

# CENTURY ENKA LIMITED

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HEAD OFFICE :  
 "BAKHTAWAR"  
 NARIMAN POINT,  
 MUMBAI-400 021.

## FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchange

|    |   |   |
|----|---|---|
| 1. | Name of the Company   | Century Enka Limited  |
| 2. | Annual financial statements for the year ended  | 31st March, 2015  |
| 3. | Type of Audit observation   | Un-qualified. One matter of emphasis.   |
| 4. | Frequency of observation  | Appeared second time  |
| 5. | To be signed by- <ul style="list-style-type: none"> <li>• Whole Time Director</li> <li>• CFO</li> <li>• Auditor of the Company</li> <li>• Audit Committee Chairman</li> </ul> | <p><i>G.M. Singhvi</i><br/>                 (G.M. Singhvi)</p> <p><i>D.B. Roonghta</i><br/>                 (D.B. Roonghta)</p> <p><i>Jeetendra Mirchandani</i><br/>                 (Jeetendra Mirchandani)</p> <p>M.No.48125<br/>                 Partner</p> <p>Price Waterhouse<br/>                 Chartered Accountants<br/>                 Firm Regn.No.301112E</p> <p><i>S.K. Jain</i><br/>                 (S.K. Jain)</p> |

Regd. Off. : Century Arcade, 2nd Floor, Narangi Baug Road, Pune - 411 001.  
 Factory : Bhosari, Pune-411 026.  
 Tel. : +91-20-6612 7300, 2712 0423 • Fax : +91-20-2712 0113  
 CIN : L24304PN1965PLC139075

ISO 9001

BUREAU VERITAS

Certification

Excluding Design



# CENTURY ENKA LIMITED



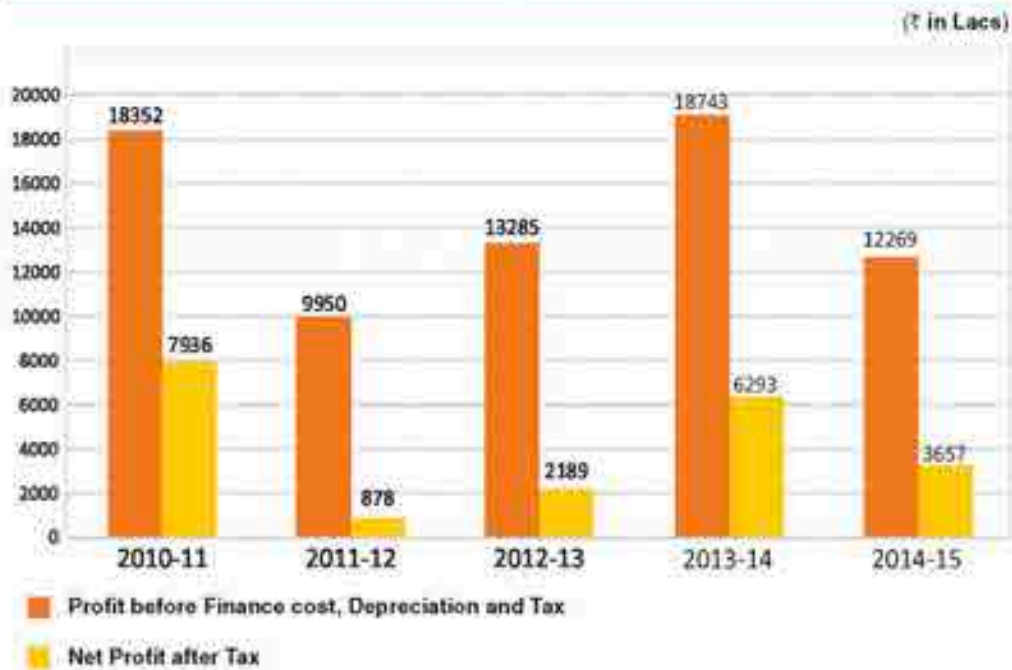
49th Annual Report 2014-2015

QUALITY driven!



Mr. B.K. Birla - Chairman

## PROFIT





## Forty Ninth Annual Report 2014-15 CENTURY ENKA LIMITED

### BOARD OF DIRECTORS

Mr. B. K. Birla (Chairman)  
Mrs. Saraladevi Birla (Ceased w.e.f. 28.03.2015)  
Mrs. Rajashree Birla (Appointed w.e.f. 05.05.2015)  
Mr. B. S. Mehta  
Mr. S. K. Jain  
Mr. R. A. Shah (Resigned w.e.f. 30.10.2014)  
Mr. K. S. Thar (Appointed w.e.f. 27.11.2014)  
Mr. G. M. Singhvi (Whole-time Director)

### KEY MANAGERIAL PERSONNEL

Mr. S. Thapliyal - President  
Mr. D. B. Roonghta - Chief Financial Officer  
Mr. C. B. Gagrani - Company Secretary

### AUDITORS

Messrs. Price Waterhouse

### SOLICITORS

Messrs. Crawford Bayley & Co.

### BANKERS

|                     |                                 |
|---------------------|---------------------------------|
| Bank of Maharashtra | HDFC Bank                       |
| State Bank of India | The Royal Bank of Scotland N.V. |
| Axis Bank           |                                 |

### HEAD OFFICE

‘Bakhtawar’, 7th Floor  
Nariman Point  
Mumbai-400 021.  
Tel. No. 022-4321 5300 / 2202 7375  
Fax No. 022-4321 5353 / 2287 3952

### REGISTERED OFFICE

Century Arcade, 2nd Floor  
Narangi Baug Road  
Pune - 411 001.  
Tel. No. 020-2616 6511  
Fax No. 020-2616 6511

### KOLKATA OFFICE

Birla Building, 8th Floor  
9/1, R. N. Mukherjee Road,  
Kolkata-700 001.  
Tel. No. 033-2243 6003

### FACTORIES

Bhosari, Pune-411 026  
Tel. No. 020-66127300 / 27120423  
Fax No. 020-27120113

Rajashree Polyfil  
Rajashree Nagar, Post: Umalla-393120  
Dist.: Bharuch  
Tel. No. 02640-308555  
Fax No. 02640-308510

Raigad Processors  
(Not in Production)  
Plot No. C-61, Part-A, MIDC Area,  
Mahad-402 309, Dist.: Raigad  
Tel. No. 02145-232136

Konkan Synthetic Fibres  
(Not in Production)  
Plot No. C-61, Part-B, MIDC Area  
Mahad-402 309, Dist.: Raigad  
Tel. No. 02145-232137

### SHARE TRANSFER AGENT

#### LINK INTIME INDIA PRIVATE LIMITED

C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai-400 078  
Tel. No.: 022-2594 6970; Fax No.: 022-2594 6969

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**DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015****Dear Shareholders,**

Your Directors present the 49<sup>th</sup> Annual Report and Audited Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2015.

The performance of the Company for the year was severely impacted mainly due to sudden drop in crude oil prices, resulting into heavy loss in carrying inventory value. Additional reasons were, increase in labour cost on account of wage settlement arrived at Pune factory and high electricity cost per unit as open access power purchase which was hitherto available to Bharuch site was denied by Gujarat Energy Transmission Corporation Limited.

**FINANCIAL RESULTS**

|  | ₹ / Lacs      |               |
|--|---------------|---------------|
|  | This Year     | Previous Year |
| <b>Net Sales / Income from Operations(Less Excise Duty)</b>                | <b>121853</b> | 146679        |
| <b>Profit before Depreciation, Finance Cost, Exceptional Items and Tax</b> | <b>12269</b>  | 18963         |
| Add / (Less) :   |               |               |
| Depreciation   | <b>(4275)</b> | (7071)        |
| Finance Cost   | <b>(1732)</b> | (2091)        |
| Exceptional Items  | --            | (220)         |
| Taxation (Net)   | <b>(2605)</b> | (3288)        |
| <b>Net Profit</b>  | <b>3657</b>   | 6293          |
| Add : Balance brought forward from previous year                           | <b>27470</b>  | 23346         |
| <b>Profit available for appropriation</b>                                  | <b>31127</b>  | 29639         |
| Less : Dividend  | <b>(1311)</b> | (1311)        |
| Tax on Dividend  | <b>(267)</b>  | (228)         |
| General Reserve  | <b>(370)</b>  | (630)         |
| <b>Balance carried forward to next year</b>                                | <b>29179</b>  | 27470         |

**DIVIDEND**

We recommend a dividend at the rate of 60% (i.e. ₹ 6/- per Equity Share of ₹ 10/- each) for the year ended 31<sup>st</sup> March, 2015 (Previous year at the rate of 60% i.e. ₹ 6/- per Equity Share of ₹ 10/- each).

**COURSE OF BUSINESS AND OUTLOOK**

The Management's Discussion and Analysis Report as required under Corporate Governance Report is forming part of this report and gives the state of affairs of the business of the Company. As indicated, your Company has consolidated its position in Nylon Filament Yarn, keeping its focus on modification of additional Polymerlines and adding after treatment facility to provide bouquet of products in Nylon Filament Yarn for new applications in producing Nylon Textile Fabric. These efforts have helped increase its market share in Nylon Filament Yarn. Your Company has plans to make further investments to increase Nylon Filament Yarn capacity, which will also help

to counter price cutting by competitors. In Nylon Tyre Cord Fabric, the Company has commissioned second dipping plant to meet tyre companies demand for dipped fabric and to retain its market share has undertaken modernization by replacing remaining two steps process plant by single step.

**EXCISE DUTY DEMAND**

The Company has filed an appeal against the order of Commissioner of Central Excise for the alleged excise duty demand of ₹ 22927 Lacs, equal amount of penalty and interest on duty amount before Customs, Excise and Service Tax Appellate Tribunal (CESTAT) Mumbai, denying benefit of notification No.6/2000 CE dated 01<sup>st</sup> March, 2000 for specific excise duty. The appeal has been admitted and stay granted on pre-deposit of ₹ 700 Lacs. Your Company has been advised by the legal counsel that it has a strong case to succeed and accordingly no provision is required to be made in books of account.

**EXPANSION AND MODERNISATION**

During the year, a part of continuous process polymerline at Bharuch site has been converted into non continuous and put into operation for manufacture of Nylon Filament Yarn.

Your Company offers wide range of Nylon Filament Yarn and to further broaden the product range has added about 4200 M.Tons per annum capacity by installing Air Texturising and Draw Texturising machines. Your Company is actively considering to install few more Air Texturising machines and FDY machine to strengthen its leadership position in Nylon Filament Yarn.

A part of manufacturing capacity of Nylon Tyre Cord Fabric (NTCF) is based on two steps process technology which has become obsolete. Your Company has taken up modernisation by converting the existing capacity of two steps process with one step and expects to complete the installation by July-September 2015.

The second Dipping plant at Bharuch site has been commissioned in August 2014.

**HEALTH, SAFETY AND ENVIRONMENT**

The report on Management's Discussion and Analysis includes observations on health, safety and environment compliances by the Company.

All Plant sites of the Company are environment regulations compliant.

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

Particulars in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are set out in a separate statement attached hereto and forming part of the report. (Annexure - I)





## CORPORATE GOVERNANCE

Your Company reaffirms its commitment to Corporate Governance and is fully compliant with the conditions of Corporate Governance stipulated in Clause 49 of the Listing Agreement with Stock Exchanges. A separate section on compliance with the conditions of Corporate Governance and a Certificate from the firm of Practising Company Secretaries dated 5<sup>th</sup> May, 2015 in this regard is annexed hereto and forms a part of the report.

### POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

(including criteria for determining qualification, positive attributes, independence of a Director, policy relating to remuneration for Directors, Key Managerial Personnel and other employees)

#### Policy on Directors' Appointment

Policy on Directors' appointment is to follow the criteria as laid down under the Companies Act, 2013 and the Listing Agreement with Stock Exchanges and good corporate practices. Emphasis is given to persons from diverse fields or professions.

#### Policy on Remuneration

Guiding Policy on remuneration of Directors, Key Managerial Personnel and employees of the Company is that -

- Remuneration to unionised workmen is based on the periodical settlement with the workmen union.
- Remuneration to Key Managerial Personnel, Senior Executives, Managers, Staff and Workmen (non Unionised) is industry driven in which it is operating taking into account the performance leverage and factors such as to attract and retain quality talent.
- For Directors, it is based on the shareholders resolutions, provisions of the Companies Act, 2013 and Rules framed therein, circulars and guidelines issued by Central Government and other authorities from time to time.

### ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Board of Directors of the Company has initiated and put in place evaluation of its own performance, its committees and individual directors. The result of the evaluation is satisfactory and adequate and meets the requirement of the Company.

### DECLARATION OF INDEPENDENCE BY THE INDEPENDENT DIRECTORS

Pursuant to Section 149(6) of the Companies Act, 2013, Independent Directors of the Company have made a declaration confirming the compliance of the conditions of the independence stipulated in the aforesaid section.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134(1)(c) of the Companies Act, 2013 and on the basis of explanation and compliance certificate given by the executives of the Company, and subject to disclosures in the Annual Accounts and also on the basis of discussions with the Statutory Auditors of the Company from time to time, we state as under :

- a) that in the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departure;
- b) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the directors had prepared the annual accounts on a going concern basis;
- e) that 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
- f) that 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.

### DIRECTORS

Your Board of Directors with deep regret noted the sad demise of Mrs. Saraladevi Birla on 28<sup>th</sup> March, 2015. In her death, the Board of Directors has lost a visionary, able leader and philanthropist.

Your Board of Directors has appointed Mrs. Rajashree Birla on 5<sup>th</sup> May, 2015 to fill up the casual vacancy caused by the demise of Mrs. Saraladevi Birla, a Director liable to retire by rotation. Mrs. Rajashree Birla is having vast experience of Industry and is on the Board of many large reputed listed companies.

Mr. R.A. Shah resigned from the directorship of the Company w.e.f. 30<sup>th</sup> October, 2014 due to regulatory requirements under the Companies Act, 2013 and the Listing Agreement. Mr. R.A. Shah was associated with the Company as a Director for more than 40 years. Your Directors place on record their appreciation for the valuable services rendered by Mr. R.A. Shah.

Mr. K.S. Thar has been appointed as an Independent Director of your Company on 27<sup>th</sup> November, 2014 to fill up the casual vacancy caused by the resignation of Mr. R.A. Shah. Mr. K.S. Thar is a Practising Chartered Accountant, having more than 30 years of experience of audit, taxation and corporate laws. His appointment as an Independent Director is proposed for a term of 5 years.

Notices under Section 160 of the Companies Act, 2013 from members of the Company signifying the candidatures of Mrs. Rajashree Birla and Mr. K.S. Thar for the office of the Directors have been received.

### NUMBER OF MEETING OF BOARD OF DIRECTORS

The Board of Directors have met 6 times and Independent Directors once during the year ended 31<sup>st</sup> March, 2015.

### DETAILS OF COMMITTEE OF DIRECTORS

Composition of Audit Committee of Directors, Nomination and Remuneration Committee of Directors and Stakeholders Relationship/Grievance Committee of Directors, number of meetings held of each Committee during the financial year 2014-15 and meetings attended by each member of the



Committee as required under the Companies Act, 2013 are provided in Corporate Governance Report and forming part of the report.

The recommendation by the Audit Committee as and when made to Board has been accepted by it.

### KEY MANAGERIAL PERSONNEL

Your Company has designated Mr. D.B. Roonghta, who is Executive President of Pune site as Chief Financial Officer. Mr. S. Thapliyal, the President of the Company is also a Key Managerial Personnel. Mr. G.M. Singhvi the Whole-time Director and Mr. C.B. Gagrani, Company Secretary who have been appointed before commencement of the Companies Act, 2013 are the Key Managerial Personnel.

### PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTY

There is no transaction with Related Party which requires disclosure under Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014.

### LOANS, INVESTMENT AND GUARANTEES BY THE COMPANY

There is no loan given, investment made, guarantee given or security provided by the Company to any entity under Section 186 of the Companies Act, 2013.

### FIXED DEPOSITS

Your Company has not accepted any fixed deposits from the public during the financial year ended 31<sup>st</sup> March, 2015. Fixed deposits accepted from employees and outstanding as on 31<sup>st</sup> March, 2014 have been repaid during the financial year ended 31<sup>st</sup> March, 2015.

### RISK MANAGEMENT

During the year, Management of the Company, evaluated the existing Risk Management Policy of the Company to make it more focused in identifying and prioritising the risks, role of various executives in monitoring & mitigation of risk and reporting process. The Risk Management Policy has been reviewed and found adequate to the requirements of the Company by independent firms of Chartered Accountants and approved by the Board.

The Management evaluated various risks and that there is no element of risk identified that may threaten the existence of the Company.

A detailed report on significant risks and mitigation is forming part of Management's Discussion and Analysis.

### WHISTLE BLOWER MECHANISM

Your Company has put in place Whistle Blower Mechanism. The detailed mechanism is given in Corporate Governance Report forming part of this report.

### CORPORATE SOCIAL RESPONSIBILITY

Your Company understands the importance of Corporate Social Responsibility (CSR) activities that bring a meaningful and lasting improvement in the life of youth and marginalised section of the society, more particularly of backward region. It has been a commitment of your Company to the society,

since inception, in conducting CSR activities, particularly for the benefit of the people living in peripheral of its plant sites. To achieve this objective, the Company during the year 2014-15 has participated by funding in setting up a skill development institute in vicinity of the Company's Bharuch site, a backward region to help local youth for gaining better employment opportunity and funded for a project for drinking water supply to a village Panchayat Savane near the Company's Mahad site. In addition to these projects, the Company has taken up programmes for health, education, sanitary and environment. Your Company has spent ₹ 94 Lacs on CSR Projects and Programmes during the financial year 2014-15.

An annual report on CSR, pursuant to Rule 8 of the Companies (CSR Policy) Rules, 2014 is annexed herewith and forming part of the report. (Annexure - II)

### ANALYSIS OF REMUNERATION

Pursuant to Rule 5 of the Companies (Appointment and Remuneration) Rules, 2014 a disclosure on remuneration related information of employees, Key Managerial Personnel and Directors is annexed herewith and forming part of the report. (Annexure - III)

### AUDITORS

M/s. Price Waterhouse, the Auditors of the Company will retire from the office of the Auditors and being eligible offer themselves for re-appointment. Their remuneration for the current year is to be fixed by you.

### COST AUDITORS

Your Company has appointed M/s. N.I. Mehta & Co., Cost Auditors for conducting the cost account records for the products Nylon and Polyester for the financial year ended 31<sup>st</sup> March, 2016.

### SECRETARIAL AUDIT REPORT

A Secretarial Audit Report for the year ended 31<sup>st</sup> March, 2015 in prescribed form duly audited by the Practising Company Secretary M/s. Sanjay Sangani & Co. is annexed herewith and forming part of the report.

