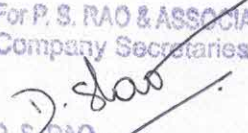


22nd
ANNUAL REPORT
2015-2016

DILIGENT INDUSTRIES LIMITED

CERTIFIED TRUE COPY

For P. S. RAO & ASSOCIATES
Company Secretaries


D. S. RAO
C.P No 14487



COMPANY INFORMATION

Board of Directors

Mr. Bhanu Prakash Vankineni : Chairman and Managing Director
Mr. Kirankumar Vankineni : Director
Mrs. Phani Anupama Vankineni : Director
Mr. Srinivas Babu Edupuganti : Independent Director
Mr. K Visweswar Rao : Independent Director
Mr. V.V.Vinod Kumar : Independent Director

Board Committees

Audit Committee

Mr. Srinivas Babu Edupuganti-Chairman
Mr.V.V.Vinod Kumar -Member
Mr. V. Bhanu Prakash-Member

Nomination & Remuneration Committee

Mr. K. Visweswar Rao-Chairman
Mr.V.V.Vinod Kumar -Member
Mr. Srinivas Babu Edupuganti-Member

Auditors

M/s Ramasamy Koteswara Rao & Co
Chartered Accountants
Plot No:238/A, 1st Floor,
M.L.A Colony, Road No.12,
Banjara Hills
Hyderabad – 500 034

Stakeholders Relationship Committee

Mr. Srinivas Babu Edupuganti-Chairman
Mr.V.V.Vinod Kumar -Member
Mr. K. Visweswar Rao-Member

Secretarial Auditors

M/s P.S.RAO & Associates
6-3-347-22/2, Flat-10, 4th Floor,
Iswarya Nilayam,
Dwarakapuri Colony, Punjagutta
Hyderabad, Telangana-500 082

Registrars & Share Transfer Agent

M/s Venture Capital and Corporate
Investments Private Limited
12-10-167, Bharat Nagar,
Hyderabad -500 018
Email: info@vccipl.com
Website: www.vccipl.com

Registered Office

Dwarka Thirumala Road,
Denduluru Village and Mandal,
West Godavari-534 432,
Andhra Pradesh
Email: diligentinvestors@gmail.com
Web: www.diligentindustries.com

Bankers

Indian Bank
R.R Pet, Eluru,
Andhra Pradesh



A Salary:

Basic Salary of Rs.1,25,000/- per month.

B Perquisites and Allowances:

a) **Encashment of Leave:** Not exceeding One month's Basic Salary per annum.

C Others:

a) Provision of One Car with Chauffeur on Company's business/ personal use and telephone(s) at residence will not be considered as perquisites. Personal long distance calls on telephones shall be billed by the Company to Mr.V.Bhanu Prakash as far as possible on actual basis failing which on an estimated basis.

b) Apart from the above Mr.V.Bhanu Prakash is also entitled to contribution to Provident Fund, Superannuation Fund, Gratuity and Encashment of Leave as per the rules of the Company. These will not be considered as perquisites as per the provisions of the Income Tax Act and will not be considered for calculation of overall remuneration as per Schedule XIII of the Companies Act, 1956 and corresponding Schedule V of the Companies Act, 2013.

"FURTHER THAT the remuneration aforesaid including the perquisites and other allowances shall be paid and allowed to Mr. Bhanu Prakash Vankineni, Managing Director, as minimum remuneration during his tenure, in the event of loss or inadequacy of profits in any financial year for a period of three (3) years."

"FURTHER THAT the Board of Directors be and are hereby authorised to take such steps and do all other acts, deeds and things as may be necessary or desirable to give effect to this resolution."

By order of the Board of Directors
For DILIGENT INDUSTRIES LIMITED

Place: Denduluru
Date: 13-08-2016

Bhanu Prakash Vankineni
Managing Director
DIN: 00919910



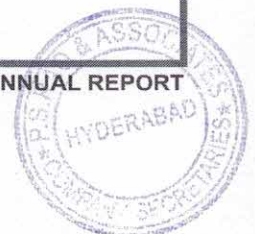
DILIGENT INDUSTRIES LIMITED

NOTES:

- 1 A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER.
- 2 Proxy forms in order to be effective must be deposited at the registered office of the Company not less than 48 hours before the meeting.
- 3 The Share Transfer Register and the Register of Members of the Company will remain closed from **23-09-2016 to 30-09-2016** (both days inclusive).
- 4 M/s. Venture Capital and Corporate Investments Pvt. Ltd., 12-10-167, Bharat Nagar, Hyderabad-500018 is the Share Transfer Agent (STA) of the Company. All communications in respect of share transfers and change in the address of the members may be communicated to them.
- 5 Members seeking any information or clarification on the accounts are requested to send queries in writing to the Registered Office of the Company, at least one week before the date of the meeting. Replies will be provided in respect of such written queries at the meeting.
- 6 Members/Proxies are requested to bring their copies of the Annual Report to the AGM and the Attendance slip duly filled in for attending AGM. Copies of Annual Report will not be provided at the AGM.
- 7 Members holding shares in identical order of names in more than one folio are requested to write to the Company's Registrar and Transfer Agent enclosing their share certificates to enable consolidation of their shareholdings in one folio.
- 8 Members holding Shares in physical form may write to the Company/Registrar & Share Transfer Agents (RTA) for any change in their address and bank mandates; members having shares in electronic form may inform the same to their depository participants immediately.
- 9 As part of the "Green Initiative", the Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participants unless the Members have registered their request for a hard copy of the same.
- 10 Process and manner for members opting for e-voting are as under:

The Company is offering e-voting facility to its members enabling them to cast their votes electronically. The Company has signed an agreement with M/s Central Depository Services (India) Limited (CDSL) for facilitating e-voting to enable the shareholders to cast their votes electronically pursuant to Rule 20 of Companies (Management and Administration) Rules, 2014. The instructions for e-voting are as under:

 - (i) The voting period begins on **27th September, 2016 at 9.00 AM and ends on 29th September, 2016 at 5.00 PM**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **23rd September, 2016**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
 - (iii) Click on "Shareholders" tab.
 - (iv) Now, select the "DILIGENT INDUSTRIES LIMITED" from the drop down menu and click on "SUBMIT"
 - (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (vi) Next enter the Image Verification as displayed and Click on Login.
 - (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.



(viii) If you are a first time user follow the steps given below:

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

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <DILIGENT INDUSTRIES LIMITED> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Institutional Shareholders
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.



DILIGENT INDUSTRIES LIMITED

- After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
11. Kindly note that the shareholders can opt only one mode of voting i.e. either by e-voting or physical mode. If you are opting for e-voting, then do not vote by physically also and vice versa. However, in case shareholders cast their vote physically and e-voting, then voting done through e-voting will prevail and voting done physically will be treated as invalid.
 12. The Board of Directors has appointed Mrs. N.Vanitha, a Practicing Company Secretary as a Scrutinizer to process the e-voting and submit a report to the Chairman.
 13. Compliance Officer of the Company will address all the grievances in relation to this annual general meeting including e-voting. His contact details are E mail:diligentinvestors@gmail.com Phone Nos.040-23352185.
 14. The members may download a copy of the notice of this meeting and the results declared along with the
 15. Scrutinizer's Report from the website of the Company (www.diligentindustries.com) or from www.evotingindia.com

By order of the Board of Directors
For Diligent Industries Limited

Place: Denduluru
Date: 13-08-2016

Bhanu Prakash Vankineni
Managing Director
DIN: 00919910

Annexure to the Notice

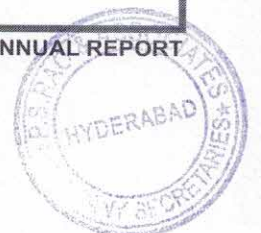
EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

Item No. 3

In view of, the existing statutory auditors expressed their inability to continue it was proposed to appoint M/s. Nekkanti Srinivasu & Co., Chartered Accountants (FRN: 008801S) as statutory auditors for a period of 5 years from the financial year 2016-17 who submitted the written consent to such proposed appointment. The Board of Directors of the Company, based on the recommendation of Audit Committee recommended the appointment of M/s Nekkanti Srinivasu & Co., Chartered Accountants as Statutory Auditors of the Company in the place of M/s Ramasamy Koteswara rao & Co , Chartered Accountant. Accordingly, the appointment of M/s. Nekkanti Srinivasu & Co., Chartered Accountants is being proposed as statutory auditors at the ensuing Annual General Meeting. None of the Director(s), Key Managerial Personnel or their relatives, are in any way, concerned or interested financially or otherwise in the above resolution.

Item No. 4

Pursuant to the recommendation of Remuneration Committee, provisions of Section 203, 196, 197 and Schedule V and other applicable provisions if any, of the Companies Act, 2013, the Board of Directors of the Company on 13th August, 2016, subject to the approval of the members, are proposing to appoint Mr.Bhanu Prakash Vankineni, as Managing Director of the Company, for a period of 3 years with effect from 14th November, 2016 on the remuneration, perquisites and other allowances as set out in the resolution.



Statement as per Section II (A) of Part II of Schedule V of the Companies Act, 2013:**I. General Information:**

1. **Nature of Industry:** The Company is engaged in the business of production/extraction of rice bran oil and other allied products.
2. **Date or expected date of commencement of commercial production:** N.A.
3. **In case of new companies, expected date of commencement of activities as per project approval by financial institutions appearing in the prospectus:** N.A
4. **Financial performance based on given indicators.**

(Rs. In Lakhs)

Financial Parameters	2015-16	2014-15	2013-14
Total income	4590.22	8434.42	4108.39
PBT	5.16	36.56	(51.46)

5. Foreign investments or collaborations, if any: N.A**II. Information about the appointee:****1. Background details.**

Mr. Bhanu Prakash Vankineni, is the promoter of erstwhile Aditya Agro Allied Oils Limited and became part of the promoter group of the Company, subsequent to the merger of Aditya Agro Allied Oils Limited with the Company and is holding Masters Degree (M.Sc.). Having come from rich agricultural family he knows very well about the tendency of agri-commodities and their marketing as his family was basically dealing in various agri-commodities on seasonal basis. Being experienced in the agri commodities trading, he studied the demand for the oil products in India and set-up an oil solvent extraction, edible oil plant in a record time of 7 months in the year 2008. Being a holder of Masters Degree in Mathematical Science he always looks for new developments in the industry where he operates and his focus is always on strategic planning and better understanding the quality and variety of edible oils, de-oiled cake and other related products.

