	
	Year ended 31 st March, 2016	Year ended 31 st March, 2015
1. Discount Rate	7.70%	7.80%
2. Salary Escalation Rate	7.00%	7.00%
3. Expected Rate of Return on Plan Assets	-	-
4. Mortality	Indian Assured Lives Mortality (2006-2008) ultimate Table	Indian Assured Lives Mortality (2006-2008) ultimate Table
5. Withdrawal Rate	15% p.a.	15% p.a.

- c. Employees benefits in the form of defined contribution plans and defined benefit plans (Gratuity & Leave Encashment) are not payable to the Executive Directors of the Company.
- d. The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

Note 27: Finance Costs

Particulars	Amount in ₹	
	Year ended 31 st March, 2016	Year ended 31 st March, 2015
a. Interest Expense	180,549,903	184,744,882
b. Other borrowing costs	11,764,290	17,977,752
c. Net Loss/ (Gain) on foreign currency transactions and translations	6,308,178	(5,997,201)
Total	198,622,371	196,725,433

Note 28: Depreciation and Amortization Expenses

Particulars	Amount in ₹	
	As at 31 st March, 2016	As at 31 st March, 2015
a. Depreciation	210,328,638	188,369,937
b. Amortization	161,336	351,968
Total	210,489,974	188,721,905

Note 29: Other Expenses

Particulars	Amount in ₹	
	Year ended 31 st March, 2016	Year ended 31 st March, 2015
A. Manufacturing Expenses:		
a. Consumption of Stores & Spares	213,246,812	187,534,416
b. Power and Fuel	691,670,022	570,442,762
c. Processing Charges	52,789,362	83,956,888
d. Excise Duty*	(711,349)	599,452
e. Repairs to:		
- Machinery	25,454,975	23,118,380
- Building	12,919,756	5,936,228
- Others	4,964,184	3,527,155
Total (A)	1,000,333,762	875,115,281

* Represents excise duty related to variation in opening and closing stocks.

Notes to the Financial Statements for the year ended 31st March, 2016

Note 29: Other Expenses (contd..)

Amount in ₹

Particulars	Year ended 31 st March, 2016		Year ended 31 st March, 2015	
B. Administrative Expenses:				
a. Rent		5,961,117		5,201,157
b. Insurance		9,723,362		8,154,264
c. Rates and Taxes		824,935		1,069,422
d. Travelling and Conveyance		12,028,341		10,415,480
e. Printing and Stationery		3,583,293		3,562,351
f. Postage and Telephones		5,515,070		5,256,441
g. Payments to the Auditors towards:				
- Audit Fee	638,606		617,980	
- Tax / Vat Audit	85,857		96,900	
- Certification work	128,893		48,654	
- Reimbursement of expenses	8,427	861,783	8,427	771,961
h. Cost Auditors' Remuneration:				
- Audit Fee	60,106		54,150	
- For reimbursement of expenses	-	60,106	3,000	57,150
i. Listing Fees		582,779		542,810
j. Directors' Sitting Fee		199,422		204,713
k. Vehicle Running and Maintenance		6,750,111		7,556,806
l. Legal and Professional Charges		5,378,478		8,887,540
m. Filing Fees		37,449		1,968,294
n. Miscellaneous Expenses		10,555,999		11,440,898
o. Prior period Items (Net)		100,267		1,116,263
p. Provision for Doubtful Debts Written Back		(1,542,470)		(1,166,084)
q. Provision for Doubtful Debts/ Advances		3,732,315		3,213,961
r. Loss on fixed assets sold/ discarded		2,590,429		495,674
s. Lease Rent		91,262		141,574
t. Expenditure towards Corporate Social Responsibility (CSR)		5,820,000		632,000
Total (B)		72,854,048		69,522,675
C. Selling Expenses:				
a. Freight and Forwarding charges		152,615,311		146,280,042
b. Other Selling & Distribution Expenses		22,811,700		17,529,826
Total (C)		175,427,011		163,809,868
Total (A+B+C)		1,248,614,821		1,108,447,824