### PARTICULARS OF EMPLOYEES

Pursuant to the provisions of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of employees are set out in a separate statement is annexed herewith and forming part of the report. (Annexure - IV)

### EXTRACT OF ANNUAL RETURN

Pursuant to Section 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules 2014, the extract of annual return is annexed herewith and forming part of the report. (Annexure - V)

For and on behalf of the Board of Directors

**B. K. BIRLA**

**G. M. SINGHVI**  
Directors

Place : Mumbai  
Date : May 05, 2015



## ANNEXURE TO DIRECTORS' REPORT

(Annexure - I)

**Information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014**

### (A) CONSERVATION OF ENERGY

The Company is engaged in the continuous process of energy conservation through improved operational and maintenance practices:

#### i. Steps taken or impact on conservation of energy

| Steps taken   | Impact (Annualised Savings)             |
|---|---|
| <b>Electricity</b>  | <b>KWh/ Lacs</b>                        |
| a. Installation of energy efficient Chiller   | 2.86                                    |
| b. Replacement of rewind motors with latest energy efficient motors                                     | 1.44                                    |
| c. Optimising fan efficiency in spinning AHU  | 1.32                                    |
| d. Utilisation of Centrifugal compressor by changing user services low pressure and medium pressure air | 3.30                                    |
| e. Installation of capacitance bank on HT bus to improve power factor                                   | Power factor improved from 0.95 to 0.99 |
| <b>Steam</b>  | <b>Tons</b>                             |
| f. Replacement of steam ejector with water jet vacuum condenser   | 198                                     |
| g. Stoppage of steam ejector of IY dryer  | 660                                     |

#### ii. Steps taken for Utilisation of alternate sources of energy

- Installation of biomass fired boiler to replace Furnace Oil based for steam generation
- Installation of Thermic fluid steam generator to generate steam with biomass heater in place of furnace oil for steam generation
- Capital investments on energy conservation equipments during 2014-15 ₹ 313 Lacs (previous year ₹ 39 Lacs)

### B) TECHNOLOGY ABSORPTION

#### i. Efforts made towards technology absorption

- Modification in spinning machines for conversion from Polyester to Nylon Yarn

- Modification in Nylon spinning for process improvement
- Installation of pilot plant for Nylon Filament Yarn development
- Installation of Distributed Control system in IY Poly
- Installation of PLC and SCADA based control system on polymerization column
- Installation of UPS for polymerization column
- PLC & HMI installation for nitrogen plant
- Upgradation of grid and DG parallel operation system
- Installation of new conveying system for flexibility of lusters on spinning machines

#### ii. Benefits derived as a result of the above efforts

- New product developments
- Improvement in quality
- Cost reduction
- Improvement in operating performance

#### iii. Information regarding imported technology

[Imported during the last 3 years (from the beginning of the financial year)]

- Technology Imported : NIL
- Year of Import : Not applicable
- Has the technology : Not applicable  
been fully absorbed

#### iv. Expenditure on Research & Development

(₹/Lacs)

|    | Particulars  | 2014-15        | 2013-14 |
|----|--|----------------|---------|
| 1. | Capital  | See Note Below |         |
| 2. | Recurring  | 221            | 324     |
| 3. | Total  | 221            | 324     |
| 4. | Total R & D expenditure as a Percentage of total income from Operation (Net) | 0.18%          | 0.22%   |

Note: The Company has spent ₹ 253 Lacs (Previous year ₹ 41 Lacs) and shown as normal Capital Expenditure, although it is also used for R&D activities.

### (C) FOREIGN EXCHANGE EARNINGS AND OUTGO

Total foreign exchange used and earned is contained in Note 42(c), (d), (e) and (f) to the financial statement.







## ANNEXURE TO DIRECTORS' REPORT

(Annexure - III)

**STATEMENT CONTAINING INFORMATION AS PER SECTION 197(12) OF THE COMPANIES ACT 2013. READ WITH RULE 5(1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

1. Ratio of remuneration of each Director to median remuneration of the employees of the Company for the financial year :

| Sr. No. | Name of the Director  | Ratio of remuneration of Director to median remuneration of employees |                |
|---------|---|---|----------------|
|         |   | 2014-15   | 2013-14        |
| 1.      | Mr. B.K. Birla  | 1.46:1  | 1.81:1         |
| 2.      | Mrs. Saraladevi Birla (Appointment w.e.f.05.05.2014 and ceased w.e.f. 28.03.2015) | 1.31:1  | Not Applicable |
| 3.      | Mr. B.S. Mehta  | 3.10:1  | 2.01:1         |
| 4.      | Mr. S.K. Jain   | 1.70:1  | 1.94:1         |
| 5.      | Mr R.A. Shah (Resigned w.e.f. 30.10.2014)   | 0.96:1  | 2.01:1         |
| 6.      | Mr. K.S. Thar (Appointment w.e.f.27.11.2014)                                      | 0.60:1  | Not Applicable |
| 7.      | Mr. G.M. Singhvi  | 43.38:1   | 42.92:1        |

**Note:**

- i. Directors Remuneration is including sitting fees.  
ii. Remuneration of Mrs. Saraladevi Birla, Mr. R. A. Shah and Mr. K.S. Thar is for the proportionate period only.
2. Percentage increase in remuneration of each Director, President, Chief Financial Officer and Company Secretary:

| Sr No | Name of the Director  | Designation             | Percentage Increase (%) |                |
|-------|-----------------------|-------------------------|-------------------------|----------------|
|       |                       |                         | 2014-15                 | 2013-14        |
| 1.    | Mr. B.K. Birla        | Chairman                | (1.85)                  | (1.82)         |
| 2.    | Mrs. Saraladevi Birla | Director                | Not Applicable          | Not Applicable |
| 3.    | Mr. B.S. Mehta        | Director                | 87.92                   | (1.23)         |
| 4.    | Mr. S.K. Jain         | Director                | 6.90                    | (4.13)         |
| 5.    | Mr. R.A. Shah         | Director                | (41.60)                 | (1.23)         |
| 6.    | Mr. K.S. Thar         | Director                | Not Applicable          | Not Applicable |
| 7.    | Mr. G.M. Singhvi      | Whole time Director     | 23.19                   | 10.88          |
| 8.    | Mr. S. Thapliyal      | President               | 34.58                   | 22.44          |
| 9.    | Mr. D.B. Roonghta     | Chief Financial Officer | 42.26                   | 17.90          |
| 10.   | Mr. C.B. Gagrani      | Company Secretary       | 36.56                   | 8.57           |

**Note:**

- i. In case of Key Managerial Personnel, payment of arrears has been excluded from current year's figures and considered in the previous year to give a fair and comparable view.
3. Number of permanent employees on the rolls of the Company as on 31<sup>st</sup> March, 2015 was 1496 Nos. and as on 31<sup>st</sup> March, 2014 was 1470 Nos.
4. There is no variable component of remuneration to the Directors.
5. No employee has received remuneration in excess of highest paid Director of the Company during the Financial Year 2014-15.

6. a) Performance of the Company [See Note 6 (b)(i)]

| Description       | (₹/Lacs) |         |
|-------------------|----------|---------|
|                   | 2014-15  | 2013-14 |
| Profit Before Tax | 6262     | 9581    |

- b) Remuneration to employees and directors of the Company is in line with remuneration policy of the Company as per competitive market scenario and sustainability in the medium to long run.

| Sr No | Description   | Percentage increase (%) |         |
|-------|---|-------------------------|---------|
|       |   | 2014-15                 | 2013-14 |
| 1     | Median Remuneration of employees  | 22.78                   | 5.01    |
| 2     | Average Remuneration of all employees (See Note i & ii)                       | 19.63                   | 7.80    |
| 3     | Remuneration of Key Managerial Personnel (See Note i & ii)                    | 26.22                   | 14.36   |
| 4     | Average increase in salaries of the employees other than Managerial Personnel | 19.52                   | 7.71    |
| 5     | Managerial Remuneration   | 23.19                   | 10.88   |
| 6     | Remuneration of each Key Managerial Personnel (See Note i & ii)               |                         |         |
|       | Mr. G.M. Singhvi  | 23.19                   | 10.88   |
|       | Mr. S. Thapliyal  | 34.58                   | 22.44   |
|       | Mr. D.B. Roonghta   | 42.26                   | 17.90   |
|       | Mr. C.B. Gagrani  | 36.56                   | 8.57    |

**Note:**

- i. Financial performance of the Company for the year 2014-15 was adversely affected mainly due to inventory losses arising out of falling raw material prices, denial of open power purchases which was hitherto available for Bharuch site and increase in wages primarily on account of new wage settlement for Pune plant for a period of three years.
- ii. There is no direct relationship between average increase in the remuneration of employees and Key Managerial Personnel with year to year financial performance of the Company.
- iii. For computing average increase in remuneration, only employees who have worked for the complete Financial Year 13-14 & 14-15 have been considered to make the figures comparable.
7. Variations in market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer :
- i. Variations in market capitalisation during the Financial Year 2014-15 of the Company:

| Increase in (₹/Lacs) | Percentage Increase (%) |
|----------------------|-------------------------|
| 2171                 | 7.02                    |

- ii. Price Earnings Ratio

| Description          | As on 31.03.2015 | As on 31.03.2014 |
|----------------------|------------------|------------------|
| Price Earnings Ratio | 9.04             | 4.91             |

- iii. Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with last public offer (in the year 1967 at par) : 1314.90%

**ANNEXURE TO DIRECTORS' REPORT**

(Annexure - IV)

**STATEMENT CONTAINING INFORMATION AS PER SECTION 197(12) READ WITH THE RULES 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE YEAR ENDED, 31<sup>ST</sup> MARCH, 2015.**

Name, Designation, Remuneration Received (₹), Nature of Employment, Qualification, Experience (Years), Date of Commencement of Employment, Age (Years), Last Employment held, Equity Share held in Company (Percentage),

- (a) Employed throughout the financial year and was in receipt of remuneration for the year in aggregate of not less than ₹ 60,00,000
- Mr. G.M. Singhvi, Whole-time Director, ₹ 16668490, Contractual, B.Com., LL.B., F.C.A., 49, 11.09.1997, 73, Practicing Management Service, NIL.
  - Mr. S. Thapliyal, President, ₹ 8631785, Non-Contractual, B.Tech (Textile), 28, 16.02.2006, 51, Pioneer Embroideries Limited, NIL.
- (b) Employed for a part of the financial year and was in receipt of remuneration at a rate in aggregate not less than ₹ 5,00,000/- per month.
- Mr. S. A. Mondal, Vice President (Polymerisation & Textile Yarn), ₹ 749039, Non-Contractual, M.Tech (Fibres & Technology), 20, 05.05.2010, 47, Modipon Fibres Company, NIL.
- (c) Employed throughout the financial year or part thereof, was in receipt of remuneration in the year which, in the aggregate or at a rate which in the aggregate was in excess of that drawn by the Whole-time Director and holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the Company.

NIL

**Notes:**

- Remuneration includes salaries, house rent allowance, personal allowance, ex-gratia, performance allowance, leave travel assistance, encashment of leave, medical expenses / allowances, accident insurance premium, Company's Contribution to Provident & Superannuation Funds and the monetary value of perquisites calculated in accordance with the provisions of the Income-tax Act, 1961 and the Rules made there under and excludes provision for retiring gratuity for which separate figure is not available.
- The above employees are not relative of any Director of the Company.

**B. K. BIRLA**  
**G. M. SINGHVI**  
Directors

Place : Mumbai  
Dated : May 05, 2015

**ANNEXURE TO DIRECTORS' REPORT**

(Annexure - V)

**EXTRACT OF ANNUAL RETURN****Form No. MGT-9**as on the financial year ended on 31<sup>st</sup> March, 2015

[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:**

|       |   |  |
|-------|---|--|
| (i)   | CIN   | L24304PN1965PLC139075  |
| (ii)  | Registration Date   | 17 <sup>th</sup> November, 1965  |
| (iii) | Name of the Company   | Century Enka Limited   |
| (iv)  | Category / Sub-Category of the Company                                    | Company limited by shares/<br>Indian Non-Government Company  |
| (v)   | Address of the Registered Office and contact details                      | Century Arcade, 2 <sup>nd</sup> Floor,<br>Narangi Baug Road, Pune – 411001 (Maharashtra)<br>Tel. No. : 020-26166511<br>E-mail id : regdoffice@centuryenka.com  |
| (vi)  | Whether listed company Yes / No   | Yes  |
| (vii) | Name, Address and Contact details of Registrar and Transfer Agent, if any | Link Intime India Pvt. Ltd.<br>C-13, Pannalal Silk Mills Compound<br>L.B.S. Marg, Bhandup (West)<br>Mumbai – 400078 (Maharashtra)<br>Tel. No. : 022-2596 3838<br>E-mail id : rnt.helpdesk@linkintime.co.in |



## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:-

| Sl. No. | Name and Description of main products/ services | NIC Code of the Product/ service | % to total turnover of the Company |
|---------|---|----------------------------------|------------------------------------|
| 1       | Nylon Tyre Cord Fabric                          | 1399                             | 62.51 %                            |
| 2       | Polyester/ Nylon Filament Yarn                  | 2030                             | 35.77 %                            |

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

| Sl. No. | NAME AND ADDRESS OF THE COMPANY | CIN/ GLN | HOLDING / SUBSIDIARY / ASSOCIATE | % of shares held | Applicable Section |
|---------|---------------------------------|----------|----------------------------------|------------------|--------------------|
| NIL     |                                 |          |                                  |                  |                    |

## 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 01.04.2014 |          |                |                   | No. of shares held at the end of the year 31.03.2015 |          |                |                   | % Change during the year |
|---|--|----------|----------------|-------------------|--|----------|----------------|-------------------|--------------------------|
|   | Demat  | Physical | Total          | % of Total Shares | Demat  | Physical | Total          | % of Total Shares |                          |
| <b>A. Promoters</b>                                     |  |          |                |                   |  |          |                |                   |                          |
| <b>(1) Indian</b>                                       |  |          |                |                   |  |          |                |                   |                          |
| a) Individual/HUF                                       | 136130   | -        | 136130         | 0.62              | 136130   | -        | 136130         | 0.62              | -                        |
| b) Central Govt.  | -  | -        | -              | -                 | -  | -        | -              | -                 | -                        |
| c) State Govt(s)  | -  | -        | -              | -                 | -  | -        | -              | -                 | -                        |
| d) Bodies Corp.   | 6722598  | -        | 6722598        | 30.77             | 6722598  | -        | 6722598        | 30.77             | -                        |
| e) Banks/FI   | -  | -        | -              | -                 | -  | -        | -              | -                 | -                        |
| f) Any Other  | -  | -        | -              | -                 | -  | -        | -              | -                 | -                        |
| <b>Sub-Total(A)(1):</b>                                 | <b>6858728</b>   | <b>-</b> | <b>6858728</b> | <b>31.39</b>      | <b>6858728</b>                                       | <b>-</b> | <b>6858728</b> | <b>31.39</b>      | <b>-</b>                 |
| <b>(2) Foreign</b>                                      |  |          |                |                   |  |          |                |                   |                          |
| a) NRI/ Individuals                                     | -  | -        | -              | -                 | -  | -        | -              | -                 | -                        |
| b) Other- Individuals                                   | -  | -        | -              | -                 | -  | -        | -              | -                 | -                        |
| c) Bodies Corp.   | -  | -        | -              | -                 | -  | -        | -              | -                 | -                        |
| d) Banks/FI   | -  | -        | -              | -                 | -  | -        | -              | -                 | -                        |
| e) Any Other  | -  | -        | -              | -                 | -  | -        | -              | -                 | -                        |
| <b>Sub-Total(A)(2):</b>                                 | <b>-</b>   | <b>-</b> | <b>-</b>       | <b>-</b>          | <b>-</b>   | <b>-</b> | <b>-</b>       | <b>-</b>          | <b>-</b>                 |
| <b>Total Shareholding of Promoter (A)=(A)(1)+(A)(2)</b> | <b>6858728</b>   | <b>-</b> | <b>6858728</b> | <b>31.39</b>      | <b>6858728</b>                                       | <b>-</b> | <b>6858728</b> | <b>31.39</b>      | <b>-</b>                 |
| <b>B. Public Shareholding</b>                           |  |          |                |                   |  |          |                |                   |                          |
| <b>I. Institutions</b>                                  |  |          |                |                   |  |          |                |                   |                          |
| a) Mutual Funds   | 292  | 8610     | 8902           | 0.04              | 227  | 8610     | 8837           | 0.04              | -                        |
| b) Banks/FI   | 16366  | 20405    | 36771          | 0.17              | 18852  | 17405    | 36257          | 0.17              | -                        |



| Category of Shareholders   | No. of shares held at the beginning of the year 01.04.2014 |                |                 |                   | No. of shares held at the end of the year 31.03.2015 |                |                 |                   | % Change during the year |
|--|--|----------------|-----------------|-------------------|--|----------------|-----------------|-------------------|--------------------------|
|  | Demat  | Physical       | Total           | % of Total Shares | Demat  | Physical       | Total           | % of Total Shares |                          |
| c) Central Govt  | -  | -              | -               | -                 | -  | -              | -               | -                 | -                        |
| d) State Govt(s)   | -  | -              | -               | -                 | -  | -              | -               | -                 | -                        |
| e) Venture Capital Funds   | -  | -              | -               | -                 | -  | -              | -               | -                 | -                        |
| f) Insurance Companies   | 1687842  | 930            | 1688772         | 7.73              | 1687842  | 930            | 1688772         | 7.73              | -                        |
| g) FIIs  | 203927   | 5430           | 209357          | 0.96              | 265006   | 5430           | 270436          | 1.23              | 0.27                     |
| h) Foreign Venture Capital Funds   | -  | -              | -               | -                 | -  | -              | -               | -                 | -                        |
| l) Others (Specify)  | -  | -              | -               | -                 | -  | -              | -               | -                 | -                        |
| <b>Sub-Total(B)(1):</b>  | <b>1908427</b>   | <b>35375</b>   | <b>1943802</b>  | <b>8.90</b>       | <b>1971927</b>                                       | <b>32375</b>   | <b>2004302</b>  | <b>9.17</b>       | <b>0.27</b>              |
| <b>2. Non-Institutions</b>   |  |                |                 |                   |  |                |                 |                   |                          |
| a) Bodies Corp.  |  |                |                 |                   |  |                |                 |                   |                          |
| (i) Indian   | 1192529  | 37415          | 1229944         | 5.63              | 1027290  | 36940          | 1064230         | 4.87              | (0.76)                   |
| (ii) Overseas  | 237159   | 1255100        | 1492259         | 6.83              | 237159   | 1255100        | 1492259         | 6.83              | -                        |
| (b) Individuals  |  |                |                 |                   |  |                |                 |                   |                          |
| (i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh          | 6222110  | 819557         | 7041667         | 32.22             | 6203672  | 781321         | 6984993         | 31.97             | (0.25)                   |
| (ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh | 2971103  | 96670          | 3067773         | 14.04             | 3187187  | 95685          | 3282872         | 15.02             | 0.98                     |
| (c) Other Clearing Members   | 216416   | -              | 216416          | 0.99              | 163205   | -              | 163205          | 0.75              | (0.24)                   |
| <b>Sub-Total(B)(2):</b>  | <b>10839317</b>  | <b>2208742</b> | <b>13048059</b> | <b>59.71</b>      | <b>10818513</b>                                      | <b>2169046</b> | <b>12987559</b> | <b>59.44</b>      | <b>(0.27)</b>            |
| <b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>                               | <b>12747744</b>  | <b>2244117</b> | <b>14991861</b> | <b>68.61</b>      | <b>12790440</b>                                      | <b>2201421</b> | <b>14991861</b> | <b>68.61</b>      | <b>-</b>                 |
| C. Shares held by custodian for GDRs & ADRs                                      | -  | -              | -               | -                 | -  | -              | -               | -                 | -                        |
| <b>Grand Total (A+B+C)</b>   | <b>19606472</b>  | <b>2244117</b> | <b>21850589</b> | <b>100.00</b>     | <b>19649168</b>                                      | <b>2201421</b> | <b>21850589</b> | <b>100.00</b>     | <b>-</b>                 |