The overall day to day affairs and management decisions taken by our Company are under the able guidance and supervision of Mr Bhanu Prakash Vankineni. He presently looks after strategic Business planning, business development and client interface in the Company. He is responsible for developing the business, identifying strategic partners and customers and providing sales, Consulting & support.

2. Past Remuneration.

2013-14 -Rs.20,25,000
2014-15- Rs.15,00,000
2015-16-NIL

3. Recognition or awards: N.A**4. Job Profile and his suitability**

Mr. Bhanu Prakash Vankineni is entrusted with substantial powers of the Management of the Company subject to the superintendence, control and direction of the Board of Directors, the provisions of Memorandum and Articles of Association and subject to the restrictions if any imposed by the Companies Act, 2013. He shall do all acts to promote, develop and extend the business of the Company. His vast experience in the industry will help the Company to grow and prosper. He is well suited as he is not only experienced but also versed with the entire operations of the Company.

5. Remuneration proposed: As detailed in the resolution**6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person**

The proposed remuneration to the appointee is in line with the remuneration comparable to the size of the Company and also that of the industry and of the position and person.



DILIGENT INDUSTRIES LIMITED

7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any.

Mr. Bhanu Prakash Vankineni is one of the promoter director and having control stake in the Company along with his relatives and associates.

He is the husband of Mrs. Vankineni Phani Anupama and brother of Mr. Kiran Kumar Vankineni, who are the Directors of the Company.

III. Other Information:

1. Reasons of loss or inadequate profits: Due to subdued markets and cheaper imports and non availability of raw-materials the operations have been affected.

2. Steps taken or proposed to be taken for improvement:

- a) Entering into long-term contract with the raw-material suppliers for continuous supply.
- b) Direct marketing of by-products to improve the margins.

3. Expected increase in productivity and profits in measurable terms.

The Company is expecting to get good results in next 2 to 3 years due to implementation of measures stated above.

As per the provisions of the Companies Act, 2013, it requires the consent of the members by way of Special Resolution for re-appointing Mr. Bhanu Prakash Vankineni as the Managing Director of the Company, therefore the Board commends your approval for the said resolution.

Except Mr. Bhanu Prakash Vankineni, being the appointee, Mrs. Phani Anupama Vankineni and Mr. Kiran Kumar Vankineni, none of the other Director(s), Key Managerial Personnel or their relatives, are in any way, concerned or interested financially or otherwise in the above resolution.

Details of Directors seeking appointment/ re-appointment at the Annual General Meeting (Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015]

Note: @ This does not include position in foreign companies, position as an advisory board member and position in companies under Section 8 of Companies Act, 2013.



DILIGENT INDUSTRIES LIMITED

#Includes shares held by immediate family members

Name of the Director	Mr. Vankineni Bhanu Prakash	Mrs. Vankineni Phani Anupama
Date of Birth	11-04-1966	05-02-1971
Date of Appointment	14-11-2013	13-12-2013
Relationship with Directors	He is related to Mrs. Phani Anupama Vankineni and Mr. Kiran Kumar Vankineni	She is related to Mr.Vankineni Bhanu Prakash, Managing Director and Mr.Vankineni Kiran Kumar, Director
Expertise in specific functional area	As specified in Item No.4 of the Explanatory Statement	She has been overlooking administrative functions and also got good exposure in operational side over the period. Hailing from the science background she understood the geographical advantage she could get for the extraction of the rice brawn oil industry in Eluru, and helped her husband in setting up of Solvent extraction plant with in no time at Eluru where there is abundant availability of raw material i.e.rice-brawn for the industry. She has been striving hard towards growth and success of the company and has immensely contributed towards the growth of the company.
Qualification	M.Sc (Mathematics)	M.Sc (Nutrition)
@ Board Membership of other companies as on March 31,2016	NIL	NIL
Chairman/ Member of the Committee of the Board of Directors as on March 31, 2016.	NIL	NIL
Chairman/Member of the Committee of Directors of other companies in which he is a director as on March 31, 2016	NIL	NIL
a) Audit Committee	NIL	NIL
b) Stakeholders' Relationship Committee	NIL	NIL
c) Nomination and Remuneration Committee	NIL	NIL
# Number of shares held in the Company as on March 31, 2016.	85,69,600	7,38,400



DIRECTOR'S REPORT

To The Members,
Your Directors have pleasure in presenting herewith the 22nd Annual Report on the business of Your Company together with the Audited Accounts for the financial year ended 31st March, 2016.

Financial Results**(In Rs.)**

PARTICULARS	Financial Year 2015-16	Financial Year 2014-15
TOTAL INCOME	45,90,21,765	84,34,42,264
TOTAL EXPENDITURE	43,73,24,093	81,17,90,475
Profit/(Loss) before Depreciation & Financial Charges	2,16,97,672	3,16,51,789
Depreciation	44,94,279	45,29,825
Financial Charges	1,66,86,952	2,34,65,521
Profit/Loss Before Tax	5,16,441	36,56,443
Prior period items	-	-
Provision for tax	-	-
Deferred tax	2,28,083	49,83,987
NET PROFIT/(LOSS)	7,44,524	(13,27,543)

REVIEW OF OPERATIONS:

With a view to get hold, stabilize, compete increase the Company's presence in the market initially the Company is concentrating on the trading. The move would certainly create good presence and name to the Company, which would enable the Company in future to generate good income. During the year under review, as the price volatility of trading was very high, the volume of trade restrained hence, the turnover has come down.

DIVIDEND:

In the absence of profits, the directors of your Company did not recommend any dividend for the Financial Year 2015-16.

TRANSFER TO RESERVES:

Your Company has not transferred any amount to the general reserve.

DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL

As per the provisions of the Companies Act, 2013, Mrs. Phani Anupama Vankineni, Director of the Company, retires at Annual General Meeting and being eligible, offer herself for re-appointment.

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors

Pursuant to Section 203 of the Companies Act, 2013, during the year under review Mr. Kiran Kumar Vankineni appointed as Chief Financial Officer of the Company w.e.f 14.08.2015 and Mr. D.Sripathi appointed as Company Secretary & Compliance Officer of the Company w.e.f 28th March, 2016.

INDEPENDENT DIRECTORS' DECLARATION

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013 and the Listing Regulations.



AUDITORS

M/s. Ramasamy Koteswara Rao & co, Chartered Accountants, (Registration No. 010396S), Hyderabad, the Statutory Auditor of the Company expressed their inability to continue as statutory auditors. Pursuant to the provisions of Sections 139 and other applicable provisions, if any, of the Companies Act, 2013, M/s Nekkanti Srinivasu & Co, Chartered Accountants , (Firm Registration No.008801S) has been proposed as Statutory Auditors of the Company in the place of M/s Ramasamy Koteswara Rao & Co, Chartered Accountants who expressed their inability to continue as auditors, for a period of 5 years from the conclusion of this Annual General Meeting till the conclusion of Annual General Meeting to be held for the financial year 2020-21, subject to such appointment be ratified by the members of the Company at every Annual General Meeting , upon such fees terms and conditions as may be mutually agreed by the Board of Directors and Auditors.”

In this regard, the Company has received a certificate from the auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

SECRETARIAL AUDITOR:

P.S.Rao & Associates, Practicing Company Secretaries, was appointed to conduct the secretarial audit of the Company for the financial year 2015-16, as required under Section 204 of the Companies Act, 2013 and Rules there-under. The secretarial audit report for FY 2015-16 forms part of the Annual Report as Annexure-1 to the Board's report.

The Board has appointed P.S.Rao & Associates, Practicing Company Secretaries, as secretarial auditors of the Company for the financial year 2016-17.

APPOINTMENT OF CFO & COMPANY SECRETARY:

Mr. V. Kiran Kumar, Executive Director of the Company has been designated as Chief Financial Officer w.e.f 14.08.2015. Mr.Sripathi D (A41571) was appointed as Company Secretary and Compliance Officer of the Company w.e.f 28.03.2016. However, Mr.Sripathi.D has resigned w.e.f.15th May, 2016.

Alteration of Objects Clause:

During the year the Company altered its main objects clause by inserting the objects to facilitate the Company to venture into construction, real estate business and also to take-up the business of Cocoa. The new inserted objects read as under:

5. To carry on the business as builders, property developers, civil and labour contractors, building and erection engineers, dealers of real estate and various construction materials, tools, implements, and metal ware in connection therewith or incidental thereto and to purchase, acquire, take on lease or in exchange or in any other lawful manner any area, land, buildings, structures and to turn the same into account, develop the same dispose off or maintain the same.
6. To carry on the business of manufacturing of cocoa and other extracts thereto and also generally deal in trading, exporting, importing, storing and other relevant activities relating to extraction of cocoa and its raw-materials and by-products.

Alteration of Share Capital:

During the year under review the Company has subdivided its equity share of Rs.10/- each into two equity shares of Rs.5/- each by altering the clause V of Memorandum of Association.

FORMAL ANNUAL EVALUATION MADE BY THE BOARD OF ITS OWN PERFORMANCE AND OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

As required under the provisions of Schedule IV of the Companies Act, 2013 the performance evaluation of independent directors has been done by the entire Board of Directors, excluding the director being evaluated. The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The Board approved the evaluation results as collated by the nomination and remuneration committee.