Notes to the Financial Statements for the year ended 31st March, 2016

Note 30: Earnings Per Share

		Amount in ₹	
Particulars	2015-16	2014-15	
Profit attributable to Equity Shareholders for Basic & Diluted EPS	235,923,192	212,277,471	
Less: a. Tax adjustments for earlier years	220,409	1,348,406	
b. Mat Credit (recognition)/ reversal for earlier years	259,560	2,819,980	
c. Tax on Preference Dividend	2,578,985	3,743,688	7,912,074
Net Profit attributable to Equity Shareholders	232,864,238	204,365,397	
Weighted average number of Equity Shares for Basic Earnings per share (Numbers)	18,136,553	15,294,452	
Add: Weighted average number of Potential Equity Share	-	28,808	
Weighted average number of Equity Shares for Diluted Earnings per share (Numbers)	18,136,553	15,323,260	
Nominal Value per Equity Share (₹)	10	10	
Earnings per share			
- Basic	12.84	13.36	
- Diluted	12.84	13.34	

Note 31: Imported and Indigeneous Raw Materials and Stores & Spares Consumed (including trial run production)

Amount in ₹				
Particulars	2015-16		2014-15	
	Value (₹)	Percentage of total consumption	Value (₹)	Percentage of total consumption
a. Raw Material				
- Imported	228,469,293	5.85	362,229,166	8.37
- Indigeneous	3,677,487,851	94.15	3,967,962,446	91.63
	3,905,957,144	100.00	4,330,191,612	100.00
b. Stores & Spares				
- Imported	32,108,698	15.06	15,411,112	8.02
- Indigeneous	181,138,114	84.94	176,835,069	91.98
	213,246,812	100.00	192,246,181	100.00

Note 32: CIF Value of Imports

		Amount in ₹	
Particulars	2015-16	2014-15	
Raw Materials/ Traded Goods	183,348,866	289,020,152	
Stores & Spares	25,241,504	12,409,434	
Repair to Plant & Machinery	-	337,765	
Capital Goods	-	59,316,432	

Notes to the Financial Statements for the year ended 31st March, 2016

Note 33: Expenditure in Foreign Currency

Amount in ₹

Particulars	2015-16	2014-15
Travelling	571,931	305,484
Commission	1,698,527	347,796
Interest	12,178,338	13,211,951
Repair to Plant & Machinery	479,640	346,459
Miscellaneous	182,249	11,168

Note 34: Earnings in Foreign Currency

Amount in ₹

Particulars	2015-16	2014-15
F.O.B. Value of Exports	358,863,319	305,563,764

Note 35: Pre-Operative Expenses

(relating to expansion/ greenfield projects and included in capital work in progress)

Amount in ₹

Particulars	2015-16	2014-15
Opening Balance	-	33,708,551
Add: a. Raw Material Consumed	-	337,341,724
b. Employee benefits expense	-	17,124,934
c. Depreciation/ Amortization expense	-	-
d. Other Expenses	-	67,139,662
e. Finance costs	-	25,199,211
	-	446,805,531
	-	480,514,082
Less: a. Sale of Finished Goods	-	319,786,079
b. Other Income	-	(119,049)
c. Inventory :	-	-
- Finished Goods	-	82,649,624
- Work in Progress	-	9,777,539
	-	412,094,193
Total	-	68,419,889
Less: Allocation to Fixed Assets	-	68,419,889
Closing Balance	-	-

Note 36: Segment Information

a. Primary Segment (by Business Segment):

Based on the guiding principles given in the Accounting Standard on Segment Reporting (AS-17), Company is primarily in the business of manufacture and sale of Polyester Staple Fibre and Polyester Yarn which are mainly having similar risks and returns. Since Company's business activity falls within a single business segment (synthetic textile), hence it has no other primary reportable segments.

b. Secondary Segment (by Geographical demarkation):

Amount in ₹

Particulars	2015-16	2014-15
Revenue from Operations (net of excise duty):		
- Domestic (Within India)	6,084,707,557	5,892,749,364
- Export	388,151,728	339,730,195
Total	6,472,859,285	6,232,479,559