## (ii) Shareholding of Promoters

| Sl. No. | Shareholder's Name                         | Shareholding at the beginning of the year 01.04.2014 |                                  |   | Shareholding at the end of the year 31.03.2015 |                                  |   |   |
|---------|--|--|----------------------------------|---|--|----------------------------------|---|---|
|         |  | 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 | % change in share holding during the year |
| 1       | TGS Investment And Trade Pvt. Ltd.         | 3114970  | 14.26                            | -   | 3114970  | 14.26                            | -   | -   |
| 2       | Kesoram Industries Limited                 | 1340680  | 6.14                             | 6.14  | 1340680  | 6.14                             | 6.14  | -   |
| 3       | Century Textiles And Industries Ltd.       | 1266887  | 5.80                             | -   | 1266887  | 5.80                             | -   | -   |
| 4       | Prakash Educational Society                | 277360   | 1.27                             | -   | 277360   | 1.27                             | -   | -   |
| 5       | Trapti Trading And Investments Pvt. Ltd.   | 260820   | 1.19                             | -   | 260820   | 1.19                             | -   | -   |
| 6       | Turquoise Investment And Finance Pvt. Ltd. | 242900   | 1.11                             | -   | 242900   | 1.11                             | -   | -   |
| 7       | Parvati Tea Company Pvt. Ltd.              | 100000   | 0.46                             | -   | 100000   | 0.46                             | -   | -   |
| 8       | Birla Education Trust                      | 75000  | 0.34                             | -   | 75000  | 0.34                             | -   | -   |
| 9       | Mrs. Saraladevi Birla                      | 49000  | 0.22                             | -   | 49000  | 0.22                             | -   | -   |
| 10      | Aditya Vikram Kumarmangalam Birla HUF      | 29760  | 0.14                             | -   | 29760  | 0.14                             | -   | -   |
| 11      | Padmavati Investment Ltd.                  | 28891  | 0.13                             | -   | 28891  | 0.13                             | -   | -   |
| 12      | Mrs. Rajashree Birla                       | 26080  | 0.12                             | -   | 26080  | 0.12                             | -   | -   |
| 13      | Mr. Basant Kumar Birla                     | 22360  | 0.10                             | -   | 22360  | 0.10                             | -   | -   |
| 14      | B.K. Birla Foundation                      | 15090  | 0.07                             | -   | 15090  | 0.07                             | -   | -   |
| 15      | Mrs. Vasavadatta Bajaj                     | 8930   | 0.04                             | -   | 8930   | 0.04                             | -   | -   |
|         | <b>Total</b>                               | <b>6858728</b>                                       | <b>31.39</b>                     | <b>6.14</b>                                     | <b>6858728</b>                                 | <b>31.39</b>                     | <b>6.14</b>                                     | <b>-</b>                                  |

## (iii) Change in Promoters' Shareholding (Please specify, if there is no change)

| Sl. No. |   | Shareholding at the beginning of the year 01.04.2014 | Cumulative Shareholding during the year |               |                                  |
|---------|---|--|---|---------------|----------------------------------|
|         |   | No. of shares  | % of total shares of the company        | No. of shares | % of total shares of the company |
|         | At the beginning of the year  | -  | -                                       | -             | -                                |
|         | Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus / sweat equity etc.) | -  | -                                       | -             | -                                |
|         | At the end of the year  | -  | -                                       | -             | -                                |

## (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :

| Sl. No. | For Each of the Top 10 shareholders | Shareholding at the beginning of the year 01.04.2014 |                                  | Date wise Increase/ Decrease in Shareholding during the year |                                  | Cumulative Shareholding during the year |                                  | Shareholding at the end of the year 31.03.2015 |                                  |
|---------|-------------------------------------|--|----------------------------------|--|----------------------------------|---|----------------------------------|--|----------------------------------|
|         |                                     | No. of shares  | % of total shares of the company | No. of shares  | % of total shares of the company | No. of shares                           | % of total shares of the company | No. of shares                                  | % of total shares of the company |
| 1.      | Life Insurance Corporation Of India | 1515302  | 6.93                             | -  | -                                | 1515302                                 | 6.93                             | 1515302  | 6.93                             |
| 2.      | Mr. Hitesh Ramji Javeri             | 619900   | 2.84                             | -  | -                                | 619900                                  | 2.84                             | 619900   | 2.84                             |



| Sl. No. | For Each of the Top 10 shareholders     | Shareholding at the beginning of the year 01.04.2014 |                                  | Date wise Increase/ Decrease in Shareholding during the year |                                  | Cumulative Shareholding during the year |                                  | Shareholding at the end of the year 31.03.2015 |                                  |
|---------|---|--|----------------------------------|--|----------------------------------|---|----------------------------------|--|----------------------------------|
|         |   | No. of shares  | % of total shares of the company | No. of shares  | % of total shares of the company | No. of shares                           | % of total shares of the company | No. of shares                                  | % of total shares of the company |
| 3.      | Mrs. Harsha Hitesh Javeri               | 472000   | 2.16                             | -  | -                                | 472000                                  | 2.16                             | 472000   | 2.16                             |
| 4.      | Malingos International Holdings Limited | 450000   | 2.06                             | -  | -                                | 450000                                  | 2.06                             | 450000   | 2.06                             |
| 5.      | Larsin Enterprises Corp                 | 450000   | 2.06                             | -  | -                                | 450000                                  | 2.06                             | 450000   | 2.06                             |
| 6.      | French Wilbert Ltd                      | 250000   | 1.14                             | -  | -                                | 250000                                  | 1.14                             | 250000   | 1.14                             |
| 7.      | Devi Investment And Development Inc     | 177689   | 0.81                             | -  | -                                | 177689                                  | 0.81                             | 177689   | 0.81                             |
| 8.      | The New India Assurance Company Limited | 173390   | 0.79                             | -  | -                                | 173390                                  | 0.79                             | 173390   | 0.79                             |
| 9.      | Morelia Enterprises Limited             | 164470   | 0.75                             | -  | -                                | 164470                                  | 0.75                             | 164470   | 0.75                             |
| 10.     | Mrs. Sohan Samdani                      | 134376   | 0.61                             | -  | -                                | 134376                                  | 0.61                             | 134376   | 0.61                             |

(v) Shareholding of Directors and Key Managerial Personnel :

| Sl. No. | For Each of the Directors and KMP   | Shareholding at the beginning of the year 01.04.2014 |                                  | Date wise Increase/ Decrease in Shareholding during the year |                                  | Cumulative Shareholding during the year |                                  | Shareholding at the end of the year 31.03.2015 |                                  |
|---------|-------------------------------------|--|----------------------------------|--|----------------------------------|---|----------------------------------|--|----------------------------------|
|         |                                     | No. of shares  | % of total shares of the company | No. of shares  | % of total shares of the company | No. of shares                           | % of total shares of the company | No. of shares                                  | % of total shares of the company |
| 1.      | Mr. Basant Kumar Birla              | 22360  | 0.10                             | -  | -                                | 22360                                   | 0.10                             | 22360  | 0.10                             |
| 2.      | Mr. Bansidhar S. Mehta              | 8540   | 0.04                             | -  | -                                | 8540                                    | 0.04                             | 8540   | 0.04                             |
| 3.      | Mr. Sohanlal Kundamal Jain          | 125  | -                                | -  | -                                | 125                                     | -                                | 125  | -                                |
| 4.      | Mr. Devkinandan Banwarilal Roonghta | -  | -                                | 4*   | -                                | 4                                       | -                                | 4  | -                                |

(September 2014)\*

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding / accrued but not due for payment (₹/Lacs)

|  | Secured Loans excluding deposits | Unsecured Loans | Deposit | Total Indebtedness |
|--|----------------------------------|-----------------|---------|--------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                  |                 |         |                    |
| (i) Principal Amount                                       | 17478                            | 1903            | 100     | 19481              |
| (ii) Interest due but not paid                             | -                                | -               | -       | -                  |
| (iii) Interest accrued but not due                         | 70                               | 9               | -       | 79                 |
| <b>Total (i+ii+iii)</b>                                    | 17548                            | 1912            | 100     | 19560              |
| <b>Change in Indebtedness during the financial year</b>    |                                  |                 |         |                    |
| ● Addition   | 3500                             | -               | -       | 3500               |
| ● Reduction  | (5835)                           | (1912)          | (100)   | (7847)             |
| <b>Net Change</b>  | (2335)                           | (1912)          | (100)   | (4347)             |
| <b>Indebtedness at the end of the financial year</b>       |                                  |                 |         |                    |
| (i) Principal Amount                                       | 15213                            | -               | -       | 15213              |
| (ii) Interest due but not paid                             | -                                | -               | -       | -                  |
| (iii) Interest accrued but not due                         | 74                               | -               | -       | 74                 |
| <b>Total (i+ii+iii)</b>                                    | 15287                            | -               | -       | 15287              |



## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Whole-time Director Mr. G.M. Singhvi

(₹/Lacs)

| Sl. No. | Particulars of Remuneration  | Total Amount        |
|---------|--|---------------------|
| 1.      | Gross Salary<br>a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961.<br>b) Value of perquisites U/S 17(2) of the Income-tax Act, 1961<br>c) Profits in lieu of salary U/S 17(3) of the Income-tax Act, 1961 | 154.38<br>5.81<br>- |
| 2.      | Stock Option   | -                   |
| 3.      | Sweat Equity   | -                   |
| 4.      | Commission<br>- As % of profit<br>- Others, specify...   | -<br>-              |
| 5.      | Others, please specify :<br>Provident Fund (Co's Contribution),<br>Superannuation (Exempted Portion),<br>Medical Reimbursement (Exempted)  | 6.49                |
|         | <b>Total Remuneration</b>  | 166.68              |
|         | Ceiling as per the Act   | 308.30              |

### B. Remuneration to other Directors

(₹/Lacs)

| Sl. No. | Particulars of Remuneration   | Name of Directors  |                   |                   |                   | Total Amount       |
|---------|---|--------------------|-------------------|-------------------|-------------------|--------------------|
|         |   | Mr. B.S. Mehta     | Mr. S.K. Jain     | Mr. R.A. Shah     | Mr. K.S. Thar     |                    |
| 1.      | Independent Directors<br>● Fee for attending board/committee meetings<br>● Commission<br>● Others, please specify | 1.28<br>10.00<br>- | 1.20<br>5.00<br>- | 0.60<br>2.90<br>- | 0.48<br>1.71<br>- | 3.56<br>19.61<br>- |
|         | Total (1)   | 11.28              | 6.20              | 3.50              | 2.19              | 23.17              |

(₹/Lacs)

| Sl. No. | Particulars of Remuneration   | Name of Directors |                       | Total Amount      |
|---------|---|-------------------|-----------------------|-------------------|
|         |   | Mr. B.K. Birla    | Mrs. Saraladevi Birla |                   |
| 2.      | Other Non-Executive Directors<br>● Fee for attending board / committee meetings<br>● Commission<br>● Others, please specify | 0.30<br>5.00<br>- | 0.30<br>4.48<br>-     | 0.60<br>9.48<br>- |
|         | Total (2)   | 5.30              | 4.78                  | 10.08             |
|         | Total (B)=(1+2)   |                   |                       | 33.25             |
|         | Total Managerial Remuneration   |                   |                       | -                 |
|         | Overall Ceiling as per the Act  |                   |                       | 61.66             |

#### Notes :-

- Mr. R.A. Shah, has resigned from the directorship of the Company w.e.f. 30<sup>th</sup> October, 2014.
- Mr. K.S. Thar has been appointed from 27<sup>th</sup> November, 2014 as an Independent Director on the Board of the Company.
- Mrs. Saraladevi Birla has been appointed as an Additional Director on the Board of the Company on 5<sup>th</sup> May, 2015 and ceased to be director from 28<sup>th</sup> March, 2015.

### C. Remuneration to Key Managerial Personnel other than Managing Director/Manager/Whole-time Director

(₹/Lacs)

| Sl. No | Particulars of Remuneration   | Key Managerial Personnel   |   |                                    | Total Amount         |
|--------|---|----------------------------|---|------------------------------------|----------------------|
|        |   | Mr. S. Thapliyal President | Mr. D.B. Roonghta Chief Financial Officer | Mr. C.B. Gagrani Company Secretary |                      |
| 1.     | Gross Salary<br>a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961.<br>b) Value of perquisites U/S 17(2) of the Income-tax Act, 1961<br>c) Profits in lieu of salary U/S 17(3) of the Income-tax Act, 1961. | 73.06<br>8.17<br>-         | 46.10<br>7.17<br>-                        | 27.40<br>1.07<br>-                 | 146.56<br>16.41<br>- |
| 2.     | Stock Option  | -                          | -   | -                                  | -                    |
| 3.     | Sweat Equity  | -                          | -   | -                                  | -                    |
| 4.     | Commission<br>- As % of profit<br>- Others, specify...  | -<br>-                     | -<br>-                                    | -<br>-                             | -<br>-               |
| 5.     | Others, please specify:<br>Provident Fund (Co's Contribution),<br>Superannuation (Exempted Portion),<br>Medical Reimbursement (Exempted)  | 5.09                       | 3.81                                      | 2.75                               | 11.65                |
|        | Total   | 86.32                      | 57.08                                     | 31.22                              | 174.62               |

## 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) |
|-------------------------------------|------------------------------|-------------------|--|-------------------------------|------------------------------------|
| <b>A. COMPANY</b>                   |                              |                   |  |                               |                                    |
| Penalty                             |                              |                   |  |                               |                                    |
| Punishment                          |                              |                   | -- NIL --  |                               |                                    |
| Compounding                         |                              |                   |  |                               |                                    |
| <b>B. DIRECTORS</b>                 |                              |                   |  |                               |                                    |
| Penalty                             |                              |                   |  |                               |                                    |
| Punishment                          |                              |                   | -- NIL --  |                               |                                    |
| Compounding                         |                              |                   |  |                               |                                    |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                              |                   |  |                               |                                    |
| Penalty                             |                              |                   |  |                               |                                    |
| Punishment                          |                              |                   | -- NIL --  |                               |                                    |
| Compounding                         |                              |                   |  |                               |                                    |



## MANAGEMENT'S DISCUSSION AND ANALYSIS

### 1. OVERALL REVIEW

The year under review was a year of re-engineering of business and consolidation. The Company decided to focus on Nylon, its core strength and expertise. The closing down of Mahad units and the shutdown of Continuous Polymer Operation (Polyester) at Bharuch site in 2013-14 was followed by starting of Nylon Filament Yarn (Textile Grade) production activity at Bharuch site. The Nylon Filament Yarn operations at Bharuch site have almost stabilised and the same coupled with aggressive marketing helped the Company regain its market share.

During the year, the Company also consolidated its Nylon Tyre Cord Fabric (NTCF) business by adding capacity to existing dipping plant to increase customer base and to meet the increasing demand for dipped NTCF from existing customers.

Pune plant had to absorb an increase in operational cost on account of new wage settlement arrived at Pune factory.

The year 2014-15 also saw a steep fall in crude oil prices. Brent Oil prices dropped from US\$ 108 per Barrel in Apr'14 to US\$ 55 per Barrel by Jan'15, leading to a cascading effect on petroleum based raw materials used by the Company. Due to higher dependence on imported raw material and continuously falling raw material prices inventory valuation losses could be avoided only to a limited extent.

Another cost area which impacted the profitability of the Company significantly for the year as a whole was operations at Bharuch site with high electrical cost per unit due to denial of power purchase from Open Access by Gujarat Energy Transmission Company.

Except for the reasons a) Inventory valuation losses due to continuously falling raw material price, b) high energy cost and c) increase in labour cost on account of wage settlement, the operational performance of the Company was satisfactory.

On demand of ₹229.27 Crs. from Central Excise Department alongwith equal amount of penalty and interest thereon, the Company has filed an Appeal before Appellate Tribunal including application for stay of demand. The Tribunal admitted the appeal and granted stay on deposit of ₹ 700 Lacs.

### 2. INDUSTRY STRUCTURE, DEVELOPMENT, THREATS, OPPORTUNITIES & OUTLOOK

#### (a) Industry Status:

In Synthetic Yarn segment of Textile Industry, the Company caters to the demand of Nylon Filament Yarn from the Apparel Textile Industry and from the Tyre Industry for reinforcement fabric – Nylon Tyre Cord Fabric (NTCF).

Nylon Industry from end product point of view can be broadly sub-divided into four categories, namely (a)

Apparel Textiles (Sarees, Dupattas, Dress materials etc.), (b) Reinforcement Fabric (mainly for Tyre manufacturing, Transmission Belts etc), (c) Technical products (like Fish net, Sewing threads, Flock fabric, Bolting fabric etc.), and (d) other Industrial products like engineering plastics etc.

In the first area i.e. Apparel textiles (sarees, dupattas, dress materials etc.), the industry has grown significantly in the last 2 years with a double digit growth in demand and expected to grow further.

In the second category the major application area is reinforcement for Bias Tyres mainly for bus and truck tyres also known as NTCF. With the improvement in infrastructure sector and increased penetration of radial tyres, even in bus and truck tyres, the demand is likely to remain stagnant.

The area of concern for growth, for Indian Nylon Industry is very high dependence on imported raw material. Out of the two suppliers for Caprolactam (FACT Travancore and GSFC Baroda), only GSFC is operational and hence the supply from domestic supplier is very limited. Similarly for Nylon Polymer other than a few players who are making their own polymer, entire industry is dependent on imported polymer.

The dependence on imports associated with longer lead times calls for carrying high inventory of raw material which ultimately leads to high working capital requirement.

Since basic raw material for Nylon industry is Caprolactam, a petroleum derivative, its price is closely linked with crude oil prices. Crude oil prices have fluctuated widely during the last 4-5 years. This has created problems for several industries and have also provided lifeline to many. Recent continuous fall in Caprolactam prices had severely impacted the first prominent area that is Apparel fabric segment due to heavy inventory valuation losses.

Cheaper imports from China and other ASEAN (Association of South East Asian Nations) countries is a serious concern for Nylon Filament Yarn Industry.

Anti dumping duty on NTCF, mainly from China will provide some respite to NTCF Industry but imports from other ASEAN countries under MFN (Most Favoured Nations) status will continue to put pressure on this industry.

#### (b) Company Status:

Operations of Polyester Continuous Processing Unit remained suspended throughout the year due to thin margins on the products. The Company consolidated its focus on Nylon Filament Yarn and put efforts in modification of additional Polyester lines. Investments were made in adding to After Treatment facilities like Air-texturising, Draw-texturising to provide a bouquet of products in the Nylon Filament Yarn business. These efforts helped the Company increase its market share in Nylon Filament Yarn business. The Company could successfully recapture its market share in Nylon Filament Yarn business in a short span of time and enjoys once again a good position in the



market. The Company has plans to further enhance its position in Nylon Filament Yarn business by investing in modification of existing machines and also addition of new machines.