None of the independent directors are due for re-appointment



ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. Various Audit Systems in the Company monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the audit reports the units undertake corrective action in their respective areas and strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board periodically.

The Board of Directors of the Company have adopted various policies like Related Party Transactions policy, Whistle Blower Policy, policy to determine material subsidiaries and such other procedures for ensuring the orderly and efficient conduct of its business for safeguarding 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.

NOMINATION AND REMUENRATION POLICY

A committee of the Board named as "Nomination and Remuneration Committee" has been constituted to comply with the provisions of section 178, Schedule IV of the Companies Act and Clause 19 of the SEBI(LODR) Regulations, 2015 and to recommend a policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters and to frame proper systems for identification, appointment of Directors & KMPs, Payment of Remuneration to them and Evaluation of their performance and to recommend the same to the Board from time to time. Nomination and Remuneration Policy is hosted on the website of the Company www.diligentindustries.com.

RISK MANAGEMENT:

The Risk Management is overseen by the Audit Committee of the Company on a continuous basis. The Committee oversees Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis. For details, please refer to the Management Discussion and Analysis report which form part of the Board Report.

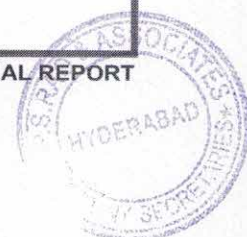
DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013 Your Directors' confirm that:

- i) In preparation of annual accounts for the financial year ended 31st March, 2016 the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2016 and of the profit and loss of the Company for the year;
- iii) The Directors have taken proper and sufficient care for their maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The Directors had prepared the annual accounts on a 'going concern' basis;
- v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- vi) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as Annexure - 2.



CORPORATE SOCIAL RESPONSIBILITY (CSR):

As per the criteria laid down in the Companies Act, 2013, the provisions of Corporate Social Responsibility are not applicable to your Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE OUTGO

Information required under section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is enclosed herewith as Annexure-3.

OTHER DISCLOSURES:

Board Meetings

During the year under review Five Board Meetings were held during the year under review. For further details, please refer report on Corporate Governance Report enclosed herewith.

Committees of Board

Your company has the following committees namely:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee

The constitution of all the committees is as per the Companies Act, 2013 and SEBI (LODR) Regulations with Stock Exchanges. The details of the Constitution are mentioned in Corporate Governance Report, which forms part of this Annual Report.

CORPORATE GOVERNANCE

The Report on Corporate Governance as stipulated in Regulation 34(3) of SEBI (LODR) Regulations, 2015 is attached hereto as a part of this report.

MANAGEMENT DISCUSSION AND ANALYSIS

A brief note on the Management discussion and analysis for the year is annexed as part of this report

VIGIL MECHANISM:

In pursuant to the provisions of section 117(9) (& 10) of the Companies Act, 2013 SEBI (LODR) Regulations, 2015 a Vigil Mechanism for directors and employees to report genuine concerns has been established. Protected disclosures can be made by a whistle blower through to the Chairman of the Audit Committee. The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website.

REMUNERATION RATIO OF THE DIRECTORS/ KEY MANAGERIAL PERSONNEL/ EMPLOYEES:

Statement showing disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed herewith as Annexure-4.

PARTICULARS OF EMPLOYEES

As required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, NO employee of your Company is in receipt of remuneration of Rs. 60 lakh or more, or employed for part of the year and in receipt of Rs. 5 lakh or more a month, during the financial year under review.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of the Loans, guarantees and investments if any covered under Section 186 of the Companies Act, 2013 are given in the notes to the financial statements pertaining to the year under review.

DEPOSITS

Your Company has not accepted any fixed deposits and as such no principal or interest was outstanding as on the date of the Balance sheet.

RELATED PARTY TRANSACTIONS:

Related party transactions entered during the financial year under review are disclosed in Note No. II (a) of the Financial Statements of the Company for the financial year ended 31st March, 2016. These transactions entered were at an arm's length basis and in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Form AOC-2, containing the note on the aforesaid related party transactions is enclosed herewith as Annexure-5.

The policy on materiality of Related Party Transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website.



DILIGENT INDUSTRIES LIMITED

HUMAN RESOURCES:

Your Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your Company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and such work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind the Company's vision. Your Company appreciates the spirit of its dedicated employees.

DISCLOSURE AS PER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

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 in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- I. Issue of equity shares with differential rights as to dividend, voting or otherwise.
- II. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- III. Neither the Managing Director nor the Whole-time Director of the Company receive any remuneration or commission from any of its subsidiaries.
- IV. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- V. No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year and date of report.
- VI. No frauds were reported by the auditors during the year under review.

Acknowledgements:

Your Directors wish to convey their appreciation to business associates for their support and contribution during the year. The Directors would also like to thank the employees, shareholders, customers, suppliers, alliance partners and bankers for the continued support given by them to the Company and their confidence reposed in the management.

For and on behalf of the board

Date: 13.08.2016
Place: Hyderabad

V Bhanu Prakash
Chairman & Managing Director



Form No. MR-3
SECRETARIAL AUDIT REPORT

(Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)
For The Financial Year Ended 31st March, 2016

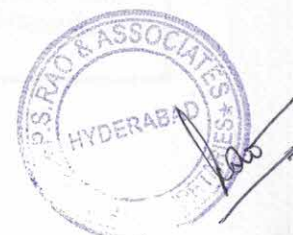
To
The Members
Diligent Industries Limited
Eluru - 534 432

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Diligent Industries 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 audit period covering the financial year ended on 31st March, 2016 has 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) (to the extent applicable) and the Rules made under that Act;
- ii) The Companies Act, 1956, and the Rules made under that Act (To the extent Applicable);
- iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) Securities and Exchange Board of India (Depositories and Participants) regulations, 1996;
- vi) Provisions of the following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company in the financial year under report:-
 - a) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - b) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - c) Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - d) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;



DILIGENT INDUSTRIES LIMITED

vii) The industry specific law(s) that are applicable to the Company are as follows:

- a) National Oil Seeds and Vegetable Oils Development Board Act, 1983;
- b) Food Safety and Standards Act, 2006.
- c) Indian Boilers Act, 1923.

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

- a. Secretarial Standards SS-1 and SS-2 with respect to meetings of the board of directors and general meetings respectively issued and notified by The Institute of Company Secretaries of India which came into force w.e.f. 1st July, 2015 under the provisions of section 118(10) of the Act.
- b. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015(Effective from 01.12.2015) and The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India (since repealed).

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines etc. mentioned above, subject to the following observations;

- a) *The Company has appointed Chief Financial Officer only w.e.f. 14th August, 2015 as required under the provisions of section 203 of the Act.*

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.

Adequate notice was given to all directors to schedule the board meetings, agenda and detailed notes on agenda were sent and a system exists for seeking clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that 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.

We further report that during the period under review

- Company has altered its Main Objects of Memorandum of Association by way of special resolution passed through Postal Ballot Resolution dated 5th October, 2015 and obtained approval of Registrar of Companies vide Registration Certificate dated 13th October, 2015.
- Company has sub divided its existing equity share of face value of Rs.10/- (Rupees Ten) each into TWO equity shares of the face value of Re.5/- (Rupees Five) each.

For P.S. Rao & Associates
Company Secretaries

Place: Hyderabad
Date: 13-08-2016

P.S.RAO
Company Secretary
ACS No: 9769
P No: 3829

Note This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.



To,
**The Members,
Diligent Industries Limited
Eluru – 534 432**

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

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

For P.S. Rao & Associates
Company Secretaries

Place: Hyderabad
Date: 13-08-2016

P.S.RAO
Company Secretary
ACS No: 9769
P No: 3829



**FormNo.MGT-9
EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31-03-2016

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

I. REGISTRATION AND OTHER DETAILS:

CIN	L15490AP1995PLC088116
Registration Date	13/01/1995
Name of the Company	Diligent Industries Limited
Category/Sub-Category of the Company	Company Limited by Shares/ Indian Non-Government Company
Address of the Registered office and contact details	Dwarka Thirumala Road, Denduluru Village and Mandal, West Godavari -534432. Tel:08829-256077/99 Fax:08829-256088 Email: diligentinvestors@gmail.com
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Venture Capital And Corporate Investments Pvt.Ltd., 12-10-167, Bharatnagar, Hyderabad-500018. Phone : 040 23818475/23818476/23868023 Fax : +91 040-23868024 Email: info@vccilindia.com

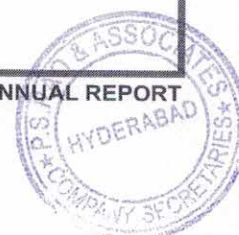
II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Business activities contributing 10 % or more of the total turnover of the company

S.No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Extraction Edible Oils and Trading in related goods	10402	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.No	Name and Address of The company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
-	-	-	-	-	-

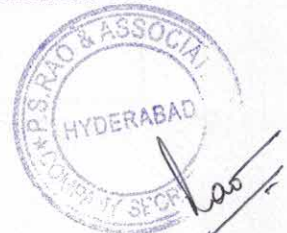


IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

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	7013500	0	7013500	61.33	14027000	0	14027000	61.33	0.00
b) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
c) State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (1):-	7013500	0	7013500	61.33	14027000	0	14027000	61.33	0.00
(2) Foreign									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (2):-	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	7013500	0	7013500	61.33	14027000	0	14027000	61.33	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1):-	0	0	0	0.00	0	0	0	0.00	0.00
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	116663	10200	126863	1.11	212736	20400	233136	1.02	(0.09)
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ' 1 lakh/2 lakh	206634	716320	922954	8.07	718222	1389440	2107662	9.22	1.15
ii) Individual shareholders holding nominal share capital in excess of ' 1 lakh/2 lakh	2839372	470000	3309372	28.94	5570071	930600	6500671	28.42	(0.52)
c) Others (NBFC Registered with RBI)	0	0	0	0	0	0	0	0.00	0.00
Clearing Members	63306	0	63306	0.55	2971	0	2971	0.01	-0.54
Non Resident Indians	5	0	5	0.00	560	0	560	0.00	0.00
Sub-total (B)(2):-	3225980	1196520	4422500	38.67	6504560	2340440	8845000	38.67	-0.37
Total Public Shareholding (B)=(B)(1)+ (B)(2)	3225980	1196520	4422500	38.67	6504560	2340440	8845000	38.67	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	10239480	1196520	11436000	100.00	20531560	2340440	22872000	100.00	0.00

* Existing Equity Shares, face value of Rs 10/- each divided into Two Equity Shares of the face value Rs 5/- each vide Board Resolutions dt 14th Aug'2015.