Notes to the Financial Statements for the year ended 31st March, 2016

Note 37: Related Party Disclosures

37.1 Names of related parties & description of relationship:

A. Key Management Personnel:

1. Shri Shyam Sunder Sharmma	Chairman cum Managing Director
2. Shri Vishnu Dutt Khandelwal	Executive Vice Chairman
3. Shri Sharad Sharma	Joint Managing Director
4. Shri Rajesh Sharma	Executive Director
5. Shri Gopal Singh Shekhavat	Director (Administration)

B. Relatives of Key Management Personnel:

1. Smt. Vimal Sharma	Wife of Shri Shyam Sunder Sharmma
2. Smt. Nirmal Khandelwal	Wife of Shri Vishnu Dutt Khandelwal
3. Smt. Seema Sharma	Wife of Shri Sharad Sharma
4. Smt. Ratna Sharma	Wife of Shri Rajesh Sharma
5. Shri Sandeep Khandelwal	Son of Shri Vishnu Dutt Khandelwal
6. Shri Yash Sharma	Son of Shri Sharad Sharma
7. Shri Ashwani Sharma	Son of Shri Rajesh Sharma
8. Smt. Richa Sharma	Daughter of Shri Vishnu Dutt Khandelwal
9. Shyam Sunder Sharmma HUF	Shri Shyam Sunder Sharmma is Karta
10. Vishnu Dutt Khandelwal HUF	Shri Vishnu Dutt Khandelwal is Karta
11. Sharad Sharma HUF	Shri Sharad Sharma is Karta
12. Rajesh Sharma HUF	Shri Rajesh Sharma is Karta

C. Companies & Concerns Controlled by Key Management Personnel/Relatives:

1. Sandeep Yarns Pvt. Ltd.
2. GPL Finance Limited

37.2 Summary of Transactions:

Particulars	Key Management Personnel	Relatives of Key Management Personnel	Amount in ₹
			Companies Controlled by Key Management Personnel/Relatives
i. Transactions during the year			
Managerial Remuneration	29,521,957 (28,000,000)	- (-)	- (-)
Salary/ Stipend	- (-)	1,287,155 (1,130,000)	- (-)
Reimbursement of Expenses	174,443 (137,283)	81,060 (88,597)	- (-)
Interest paid	2,135,512 (3,063,077)	6,547,520 (176,080)	872,279 (570,360)
Interest Received	- (47,210)	- (-)	- (-)
Unsecured Loan/Fixed Deposit Accepted	46,150,000 (26,930,000)	71,975,000 (-)	3,300,000 (3,225,000)
Unsecured Loan/Fixed Deposit Repaid	27,450,000 (66,180,000)	700,000 (1,987,000)	- (-)
Loans & Advances received back*	- (877,550)	- (-)	- (-)
Money received against Share Warrants	- (-)	- (22,704,000)	- (-)

Notes to the Financial Statements for the year ended 31st March, 2016

Note 37: Related Party Disclosures

37.2 Summary of Transactions (contd..)

Amount in ₹

Particulars	Key Management Personnel	Relatives of Key Management Personnel	Companies Controlled by Key Management Personnel/ Relatives
ii. Amount Outstanding at Balance Sheet date			
Unsecured Loans/Fixed Deposits Outstanding	18,700,000	71,275,000	10,025,000
	(-)	(-)	(6,725,000)
Amounts Payable	17,165,539	1,366,465	224,943
	(892,176)	(45,846)	(164,163)

*Loan was given to a Director prior to his appointment as Director.

37.3 No amount has been written off or written back during the year in respect of debts due from or to related parties. (Previous Year Nil).

37.4 The Company has not given/provided any guarantee/collaterals for and on behalf of the aforementioned related parties.

37.5 Previous year figures have been given in brackets.

Note 38: Contingent Liabilities and Commitments (to the extent not provided for)

Amount in ₹

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
i. Contingent Liabilities		
a. Bills Discounted under Letters of Credit and outstanding	47,409,477	63,484,109
b. Claims against the Company not acknowledged as debt	3,312,752	2,247,938
c. Disputed Tax matters under appeal:		
- Income Tax Demand	1,026,790	2,818,417
- Entry Tax Liability	2,787,849	2,787,849
- Purchase Tax	2,204,383	-
- Service Tax	295,722	295,722
ii. Commitments		
a. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	150,000	12,498,082
b. Undertakings given by the Company to fulfil quantified exports in respect of capital goods imported under the Export Promotion Capital Goods Scheme of the Government of India (under redemptions except ₹790,874/-)	206,569,870	208,027,786

Note 39: Financial & Derivatives Instruments

Nominal value of Forward Contracts entered into by the Company for hedging foreign currency risks and outstanding as on 31st March, 2016 amounting to ₹109,685,947 (Previous Year ₹23,657,797)

Un-hedged Foreign Currency exposure that are not hedged by derivative instruments or forward contracts as at 31st March, 2016 amounting to ₹146,162,871 (Previous Year ₹421,783,596).