To counter the aggressive pricing policy of the competitors, the Company is exploiting its technical strength by developing new product applications in nylon textile fabric. Educating end of the chain customers, mainly weavers and processors, to encourage use of these products has been started as an initiative to increase volumes in special products.

In NTCF business, radialisation of tyres definitely remains a concern for the Company. As a result of increasing radialisation, the demand for bias tyres has stagnated although the pace of radialisation will depend on improvement in road infrastructure. To meet the challenges, the Company successfully commissioned its second dipping unit at Bharuch and expects to widen its customer base with increase in production of Dipped fabric.

Writ Petition for anti-dumping duty on imports of Nylon Tyre Cord was filed and the investigations are completed. The Anti-Dumping duty is to continue for another 5 years till April 2020 which will help the Company in maintaining its market share.

The raw material supplies for Caprolactam in the domestic market is a concern, as GSFC being a single supplier. Nevertheless, the Company has annual supply contracts with GSFC which are renewable. Similarly, the Company has entered into contracts with international suppliers to secure itself against the risk of raw material outage. Globally the raw material supplies are stable hence there is no worry of shortages or unavailability of raw material in the near future.

To improvise product quality and reduce the cost of production, activities for conversion of two-step conventional tyre yarn manufacturing process to one-step process at Pune are under way and expected to commence operation by July – September 2015.

Continuously rising power cost and denial by State owned power transmission company to source power from open access, which is available at lower rates, puts the Company at a disadvantage with the competitors who have units in states where such facilities or cheaper power is available.

### Company Outlook

Introduction of VAT on NTCF in Gujarat from April 2015 will have adverse impact on NTCF margins. With both Pune and Bharuch units now falling under VAT applicability the Company will be under major disadvantage against its competitors making similar products in tax exempted States. At the same time the announcement by Government of Maharashtra to withdraw LBT from August 2015 could provide some relief to Pune plant operations. The Government is working on alternatives to compensate the shortfall in revenue collection on discontinuance of LBT. Further, the introduction of GST will hopefully create a uniform operating environment.

Despite all concerns and threats, mainly from imports, the outlook remains positive.

## 3. RISK MANAGEMENT

The Company has robust Risk Management Policy and Procedure in place to identify and prioritise risk, selection of appropriate mitigation strategy and reporting process.

The Management has identified some of the risks and efforts made to mitigate the same are as under:

### Declining trend of raw material prices:

The prices of Caprolactam and Nylon Chips, the raw material for NTCF and NFY started a downward trend from October 2014 on account of fall in crude oil prices in international market. This adversely affected the carrying cost of inventory.

To manage the risk, the Company changed the policy to procuring imported raw material on spot basis instead of long term contract and tightened control over inventory to minimize the losses in the event of further fall in price till market situation get normalised.

### High energy cost:

Open access power purchase which was hitherto available to Bharuch site of the Company was denied from March 2014 by power transmission company due to system constraint in transmission network. This resulted into substantial increase in power cost. To reduce the impact of this risk, the Company is constantly working on cost benefit analysis to generate power from furnace oil and natural gas vis-a-vis purchase from the State Electricity Board and is taking appropriate action.

### Technology obsolescence:

Tyre companies are not inclined to continue purchase of NTCF manufactured from two step process and prefer to purchase NTCF manufactured from one step process. To meet customers preference, the Company has placed order for modernizing existing spinning lines to produce one step yarn instead of the existing two step.

### NTCF market share :

NTCF customers are insisting for dipped fabric. The Company to protect its market share and to retain its customers, has installed 2<sup>nd</sup> NTCF dipping plant at its Bharuch site to cater the demand of dipped fabric.

### Foreign Exchange exposure :

It is the policy of the Company to cover its foreign currency exposure for imports to avoid currency exchange fluctuation.

The Audit Committee and the Board are apprised of the significant risks and mitigation efforts made by the Management in its quarterly meetings.

## 4. HEALTH, SAFETY AND ENVIRONMENT

The Company gives great importance to all the matters related to Health, Safety and Environment and ensures compliances of all statutory regulations.





Training of employees on emergency response, fire fighting, rescue and first aid are some of the regular features at both manufacturing sites. Since 2001, Bharuch site is consistently awarded the 'Certificate of Honour' by Gujarat Safety Council for maintaining best safe man-hours record. Apart from in-house programmes, the Company employees participated in state level safety related competitions and won prizes.

In addition to inculcating the safety culture within, the Company continued to impart free training on accident prevention and fire fighting for neighbouring small and medium scale enterprises and extended support for emergency fire calls by providing services of its fire tender.

The Company strives for clean environment, and it is achieved by controlling stack emission and maintaining treated water parameters. Treated effluent is used within the premises ensuring zero discharge. A new ozonator unit is installed to substitute chlorination by ozonation. Further the Company is working on possibilities to adopt newer technologies for effluent treatment which has potential to substantially reduce the hazardous sludge generation. Special cleaning and house-keeping drives are undertaken under the 'SWACHH BHARAT ABHIYAN' (CLEAN INDIA MOVEMENT) in the factory and staff residential colonies. To spread the message of cleanliness and importance of hygiene apart from increased thrust on housekeeping the Company plans to have a company wide drive programmes at regular intervals.

New biomass based steam boiler was commissioned in Pune site resulting in substantial reduction in usage of Furnace Oil.

Keeping pace with the changing times, the Company revisited its Health, Safety and Environment manual and updated it in the year under review.

## 5. HUMAN RESOURCE AND INDUSTRIAL RELATIONS

The Company recognises the importance of Human Resource as a key asset instrumental in its growth. The Company believes in acquisition, retention and betterment of talented team players. With the philosophy of inclusive growth, the Company has redefined its performance management system. The new system focuses on progression of individual employees together with organizational goals. Under the new system increased thrust will be on job rotation and multi-skilling.

Various training programmes, with internal and external experts, are organized regularly for skill upgradation. All participative schemes such as suggestion scheme, cross function team for improvement, re-engineering and modifications etc are encouraged and supported. To increase team spirit inter department tournaments are organized and various festivals are celebrated in the Company.

The Industrial Relations in the Company are cordial. The wage settlement for workmen at Pune site was concluded amicably on 31<sup>st</sup> May 2014 for a period of three years.

The strength of permanent employees was 1,496 Nos. on 31<sup>st</sup> March 2015 as against 1,470 Nos. on 31<sup>st</sup> March 2014.

## 6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has robust internal control systems in place which are commensurate with the size and nature of the business. The internal controls are aligned with statutory requirements and designed to safeguard the assets of the Company. The internal control systems are complemented by various Management Information System (MIS) reports covering all areas. Increased attention is given to auto generation of MIS reports as against manual reports to take care of possible human errors or alteration of data. The Management reviews and strengthens the controls periodically.

Apart from self monitoring of the internal controls, there are two independent Chartered Accountant firms appointed to conduct internal audit of the Company's operations as per audit plan approved by the Audit Committee. These firms present their important observations to the Audit Committee which is chaired by an independent director. The internal auditors provide a reassurance to the affirmation given by the Management that the control systems are effective, operational and adequate. Additionally, the Statutory Auditors, as a part of the audit process, review IT systems for effectiveness of the controls. The Statutory Auditors also present their observations to the Audit Committee on financial statements including the financial reporting system.

The Audit Committee takes due cognisance of the observations made by the auditors and gives their suggestions for improvement. The suggestions of the Audit Committee further ensures the quality and adequacy of the control systems.

## 7. INFORMATION TECHNOLOGY (IT)

The Company is continuing its investment in Information Technology to enhance business process automation and enhance productivity. It has successfully completed ERP implementation for all businesses and implementation of state of art hardware technologies to provide uninterrupted services to the businesses. The Company has implemented software systems with built in controls, which ensures that transactions are recorded, authorised and reported correctly apart from safeguarding its assets against loss from wastage, unauthorised use and disposition.

During the year, the Company's main IT focus was on enhancing its IT systems to collaborate with external business partners. The Company has also deployed an e-procurement solution for attaining procurement excellence and generating cost savings.

## 8. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

### Highlights (₹ / Lacs)

|   | 2014-15 | 2013-14 |
|---|---------|---------|
| Net Sales/ Income from Operations                                     | 121853  | 146679  |
| Profit Before Depreciation, Financial Cost, Exceptional Items and Tax | 12269   | 18963   |
| Depreciation  | (4275)  | (7071)  |
| Finance Cost  | (1732)  | (2091)  |
| Exceptional Items   | Nil     | (220)   |
| Taxation (Net)  | (2605)  | (3288)  |
| Net Profit After Tax  | 3657    | 6293    |
| Earnings Per share (in ₹ )  | 16.74   | 28.80   |
| Cash Earnings Per Share (in ₹ )                                       | 36.30   | 61.16   |

#### A. Sales:

The fall in net sales is primarily due to steep fall in the sale of Polyester Filament Yarn and Chips consequent to the suspension of Continuous Polyester Process plant at Bharuch since November 2013. In terms of value, the sale of Polyester Filament Yarn and Chips was lower by about ₹ 315 Crs.. The sales were partially built up by higher volume of Nylon Filament Yarn. In addition to this, falling raw material prices per unit also contributed in lower realisation per unit.

#### B. Profit Before Depreciation, Financial Cost, Exceptional items and Tax (PBDFT):

The PBDFT for the year is lower mainly due to inventory valuation losses arising out of falling raw material prices, high energy cost and additional burden under employee benefit expenses due to new wage agreement at Pune for another three years starting from May 2014 to April 2017.

#### C. Depreciation:

The Company has adopted the useful lives of the fixed assets as those specified in Part C of Schedule II to the Companies Act, 2013 effective 1<sup>st</sup> April, 2014. Accordingly, carrying amount of assets, for which the useful lives as per the revised estimate were exhausted as of 1<sup>st</sup> April, 2014 has been charged off to the retained earnings as on that date. For other assets, the carrying amount as of 1<sup>st</sup> April, 2014 is being amortised over the remaining useful lives of the assets. As a result, depreciation expense for the year is lower.

#### D. Taxation:

The Company has calculated its deferred tax liability considering surcharge at 12% in all future years for tax calculation.

#### Outlook

In the recent state budget of Gujarat, 5% VAT was levied on technical textiles which were exempted earlier. This will not only be a disadvantage as against competitors operating in states offering exemption but also reduces the profitability. Some relief in this situation is expected once GST is introduced and uniformity created.

## 9. CORPORATE SOCIAL RESPONSIBILITY (CSR)

In pursuance of Section 135 of the Companies Act, 2013 the Company has put in place a formal CSR Policy. At the core, the endeavour is to evolve the eco-system the Company operates in. The Company believes in the concept of inclusive growth by reaching out and

empowering the community around its factory sites. Under the guidance of the Board of Directors, the social activities of the Company are carried out in 3 broad categories:

1. Education
2. Health and Medical Programmes
3. Community and Environment

### CSR initiatives taken up during the year

#### 1. EDUCATION

##### a. Vocational Training Institute (Skill Development):

The Company has supported in the establishment of a Government recognised Vocational Training Institute near its Bharuch site (Gujarat). The Bharuch site is located in a tribal area and there are limited employment opportunities for the youth. The concept is to provide employable skills to the youth from the area. The institute is slated to commence its academic session beginning August 2015.



##### b. Distribution of Educational Material:

Since last 8 years, the Company has been participating with the Gujarat Government in the annual school enrollment programme called 'Kanya Kelvani Mahotsav'. Educational materials were distributed to children in 16 government schools in the vicinity of the Company's Bharuch site.



## 2. HEALTH AND MEDICAL PROGRAMMES

### a. Cervical Cancer Screening Programme:

Cervical cancer is one of the most prevalent terminal diseases amongst women. There is little or no awareness about this issue especially in the rural sector. The Company conducted a week long Cervical Cancer Screening Programme covering 33 villages around its Bharuch site. Almost 400 women were screened and many more educated on the subject.

### b. Dental Checkup for Rural Children:

The rural population has access to only 2% dentists in the country. Bad oral health is one of the primary reasons for ill health in children. A dental check up programme spanning for a week was conducted for the kids in the vicinity of the Bharuch site. Close to 1400 children from 30 villages were examined and about 400 treated. Education on oral health was provided to the children and the Company also distributed free dental care kits.

### c. Eye Check Up and Cataract Operation Camps:

The Company organised 2 eye check-up camps for the rural community around its Bharuch site. About 400 people were checked and more than 50 cataract operations were carried out free of cost.



### b. Tree Plantation:

The Company conducted various tree plantation programmes within its premises and other nearby schools and locations close to its Bharuch site. Approximately 3000 trees were planted during these programmes.



The Company has been and shall always remain committed to the well being of its neighbouring communities, society, environment and the nation at large!

## 3. COMMUNITY AND ENVIRONMENT

### a. Water Resources Management Programme:

The Company provided financial support to the drinking water resources project taken up by Savane village near its Mahad site. This project will cover village Savane and other small hamlets in its vicinity. Similarly, 5 handpumps were installed in 3 villages near the Company's Bharuch site.

## 4. CAUTIONARY STATEMENT

The report contains forward looking statements describing expectations, estimates, plans or words, with similar meaning. The Company's actual results may differ from those projected, important factors that could make the difference to the Company operations include prices of raw material, energy and finished goods, changes in Government regulations, economic developments globally and within India and labour negotiations. The Company cannot guarantee that the assumptions and estimates in the 'forward looking statements' are accurate or will be realised.





## CORPORATE GOVERNANCE REPORT

### Company's Philosophy on Corporate Governance

Good Governance is an integral part of the Company's business practices based on the philosophy of Trusteeship. The core value of the Company's business practices are derived from the four pillars of Trusteeship, i.e. **transparency**, adequate **disclosure**, **fairness** to all and **independent monitoring and supervision**. The strong internal control systems and procedures, risk assessment and mitigation procedures and code of conduct for observance by the Company's directors and employees are conducive in achieving good Corporate Governance practices in the Company.

A detailed disclosures on the Board of Directors, Shareholders and Stock Performance are given herebelow :

### 1. Board of Directors

The Board as on 31<sup>st</sup> March, 2015 comprises of five Directors out of which four Directors are Non-Executive Directors and one Director is Whole-time Director who is responsible for the day-to-day management of the Company subject to the supervision, direction and control of the Board of Directors. The Chairman of the Company is Non-Executive Director. The remaining three Directors are Independent Directors comprises more than half of the total strength of the Board. A Woman Director was appointed on 5<sup>th</sup> May, 2014 but due to her demise ceased to be director w.e.f. 28<sup>th</sup> March, 2015.

The Non-Executive Directors are eminent and experienced persons in their respective fields of industry, finance and law.

#### Directorship held by Directors of Century Enka Limited :

| Name of the Director                 | Executive/Non Executive / Independent/ Promoter | No. of shares held in the Company | No. of outside Directorship in Public Limited Companies * | Membership held in Committee of Directors # | Chairmanship held in Committee of Directors # |
|--------------------------------------|---|-----------------------------------|---|---|---|
| Mr. B. K. Birla                      | Non Executive and Promoter                      | 22,360                            | 4   | -   | -   |
| Mrs. Saraladevi Birla <sup>(1)</sup> | Non Executive and Promoter                      | 49,000                            | @   | @   | @   |
| Mr. B. S. Mehta                      | Non Executive and Independent                   | 8,540                             | 8   | 5   | 3   |
| Mr. S. K. Jain                       | Non Executive and Independent                   | 125                               | 1   | 1   | -   |
| Mr. K. S. Thar <sup>(2)</sup>        | Non Executive and Independent                   | -                                 | -   | -   | -   |
| Mr. R. A. Shah <sup>(3)</sup>        | Non Executive and Independent                   | 2,861                             | @   | @   | @   |
| Mr. G. M. Singhvi                    | Executive - Whole-time Director                 | -                                 | -   | -   | -   |

- Mrs. Saraladevi Birla was appointed as a Director on 05<sup>th</sup> May, 2014 and ceased as Director w.e.f. 28<sup>th</sup> March, 2015 due to her demise.
- Mr. K. S. Thar has been appointed as an Independent Director w.e.f. 27<sup>th</sup> November, 2014.
- Mr. R. A. Shah resigned as a Director w.e.f. 30<sup>th</sup> October, 2014 due to regulatory requirements.
- Mr. B. K. Birla and Mrs. Saraladevi Birla are related as husband and wife.

\* This excludes directorship held in Private Companies, Foreign Companies, Companies formed under Section 8 of the Companies Act, 2013 and directorship held in Century Enka Limited.

# Membership/Chairmanship in Committee of Directors includes Audit Committee and Stakeholders' Relationship/Grievance Committee of Directors only. This does not include Membership/Chairmanship in Committee of Directors of Century Enka Limited.

@ Ceased/Resigned during the year.

### 2. Number of Board Meetings and Attendance Record of Directors

The Board meets at least once in a quarter to consider amongst other business, the performance of the Company and financial results. The particulars of Board Meetings held during 2014-15 as well as attendance of Directors at the Board Meetings and the last AGM are given herebelow :

#### Details of Board Meetings

| Number of Board Meetings held during 2014-15 : 6 |                       |        |                       |
|--|-----------------------|--------|-----------------------|
| Sr.No.   | Date of Board Meeting | Sr.No. | Date of Board Meeting |
| 1  | 05.05.2014            | 4      | 31.10.2014            |
| 2  | 24.07.2014            | 5      | 27.11.2014            |
| 3  | 13.09.2014            | 6      | 04.02.2015            |

**Attendance Record of Board of Directors**

| Name of the Director   | Number of Board Meetings held | Number of Board Meetings attended | Whether attended last AGM held on 13.09.2014 |
|--|-------------------------------|-----------------------------------|--|
| Mr. B. K. Birla  | 6                             | 3                                 | No   |
| Mrs. Saraladevi Birla<br>(Appointed w.e.f. 05.05.2014 and<br>ceased w.e.f. 28.03.2015) | 6                             | 3                                 | No   |
| Mr. B. S. Mehta  | 6                             | 6                                 | Yes  |
| Mr. S. K. Jain   | 6                             | 5                                 | Yes  |
| Mr. K. S. Thar<br>(Appointed w.e.f. 27.11.2014)  | 2                             | 2                                 | No   |
| Mr. R. A. Shah<br>(Resigned w.e.f. 30.10.2014)   | 3                             | 3                                 | Yes  |
| Mr. G. M. Singhvi  | 6                             | 6                                 | Yes  |

**Meeting of Independent Directors and Attendance Record**

Independent Directors to meet at least once in a year to deal with matters listed out in Schedule IV and Clause 49 of the Listing Agreement which inter-alia includes, review the performance of non-independent directors, chairman and the Board as a whole and assess quality and quantity of flow of information to perform the duties by the Board of Directors.

**Attendance Record of Meetings of Independent Directors**

| Name of the Director | Number of Meetings held | Number of Meetings attended |
|----------------------|-------------------------|-----------------------------|
| Mr. B. S. Mehta      | 1                       | 1                           |
| Mr. S. K. Jain       | 1                       | 1                           |
| Mr. K. S. Thar       | 1                       | 1                           |

**3. Directors' Remuneration****(a) Non-Executive Directors**

Non-Executive Directors have been paid remuneration by way of sitting fee and commission.