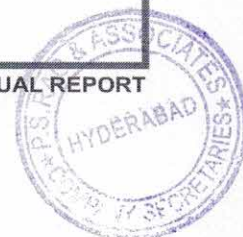
DILIGENT INDUSTRIES LIMITED

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
		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	Vankineni Bhanu Prakash	4284800	37.47	0	8569600	37.47	0	--
2	Vankineni Phani Anupama	369200	3.23	0	738400	3.23	0	--
3	Vankineni Ratna Kumari	1261000	11.03	0	2522000	11.03	0	--
4	Vankineni Kiran Kumar	422500	3.69	0	845000	3.69	0	--
5	Vankineni Vijayalakshmi	214500	1.88	0	429000	1.88	0	--
6	Vankineni Padma Kumari	39000	0.34	0	78000	0.34	0	--
7	Kalagara Savithri	422500	3.69	0	845000	3.69	0	--
	TOTAL	20451346	61.33	0	14027000	61.33	0	----

- Existing Equity Shares, face value of Rs 10/- each divided into Two Equity Shares of the face value Rs 5/- each vide Board Resolutions dt 14th Aug'2015.
- Change in Promoters' Shareholding: NO CHANGE except Existing Equity Shares, face value of Rs 10/- each divided into Two Equity Shares of the face value Rs 5/- each vide Board Resolutions dated 14th Aug'2015.
- Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S. No	Name Of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Paturi Srinivasa Rao At the beginning of the year At the end of the year	900000	7.87	1800000 1800000	7.87
2.	Garapati G Ram Chowdary At the beginning of the year At the end of the year	422500	3.69	845000 845000	3.69
3.	Chintamaneni Naga Jyothi At the beginning of the year At the end of the year	248900	2.18	497800 497800	2.18
4.	Parvataneni Satyanarayana At the beginning of the year At the end of the year	187700	1.64	375400 375400	1.64
5.	Kishore Babu Sajja At the beginning of the year Sale of shares At the end of the year	150000 86000	1.31	214000	0.37
6.	Sajja Rohit At the beginning of the year At the end of the year	125000	1.09	250000 250000	1.09
7.	Sajja Vignatha At the beginning of the year At the end of the year	125000	1.09	250000 250000	1.09
8.	K Bala Krishna At the beginning of the year Acquisition of shares At the end of the year	330600	1.45	330600 330600	1.45
9.	Yesobu Dirishanapu At the beginning of the year Acquisition of shares At the end of the year	400000	1.75	400000 400000	1.75
10.	T Venkata Appa Rao At the beginning of the year Acquisition of shares At the end of the year	339506	1.48	339506 339506	1.48



DILIGENT INDUSTRIES LIMITED

v) Shareholding of Directors and Key Managerial Personnel:

S. No	Name of the director / key managerial personnel (KMP)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Vankineni Bhanu Prakash				
	At the beginning of the year	4284800	37.47	8569600	
	At the end of the year			8569600	37.47
	Vankineni Phani Anupama				
	At the beginning of the year	369200	3.23	738400	
	At the end of the year			738400	3.23
	VANKINENI KIRAN KUMAR				
	At the beginning of the year	422500	3.69	845000	
	At the end of the year			845000	3.69

- Existing Equity Shares, face value of Rs 10/- each divided into Two Equity Shares of the face value Rs 5/- each vide Board Resolutions dt 14th Aug'2015.

I. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1299.48	355.27	-	1654.75
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1299.48	355.27	-	1654.75
Change in Indebtedness during the financial year				
• Addition	-	772.96	-	772.96
• Reduction	738.89	-	-	738.93
Net Change	738.89	772.96		34.03
Indebtedness at the end of the financial year				
i) Principal Amount	560.59	1128.23	-	1688.82
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	560.59	1128.23		1688.82



DILIGENT INDUSTRIES LIMITED

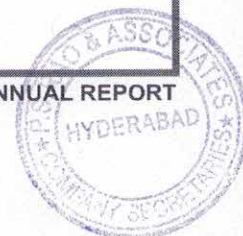
I. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S.No	Particulars of Remuneration	Name of ED	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Vankineni Kiran Kumar	4,80,000 -- --
2.	Stock Option		--
3.	Sweat Equity		--
4.	Commission - as % of profit - others, specify...		--
5.	Others, please specify		--
	Total (A)		4,80,000
	• Ceiling as per the Act		

B. Remuneration to other directors:

S.No	Particulars of Remuneration	Name of Directors	Total Amount
1.	<i>Independent Directors</i> • Fee for attending board / committee meetings • Commission • Others, please specify	K.Visweswara Rao V.V.Vinod Kumar E.Srinivasa Babu	25,000 25,000 -
2.	Total (1)		50,000
	<i>Other Non-Executive Directors</i> • Fee for attending board / committee meetings • Commission • Others, please specify	--	--
	Total (2)	--	--
	Total (B)=(1+2)		
	Total Managerial Remuneration		50,000
	Overall Ceiling as per the Act		



DILIGENT INDUSTRIES LIMITED

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

S.No	Particulars of Remuneration	Name of KMP	Total Amount
1.	Gross salary		--
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		--
	(b) Value of perquisites u/s 17(2) Income -tax Act, 1961		--
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		--
2.	Stock Option		--
3.	Sweat Equity		--
4.	Commission - as % of profit - others, specify...		--
5.	Others, please specify		--
	Total (A)		--
	Ceiling as per the Act		--

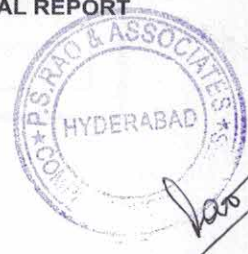
VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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)
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
OTHER OFFICERS IN DEFAULT					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--

ANNEXURE - 3

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014

- (A) Conservation of energy-
The Company has been laying emphasis on the conservation of energy and taking several measures like effective control on utilisation of energy and regular monitoring of its consumption etc.
- (B) Technology absorption-
- (i) the efforts made towards technology absorption;
 - (ii) the benefits derived like product improvement, cost reduction, product development or import substitution;
 - (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- N.A.
 - (iv) the expenditure incurred on Research and Development- NIL
- (C) Foreign exchange earnings and Outgo- NIL



PARTICULARS OF EMPLOYEES
(Pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

- i) The percentage increase in remuneration of each Director and Chief Financial Officer during the financial year 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

S. No	Name of Director/KMP and Designation	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year	The Percentage increase in remuneration of each director, CFO, CEO in the financial year
1.	Vankineni Kiran Kumar	NIL (During the year no remuneration was paid)	NIL

- ii) In the financial year, there was an increase of NIL % in the median remuneration of employees;
- iii) There were 41 permanent employees on the rolls of Company as on March 31, 2016;
- vi) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2015-16 was NIL % whereas the decrease/ increase in the managerial remuneration for the same financial year was NIL %.
- v) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- b) Information as per Rule 5(2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.-

S. No	Employee name	Designation	Educational qualification	Age	Experience	Date of Joining	Gross remuneration paid	Previous employment and designation, If any	No. Shares held, If any	Remarks
-	-	-	-	-	-	-	-	-	-	-

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

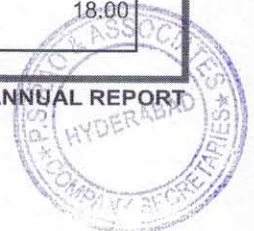
1. Details of contracts or arrangements or transactions not at Arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2016, which were not at arm's length basis.

2. Details of contracts or arrangements or transactions at Arm's length basis:

The details of material contracts or arrangements or transactions at arm's length basis are as follows:

Nature of contract & Name of the related party	Nature of relationship	Duration of Contracts	Salient Terms	Amount (Rs. in Lakhs)
Unsecured Loan				
1.Vankineni Phani Anupama	Director	As per Agreement	As per Agreement	18.00



MANAGEMENT DISCUSSION & ANALYSIS

I. Industry structure and development:

India is the world's largest producer of rice bran oil producing about 9,00,000 tons of rice bran oil annually, accounting for about 7.5% of total global production of about 1.2 million tons. India, world's second largest producer of rice, produces around 9 million tons of rice bran every year, but only 5 million tons of it is used to extract edible oil and the remaining is used by the vanaspati segment or as cattle feed. The edible oil sector usually imports rice bran from neighboring Bangladesh, Myanmar and Sri Lanka and the import duty of 15% discouraged from importing huge quantities of rice bran oil.* Rice bran oil, which is rich in mono-unsaturated fatty acids and has a higher cholesterol reducing power, is gaining significance in India recently, which infact helps the industry as such and Company in particular to grow by leaps and bounds.