Note 40: Dues to Micro, Small and Medium Enterprises

There are no dues to Micro, Small and Medium Enterprises as at 31st March, 2016 (Previous Year Nil). The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified based on the information available with the Company.

Notes to the Financial Statements for the year ended 31st March, 2016

Note 41: Dividend Remitted in Foreign Currency

Particulars	Amount in ₹	
	2015-16	2014-15
Dividend paid to non resident shareholders:		
i) One Shareholder having 2,725,877 Equity Shares (Previous Year Nil) for the year 2014-15	3,271,052	-
ii) One Shareholder having 3,107,500 Preference Shares (Previous Year 3,107,500 Shares) for the period 3 rd October 2014 - 2 nd August 2015	31,057,973	-

Note 42: Previous Year figures has been reclassified to conform to this year's classification.

In terms of our annexed report of even date

For **MEHROTRA RAKESH KUMAR & CO.**
Chartered Accountants
(Firm Registration No. 002978C)

For and on behalf of the Board

Deepak Seth
Partner
Membership No. 073081

Sharad Sharma
Joint Managing Director

Shyam Sunder Sharmma
Chairman and Managing Director

Place : Kanpur
Dated: 22nd May, 2016

Bharat Kumar Sajnani
Company Secretary

Gopal Agarwal
Chief Financial Officer

Corporate Information

Board of Directors

Shri Shyam Sunder Sharmma
Shri Vishnu Dutt Khandelwal
Shri Sharad Sharma
Shri Rajesh Sharma
Shri Gopal Singh Shekhavat
Shri Surendra Kumar Kabra
Shri Pradeep Kumar Goenka
Shri Vishwa Nath Chandak
Shri Anoop Gupta
Shri Abhilash Lal
Shri Narayanan Subramaniam
Smt. Seema Sharma

Chairman and Managing Director
Executive Vice Chairman
Joint Managing Director
Executive Director
Director (Administration)
Independent Director
Independent Director
Independent Director
Independent Director
Independent Director
Additional Director

Chief Financial Officer

Shri Gopal Agarwal

Company Secretary

Shri Bharat Kumar Sajnani

Auditors

M/s. Mehrotra Rakesh Kumar & Co.
Chartered Accountants, Kanpur

Bankers

State Bank of India
Allahabad Bank
Bank of Baroda
HDFC Bank

Offices

Administrative office

113/216-B, Swaroop Nagar,
Kanpur-208002, Uttar Pradesh
Email: gesl@ganessaecosphere.com
Tel: +91-512-2555504-06
Fax:+91-512-2555293

Registered Office

Raipur, (Rania), Kalpi Road,
Distt. Kanpur Dehat, Uttar Pradesh
Email : geslworksknp@ganessaecosphere.com
Tel: +91-9198708383

Works

1. Kanpur Unit

Raipur, (Rania), Kalpi Road,
Distt. Kanpur Dehat, Uttar Pradesh

2. Rudrapur Unit

Plot No. 6, Sector -2,
Integrated Industrial Estate,
Pantnagar, Uttarakhand.

3. Bilaspur Units

- a. Khata No. 96 and 97,
Arazi Village Kotha, Ali Nagar,
Pargana and Tehsil Bilaspur,
Distt. Rampur, Uttar Pradesh.
- b. Gata No. 112, Village Temra, Tehsil Bilaspur,
Distt. Rampur(U.P.)

Website

www.ganessaecosphere.com



Ganesha Ecosphere Ltd.

113/216-B, SWAROOP NAGAR,
KANPUR-208002, UTTAR PRADESH