**(i) Sitting Fee**

The sitting fee is paid for attending meetings of Board of Directors and Committee of Directors to each Director except Whole-time Director at the rate as detailed herebelow:

| Meeting   | Sitting Fee per meeting upto<br>04.02.2015 | Sitting Fee per meeting from<br>05.02.2015 |
|---|--|--|
| Board   | ₹ 10,000/-                                 | ₹ 15,000/-                                 |
| Audit Committee   | ₹ 5,000/-                                  | ₹ 10,000/-                                 |
| Nomination & Remuneration Committee,<br>Corporate Social Responsibility Committee | ₹ 5,000/-                                  | ₹ 5,000/-                                  |
| Stakeholders Relationship/ Grievance<br>Committee, Share Transfer Committee       | ₹ 2,500/-                                  | ₹ 5,000/-                                  |

**(ii) Commission**

Pursuant to special resolution passed by the shareholders in the 48<sup>th</sup> Annual General Meeting of the Company held on 13<sup>th</sup> September, 2014, commission is payable to non-executive directors at a rate not exceeding 1% of the net profits of the Company as computed in accordance with Section 198 of the Companies Act, 2013, subject to such ceiling as the Board of Directors decide from time to time. The criteria for payment of commission as determined by the Board is based on the period and overall contribution.

**Remuneration Paid/Payable to Non-Executive Directors for the Financial Year 2014-15**

| Name                  | Sitting Fee for Board/<br>Committee Meetings attended | Commission    |
|-----------------------|---|---------------|
| Mr. B. K. Birla       | ₹ 30,000/-  | ₹ 5,00,000/-  |
| Mrs. Saraladevi Birla | ₹ 30,000/-  | ₹ 4,47,945/-  |
| Mr. B. S. Mehta       | ₹ 1,27,500/-  | ₹ 10,00,000/- |
| Mr. S. K. Jain        | ₹ 1,20,000/-  | ₹ 5,00,000/-  |
| Mr. K. S. Thar        | ₹ 47,500/-  | ₹ 1,71,233/-  |
| Mr. R. A. Shah        | ₹ 60,000/-  | ₹ 2,90,411/-  |





### (b) Whole-time Director

Remuneration of Mr. G. M. Singhvi, Whole-time Director for the financial year 2014-15 comprises of Salary and Allowances ₹ 154.53 Lacs, Perquisites ₹ 0.61 Lacs and Contribution to Provident Fund ₹ 5.13 Lacs & Superannuation Fund ₹ 6.41 Lacs. Monetary value of perquisites is calculated in accordance with existing provisions of the Income Tax Act, 1961. The above remuneration is exclusive of Contribution to approved Gratuity Fund which is based on actuarial valuation done on an overall company basis. The employment is on contractual basis and subject to termination by either party giving to other party three months notice.

## 4. Directors' Interest in the Company

Sometime, the Company do enter into contracts with companies in which some of the Directors of the Company are interested as director or member. However, these contracts are in the ordinary course of the Company's business without giving any specific weightage to them. Directors regularly make full disclosures to the Board of Directors regarding the nature of their interest in the companies in which they are directors or members. Full particulars of contracts entered with companies in which directors are directly or indirectly concerned or interested are entered in the Register of Contracts maintained under Section 189 of the Companies Act, 2013 and the same is placed in every Board Meeting for the noting of the Directors.

During the year, the Company did engage M/s. Crawford Bayley & Co., firm of Solicitors in which Mr. R. A. Shah is a Partner. The services provided by the firm were purely of professional nature. The professional fees paid to M/s. Crawford Bayley & Co. was not considered material enough to affect the independence of Mr. R. A. Shah.

## 5. Audit Committee

The Board of Directors has constituted an Audit Committee of Directors and empowered the Committee to deal with all such matters which it may consider appropriate to perform as audit committee including items specified in Section 177(4) of the Companies Act, 2013 (as may be modified/amended from time to time), items specified in Clause 49 of the Listing Agreement under the head role of audit committee (as may be modified/amended from time to time) and such matters as may be assigned from time to time by the Board of Directors.

The Committee in addition to other business, reviews the quarterly (unaudited) financial results, annual financial statements, cost audit reports, before submitting to the Board of Directors, review internal control system and procedures and its adequacy, risk management, related party transaction, audit programme, nature and scope of audit programme, appointment and remuneration of Auditors. The Committee consists of three Independent Directors and attendance of each Committee Member is as under:

| Name of Committee Member  | No. of Meetings held | No. of Meetings attended |
|---|----------------------|--------------------------|
| Mr. S. K. Jain (Chairman)<br>Non-Executive and Independent Director                       | 5                    | 5                        |
| Mr. B. S. Mehta<br>Non-Executive and Independent Director                                 | 5                    | 5                        |
| Mr. R. A. Shah<br>(Resigned w.e.f. 30.10.2014)<br>Non-Executive and Independent Director  | 3                    | 3                        |
| Mr. K. S. Thar<br>(Appointed w.e.f. 27.11.2014)<br>Non-Executive and Independent Director | 1                    | 1                        |

Mr. B. S. Mehta and Mr. K. S. Thar are Chartered Accountants by profession. The Company Secretary of the Company acts as the Secretary to the Committee.

Besides the Committee members, Whole-time Director, President, Chief Financial Officer and partners/other representatives of the firms of Statutory Auditors, Cost Auditors and Internal Auditors were also present at the meetings to answer the queries raised by the Committee Members.

The Chairman of Audit Committee was present at 48<sup>th</sup> Annual General Meeting of the Company held on 13<sup>th</sup> September, 2014.

## 6. Nomination and Remuneration Committee of Directors

The Board of Directors has constituted a Nomination and Remuneration Committee of Directors in place of Remuneration Committee of Directors. The role of the committee is to perform all such matters as prescribed under the Companies Act, 2013 and the rules framed thereunder and Clause 49 of the Listing Agreement (and as may be modified/amended from time to time) which interalia includes - recommendation to Board of Directors remuneration policy for the Company, appointment of Director, appointment and remuneration of Whole-time Director and Key Managerial Personnel. The Committee will also deal with matters as may be assigned from time to time by the Board of Directors.



The Committee has formulated a guiding policy on remuneration for its Directors, Key Managerial Personnel and employees of the Company.

The Committee consists of three Independent Directors and attendance of each Committee Member is as under:

| Name of Committee Member  | No. of Meetings held | No. of Meetings attended |
|---|----------------------|--------------------------|
| Mr. B. S. Mehta (Chairman)<br>Non-Executive and Independent Director                      | 3                    | 3                        |
| Mr. S. K. Jain<br>Non-Executive and Independent Director                                  | 3                    | 3                        |
| Mr. R. A. Shah<br>(Resigned w.e.f. 30.10.2014)<br>Non-Executive and Independent Director  | 1                    | 1                        |
| Mr. K. S. Thar<br>(Appointed w.e.f. 27.11.2014)<br>Non-Executive and Independent Director | 1                    | 1                        |

## 7. Corporate Social Responsibility Committee

The Board of Directors has constituted Corporate Social Responsibility Committee of Directors as required under Section 135 of the Companies Act, 2013. The Role of the Committee is to formulate and recommend to the Board, a corporate social responsibility policy, recommend the amount of expenditure to be incurred on activities and monitor CSR Policy.

The Committee consist of three directors, and attendance of each committee member is as under:

| Name of Committee Member  | No. of Meetings held | No. of Meetings attended |
|---|----------------------|--------------------------|
| Mr. B.S. Mehta (Chairman)<br>Non-Executive and Independent Director                     | 1                    | 1                        |
| Mr. S.K Jain<br>Non-Executive and Independent Director                                  | 2                    | 2                        |
| Mr. R.A. Shah<br>(Resigned w.e.f. 30.10.2014)<br>Non-Executive and Independent Director | 1                    | 1                        |
| Mr. G.M. Singhvi<br>Executive - Whole-time Director                                     | 2                    | 2                        |

## 8. Stakeholders Relationship/Grievance Committee of Directors

A Stakeholders Relationship/Grievance Committee of Directors has been constituted in place of Shareholders/ Investors Grievance Committee of Directors. The role of the committee is to consider and resolve the grievances of securityholders and perform such roles as may require under the Companies Act, 2013 and Clause 49 of the Listing Agreement. Continuous efforts are made to ensure that grievances are expeditiously redressed to the satisfaction of investors. A status report of shareholders complaints and redressal thereof is prepared and placed before Stakeholders Relationship/Grievance Committee of Directors.

The Secretary of the Company is to act as the Compliance Officer.

The shareholders/investors can send shares/debentures related complaints, if any, through e-mail Id:- investor@centuryenka.com designated exclusively for this purpose.

The Committee consists of two Directors and the attendance of each committee member is as under:

| Name of the Committee Member  | No. of Meetings held | No. of Meetings attended |
|---|----------------------|--------------------------|
| Mr. S. K. Jain (Chairman)<br>Non-Executive and Independent Director | 2                    | 2                        |
| Mr. G. M. Singhvi<br>Executive - Whole-time Director                | 2                    | 2                        |

### Status of Shareholders'/Investors' Complaints for the period 01<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2015

| Nature of complaint            | No. of complaints received | No. of complaints resolved | No. of pending complaints |
|--------------------------------|----------------------------|----------------------------|---------------------------|
| Exchange of Share Certificates | 1                          | 1                          | -                         |
| Dividend                       | 1                          | 1                          | -                         |
| Redemption of Debentures       | 4                          | 4                          | -                         |
| Other                          | 1                          | 1                          | -                         |
| Total                          | 7                          | 7                          | -                         |



## 9. Share Transfer Committee of Directors

The role of the Committee is to deal with issuance of duplicates of share certificates, transmission of shares, transfer of shares and supervision of transfer of shares delegated to officers of the Company. The delegated authorities attend share transfer formalities at least thrice in a month. Transfer of shares are processed and registered within the stipulated time, provided all the documents are valid and complete in all respect. Share transfers approved by the delegated authorities are placed before Share Transfer Committee for its review. As on 31<sup>st</sup> March, 2015, no shares were pending for transfer for more than 15 days. The Board of Directors has appointed the Company Secretary as Compliance Officer to monitor the share transfer process. The Committee consists of two Directors and the attendance of each Committee Member is as under:

| Name of the Committee Members  | No. of Meetings held | No. of Meetings attended |
|--|----------------------|--------------------------|
| Mr. B. S. Mehta (Chairman) Non-Executive and Independent Director                      | 3                    | 3                        |
| Mr. K. S. Thar Non-Executive and Independent Director<br>(Appointed w.e.f. 27.11.2014) | 1                    | 1                        |
| Mr. R. A. Shah Non-Executive and Independent Director<br>(Resigned w.e.f. 30.10.2014)  | 2                    | 2                        |

The Company has appointed M/s Link Intime India Pvt. Ltd. as its Registrar and Share Transfer Agent for both physical and demat segment of equity shares.

## 10. General Body Meetings

### A) Information about last three Annual General Meetings:

| Year | Date       | Time     | Location  |
|------|------------|----------|---|
| 2012 | 02.07.2012 | 12:30 PM | Pudumjee Hall, Mahratta Chamber of Commerce, Industries and Agriculture, Tilak Road, Pune-411002. |
| 2013 | 13.07.2013 | 12:30 PM | Pudumjee Hall, Mahratta Chamber of Commerce, Industries and Agriculture, Tilak Road, Pune-411002. |
| 2014 | 13.09.2014 | 12:30 PM | Pudumjee Hall, Mahratta Chamber of Commerce, Industries and Agriculture, Tilak Road, Pune-411002. |

### B) Information about special Resolutions Passed in previous three Annual General Meetings :

#### Previous Three Annual General Meetings

- i) In the 46<sup>th</sup> Annual General Meeting held on 2<sup>nd</sup> July, 2012, a special resolution was passed for approval of payment of remuneration to Mr. G. M. Singhvi, Whole-time Director for the financial year 2011-12.
- ii) In the 47<sup>th</sup> Annual General Meeting held on 13<sup>th</sup> July, 2013 following two special resolutions were passed :
  - a) Payment of commission to directors other than the Directors in the whole-time employment of the Company in respect of each of the five financial years commencing from 1<sup>st</sup> April, 2013.
  - b) Re-appointment of Mr. G. M. Singhvi as Whole-time Director for a period of 3 (three) years w.e.f. 16<sup>th</sup> May, 2013.
- (iii) In the 48<sup>th</sup> Annual General Meeting held on 13<sup>th</sup> September, 2014, following four special resolutions were passed:
  - (a) Consent of the Company pursuant to Section 180(1)(c) of the Companies Act, 2013 to the Board of Directors to borrow amount not exceeding at any time ₹ 300 Crs. over and above the paid up capital and free reserves of the Company.
  - (b) Consent of the Company pursuant to Section 180(1)(a) of the Companies Act, 2013 to mortgage and/or charge by the Board of Directors any immovable and movable properties/assets of the Company including undertaking(s) to secure the borrowings.
  - (c) Consent of the Company pursuant to Section 42 of the Companies Act, 2013 to issue Non-convertible Debentures/ bonds/other instruments on private placement basis, the outstanding at any time not exceeding ₹ 150 Crs.
  - (d) Consent of the Company pursuant to Section 197 of the Companies Act, 2013 to pay remuneration by way of commission to Non-Executive Directors at a rate not exceeding 1% of net profits of the Company in each year subject to overall ceiling as may be fixed by the Board of Directors.
- vi) There was no special resolution passed in the financial year 2014-15 by postal ballot. As of date, there is no proposal to pass any resolution by postal ballot.



## 11. Related Party Transaction

There is no transaction of materially significant nature with related party that may have potential conflict with the interest of the Company at large.

## 12. Whistle Blower Policy

The Company has put in place a Whistle Blower Policy to provide an open and transparent working environment and to promote responsible and secure whistle blowing system for directors and employees of the Company to raise concern. The Policy broadly cover instances of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct, alteration of documents, fraudulent financial reporting, misappropriation/misuse of Company's assets, manipulation of Company's data, pilferage of proprietary information, abuse of authority, etc. The Policy provides adequate safeguard against victimisation of director(s) / employee(s) who raise the concern and have access to Chairman of Audit Committee who is entrusted to oversee the whistle blower mechanism. The Policy is available on the website of the Company.

## 13. Any Non-compliance, Penalties or Strictures Imposed

There has been no non-compliance by the Company nor were any penalties/imposed or strictures passed against the Company by the Stock Exchange, SEBI or any other statutory authority on any matter related to capital market in the last three years.

## 14. Means of Communication

The unaudited financial results of the Company for each quarter is placed before the Board of Directors within stipulated time. The quarterly financial results of the Company are published in Business Standard (all editions) & Loksatta (Pune edition).

Financial results and other useful information of the Company are also available on the Company's website [www.centuryenka.com](http://www.centuryenka.com).

The Company has not made any presentation to institutional investors or analysts.

## 15. Management's Discussion and Analysis Report forms a part of the Annual Report

## 16. General Shareholder Information

### Annual General Meeting

Day and Date : Tuesday, the 14<sup>th</sup> July, 2015 Time : 12.30 P.M.

Venue : Pudumjee Hall, Mahratta Chamber of Commerce, Industries and Agriculture, Tilak Road, Pune-411 002.

### Financial Calendar

|   |   |  |
|---|---|--|
| Financial reporting for the quarter ending 30 <sup>th</sup> June, 2015      | : | On or before 14 <sup>th</sup> August, 2015   |
| Financial reporting for the quarter ending 30 <sup>th</sup> September, 2015 | : | On or before 14 <sup>th</sup> November, 2015 |
| Financial reporting for the quarter ending 31 <sup>st</sup> December, 2015  | : | On or before 14 <sup>th</sup> February, 2016 |
| Financial reporting for the quarter ending 31 <sup>st</sup> March, 2016     | : | On or before 30 <sup>th</sup> May, 2016      |

**Book Closure** : The Register of Members and Share Transfer Register will remain closed from Friday, the 3<sup>rd</sup> July, 2015 to Friday the 10<sup>th</sup> July, 2015 (both days inclusive) for the purpose of payment of dividend.

**Dividend Payment Date** : On or after 17<sup>th</sup> July, 2015

**Registered Office** : Century Arcade, 2<sup>nd</sup> Floor  
Narangi Baug Road, Pune - 411 001.  
Tel. No. (020) 2616 6511 Fax No. (020) 2616 6511  
E-mail : [investor@centuryenka.com](mailto:investor@centuryenka.com)

**Company's Website** : [www.centuryenka.com](http://www.centuryenka.com)

**Registrar & Transfer Agents** : Link Intime India Private Limited  
C-13, Pannalal Silk Mills Compound  
L B S Marg, Bhandup (West), Mumbai - 400 078.  
Tel. : 022-25946970 Fax : 022-25946969  
E-mail : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)



**Listing at Stock Exchanges** : The Company's Equity Shares are listed at the following Stock Exchanges :

- BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001.
- The National Stock Exchange of India Limited., "Exchange Plaza", Bandra-Kurla Complex, Bandra (East), Mumbai - 400051.

The Annual Listing Fees for the year 2015-16 have been paid.