II. Opportunities, Threats, Risks and Concerns:

a) Opportunities

- i. Continuous growing domestic demand
- ii. Short supply from domestic market
- iii. Wide market

b) Threats, Risks and Concerns

- i. Cheaper Imports
- ii. Government Regulations
- iii. Short supply of raw-materials

III. Risk assessment and Control:

Risk assessment and control practices are well managed with the supervision of the executive management, in consultation with the middle level management personnel. These practices are applied for every project undertaken as well as for regular operations.

IV. Internal Control systems and their adequacy:

The company has an adequate internal control system commensurate with its size and nature of business. The system is designed to cover optimal utilization of the company's resources. It also ensures proper compliance of all relevant rules and regulations while taking care of correctness in recording of transactions, adherence to applicable accounting standards and management policies.

V. Financial Performance:

During the year under review, the management concentrated on the optimum utilization of working capital resources and better financial management along with debtors as it could save interest costs. However, non-availability of raw-materials timely and frequent power cuts affected the margins severely. The Company continues to concentrate on better working capital management as other overheads could not be controlled.

VI. Human Resources Development:

The Company has good relations with its employees and has the policy to comply with all the statutory requirements from time to time.

VII. Cautionary Statement:

Some of the statements contained in this report may be forward looking statements within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied. Factors that could make significant difference to the company's operations include economic conditions, government regulations etc. on which the company does not have any direct

For and on behalf of the board

Date: 13-08- 2016
Place: Denduluru

**Sd/-
Vankineni Bhanu Prakash**



CORPORATE GOVERNANCE REPORT

(Pursuant to Schedule V C of the SEBI (LODR) Regulations, 2015)

The Company's shares are listed on BSE Limited. The Corporate Governance Report has been prepared in accordance with Regulation 34 read with Schedule V C of the of the SEBI (LODR) Regulations, 2015.

1. CORPORATE GOVERNANCE PHILOSOPHY

The Company is committed to the highest standards of Corporate Governance Practices. The Company relies on the strong Corporate Governance systems and policies of business for healthy growth, accountability and transparency. Good Corporate Governance will certainly benefit the Board and Management to carry out the objectives effectively for the benefit of the company and its shareholders. The code of Corporate Governance emphasizes the transparency of systems to enhance the benefit of shareholders, customers, creditors and employees of the Company. In addition to compliance with regulatory requirements, the Company endeavors to ensure that the highest standards of ethical conduct are maintained throughout the organization.

2. BOARD OF DIRECTORS

The Board of Directors along with its committees provides focus and guidance to the Company's Management as well as directs and monitors the performance of the Company. The Board presently comprises of Six (6) Directors, having rich and vast experience with specialized skills in their respective fields, out of which Three (3) are Non-Executive Directors. The Company has an Executive (Promoter) Chairman. The Independent Directors are 50% of the total number of Directors.

All the Directors on the Board of the Company have made necessary declarations/disclosures regarding their other Directorships along with Committee positions held by them in other Companies.

During the year under review Five (4) Board Meetings were held on 13.05.2015, 14.08.2015, 14.11.2015, and 13.02.2016. The maximum gap between two consecutive meetings did not exceed four months. The details of the meetings held are as follows:

Name of the Director	No of Board Meetings during the Year 2015-2016 and attendance		Attendance at last AGM 29-09-2015	@No of Directorships held in other Companies	Committee Memberships and Chairmanships in other Companies	
	Held	Attended			Membership	Chairmanship
V. Bhanu Prakash Managing Director, Executive (Promoter)	4	4	Yes	-	NIL	NIL
K. Visweswar Rao Independent Director	4	4	Yes	3	NIL	NIL
V. Phani Anupama Executive Director	4	4	Yes	-	NIL	NIL
Kiran kumar Vankineni Executive Director	4	4	Yes	-	NIL	NIL
V.V.Vinod Kumar Independent Director	4	4	Yes	4	4	1
Srinivas Babu Edupuganti Independent Director	4	4	Yes	-	NIL	NIL

@ Note: Excluding Directorship in Foreign Companies, Private Limited Companies and Section 8 Companies.

Only Membership of Audit and Stakeholder Relationship Committees are considered.

3. COMMITTEES OF DIRECTORS**A. Audit Committee**

The Company constituted a Qualified and Independent Audit Committee comprising of three directors as members of the Committee in which two thirds of the members are independent directors in accordance with the provisions of regulation 18 of SEBI (LODR) Regulations 2015, and Section 177 of the Companies Act, 2013. The Committee is empowered with the powers as prescribed under these regulation and Section 177 of the Companies Act, 2013. The Committee also acts in terms of reference and directions of the Board from time to time.

During the year the composition of the Audit Committee and the attendance of each Member of the Committee at the meetings were as follows:



DILIGENT INDUSTRIES LIMITED

S.No	Name of the Director	Category	No. of meetings held during the year	No. of meetings attended
1	E. Srinivas Babu	Chairman	4	4
2	K. Visweswar Rao	Member	4	4
3	V. Bhanu Prakash	Member	4	4

The Chairman of the Audit Committee also attended the last Annual General Meeting of the company.

The Managing Director, Sr. Mgr. Finance, Internal Auditors and Statutory Auditors are also invited to the meetings, as required, to brief the Committee Meetings. The Company Secretary acts as the Secretary of the Committee.

The Audit Committee meetings were held during the year under review on the following date's 13.05.2015, 14.08.2015, 14.11.2015 and 13.02.2016. The gap between two audit Committee meetings was not more than four months. The necessary quorum was present at all the meetings.

B. Nomination & Remuneration Committee:

The Remuneration Committee comprises of Three (3) Non-Executive Directors. The present composition of the Remuneration Committee is as follows:

S.No	Name of the Director	Category	No. of meetings held during the year	No. of meetings attended
1	K. Visweswar Rao	Chairman	2	2
2	V.V.Vinod Kumar	Member	2	2
3	E.Srinivas Babu	Member	2	2

The Nomination and Remuneration Committee reviews the remuneration package payable to Executive Director(s) and Other Senior Executives in the top level management of the Company and other elements of their appointment and gives its recommendations to the Board and acts in terms of reference of the Board from time to time. The Company's Remuneration policy as applicable to Directors, Key Managerial Persons and other Senior Management Personnel of the Company is annexed as Annexure 2 to the Board's Report.

The details of remuneration and commission paid during the year to the Managing Director, is as follows:
(Rs. in Lakhs)

Salary	0.00
Allowances, Perquisites & others	-
Commission	-
Company's Contribution to PF	-
Total	0.00

Compensation paid to Non-Executive Directors and their shareholding is as follows:

Name of the Director	Designation	Sitting fees paid Rs.	No. of shares held on 31-03-2016
K. Visweswar Rao	Independent Director	25,000	NIL
V.V.Vinod Kumar	Independent Director	25,000	NIL
E.Srinivas Babu	Independent Director	-	NIL

Other than the sitting fees to Non-Executive Directors, there was no material pecuniary relationship or transaction with the Company. The Company has not issued any stock options to its Directors/Employees.

C. Stakeholders Relationship Committee:

The present composition of the Stakeholders Relationship Committee (Shareholders/ Investors grievances Committee) is as under:



DILIGENT INDUSTRIES LIMITED

Name of the Director	Nature of Directorship	Membership
E.Srinivas Babu	Independent	Chairman
V.V.Vinod Kumar	Independent	Member
K. Visweswar Rao	Independent	Member

The Stakeholders Relations Committee of the Board is empowered to oversee the redressal of investor's complaints pertaining to share transfer, non-receipt of Annual Reports, dividend payments, issue of duplicate share certificate, transmission of shares and other miscellaneous complaints. In accordance with clause B of Regulations 19(4) and 20(4) of SEBI (LODR) Regulations, 2015, Role of Committee other than audit committee, Board has authorized the Compliance Officer to approve the share transfers/transmissions and comply with other formalities in relation thereto. All investor's complaints, which cannot be settled at the level of the Compliance Officer, will be placed before the Committee for final settlement.

There were no pending share transfers and un-resolved shareholders' grievances pertaining to the Financial Year ended 31st March, 2016.

D. GENERAL BODY MEETINGS

13. The Details of the last three Annual General Meetings are given below:

Financial year ended	Date	Venue	Time	Special Resolution passed
March 31 st , 2015	29 th September, 2015	Dwarka Thirumala Road, Denduluru Village and Mandal, West Godavari – 534 432, A.P	3.00 PM	No Special Resolution
March 31 st , 2014	30 th September, 2014.	Dwarka Thirumala Road, Denduluru Village and Mandal, West Godavari – 534 432, A.P	3.00 PM	1. Re-appointment and to fix Remuneration of Mr. V. Bahnu Prakash As Managing Director of the Company 2. Appointment and To fix Remuneration of Mr. V. Kiran Kumar as Executive Director of the Company.
March 31 st , 2013	28 th September, 2013.	Madhav Reddy Community Hall, Near Victoria Anglo School Chaitanyapuri, Hyderabad.	11.30 AM	No Special Resolution

14. Any Resolution passed last year through Postal ballot-

During the year the Company altered its main objects clause by inserting the objects to facilitate the Company to venture into construction, real estate business and also to take-up the business of Cocoa, by passing special resolution through postal ballot.

4. DISCLOSURES**A. Disclosures on Materially Significant Related Party Transactions**

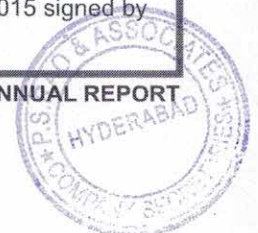
There were no materially significant related party transactions compared to the business volume of the Company during the year conflicting with the interest of the Company.

B. Details of Non-Compliance and Penalties

There was no non-compliance during the last three years by the Company on any matter related to capital Market. There were no penalties imposed nor strictures passed on the Company by the Stock exchanges, SEBI and any statutory Authority relating to Capital markets.

C. As per the Internal Code of Conduct the employees have been given access to the Audit Committee.**D. CEO/ CFO Certification**

A compliance certificate under Regulation 17(8) of SEBI (LODR) Regulations, 2015 signed by the Company's Managing Director and CFO is annexed to this Report.



- E. Compliance Certificate Compliance certificate for Corporate Governance from Auditors of the Company is annexed hereto and forms part of this report.
- F. Code of Conduct
The Company has framed the Code of Conduct for Directors and Senior Management. The Code of Conduct is applicable to all Directors and senior Management of the Company. All the members of the Board and Senior Management of the Company have affirmed compliance with their respective Codes of Conducts for the financial year ended 31st March, 2016. A declaration to this effect, duly signed by the Managing Director is annexed hereto and forms part of this Report.
- G. Details of Compliances with Mandatory Requirements and Adoption of the non-Mandatory Requirements
The Company has complied with the mandatory requirements of Clause 49 and is in the process of implementation of Non-Mandatory requirements.
- H. Relationship inter-se among directors In accordance with the provisions of Section 2(77) of the Companies Act, 2013 and rules made there-under, Mr. Bhanu Prakash Vankineni, Managing Director, Mrs. Phani Anupama Vankineni and Mr. Kiran Kumar Vankineni belong to promoter group and are related to each other.
- I. Familiarization program of Independent Directors
The Company conducted familiarization program for the Independent Directors to familiarize them to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. The Company also conducted a separate programme on the latest SEBI Regulations to promote training to the Directors to ensure that the Board Members are kept up to date.
- J. Related Party Transactions.
The policy on dealing with related party transactions has been posted on the website of the Company

5. MEANS OF COMMUNICATION

- A. Quarterly and half-yearly reports are published in two Newspapers- one in English and one in Telugu.
- B. The financial results are regularly submitted to the Stock Exchanges in accordance with the Listing Agreement and simultaneously displayed on the Company's website www.diligentindustries.com. The Secretarial Department serves to inform the investors by providing key and timely information like details of Directors, Financial results, Shareholding pattern, etc.
- C. The Company is also displaying official news announcements on its website www.diligentindustries.com.
- D. Management Discussion and Analysis forms part of this Annual Report.

6. GENERAL SHAREHOLDER'S INFORMATION

i) Annual General Meeting

Date and Time	Friday, 30 th September, 2016 - 3.00 PM
Venue	
Last Date of Proxy forms submission	Before 03.00 PM on 28.09.2016

- i) Financial Year : 1st April 2015 to 31st March 2016
- ii) Book Closure : 23rd September, 2016 to 30th September, 2016
- iii) Dividend Payment Date : N.A.
- iv) Listing on Stock Exchange : BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai.
- v) Stock Code

Name of the Stock Exchange	Stock Code	Scrip Code
Bombay Stock Exchange Limited	531153	DILIGENT
Demat ISIN No. for NSDL & CDSL	INE650C01010	



DILIGENT INDUSTRIES LIMITED

The Companies Securities are listed on the BSE Limited. The listing fees for the year 2015-16 have been paid to BSE Limited.

-) Market Price Data & Share Performance of the Company: The monthly High, Low and trading volumes of the Companies Equity Shares during the last financial year 2015-2016 at BSE Limited are given below:

Month	Bombay Stock Exchange Limited (BSE)		
	High (Rs.)	Low (Rs.)	Volume
April, 2015	93.00	56.05	32953
May, 2015	77.00	60.00	81874
June, 2015	84.20	52.00	142638
July, 2015	89.75	60.15	314113
August, 2015	71.85	45.30	370445
September, 2015	63.00	35.55	68608
October, 2015	43.50	20.50	49325
November, 2015	30.85	17.90	40579
December, 2015	20.10	17.00	20977
January, 2016	25.15	15.30	182485
February, 2016	22.75	15.25	71868
March, 2016	20.50	13.20	120343

All Services relating to share transfer/transmissions and information may be addressed to:

- i Registrar and Share Transfer Agent
M/s. Venture Capital and Corporate Investments Private Limited,
12-10-167, Bharath Nagar, Hyderabad - 500 018.
Tel: 040-23818475/476, Fax: 040-23868024
Email: info@vccilindia.com Website: www.vccipl.com

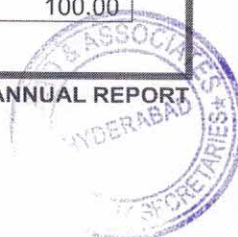
The Company periodically audits the operations of share transfer agent.

- 1 Share Transfer System
Share Transfers in physical form shall be lodged with the Registrar at the above-said address. The share transfers are generally processed by our Registrars within 15 days from the date of receipt provided the documents are complete in all respects.

Pursuant to Clause 47 (c) of the Listing Agreement with the Stock Exchanges, or Regulation 40(9) of SEBI (LODR) Regulations, 2015 whichever is applicable certificate on half-yearly basis, have been given by a Practicing Company Secretary due compliance of shares transfer formalities.

K. Distribution of Equity Shares as on 31st March, 2016

CATEGORY		No. of Shareholders	% to Shareholders	No. of Shares Held	% to Capital
From	To				
1	500	772	40.04	146534	0.64
501	1000	617	32.00	566304	2.48
1001	2000	367	19.04	593152	2.59
2001	3000	64	3.32	168576	0.74
3001	4000	28	1.45	102304	0.45
4001	5000	11	0.57	47609	0.21
5001	10000	24	1.24	164810	0.72
10001	ABOVE	45	2.33	21082711	92.18
TOTAL		1928	100.00	22872000	100.00



DILIGENT INDUSTRIES LIMITED**L. Shareholding Pattern as on 31st March, 2016**

Category	No. of Shares held	% of Capital
Indian Promoters	14027000	61.33
Banks, Financial institutions, Insurance Companies & Mutual Funds	0	0.00
Foreign Institutional Investors	0	0.00
Indian Public & HUFs	8608333	37.64
Private Corporate Bodies	233136	1.02
NRIs /OCBs/ FCBs	560	0.00
Others	2971	0.01
Total	22872000	100.00

M. Dematerialization of shares and liquidity

The Company has made necessary arrangements with National Securities Depository Limited (NSDL) and Central Depository Services (India) limited (CDSL) for dematerialization facility. As on 31st March, 2016, 89.77% of the Company's Equity shares are in dematerialized form. The ISIN NO. / Code for the Company's Equity Shares is INE650C01010. Shareholders can open an account with any of the depository participants registered with any of these depositories.

N. Address for Correspondence
Diligent Industries Limited
Denduluru Village and Mandal,
West Godavari – 534 432
Andhra Pradesh

For and on behalf of the Board

Place: West Godavari
Date: 13.08.2016

Bhanu Prakash Vankineni
Chairman



Managing Director's and Finance Manager's Certification
(Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015)

We have reviewed the financial statements read with the cash flow statement of Diligent Industries Limited for the year ended March 31st, 2016 and that to the best of our knowledge and belief, we state that;

- i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading.
- ii) These statements present true and fair view of the company's affairs and are in compliance with current Accounting standards, applicable laws and regulations.

There are, to the best of my knowledge and belief, no transaction entered into by the company during the year which are fraudulent, illegal or in violation of the company's Code of Conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluating the effectiveness of internal control systems of the Company and have disclosed to the Auditors and Audit Committee deficiencies in the design or operation of internal control, if any, and steps taken or proposed to be taken for rectifying these deficiencies.

We have indicated to the Auditors and Audit Committee :

- i) Significant changes in accounting policies made during the year and that the same have been disclosed suitably in the notes to the financial statements and
- ii) There are no instances of fraud involving the management or an employee.

Place: Hyderabad
Date: 30.05.2016

Sd/-
Sr. Mgr. Finance

Sd/-
Vankineni Bhanu Prakash
Managing Director



Declaration by the Managing Director

I, Vankineni Bhanu Prakash, Managing Director, hereby declare that the Company has received the declarations from all the Board Members and Senior Management Personnel affirming compliance with Code of Conduct for Members of the Board and Senior Management for the year 2015-16.

Place: West Godavari
Date: 13.08.2016

Vankineni Bhanu Prakash

Managing Director

AUDITORS REPORT ON CORPORATE GOVERNANCE

To,

The Member's of Diligent Industries Ltd.,

We have examined the compliance of Corporate Governance by Diligent Industries Ltd. (the "company") for the financial year ended on 31st March 2016, as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Compliance of condition of corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedure and implementation thereof, adopted by the company for ensuring compliance with the condition 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 to the explanation given to us and based on the representations made by the Directors and the Management we certify has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the efficiency or effective with which the management the affairs of the company.

Place: Hyderabad
Date: 13-08-2016

For P.S. Rao & Associates
Company Secretaries

Sd/-
P.S.RAO
Company Secretary
ACS No: 9769



DILIGENT INDUSTRIES LIMITED

To the Members of DILIGENT INDUSTRIES LTD Report on the Financial Statements

We have audited the accompanying financial statements of M/s.DILIGENT INDUSTRIES LTD ("the Company") which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year ended and summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company 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 financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 financial statements

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its Profit and its Cash Flow 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"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, 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 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 March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - 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 the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Ramasamy Koteswara Rao & Co
Chartered Accountants
FRN. 010396S

Hyderabad, 30th May 2016

SD/-
Murali Krishna Reddy Telluri
Partner
M.No: 223022



DILIGENT INDUSTRIES LIMITED

Annexure-A to the Auditors' Report (referred to in paragraph 1 of our Report of even date to the Members of "DILIGENT INDUSTRIES LTD" for the year ended March 31, 2016)

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that;

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
(b) The Fixed Assets have been physically verified by the management in a phased manner, 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 and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
(c) The title deeds of immovable properties are held in the name of the company.
- ii. The Company has conducted physical verification of the inventory at regular intervals and no material discrepancies were noticed during such verification.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to Company and hence not commented upon.
- v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- vii. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable.