**Stock Code** : Bombay Stock Exchange : 500280  
National Stock Exchange : CENTENKA

**ISIN allotted to Equity Shares** : INE485A01015

### Stock Market Data

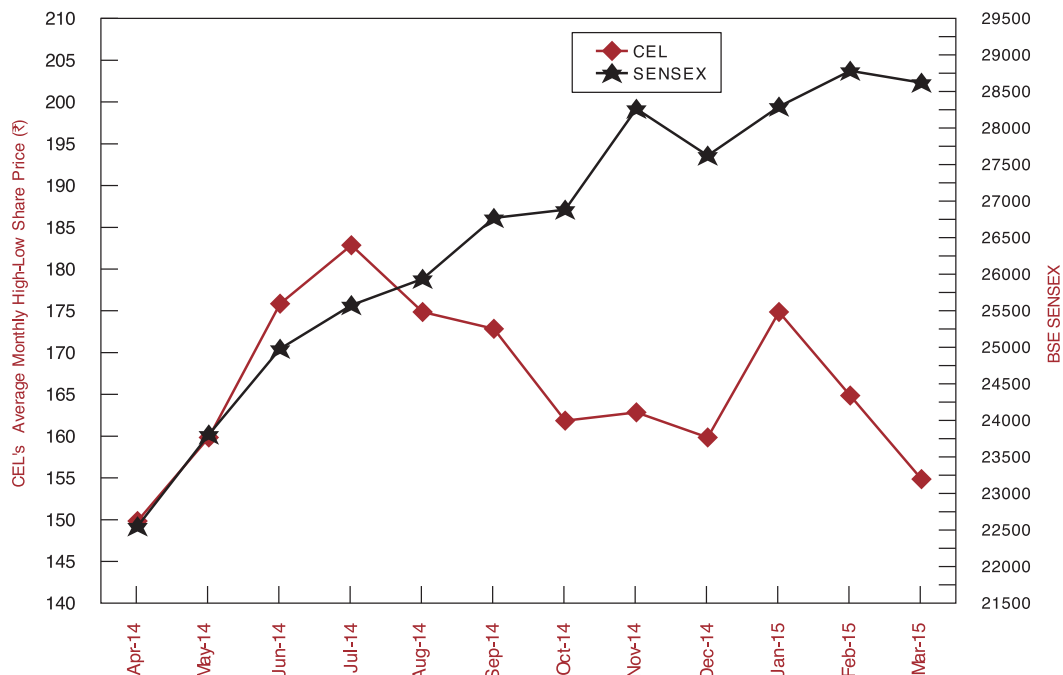
Monthly high and low prices of equity shares of the Company quoted at Bombay Stock Exchange and National Stock Exchange during the year 2014-15 :

(Amount in ₹)\*

| Month         | Bombay Stock Exchange |     | National Stock Exchange |     |
|---------------|-----------------------|-----|-------------------------|-----|
|               | High                  | Low | High                    | Low |
| April, 2014   | 161                   | 140 | 161                     | 139 |
| May           | 177                   | 143 | 177                     | 143 |
| June          | 188                   | 164 | 189                     | 163 |
| July          | 203                   | 163 | 203                     | 164 |
| August        | 191                   | 158 | 192                     | 158 |
| September     | 188                   | 158 | 188                     | 155 |
| October       | 173                   | 152 | 173                     | 152 |
| November      | 172                   | 154 | 170                     | 154 |
| December      | 171                   | 150 | 171                     | 151 |
| January, 2015 | 188                   | 162 | 188                     | 162 |
| February      | 177                   | 153 | 177                     | 152 |
| March         | 169                   | 142 | 170                     | 141 |

(\*) Rounded-off to nearest Rupee

### Stock Performance Index





**Distribution of Shareholding as on 31<sup>st</sup> March, 2015**

| No. of equity shares held | No. of shareholders | % of shareholders | No. of shares held | % of shareholding |
|---------------------------|---------------------|-------------------|--------------------|-------------------|
| 1 to 10                   | 13485               | 28.74             | 78623              | 0.36              |
| 11 to 50                  | 17770               | 37.87             | 513721             | 2.35              |
| 51 to 100                 | 5457                | 11.63             | 487613             | 2.23              |
| 101 to 500                | 7277                | 15.51             | 1806113            | 8.27              |
| 501 to 1000               | 1447                | 3.08              | 1116780            | 5.11              |
| 1001 to 5000              | 1185                | 2.53              | 2601131            | 11.90             |
| 5001 and above            | 300                 | 0.64              | 15246608           | 69.78             |
| <b>Total</b>              | <b>46921</b>        | <b>100.00</b>     | <b>21850589</b>    | <b>100.00</b>     |

**Categories of Shareholding as on 31<sup>st</sup> March, 2015**

| Category   | No. of shareholders | % of shareholders | No. of shares held | % of shareholding |
|--|---------------------|-------------------|--------------------|-------------------|
| Individuals  | 45461               | 96.89             | 10165533           | 46.53             |
| Bodies Corporate                                   | 1009                | 2.15              | 7972713            | 36.49             |
| Non Resident Bodies Corporate                      | 3                   | 0.00              | 1150000            | 5.26              |
| FII's  | 23                  | 0.05              | 270436             | 1.24              |
| NRIs/OCBs  | 329                 | 0.70              | 558041             | 2.55              |
| Mutual Funds                                       | 37                  | 0.08              | 8837               | 0.04              |
| Bank, Financial Institutions & Insurance Companies | 59                  | 0.13              | 1725029            | 7.89              |
| <b>Total</b>                                       | <b>46921</b>        | <b>100.00</b>     | <b>21850589</b>    | <b>100.00</b>     |
| Promoters  | 15                  | 0.03              | 6858728            | 31.39             |
| Non-Promoters                                      | 46906               | 99.97             | 14991861           | 68.61             |
| <b>Total</b>                                       | <b>46921</b>        | <b>100.00</b>     | <b>21850589</b>    | <b>100.00</b>     |

**Dematerialization of Shares and Liquidity** : 89.93% of Equity Shares have been dematerialized as on 31<sup>st</sup> March, 2015. Trading in shares of Century Enka Limited is available in dematerialized form.

**Outstanding GDRs/ADRs/Warrants or any convertible instruments** : The Company has not issued any GDRs/ADRs/Warrants/Convertible Instruments.

**Plant Locations** : Pune, Rajashree Nagar (Bharuch) and Mahad (Not in operation)

**Investor Correspondence** : Link Intime India Private Limited  
(Unit : Century Enka Limited )  
C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West)  
Mumbai - 400 078.  
Tel. : 022-25946970 Fax : 022-25946969  
E-mail : rnt.helpdesk@linkintime.co.in

**17. Code of Conduct**

The Company has always encouraged and supported ethical business practices in personal and corporate behaviour by its directors and employees. The Company has framed a specific Code of Conduct for the members of the Board of Directors and Senior Management Personnel of the Company. In addition to that a special Code of Conduct for dealing in equity shares and other listed securities of the Company is also in place.



## 18. Non Mandatory Requirements

### i) The Board

At present, there is no separate office in the Company for use of Chairman.

### ii) Shareholders Rights

Half yearly financial results including summary of the significant events are presently not being sent to shareholders of the Company.

### iii) Audit Qualifications

There is no audit qualification. Every endeavour is made to make the financial statements without qualification.

### iv) Separate posts of Chairman and Chief Executive Officer

The Chairman of the Company is a Non-Executive Director. A separate person is Whole-time Director of the Company.

### v) Reporting of Internal Auditors

Reports of Internal Auditors are placed before the Audit Committee for its review.

## COMPANY SECRETARIES' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENTS

To,  
The Members of Century Enka Limited

We have examined the compliance of conditions of Corporate Governance by Century Enka Limited, for the year ended on 31<sup>st</sup> March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with relevant Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Agreement with relevant Stock Exchanges.

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

For **SANJAY SANGANI & CO.**  
Company Secretaries

**SANJAY H. SANGANI**  
Proprietor  
Membership No. : FCS 4090

Place : Mumbai  
Date : May 05, 2015

## DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

All the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the Code of Conduct, framed pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, in so far as it is applicable to them and there is no non-compliance thereof during the year ended 31<sup>st</sup> March, 2015.

Place : Mumbai  
Date : May 05, 2015

**G. M. SINGHVI**  
Whole-time Director

**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2015**

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

To,

The Members of Century Enka Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Century Enka 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 Century Enka Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2015, 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 31<sup>st</sup> March, 2015 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not Applicable to the Company during the Audit Period);
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable to the Company during the Audit Period);
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not Applicable to the Company during the Audit Period);
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the Audit Period);

- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit Period); and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the Audit Period);

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

- a. Secretarial Standards issued by The Institute of Company Secretaries of India (Not Applicable to the Company during the Audit Period).
- b. The Listing Agreements entered into by the Company with Stock Exchanges;

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions are carried through. There is no dissenting view of members to capture and record as part of the minutes.

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 audit period, there were no instances of:

- a. Public / Right / Preferential issue of shares / debentures / sweat equity.
- b. Redemption / buy-back of securities.
- c. Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.
- d. Merger / amalgamation / reconstruction, etc.
- e. Foreign technical collaborations.

For **SANJAY SANGANI & CO.**  
Company Secretaries

**SANJAY H. SANGANI**  
Proprietor

Place : Mumbai  
Date : May 05, 2015

M. No. : FCS 4090  
C.P. No. : 3847



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTURY ENKA LIMITED

### Report on the Financial Statements

1. We have audited the accompanying financial statements of Century Enka Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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.
7. 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

8. 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, 2015, and its profit and its cash flows for the year ended on that date.

### Emphasis of Matter

9. We draw your attention to Note 31(b) to the financial statements regarding the Company's appeal pending before CESTAT, Mumbai against the excise duty demand aggregating ₹ 22,927 Lacs plus interest thereon and penalty of ₹ 22,927 Lacs. Based on expert legal advice and merits of the case, no provision has been considered necessary by the Company. The final determination and cash outflow, if any, would depend upon the final decision of the appropriate authorities in the future. Our opinion is not qualified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

10. As required by 'the Companies (Auditor's Report) Order, 2015', issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid 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 the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
    - i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2015 on its financial position in its financial statements – Refer Note 31(a), 31(b) and 40 ;
    - ii. The Company has long-term contracts including derivative contracts as at March 31, 2015 for which there were no material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2015.

**For Price Waterhouse**  
Firm Registration Number: 301112E  
Chartered Accountants

**Jeetendra Mirchandani**

Partner

Membership Number 48125

Mumbai  
May 05, 2015



### Annexure to Independent Auditor's Report

Referred to in paragraph 10 of the Independent Auditor's Report of even date to the members of Century Enka Limited on the financial statements as of and for the year ended March 31, 2015 :

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- ii. (a) The inventory excluding stocks with third parties has been physically verified by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a) and (iii)(b) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified.
- vi. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been specified under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of wealth-tax and cess which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, service tax, duty of customs and duty of excise as at March 31, 2015 which have not been deposited on account of a dispute, are as follows:

| Name of the statute          | Nature of dues                               | Amount<br>(₹ Lacs) | Amount paid<br>under protest<br>(₹ Lacs) | Period to which the<br>amount relates | Forum where the<br>dispute is pending              |
|------------------------------|--|--------------------|--|---------------------------------------|--|
| The Income-tax Act, 1961     | Income-tax                                   | 118                | -  | AY 2004-05                            | Calcutta High Court                                |
|                              |  | 50                 | -  | AY 2008-09                            | Income-tax Appellate Tribunal                      |
| The Central Excise Act, 1944 | Excise Duty, including penalty as applicable | 20                 | -  | 2000-01 and 2001-02                   | Customs, Excise and Service Tax Appellate Tribunal |
|                              |  | 66                 | 66                                       | January 1995 to September 1995        |  |
|                              |  | 195                | -  | 2007-08 to 2010-11                    | Commissioner of Customs & Central Excise           |
| The Central Excise Act, 1944 | Excise Duty (Refer Note 1 below)             | 22,927             | 700                                      | April 2000 to March 2003              | Customs, Excise and Service Tax Appellate Tribunal |
|                              | Penalty                                      | 22,927             | -  |                                       |  |
| Finance Act, 1994            | Penalty on Service-tax dues                  | 8                  | -  | January 2005 to November 2012         | Customs, Excise and Service Tax Appellate Tribunal |
|                              | Service tax                                  | 185                | 44                                       | May 2009 to January 2014              |  |
| The Customs Act, 1962        | Customs Duty                                 | 170                | 68                                       | 1994-95, 2001-02 and 2006-07          | Customs, Excise and Service Tax Appellate Tribunal |





| Name of the statute                   | Nature of dues                           | Amount<br>(₹ Lacs) | Amount paid<br>under protest<br>(₹ Lacs) | Period to which the<br>amount relates | Forum where the<br>dispute is pending     |
|---------------------------------------|--|--------------------|--|---------------------------------------|---|
| The Gujarat Sales-tax Act, 1969       | Sales-tax including interest and penalty | 672                | 73                                       | 2000-01                               | The Supreme Court of India                |
| The Gujarat Value Added Tax Act, 2006 | Sales-tax                                | 19                 | -  | 2007-08                               | Joint Commissioner of Sales-tax (Appeals) |
| The Maharashtra Value Added Tax Act   | Value Added Tax                          | 32                 | 8  | 2008-09                               | Commissioner of Sales-tax                 |

Note 1 - This does not include the interest claimed by the Central excise authorities.

- c) There are no amounts required to be transferred by the Company to the Investor Education and Protection Fund in accordance with the provisions of the Companies Act, 1956 and the rules made thereunder.
- viii. The Company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- ix. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- x. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 3(x) of the Order are not applicable to the Company.
- xi. In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- xii. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

Mumbai  
May 05, 2015

**For Price Waterhouse**  
Firm Registration Number: 301112E  
Chartered Accountants

**Jeetendra Mirchandani**  
Partner  
Membership Number 48125



**BALANCE SHEET  
AS AT 31<sup>ST</sup> MARCH, 2015**

|                                | Note No. | 31 <sup>st</sup> March,<br>2015<br>₹/Lacs | 31 <sup>st</sup> March,<br>2014<br>₹/Lacs |
|--------------------------------|----------|---|---|
| <b>EQUITY AND LIABILITIES</b>  |          |   |   |
| SHAREHOLDERS' FUNDS            |          |   |   |
| Share Capital                  | 2        | 2185                                      | 2185                                      |
| Reserves and Surplus           | 3        | 69429                                     | 67928                                     |
|                                |          | <b>71614</b>                              | <b>70113</b>                              |
| NON - CURRENT LIABILITIES      |          |   |   |
| Long Term Borrowings           | 4        | 6523                                      | 4822                                      |
| Deferred Tax Liabilities (Net) | 5        | 10252                                     | 9406                                      |
| Other Long Term Liabilities    | 6        | 235                                       | 278                                       |
| Long Term Provisions           | 7        | 1445                                      | 944                                       |
|                                |          | <b>18455</b>                              | <b>15450</b>                              |
| CURRENT LIABILITIES            |          |   |   |
| Short Term Borrowings          | 8        | 7391                                      | 12768                                     |
| Trade Payables                 | 9        | 3287                                      | 3714                                      |
| Other Current Liabilities      | 10       | 2352                                      | 2772                                      |
| Short Term Provisions          | 11       | 1759                                      | 2183                                      |
|                                |          | <b>14789</b>                              | <b>21437</b>                              |
| <b>TOTAL</b>                   |          | <b>104858</b>                             | <b>107000</b>                             |
| <b>ASSETS</b>                  |          |   |   |
| NON - CURRENT ASSETS           |          |   |   |
| Fixed Assets                   | 12       |   |   |
| Tangible Assets                |          | 61151                                     | 59576                                     |
| Capital Work- in-Progress      |          | 1227                                      | 2223                                      |
|                                |          | <b>62378</b>                              | <b>61799</b>                              |
| Non - Current Investments      | 13       | 852                                       | 852                                       |
| Long Term Loans and Advances   | 14       | 1511                                      | 1041                                      |
| Other Non - Current Assets     | 15       | 776                                       | 776                                       |
|                                |          | <b>65517</b>                              | <b>64468</b>                              |
| CURRENT ASSETS                 |          |   |   |
| Inventories                    | 16       | 20252                                     | 21205                                     |
| Trade Receivables              | 17       | 16417                                     | 19063                                     |
| Cash and Bank Balances         | 18       | 539                                       | 611                                       |
| Short Term Loans and Advances  | 19       | 1916                                      | 1090                                      |
| Other Current Assets           | 20       | 217                                       | 563                                       |
|                                |          | <b>39341</b>                              | <b>42532</b>                              |
| <b>TOTAL</b>                   |          | <b>104858</b>                             | <b>107000</b>                             |

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

This is the Balance Sheet referred to in our Report of even date.

For and on behalf of the Board of Directors

**For PRICE WATERHOUSE**  
Firm Registration No. 301112E  
Chartered Accountants

**JEETENDRA MIRCHANDANI**

Place: Mumbai  
Date: May 05, 2015

Partner  
Membership No. 48125

Place: Mumbai  
Date: May 05, 2015

**D.B. ROONGHTA**  
Chief Financial Officer

**C.B. GAGRANI**  
Secretary

**B.K. BIRLA**  
**G.M. SINGHVI**  
Directors



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

|  | Note No. | 2014-15<br>₹/ Lacs | 2013-14<br>₹/ Lacs |
|--|----------|--------------------|--------------------|
| <b>REVENUE</b>   |          |                    |                    |
| Revenue from Operations (Net)  | 21       | 121853             | 146679             |
| Other Income   | 22       | 702                | 1236               |
| <b>TOTAL REVENUE</b>   |          | <b>122555</b>      | <b>147915</b>      |
| <b>EXPENSES</b>  |          |                    |                    |
| Cost of Materials Consumed   | 23       | 77427              | 94487              |
| Purchases of Stock-in-Trade  |          | 174                | 1415               |
| Change in Inventories of Finished Goods, Stock-In-Process and Stock- in-Trade  | 24       | (1498)             | 371                |
| Employee Benefits Expense  | 25       | 7130               | 5579               |
| Power and Fuel   |          | 16725              | 16442              |
| Finance Costs  | 26       | 1732               | 2091               |
| Depreciation and Amortization Expense [Net of Transfer from Revaluation Reserve ₹ 61 Lacs (Previous Year: ₹ 20 Lacs) ] | 12       | 4275               | 7071               |
| Other Expenses   | 27       | 10328              | 10658              |
| <b>TOTAL EXPENSES</b>  |          | <b>116293</b>      | <b>138114</b>      |
| <b>PROFIT BEFORE EXCEPTIONAL ITEMS AND TAXATION</b>  |          | <b>6262</b>        | <b>9801</b>        |
| Exceptional Items  | 39       | -                  | 220                |
| <b>PROFIT BEFORE TAXATION</b>  |          | <b>6262</b>        | <b>9581</b>        |
| Tax Expense :  |          |                    |                    |
| - Current Tax  |          | (1592)             | (4195)             |
| - Excess/(Short) Provision of Tax relating to Earlier Years  |          | 53                 | 15                 |
| - Deferred Tax (See Note 44)   |          | (1066)             | 892                |
|  |          | <b>(2605)</b>      | <b>(3288)</b>      |
| <b>NET PROFIT FOR THE YEAR</b>   |          | <b>3657</b>        | <b>6293</b>        |
| <b>BASIC / DILUTED EARNINGS PER SHARE (Par Value of ₹ 10 Per Share)</b>  |          | <b>16.74</b>       | <b>28.80</b>       |

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

This is the Statement of Profit & Loss referred to in our Report of even date.

For and on behalf of the Board of Directors

**For PRICE WATERHOUSE**  
Firm Registration No. 301112E  
Chartered Accountants

**JEETENDRA MIRCHANDANI**

Place: Mumbai  
Date: May 05, 2015

Partner  
Membership No. 48125  
Place: Mumbai  
Date: May 05, 2015

**D.B. ROONGHTA**  
Chief Financial Officer

**C.B. GAGRANI**  
Secretary

**B.K. BIRLA**  
**G.M. SINGHVI**  
Directors



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

### A. CASH FLOW FROM OPERATING ACTIVITIES

|  | 2014-15<br>₹/Lacs | 2013-14<br>₹/Lacs |
|--|-------------------|-------------------|
| <b>Net Profit Before Tax</b>   | <b>6262</b>       | <b>9581</b>       |
| Adjustment for:  |                   |                   |
| Depreciation   | 4275              | 7071              |
| Finance cost   | 1732              | 2091              |
| Mark to Market Losses on Derivatives   | 119               | 112               |
| Interest Income  | (230)             | (187)             |
| Dividend Income  | -                 | (13)              |
| Liabilities/Provisions no longer required written back [including exceptional items of liability written back of ₹ Nil (Previous Year ₹ 548 Lacs)]   | (216)             | (726)             |
| (Profit) / Loss on sale / write off of Fixed Assets (Net) [including exceptional item of Loss on write-off Fixed Asset of ₹ Nil (Previous Year ₹ 768 Lacs)]  | (96)              | 280               |
| Profit on sale of Investments  | (3)               | (30)              |
| Provision for doubtful receivable  | -                 | 622               |
| <b>Operating Profit Before Working Capital Changes</b>   | <b>11843</b>      | <b>18801</b>      |
| Adjustment for:  |                   |                   |
| Other Long Term Liabilities  | (43)              | (101)             |
| Long Term Provisions   | 501               | 74                |
| Trade Payables   | (330)             | 1854              |
| Other Current Liabilities  | 39                | (1024)            |
| Short Term Provisions  | 6                 | 29                |
| Long Term Loans and Advances   | (703)             | (3)               |
| Other Non-Current Assets   | -                 | 1                 |
| Inventories  | 953               | (475)             |
| Trade Receivables  | 2646              | (2073)            |
| Short Term Loans and Advances  | (314)             | 664               |
| Other Current Assets   | 344               | 352               |
| <b>Cash Generated From Operations</b>  | <b>14942</b>      | <b>18099</b>      |
| Direct Taxes Paid (net of refunds)   | (2114)            | (2928)            |
| <b>Net Cash From Operating Activities</b>  | <b>12828</b>      | <b>15171</b>      |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>  |                   |                   |
| Purchase of Fixed Assets [including capitalised of Interest of ₹ 55 Lacs (Previous year Interest ₹ Nil)]   | (5547)            | (3861)            |
| Sale of Fixed Assets   | 155               | 923               |
| Purchase of Trade Investments  | -                 | (533)             |
| Interest received  | 64                | 227               |
| Proceeds from Purchase and Sale of Current Investments (Net)   | 3                 | 30                |
| Dividends Received   | -                 | 13                |
| <b>Net Cash From Investing Activities</b>  | <b>(5325)</b>     | <b>(3201)</b>     |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>  |                   |                   |
| Proceeds from Long Term Borrowings   | 3500              | -                 |
| Proceeds from Short Term Borrowings  | -                 | 2247              |
| Repayment of Long Term Borrowings  | (2391)            | (8267)            |
| Repayment of Short Term Borrowings   | (1903)            | (7470)            |
| Changes in Working Capital Loans (Net)   | (3474)            | 5298              |
| Interest paid  | (1741)            | (1574)            |
| Equity Dividends paid (including Dividend Distribution Tax)  | (1534)            | (1539)            |
| Exchange Loss on Foreign Currency Fluctuation (Net)  | (28)              | (547)             |
| <b>Net Cash From Financing Activities</b>  | <b>(7571)</b>     | <b>(11852)</b>    |
| <b>D. NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>   | <b>(68)</b>       | <b>118</b>        |
| Closing Balance of Cash and Cash Equivalents   | 418               | 486               |
| Opening Balance of Cash and Cash Equivalents   | 486               | 368               |
| Notes:   |                   |                   |
| 1. The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Accounting Standard (AS) - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India. |                   |                   |
| 2. Figures in bracket indicate cash outflow.   |                   |                   |
| 3. Previous year comparatives have been reclassified to conform with current year's presentation, wherever applicable.   |                   |                   |
| 4. Cash and Cash equivalents comprises of:   |                   |                   |
| On hand [Including Cheques ₹ 130 Lacs (Previous Year ₹ 213 Lacs)]  | 132               | 215               |
| With Banks   |                   |                   |
| In Current Accounts  | 286               | 254               |
| In Deposit Accounts maturing within 3 months   | -                 | 17                |
|  | <b>418</b>        | <b>486</b>        |

This is the Cash Flow Statement referred to in our Report of even date.

**For PRICE WATERHOUSE**  
Firm Registration No. 301112E  
Chartered Accountants

**JEETENDRA MIRCHANDANI**

Place: Mumbai  
Date: May 05, 2015

Partner  
Membership No. 48125

For and on behalf of the Board of Directors

**D.B. ROONGHTA**  
Chief Financial Officer

**C.B. GAGRANI**  
Secretary

**B.K. BIRLA**  
**G.M. SINGHVI**  
Directors



## NOTES TO THE FINANCIAL STATEMENTS

### 1 SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of Preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on an accrual basis, except for certain tangible assets which are being carried at revalued amounts. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the Standards of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards), 2006, as amended] and other relevant provisions of the Companies Act, 2013.

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

#### (b) Revenue Recognition

Sale of goods: Revenue from sales is recognised when the substantial risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are recognised net of returns, trade discounts, rebates, value added tax/sales tax and excise duties.

Other Income:

Interest: Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend: Dividend income is recognised when the right to receive dividend is established.

#### (c) Tangible Assets

1. Tangible Assets are stated at cost of acquisition or construction (net of Cenvat Credit / Value Added Tax) except in case of certain assets which have been revalued, at its revalued amount, less accumulated depreciation and amortisation. All costs relating to the acquisition and installation of assets are capitalised and include borrowing costs directly attributable to their construction or acquisition, upto the date the respective asset is put to use.
2. Machine spares which are specific to a particular item of assets and whose use is expected to be irregular are capitalised.
3. Losses arising from the retirement of and gains or losses arising from disposal of assets which are carried at cost are recognised in the Statement of Profit and Loss.

#### (d) Depreciation

1 Depreciation has been provided as under:

- a) For assets existing on 1<sup>st</sup> April, 2014 the carrying amount will be amortised over the remaining useful lives on straight line method as prescribed in the Schedule II of the Companies Act, 2013
- b) For the assets added after the 1<sup>st</sup> April, 2014
  - i) On Building, Plant and Machinery, Furniture & Fittings, Office equipments and Vehicles - On Straight Line Method at the useful lives prescribed in Schedule II to the Companies Act, 2013
  - ii) On Revalued Assets
    - On Straight Line Method at the useful lives prescribed in Schedule II to the Companies Act, 2013
    - The additional charge of depreciation on account of revaluation is withdrawn from Revaluation Reserve and credited to the Statement of Profit and Loss.

2 Leasehold land is amortized over the period of lease.

3 Residual values for Air Conditioners, Furniture and Fittings, Office Equipments, Computers and servers are considered Nil.

4 Depreciation on assets added/disposed off during the year has been provided on prorata basis with reference to the month of addition/disposal.

#### (e) Foreign Currency Translations

All transactions in foreign currency, are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place. Monetary assets and liabilities in foreign currency, outstanding at the close of the year, are converted in Indian currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet. Resultant gain or loss, except to the extent it relates to Long Term monetary items, is recognised in the Statement of Profit and Loss for the year. Gain or loss relating to Long Term foreign currency monetary items for financing acquisition of depreciable capital assets, is adjusted to the acquisition cost of such asset and depreciated over its remaining useful life.





At the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Forward Exchange Contracts:

The premium or discount arising at the inception of the forward exchange contracts entered into to hedge an existing asset / liability, is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of Profit and Loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contracts is recognised as income or expense for the period.

Forward exchange contracts outstanding as at the year end on account of firm commitment / highly probable forecast transactions are marked to market and the losses, if any, are recognised in the Statement of Profit and Loss and gains, if any, are ignored in accordance with the announcement of the Institute of Chartered Accountants of India on 'Accounting for Derivatives'.

**(f) Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of the assets, upto the date the assets are ready for their intended use. All other borrowing costs are recognised in the Statement of Profit and Loss in the year in which they are incurred.

**(g) Inventories**

Inventories are stated at lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and Stock-in-process comprises raw materials, direct labour, other direct costs and related production overheads upto the relevant stage of completion. Stock-in-trade are valued at cost of purchase. Byproducts and waste are valued at Net Realisable Value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

**(h) Investments**

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made are classified as current investments. All the other investments are classified as Long Term investments. Current investments are carried at cost or fair value, whichever is lower. Long Term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

**(i) Employee Benefits**

**Superannuation:**

The Company has Defined Contribution Plan for Post Employment benefits in the form of Superannuation schemes for eligible employees. The scheme is administered through Life Insurance Corporation (LIC) and Trust which is administered by the Trustees. In respect of this scheme, the Company has no further obligation beyond its contributions.

**Employee's Family Pension:**

The Company has Defined Contribution Plan for Post Employment benefits in the form of family pension for eligible employees, which is administered by the Regional Provident Fund Commissioner. Company has no further obligation beyond its contributions.

**Provident Fund:**

Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Scheme as the Company does not carry any further obligations, apart from the contributions made on a monthly basis. In respect of certain employees, Provident Fund contributions are made to the Trust set up and administered by the Company. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of the year and any shortfall in the fund size maintained by the Trust set up by the Company is additionally provided for. Actuarial losses, if any, are recognised in the Statement of Profit and Loss in the year in which they arise.

**Gratuity:**

The Company provides for gratuity, a defined benefit plan (the Gratuity Plan) covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses / gains are recognised in the Statement of Profit and Loss in the year in which they arise.

**Compensated Absences:**

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other Long Term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year.

Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

**(j) Current and Deferred Tax**

Tax expense for the period, comprising Current Tax and Deferred Tax are included in the determination of the net profit or loss for the period.

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in India.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Deferred Tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets, if any.

**(k) Cash and Cash Equivalents**

In the cash flow statement, cash and cash equivalents includes cash on hand, demand deposits with banks, other Short Term highly liquid investments with original maturities of three months or less.

**(l) Research and Development**

Revenue expenditure on research and development is charged as an expense in the year in which it is incurred under respective heads of accounts.

Expenditure which results in the creation of capital assets is capitalised and depreciation is provided on such assets as applicable.

**(m) Impairment of Assets**

Assessment is done at each Balance Sheet date as to whether there is any indication that a tangible asset may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made.

Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

**(n) Provisions and Contingent Liabilities****Provisions:**

Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

**Contingent Liabilities:**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only on the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**(o) Earnings Per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for the events, such as bonus share, other than conversion of potential equity share, that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

**2 SHARE CAPITAL  
AUTHORISED**

|             |  |
|-------------|--|
| 1,00,000    | Redeemable Cumulative Preference Shares of ₹ 100.00 each<br>(Previous Year 1,00,000) |
| 3,30,00,000 | Equity Shares of ₹ 10.00 each<br>(Previous Year 3,30,00,000)                         |
| 1,00,000    | Unclassified Shares of ₹ 100.00 each<br>(Previous Year 1,00,000)                     |

**ISSUED, SUBSCRIBED AND FULLY PAID- UP**

|             |   |
|-------------|---|
| 2,18,50,589 | Equity Shares of ₹ 10 each (Refer Notes below)<br>(Previous Year 2,18,50,589) |
|-------------|---|

| 31 <sup>st</sup> March,<br>2015<br>₹/ Lacs | 31 <sup>st</sup> March,<br>2014<br>₹/ Lacs |
|--|--|
| 100  | 100  |
| 3300                                       | 3300                                       |
| 100  | 100  |
| <b>3500</b>                                | <b>3500</b>                                |
| <b>2185</b>                                | <b>2185</b>                                |



a) Reconciliation of the Number of Shares and amount outstanding:

**Particulars**

| As at 31 <sup>st</sup> March, 2015 |                | As at 31 <sup>st</sup> March, 2014 |                |
|------------------------------------|----------------|------------------------------------|----------------|
| Number of Shares                   | Amount ₹/ Lacs | Number of Shares                   | Amount ₹/ Lacs |
| 21850589                           | 2185           | 21850589                           | 2185           |

Balance at the beginning / end of the year

b) The details of Shareholders holding more than 5% shares:

**Sr. No. Name of Shareholder**

| As at 31 <sup>st</sup> March, 2015 |                  | As at 31 <sup>st</sup> March, 2014 |                  |
|------------------------------------|------------------|------------------------------------|------------------|
| Number of Shares held              | % of Shares held | Number of Shares held              | % of Shares held |
| 3114970                            | 14.26            | 3114970                            | 14.26            |
| 1515302                            | 6.93             | 1515302                            | 6.93             |
| 1340680                            | 6.14             | 1340680                            | 6.14             |
| 1266887                            | 5.80             | 1266887                            | 5.80             |

1 TGS Investment and Trade Pvt. Limited

2 Life Insurance Corporation of India

3 Kesoram Industries Limited

4 Century Textiles and Industries Limited

c) Rights, Preferences and Restrictions attached to Equity Shares

The Company has one class of Equity Shares having a par value of ₹ 10.00 per share. Each Shareholder is eligible for one vote per share held. The dividend of ₹ 6.00 per share proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting.

d) No bonus shares have been issued during five years immediately preceding 31<sup>st</sup> March 2015.

**3 RESERVES AND SURPLUS**

Capital Reserve - Balance at the beginning and end of the year

Capital Redemption Reserve - Balance at the beginning and end of the year

Securities Premium - Balance at the beginning and end of the year

Revaluation Reserve (Refer Note 37)

Balance at the beginning of the year

Less: Transferred to Statement of Profit and Loss (Refer Note (i) and (iii) below)

Less: Transferred to General Reserve (Refer Note (ii) below)

Balance at the end of the year

General Reserve

Balance at the beginning of the year

Add: Transferred from Surplus in the Statement of Profit and Loss

Add: Transferred from Revaluation Reserve (Refer Note(ii) below)

Less: Transitional effect as per the provision of Schedule II of the Companies Act, 2013 (Refer Note 43)

Balance at the end of the year

Contingency Reserve - Balance at the beginning and end of the year

Surplus in the Statement of Profit and Loss

Balance at the beginning of the year

Add: Profit for the year

Amount available for Appropriations

Less: Appropriations

Proposed Equity Dividend

Dividend Distribution Tax

Transfer to General Reserve

Total Appropriations

Balance at the end of the year

| 31 <sup>st</sup> March, 2015 | 31 <sup>st</sup> March, 2014 |
|------------------------------|------------------------------|
| ₹/Lacs                       | ₹/Lacs                       |
| 48                           | 48                           |
| 186                          | 186                          |
| 3225                         | 3225                         |
| 1037                         | 1061                         |
| 61                           | 24                           |
| 102                          | -                            |
| 874                          | 1037                         |
| 35212                        | 34582                        |
| 370                          | 630                          |
| 102                          | -                            |
| 517                          | -                            |
| 35167                        | 35212                        |
| 750                          | 750                          |
| 27470                        | 23346                        |
| 3657                         | 6293                         |
| 31127                        | 29639                        |
| 1311                         | 1311                         |
| 267                          | 228                          |
| 370                          | 630                          |
| 1948                         | 2169                         |
| 29179                        | 27470                        |
| 69429                        | 67928                        |

Notes:

- (i) ₹ 61 Lacs (Previous Year ₹ 20 Lacs) being additional depreciation for the year on account of revaluation, transferred to the Statement of Profit and Loss.
- (ii) ₹ 102 Lacs (Previous Year ₹ Nil) reduced from the Revaluation Reserve in respect of assets whose revised useful lives have exhausted as on April 1, 2014 pursuant to revision made during the current year (Refer Note 43)
- (iii) ₹ Nil (Previous Year ₹ 4 Lacs) being deductions on disposal of certain tangible assets.

**4 LONG TERM BORROWINGS****Secured (Refer Note below)**

Term Loans from Banks:

Rupee Term Loans

| 31 <sup>st</sup> March,<br>2015<br>₹/Lacs | 31 <sup>st</sup> March,<br>2014<br>₹/Lacs |
|---|---|
| 6523                                      | 4822                                      |
| <b>6523</b>                               | <b>4822</b>                               |

**Note: Terms of Borrowings**

| Nature of Security   | Original Amount of Borrowing<br>₹/Lacs | Tenor at inception<br>(in Years) | Terms of Repayment | Month in which last Installment is due | Repayment Schedule installments<br>₹/Lacs | Balance as on 31 <sup>st</sup> March 2015<br>₹/Lacs | Balance as on 31 <sup>st</sup> March 2014<br>₹/Lacs | Prevailing Interest Rate Per Annum % |
|--|--|----------------------------------|--------------------|--|---|---|---|--------------------------------------|
| <b>Secured</b>   |  |                                  |                    |  |   |   |   |                                      |
| <b>Rupee Term Loans</b>  | 1230                                   | 10                               | Fully paid         | -                                      | -   | -   | 59  | -                                    |
| (Under Technology Upgradation Fund Scheme)   | 500                                    | 7                                | Fully paid         | -                                      | -   | -   | 500   | -                                    |
| Rupee Term Loans are secured by hypothecation of specific Plant and Machinery against which Loans have been taken. | 5791                                   | 10                               | Quarterly          | December 2020                          | 181                                       | <b>3981</b>   | 4705  | 12.15%                               |
|  | 3500                                   | 7                                | Monthly            | November 2020                          | 58  | <b>3500</b>   | -   | 10.75%                               |
|  | 3479                                   | 10                               | Quarterly          | March 2016                             | 108                                       | <b>341</b>  | 773   | 12.25%                               |
| <b>Buyers Credit for Capital goods</b>   |  | Various upto 3 years             | Fully paid         |  |   | -   | 676   |                                      |
| <b>Sub-Total</b>   |  |                                  |                    |  |   | <b>7822</b>   | 6713  |                                      |
| Less: Current Maturities of Long Term Debt (Refer Note 10)   |  |                                  |                    |  |   | <b>1299</b>   | 1891  |                                      |
| <b>Total</b>   |  |                                  |                    |  |   | <b>6523</b>   | 4822  |                                      |

**5 DEFERRED TAX LIABILITIES (NET)****Deferred Tax Liabilities**

Difference between book and tax depreciation

**Deferred Tax Assets**

Voluntary Retirement Scheme compensation

Disallowance U/S 43B of Income Tax Act

Provision for Doubtful Receivable

Exchange Loss on Marked to Market Losses

| 31 <sup>st</sup> March,<br>2015<br>₹/Lacs | 31 <sup>st</sup> March,<br>2014<br>₹/Lacs |
|---|---|
| 10913                                     | 9925                                      |
| 49  | 66  |
| 356                                       | 238                                       |
| 215                                       | 202                                       |
| 41  | 13  |
| <b>10252</b>                              | <b>9406</b>                               |
| <b>235</b>                                | <b>278</b>                                |
|   |   |
| 512                                       | -   |
| 460                                       | 334                                       |
| 473                                       | 610                                       |
| <b>1445</b>                               | <b>944</b>                                |

**6 OTHER LONG - TERM LIABILITIES**

Deposits from Dealers and Others

**7 LONG - TERM PROVISIONS****Provision for Employee Benefits**

Gratuity [Refer Note 28 (b)(iii)]

Compensated Absences [Refer Note 28 (c)]

**Provision for disputed matters (Refer Note 40)**

[Net of amounts paid under protest ₹ 143 Lacs (Previous Year ₹ 78 Lacs)]



**8 SHORT-TERM BORROWINGS**

**Secured [Refer Notes (a), (b) and (c) below]**

From Banks :

Working Capital Borrowings Repayable on Demand

**Unsecured [Refer Notes (b) and (d) below]**

From Banks :

Buyers Import Credit for Raw Materials

From Others :

Fixed Deposits from Employees

| 31 <sup>st</sup> March,<br>2015<br>₹/Lacs | 31 <sup>st</sup> March,<br>2014<br>₹/Lacs |
|---|---|
| 7391                                      | 10765                                     |
| <b>7391</b>                               | <b>10765</b>                              |
| -   | 1903                                      |
| -   | 100                                       |
| -   | 2003                                      |
| <b>7391</b>                               | <b>12768</b>                              |

- Working Capital borrowings are secured by way of hypothecation of Inventories, Book Debts and Receivables, both present and future.
- Working Capital borrowings carry an average interest rate of 9.79 % (Previous Year 10.10%) per annum and Buyers Import Credit for Raw Materials paid during the year carried an interest rate ranging from Libor + 0.48% per annum to Libor +0.65 % per annum.
- Working Capital Borrowings are renewed based on contract with bankers. Rupee term loans and Buyers Import Credit facility for Raw Material purchases carry maximum tenure of 30 days and 180 days respectively.
- Fixed Deposits from Employees paid during the year carried interest rate of 10% (Previous Year 10% per annum).