(b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken loan from financial institutions.
- ix. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order



- are not applicable to the Company and hence not commented upon.
- x. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
 - xi. Based upon the audit procedures performed and the information and explanations given by the management, the provisions of section 197 read with Schedule V to the Companies Act are complied.
 - xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
 - xiii. In our opinion, all transactions with the related parties are in compliance with section 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
 - xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
 - xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
 - xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 . Thus paragraph 3(iv) of the order is not applicable to the company.

For Ramasamy Koteswara Rao & Co
Chartered Accountants
FRN. 010396S

Hyderabad, 30th May 2016

SD/-
Murali Krishna Reddy Telluri
Partner
M.No: 223022



"Annexure B" to the Independent Auditor's Report

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 DILIGENT INDUSTRIES LTD ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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.

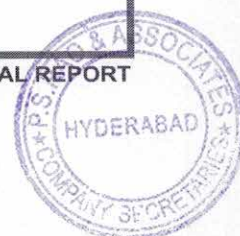
Auditors' Responsibility

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 March 31, 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 Ramasamy Koteswara Rao & Co
Chartered Accountants
FRN. 010396S

Place: Hyderabad
Date: 30-05-2016

SD/-
Murali Krishna Reddy Telluri
Partner
M.No: 223022



DILIGENT INDUSTRIES LIMITED

Balance Sheet as at March 31st March 2016

Amount (Rs.)

Particulars	Note No	31.03.2016	31.03.2015
EQUITY AND LIABILITIES :			
Shareholders' Funds :			
Share Capital	2	114,360,000	114,360,000
Reserves and Surplus	3	(10,517,071)	(11,261,595)
Sub Total		103,842,929	103,098,405
Non Current Liabilities:			
Long Term Borrowings	4	112,823,136	35,526,826
Deferred Tax Liabilities(Net)		1,203,629	1,431,712
Sub Total		114,026,765	36,958,538
Current Liabilities :			
Short Term Borrowings	5	73,888,989	129,947,915
Trade Payables	6	176,337,970	425,950,613
Other Current Liabilities	7	21,054,597	11,710,405
Short Term Provisions	8	98,408	696,735
Sub Total		271,379,964	568,305,668
TOTAL		489,249,658	708,362,611
ASSETS :			
Non-Current Assets			
(a) Fixed Assets			
Tangible Assets	9	83,199,513	87,630,866
Intangible Assets		0	0
(b) Deferred Tax Assets (Net)			
		0	0
(c) Long Term Loans and Advances			
	10	6,108,528	7,189,867
Sub Total		89,308,041	94,820,733
Current Assets :			
(a) Inventories			
	11	52,386,678	57,406,232
(b) Trade Receivables			
	12	218,824,782	543,716,141
(c) Cash and Bank Balances			
	13	1,750,269	2,392,691
(d) Short Term Loans and Advances			
	14	4,617,033	6,813,222
(e) Other Current Assets			
	15	122,362,855	3,213,594
Sub Total		399,941,617	613,541,879
TOTAL		489,249,658	708,362,612

Summary of significant accounting policies
As per our report of even date
For Ramasamy Koteswara Rao & Co.
Chartered Accountants
Firm Registration Number :0103965

11

For and on behalf of the Board of Directors
Diligent Industries Limited

Sd/-
Murali Krishna Reddy Telluri
Partner
Membership No.223022

Sd/-
Bhanu Prakash Vankineni
Managing Director
DIN: 00919910

Sd/-
Phani Anupama Vankineni
Director
DIN: 00935032

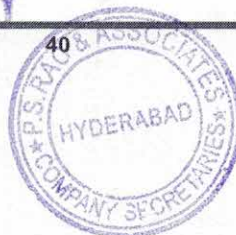
Date: 30th May, 2016
Place: Hyderabad

Sd/-
V Kiran Kumar
Director
DIN: 02696680

CERTIFIED TRUE COPY

For P. S. RAO & ASSOCIATES
Company Secretaries

D. Rao
D. P. RAO
C.P No 14487



22nd ANNUAL REPORT

Statement of Profit and Loss for the Year Ended 31st March 2016

Amount (Rs.)

Particulars	Note No	31.03.2016	31.03.2015
I. INCOME			
Revenue from Operations (Gross)	16	456,511,707	838,804,378
Less: Excise Duty		0	0
Revenue from Operations (Net)		456,511,707	838,804,378
Other Income	17	2,510,058	4,637,887
Total Revenue (I)		459,021,765	843,442,265
II. EXPENSES			
Cost of Materials Consumed	18	429,968,487	761,169,917
(Increase)/Decrease in Inventories of Finished Goods and Work-in-Progress	19	(4,142,160)	23,671,153
Depreciation and Amortisation	9	4,494,279	4,529,825
Finance Costs	20	16,686,952	23,465,521
Employee Benefits Expenses	21	2,734,094	4,967,318
Other Expenses	22	8,763,672	21,982,087
Total Expenses (II)		458,505,324	839,785,821
IV. Profit Before Tax		516,441	3,656,444
V. Tax Expense			
Current Tax		98,408	696,735
Minimum Alternate Tax credit entitlement		(98,408)	(696,735)
Deferred Tax Charge (Credit)		(228,083)	4,983,987
Total Tax Expense /(Credit)		(228,083)	4,983,987
VI. Profit for the year		744,524	(1,327,543)
Basic EPS		0.07	(0.12)
Diluted EPS			
Summary of Significant Accounting Policies	1.1		

Summary of significant accounting policies
As per our report of even date
For Ramasamy Koteswara Rao & Co.
Chartered Accountants
Firm Registration Number :010396S

For and on behalf of the Board of Directors
Diligent Industries Limited

Sd/-
Murali Krishna Reddy Telluri
Partner
Membership No.223022

Sd/-
Bhanu Prakash Vankineni
Managing Director
DIN: 00919910

Sd/-
Phani Anupama Vankineni
Director
DIN: 00935032

Date: 30th May, 2016
Place: Hyderabad

Sd/-
V Kiran Kumar
Director
DIN: 02696680

41 CERTIFIED TRUE COPY 22nd ANNUAL REPORT

For P. S. RAO & ASSOCIATES
Company Secretaries

D. S. RAO
CP No 14487



DILIGENT INDUSTRIES LIMITED

Cash Flow Statement for the year ended 31st March 2016

(All amounts in Rupees except for share data or otherwise stated)

Particulars	2015-16	2014-15
Cash Flow From Operating Activities		
Profit Before Tax	516,441	3,656,444
Adjustments for:		
Depreciation and Amortisation	4,494,279	4,529,825
Interest expense	16,686,952	23,465,521
Profit on sale of investments	0	-510,065
Operating profit Before working capital changes	21,697,672	31,141,725
Movement In Working Capital :		
(Decrease)/ Increase in Inventories	5,019,554	24,525,814
(Decrease)/ Increase in Trade Receivables	324,891,359	-403,817,453
(Decrease)/ Increase in Short Term Loans and Advances	2,196,189	-190,501
(Decrease)/ Increase in Other Current Assets	-119,016,858	3,558,357
(Decrease)/ Increase in Long term Loans and advances	1,081,339	0
Increase/ (Decrease) in Trade Payables	-249,612,643	338,173,901
Increase / (Decrease) in Short Term Provisions	-598,327	0
Increase / (Decrease) in Other Current Liabilities	9,344,192	9,969,750
Cash Generated From Operations	-4,997,523	3,361,593
Direct Tax Paid	132,403	137,860
Net Cash Flow Operating Activities (A)	-5,129,926	3,223,733
Cash Flow used In Investing Activities		
Purchase of Fixed Assets, Including Intangible assets, Capital Work in-Progress and Capital advances	-62,925	-38,142
Proceeds from Sales of Investments	0	3,220,361
Net Cash Flow Used In Investing Activities (B)	-62,925	3,182,219
Cash Flow Form Financing Activities		
Increase/(Decrease) in Long - Term Borrowings(Net)	77,296,310	-140,000
Increase/(Decrease) in Short - Term Borrowings (Net)	-56,058,926	16,981,246
Interest Paid	-16,686,952	-23,465,521
Net Cash Flow Form Financing Activities (C)	4,550,432	-6,624,275
Net Increase / (Decrease) In Cash and Cash Equivalents (A+B+C)	-642,419	-218,325
Cash and Cash Equivalents at the beginning of the year	2,392,691	2,611,014
Cash and Cash Equivalents at the end of the Year	1,750,269	2,392,691

Summary of significant accounting policies
As per our report of even date
For Ramasamy Koteswara Rao & Co.
Chartered Accountants
Firm Registration Number :010396S

Sd/-
Murali Krishna Reddy Telluri
Partner
Membership No.223022

Date: 30th May, 2016
Place: Hyderabad

For and on behalf of the Board of Directors
Diligent Industries Limited

Sd/-
Bhanu Prakash Vankineni
Managing Director
DIN: 00919910

Sd/-
Phani Anupama Vankineni
Director
DIN: 00935032

Sd/-
V Kiran Kumar
Director
DIN: 02696680

CERTIFIED TRUE COPY 42

For P. S. RAO & ASSOCIATES
Company Secretaries

D. S. RAO
C.P No 14487



22nd ANNUAL REPORT

I) Notes to financial statements:**1. Corporate Information:**

Diligent Industries Limited is a public company engaged primarily in the business of processing of Oil seeds and refining of Bran Oil and Coconut oil.

2. Basis of preparation of financial Statements:

The Financial statements have been prepared under the historical cost convention on accrual basis. The mandatory applicable accounting standards in India and the provisions of the companies Act, 2013 have been followed in preparation of these financial statements. All assets and liabilities have been classified as current or non-current as per the operating cycle criteria set out in the Schedule III to the Companies Act, 2013.

3. Summary of significant accounting policies**a. Use of Estimates:**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

b. Fixed Assets:

Fixed assets are recognized at cost of acquisition and installation less accumulated depreciation. The cost comprises purchase price, freight, duties, levies, borrowing cost and directly attributable cost of bringing the assets to their working condition for intended use. Subsequent expenditure related to an item of fixed assets is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance or extend its estimated useful life.

c. Depreciation and Amortization:

Depreciation on fixed assets is provided on straight-line method using the lives of assets given in Schedule II of the Companies Act, 2013.

d. Inventories:

Raw materials are valued at lower of cost and net realizable value. Finished goods are valued at lower of cost and realizable value. Net realizable value is estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

e. Revenue recognition:

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

Sale of Products:

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods, services, sales tax, and exciseduty Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable rates.

f. Taxation:

i) Current Tax: provision for current income tax is made on the taxable income using the applicable tax rates and tax laws.

ii) Deferred Tax: Deferred tax arising on account of timing differences and which are capable of reversal in one or more subsequent period(s) is recognized using the tax rates and tax laws that have been enacted or substantively enacted. Deferred tax assets are not recognized unless there is virtual certainty with respect to the reversal of the same in future years.



DILIGENT INDUSTRIES LIMITED

iii) Minimum Alternative Tax (MAT) credit: MAT is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period in the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in the guidance note issued by the ICAI. The said asset is created by way of a credit to the Statement of profit and loss and is shown as MAT credit entitlement. The company reviews the same at each balance sheet date and writes down the carrying amount of mat credit entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal income tax during the specified period.

g. Retirement Benefits:

Retirement benefits in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due.

h. Provisions and Contingent Liabilities Provisions:

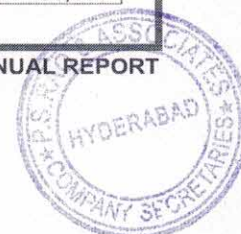
Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.

II) Other Notes to financial statements:**a) Related Party Disclosures:****Names of related parties and description of relationship:**

Name of the party	Relationship
Key Management Personnel	
i) V.Bhanu Prakash	Managing Director
ii) V.PhaniAnupama	Director
iii) V.Kiran Kumar	Director
iv) K.Visweswara Rao	Director
v) E.SrinivasBabu	Director
vi) V.Venkata Vinod Kumar	Director
vii) Aditya Rice Mill	Partnership firm in which relative of managing director is interested.

Transactions during the year:**Amount (Rs.)**

Particulars	Nature of Transactions	2015-16	2014-15
V.Bhanu Prakash	Managerial Remuneration	0	15,00,000
V.Bhanu Prakash	Unsecured Loans Taken/(Repaid)	7,20,18,056	(19,40,000)
V.Bhanu Prakash	Interest Paid on Unsecured loans	0	51,57,573
V.PhaniAnupama	Unsecured Loans taken	0	18,00,000
V.PhaniAnupama	Interest Paid on Unsecured loans	0	7,07,155
V.Kiran Kumar	Managerial Remuneration	4,80,000	4,80,000
K.Visweswara Rao	Sitting fee	25,000	25,000
V.Mallikharjuna Rao	Sitting fee	15,000	15,000
D.V.V.Prasad Rao	Sitting fee	25,000	25,000
B.Changanlal	Sitting fee	22,500	22,500
S.H.VenkataRamana	Sitting fee	8,000	8,000
Sri Sudhakar	Sitting fee	12,000	12,000
Adithya Rice Mill	Brawn Purchases	0	66,760
Adithya Rice Mill	Rent Received	96,000	96,000



Transactions during the year:

Amount (Rs.)

Particulars	2015-16	2014-15
Key Management Personnel		
V.Bhanu Prakash	(10,69,08,490)	(3,48,90,434)
V.PhaniAnupama	(59,14,646)	(59,14,646)

a) Quantitative Details:

Particulars	Op.Stock (Tonnes)	Purchase/yield (Tonnes)	Total (Tonnes)	Consumption (Tonnes)	Sales (Tonnes)	Cl.stock (Tonnes)
Brawn	645.000	0	645.000	583.000	0	62.000
D.O.R.B.	23.000	0	23.000	23.000	0	0
E.R.B.Oil	714.442	0	714.442	0	0	714.442
Total	1382.442	0	1382.442	606.000	0	776.442
	Lts.	Lts.	Lts.	Lts.	Lts.	Lts.
Hexane	45378	20000	65378	19212	0	46166
	MT.	MT.	MT.	MT.	MT.	MT.
Husk	3760.595	0	3760.595	436.595	0	3324.000
	MT	MT	MT	MT	MT	MT
Palm Nuts	0	2139.830	2139.830	2139.830	0	0
Palm Kernal Oil	0	630.100	630.100	0	570.100	60.000
Palm Cake	0	515.290	515.290	515.290	0	0
Palm D.O.C	0	2631.020	2631.020	0	2527.370	103.650
	Qtls.	Qtls.	Qtls.	Qtls.	Qtls.	Qtls.
Maize	0.000	274253.73	274253.73	0	274253.73	0
Jowar	0.000	4061.13	4061.13	0	12546.65	0

a) Contingent Liabilities and Capital Commitments:

Contingent Liabilities: Nil
Capital commitments: Nil

b) Earnings Per Share (EPS)

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

S. No	Particulars	2015-16	2014-15
	Net Profits Attributable to Equity Shareholders	7,44,524	(13,27,544)
II	Weighted Average No of Equity Shares Outstanding during the Year	1,14,36,000	1,14,36,000
	Earnings per Share (I/II)	0.07	(0.12)

For Ramasamy Koteswara Rao & Co.
Chartered Accountants
Firm Registration Number :010396S

For and on behalf of the Board of Directors
Diligent Industries Limited

Sd/-
Murali Krishna Reddy Telluri
Partner
Membership No.223022

Sd/-
Bhanu Prakash Vankineni
Managing Director
DIN: 00919910

Sd/-
Phani Anupama Vankineni
Director
DIN: 00935032

Date: 30th May, 2016
Place: Hyderabad

Sd/-
V Kiran Kumar
Director
DIN: 02696680



DILIGENT INDUSTRIES LIMITED

DILIGENT INDUSTRIES LIMITED
CIN: L15490AP1995PLC088116

Registered Office: Dwarka Thirumala Road, Denduluru Village and Mandal, West Godavari, A.P – 534 432.
• E-mail :diligentinvestors@gmail.com • Website : www.diligentindustries.com

ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING
(To be surrendered at the venue of the meeting)

I certify that I am a registered shareholder/proxy/representative for the registered shareholder(s) of Diligent Industries Limited.

I hereby record my presence at the 22nd Annual General Meeting of the Shareholders of Diligent Industries Limited on Fri day the 30th day of September, 2016 at 3.00 P.M.

DP ID*	Regd. Folio No.
Client ID*	No. of Shares

*Applicable if shares are held in electronic form.

Name & Address of Member

--

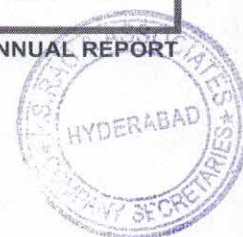
Signature of Shareholder/Proxy/
Representative (Please Specify)

ELECTRONIC VOTING

Electronic voting (e-voting) facility is being provided in respect of the Resolutions proposed at the 22nd AGM, in accordance with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014. Please see Note (10) to the Notice dated 13th August, 2016 convening the AGM for the procedure with respect to e-voting.

Your e-voting user ID and password are provided below:

Electronic Voting Event Number	User ID	Password
		Use your existing password



DILIGENT INDUSTRIES LIMITED

CIN: L15490AP1995PLC088116

Registered Office: Dwarka Thirumala Road, Denduluru Village and Mandal, West Godavari, A.P - 534 432.

• E-mail :diligentinvestors@gmail.com • Website : www.diligentindustries.com

Form No.MGT -11**Proxy Form**

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration Rules, 2014)

CIN	L15490AP1995PLC088116		
Name of the Company	Diligent Industries Limited		
Registered Office	Dwarka Thirumala Road, Denduluru Village and Mandal, West Godavari, A.P - 534 432		
Name of the member(s)			
Registered Address			
E-mail Id			
Folio No./Client ID		DP ID	

I / We, being the Member(s) of _____ shares of **Diligent Industries Limited**, hereby appoint

(1) Name : _____ Address : _____

E-mail ID : _____ Signature : _____, or
failing him _____

(2) Name : _____ Address : _____

E-mail ID : _____ Signature : _____, or
failing him _____

(3) Name : _____ Address : _____

E-mail ID : _____ Signature : _____

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 22nd Annual General Meeting (AGM) of the Company to be held on Tues day the 30th day of September, 2016 at 3.00 P.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Description	Optional (✓)	
		For	Against
Ordinary Business			
1	Adoption of Accounts for the financial year ended 31 st March, 2016, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.		
2	Appointment of Mrs. Vankineni Phani Anupama who retires by rotation and being eligible offers herself for re-appointment.		
3	Appointment of M/s Nekkanti Srinivasu & Co., Chartered Accountants, (Firm Registration No.008801S) as Statutory Auditor in the place M/s Ramasamy Koteswara Rao & Co, Chartered Accountants.		
Special Business			
4	Reappointment of Managing Director		

Signed this _____ day of _____ 2016. Signature of shareholder: _____

NOTE : This form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the AGM i.e. by 3.00 PM on 28th September,2016.Affix
Revenue
Stamp



Route Map to AGM

If undelivered, deliver to:
DILIGENT INDUSTRIES LIMITED
Dwarka Thirumala Road,
Denduluru Village and Mandal,
West Godavari -534 432, A.P,

CERTIFIED TRUE COPY

For P. S. RAO & ASSOCIATES
Company Secretaries

D. S. Rao
D. S. RAO
C.F No 14487