**9 TRADE PAYABLES**

Total outstanding dues of Micro and Small Enterprises (Refer Note 29)

Total outstanding dues of creditors other than Micro and Small Enterprises

| 31 <sup>st</sup> March,<br>2015<br>₹/Lacs | 31 <sup>st</sup> March,<br>2014<br>₹/Lacs |
|---|---|
| 12  | 2   |
| <b>3275</b>                               | <b>3712</b>                               |
| <b>3287</b>                               | <b>3714</b>                               |

**10 OTHER CURRENT LIABILITIES**

Current Maturities of Long Term Debt (Refer Note 4)

Rupee Term Loan

Buyers Credit for Capital Goods

Interest Accrued But Not Due on Borrowings

Unpaid Dividends\*

Other Payables for :

Capital Goods

Excise Duty on Finished Stock (Net)

Statutory Liabilities

| 31 <sup>st</sup> March,<br>2015<br>₹/Lacs | 31 <sup>st</sup> March,<br>2014<br>₹/Lacs |
|---|---|
| 1299                                      | 1215                                      |
| -   | 676                                       |
| <b>1299</b>                               | <b>1891</b>                               |
| 74  | 79  |
| 121                                       | 125                                       |
| 228                                       | 86  |
| 340                                       | 366                                       |
| 290                                       | 225                                       |
| <b>858</b>                                | <b>677</b>                                |
| <b>2352</b>                               | <b>2772</b>                               |

\* There is no amount due and outstanding to be credited to Investors Education and Protection Fund.

**11 SHORT- TERM PROVISIONS**

Provision for Employee Benefits

Gratuity [Refer Note 28(b)(iii)]

Compensated Absences [Refer Note 28(c)]

Provision for Tax

[Net of taxes paid/deducted of ₹ 5919 Lacs (Previous Year ₹ 5445 Lacs)]

Proposed Equity Dividend (Refer Note below)

Dividend Distribution Tax

|             |             |
|-------------|-------------|
| -           | 43          |
| 157         | 108         |
| 24          | 498         |
| <b>1311</b> | <b>1311</b> |
| 267         | 223         |
| <b>1759</b> | <b>2183</b> |

Note: The Board of Directors has recommended a dividend @ ₹ 6.00 per equity share of ₹ 10.00 each on 2,18,50,589 equity shares for the year ended 31<sup>st</sup> March, 2015 (Previous Year ₹ 6.00 per equity share of ₹ 10.00 each on 2,18,50,589 equity shares).



**12 FIXED ASSETS (Refer Note 37)**

₹/ Lacs

|                          | Cost/Book Value as at 1 <sup>st</sup> April, 2014 | Additions during the year | Deductions/ Adjustments during the year | Cost/Book Value as at 31 <sup>st</sup> March, 2015 | Accumulated Depreciation as at 1 <sup>st</sup> April, 2014 | Deductions/ Adjustments during the year | Depreciation for the year | Other Adjustments [Refer Note 43a] | Accumulated Depreciation as at 31 <sup>st</sup> March, 2015 | Balance as at 31 <sup>st</sup> March, 2015 | Balance as at 31 <sup>st</sup> March, 2014 |
|--------------------------|---|---------------------------|---|--|--|---|---------------------------|------------------------------------|---|--|--|
| <b>TANGIBLE ASSETS</b>   |   |                           |   |  |  |   |                           |                                    |   |  |  |
| Land                     |   |                           |   |  |  |   |                           |                                    |   |  |  |
| Leasehold                | 286   | -                         | -                                       | 286  | 139  | -                                       | 3                         | -                                  | 142   | 144  | 147  |
| Freehold                 | 211   | -                         | 1                                       | 210  | -  | -                                       | -                         | -                                  | -   | 210  | 211  |
|                          | [Refer (a) below]                                 |                           |   | [Refer (a) below]                                  |  |   |                           |                                    |   |  |  |
| Buildings                | 12448   | 1019                      | 6                                       | 13461  | 4411   | 2                                       | 413                       | 500                                | 5322  | 8139                                       | 8037                                       |
|                          | [Refer (b) below]                                 |                           |   |  |  |   |                           |                                    |   |  |  |
| Plant and Machinery      | 148418  | 5521                      | 280                                     | 153659   | 97462  | 250                                     | 3856                      | 233                                | 101301  | 52358                                      | 50956                                      |
| Furniture and Fittings   | 117   | 9                         | 5                                       | 121  | 74   | 5                                       | 12                        |                                    | 81  | 40   | 43   |
| Office Equipments        | 53  | 27                        | 19                                      | 61   | 34   | 18                                      | 18                        | 4                                  | 38  | 23   | 19   |
| Vehicles                 | 205   | 131                       | 43                                      | 293  | 42   | 20                                      | 34                        | -                                  | 56  | 237  | 163  |
| <b>Total</b>             | 161738  | 6707                      | 354                                     | 168091   | 102162   | 295                                     | 4336                      | 737                                | 106940  | 61151                                      | 59576                                      |
| Capital Work-in-Progress | 2223  | 5023                      | 6019                                    | 1227   | -  | -                                       | -                         | -                                  | -   | 1227                                       | 2223                                       |
| <b>Total</b>             | 163961  | 11730                     | 6373                                    | 169318   | 102162   | 295                                     | 4336                      | 737                                | 106940  | 62378                                      | 61799                                      |
| Previous Year            | 171929  | 4792                      | 12760                                   | 163961   | 104636   | 9565                                    | 7091                      | -                                  | 102162  | 61799                                      |  |

- a) Includes Land ₹ 2 Lacs after Revaluation and ₹ 500 being the cost of 5 shares in a co-operative housing society held in the name of a nominee of the Company.  
b) Includes ₹ 2000 being the cost of 40 shares in co-operative societies.

**13 NON CURRENT INVESTMENTS**

Trade Investments

**(1) IN FULLY PAID-UP EQUITY SHARES - QUOTED**

|  | Number (Refer No. to below) | Face Value (₹) | 31 <sup>st</sup> March, 2015 ₹/Lacs | 31 <sup>st</sup> March, 2014 ₹/Lacs |
|--|-----------------------------|----------------|-------------------------------------|-------------------------------------|
| Kesoram Industries Limited   | 1403985<br>(1403985)        | 10             | 837                                 | 837                                 |
| Kesoram Textiles Mills Limited   | 584994<br>(584994)          | 2              | -                                   | -                                   |
| (Received during the year 1999-2000 without any consideration pursuant to Scheme of Arrangement of Kesoram Industries Limited) |                             |                |                                     |                                     |
|  |                             |                | 837                                 | 837                                 |

**(2) IN FULLY PAID-UP EQUITY SHARES - UNQUOTED**

|  | Number           | Face Value | 31 <sup>st</sup> March, 2015 ₹/Lacs | 31 <sup>st</sup> March, 2014 ₹/Lacs |
|--|------------------|------------|-------------------------------------|-------------------------------------|
| Bharuch Enviro Infrastructure Limited  | 10220<br>(10220) | 10         | 1                                   | 1                                   |
| Kesoram Insurance Broking Services Ltd | 60000<br>(60000) | 10         | 1                                   | 1                                   |
| Vasavadatta Services Limited           | 9200<br>(9200)   | 10         | 1                                   | 1                                   |
| MMA CETP Co-operative Society Limited  | 12895<br>(12895) | 100        | 12                                  | 12                                  |
|  |                  |            | 15                                  | 15                                  |
|  |                  |            | 852                                 | 852                                 |
|  |                  |            | 1644                                | 1021                                |

Aggregate Market Value of Quoted Investments

Note : Figures in brackets represents previous year numbers

**14 LONG-TERM LOANS AND ADVANCES****(Unsecured, Considered Good)**

|   |      |      |
|---|------|------|
| Recoverable from Income Tax Department                                  | -    | 549  |
| Advances for Capital Goods  | 241  | 208  |
| Advance Payment of Tax  | 283  | -    |
| Security Deposits   | 153  | 150  |
| Duty Recoverable from Customs / Excise Authorities (Paid Under Protest) | 834  | 134  |
|   | 1511 | 1041 |



**15 OTHER NON-CURRENT ASSETS**

Subsidy Receivable under Technology Upgradation Fund Scheme

Considered doubtful

Less: Provision for doubtful receivable

Fixed Assets held for Disposal

**16 INVENTORIES**

Raw Materials [Including in transit ₹ 406 Lacs (Previous Year ₹ 363 Lacs )]

Stock-in-Process

Finished Goods

Stores, Spares and Packing Material [Including in transit ₹ 20 Lacs (Previous Year ₹ 22 Lacs )]

**17 TRADE RECEIVABLES**

**(Unsecured, Considered Good)**

Outstanding for a period exceeding six months from the date they are due for payment

Others

**18 CASH AND BANK BALANCES**

**Cash and Cash Equivalents**

Cash on Hand

Cheques on Hand

**Bank Balance:**

In Current Accounts

In Deposit Accounts maturing within 3 months

**Other Bank Balances**

Unpaid Dividend Accounts

**19 SHORT-TERM LOANS AND ADVANCES**

**(Unsecured, Considered Good)**

CENVAT Credit Receivable

VAT Credit Receivable

Advances to Suppliers

Recoverable from Income Tax Department

Other Loans and Advances

**20 OTHER CURRENT ASSETS**

**(Unsecured, Considered Good)**

Subsidy Receivable under Technology Upgradation Fund Scheme

Refund Receivable from State Electricity Board

Unamortised Premium on Forward Contracts

Others

**21 REVENUE FROM OPERATIONS**

Sale of Products (Refer Note below)

Finished Goods

Traded Goods

Other Operating Revenue

Scrap Sales

Revenue from Operations (Gross)

Less: Excise Duty

Revenue from Operations (Net)

|  | 31 <sup>st</sup> March,<br>2015<br>₹/Lacs | 31 <sup>st</sup> March,<br>2014<br>₹/Lacs |
|--|---|---|
|  | 622                                       | 622                                       |
|  | (622)                                     | (622)                                     |
|  | -   | -   |
|  | 776                                       | 776                                       |
|  | 776                                       | 776                                       |
|  | 6120                                      | 8516                                      |
|  | 5238                                      | 4430                                      |
|  | 7767                                      | 6969                                      |
|  | 1127                                      | 1290                                      |
|  | 20252                                     | 21205                                     |
|  | -   | -   |
|  | 16417                                     | 19063                                     |
|  | 16417                                     | 19063                                     |
|  | 2   | 2   |
|  | 130                                       | 213                                       |
|  | 286                                       | 254                                       |
|  | -   | 17  |
|  | 418                                       | 486                                       |
|  | 121                                       | 125                                       |
|  | 539                                       | 611                                       |
|  | 3   | 226                                       |
|  | 305                                       | 159                                       |
|  | 986                                       | 581                                       |
|  | 587                                       | 75  |
|  | 35  | 49  |
|  | 1916                                      | 1090                                      |
|  | 30  | 26  |
|  | 40  | 258                                       |
|  | -   | 28  |
|  | 147                                       | 251                                       |
|  | 217                                       | 563                                       |
|  | 136263                                    | 162939                                    |
|  | 151                                       | 1290                                      |
|  | 136414                                    | 164229                                    |
|  | 586                                       | 636                                       |
|  | 137000                                    | 164865                                    |
|  | 15147                                     | 18186                                     |
|  | 121853                                    | 146679                                    |



|  | 31 <sup>st</sup> March,<br>2015<br>₹ /Lacs | 31 <sup>st</sup> March,<br>2014<br>₹ /Lacs |
|--|--|--|
| <b>Note : Details of Sales of Products</b>   |  |  |
| Polyester Filament Yarn  | 5835                                       | 39587                                      |
| Nylon Filament Yarn  | 42962                                      | 25164                                      |
| Nylon Tyre Cord Fabric   | 85268                                      | 93079                                      |
| Others   | 2349                                       | 6399                                       |
| <b>Total</b>   | <b>136414</b>                              | <b>164229</b>                              |
| <b>22 OTHER INCOME</b>   |  |  |
| Interest Income  |  |  |
| On Income Tax / Sales Tax refund   | 168  | 63   |
| From Customers   | 53   | 101  |
| Others   | 9  | 23   |
|  | <b>230</b>                                 | <b>187</b>                                 |
| Dividends received on Non Current Investments (Trade)  | -  | 13   |
| Profit on Sale of Assets   | 121  | 539  |
| Profit on Sale of Current Investments (Other Than Trade)   | 3  | 30   |
| Liabilities / Provisions no longer required written back   | 216  | 178  |
| Miscellaneous Income   | 132  | 289  |
|  | <b>702</b>                                 | <b>1236</b>                                |
| <b>23 COST OF MATERIALS CONSUMED</b>   |  |  |
| <b>RAW MATERIALS CONSUMED</b>  |  |  |
| Opening Stock  | 8516                                       | 7256                                       |
| Add: Purchases   | 75031                                      | 95747                                      |
|  | <b>83547</b>                               | <b>103003</b>                              |
| Less: Closing Stock  | 6120                                       | 8516                                       |
| Cost of Raw Materials Consumed   | <b>77427</b>                               | <b>94487</b>                               |
| <b>24 CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS AND STOCK-IN-TRADE</b>   |  |  |
| Opening Stock  |  |  |
| Finished Goods   | 6969                                       | 7515                                       |
| Stock-in-Process   | 4430                                       | 4352                                       |
| Stock-in-Trade   | -  | 3  |
|  | <b>11399</b>                               | <b>11870</b>                               |
| Less: Closing Stock  |  |  |
| Finished Goods   | 7767                                       | 6969                                       |
| Stock-in-Process   | 5238                                       | 4430                                       |
|  | <b>13005</b>                               | <b>11399</b>                               |
| Less: (Increase) / Decrease in Excise Duty on Stocks   | (108)                                      | 100  |
| <b>(Increase) / Decrease in Stocks</b>   | <b>(1498)</b>                              | <b>371</b>                                 |
| <b>25 EMPLOYEE BENEFITS EXPENSE</b>  |  |  |
| Salaries, Wages and Bonus  | 5753                                       | 4859                                       |
| Contribution to Provident and other funds [Refer Note 28(a) and 28(b)(iv)]   | 894  | 287  |
| Workers and Staff Welfare Expenses   | 483  | 433  |
|  | <b>7130</b>                                | <b>5579</b>                                |
| <b>26 FINANCE COSTS</b>  |  |  |
| Interest Expense (Refer Note below)  | 1759                                       | 1539                                       |
| Other Borrowing Costs  | -  | 5  |
|  | <b>1759</b>                                | <b>1544</b>                                |
| Less: Borrowing Cost Capitalised   | 55   | -  |
|  | <b>1704</b>                                | <b>1544</b>                                |
| Net Loss on Foreign Currency Transactions and Translation  | 28   | 547  |
|  | <b>1732</b>                                | <b>2091</b>                                |
| Note: Net of Subsidy of ₹ 31 Lacs (Previous Year ₹ 63 Lacs) under the Technology Upgradation Fund Scheme of the Government of India. |  |  |



**27 OTHER EXPENSES**

|   | 31 <sup>st</sup> March,<br>2015<br>₹/Lacs | 31 <sup>st</sup> March,<br>2014<br>₹/Lacs |
|---|---|---|
| Stores, Spare Parts and Packing Material Consumed               | 4619                                      | 4680                                      |
| Processing Charges  | 459                                       | 210                                       |
| Repairs and Maintenance   |   |   |
| Building  | 307                                       | 127                                       |
| Machinery   | 848                                       | 1284                                      |
| Rent  | 36  | 29  |
| Rates and taxes   | 98  | 118                                       |
| Insurance   | 69  | 98  |
| Directors' Sitting Fees   | 4   | 3   |
| Directors' Commission   | 29  | 20  |
| Payment to Auditors   |   |   |
| As Auditors   |   |   |
| For Statutory Audit   | 36  | 33  |
| For Limited Reviews   | 10  | 10  |
| For Tax Audit   | 3   | 3   |
| For Other Services  | 3   | 4   |
| For Reimbursement of Expenses                                   | 2   | 1   |
| Loss on Assets Sold / Written off                               | 25  | 51  |
| Commission on Sales   | 778                                       | 494                                       |
| Transport and Handling  | 670                                       | 790                                       |
| Expenditure on Corporate Social Responsibility (CSR) Activities | 94  | -   |
| Mark to Market Losses on Derivatives                            | 119                                       | 112                                       |
| Loss due to Foreign Currency Fluctuations (Net)                 | 291                                       | 361                                       |
| Provision for doubtful receivable                               | -   | 622                                       |
| Miscellaneous Expenses  | 1828                                      | 1608                                      |
|   | <b>10328</b>                              | <b>10658</b>                              |

**28 DISCLOSURES IN ACCORDANCE WITH REVISED AS-15 ON "EMPLOYEE BENEFITS".**

**a) Defined Contribution Plans - The Company has recognised the following amounts in the Statement of Profit and Loss for the year:**

| Particulars  | 2014-15<br>₹/Lacs | 2013-14<br>₹/Lacs |
|--|-------------------|-------------------|
| Employer's Contribution to Provident Fund                  | 34                | 33                |
| Employer's Contribution to Superannuation Fund             | 30                | 49                |
| Employer's Contribution to Employee's State Insurance      | 10                | 7                 |
| Employer's Contribution to Employee's Pension Scheme, 1995 | 160               | 100               |
| <b>Total</b>   | <b>234</b>        | <b>189</b>        |

**b) Defined Benefit Plans - Gratuity and Provident Fund**

**Gratuity:** The Company operates a gratuity plan which is administered through Life Insurance Corporation and a trust which is administered through trustees. Every employee is entitled to a minimum benefit equivalent to 15 days salary last drawn for each completed year of service in line with Payment of Gratuity Act, 1972. However, certain employees are entitled to benefit higher than the benefit prescribed under Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier or death in service.

**Provident Fund:** Provident fund for certain eligible employees is managed by the Company through trust, in line with the Provident Fund and Miscellaneous Provisions Act, 1952. The plan guarantees interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of their separation from the Company or retirement, whichever is earlier. The benefits vest immediately on rendering of the services by the employee.

**i) A reconciliation of opening and closing balances of the present value of the defined benefit obligation (DBO):**

| Particulars              | Gratuity<br>2014-15<br>₹/Lacs | Gratuity<br>2013-14<br>₹/Lacs | Provident Fund<br>2014-15<br>₹/Lacs | Provident Fund<br>2013-14<br>₹/Lacs |
|--------------------------|-------------------------------|-------------------------------|-------------------------------------|-------------------------------------|
|                          | Opening DBO                   | 1978                          | 1999                                | 5771                                |
| Current Service Cost     | 89                            | 94                            | 148                                 | 149                                 |
| Interest Cost            | 167                           | 151                           | 520                                 | 416                                 |
| Actuarial (Gains)/Losses | 421                           | (123)                         | (185)                               | (67)                                |
| Employees Contribution   | N.A.                          | N.A.                          | 472                                 | 365                                 |
| Transfer In/Out (Net)    | -                             | -                             | 12                                  | 48                                  |
| Benefits Paid            | (63)                          | (143)                         | (203)                               | (513)                               |
| <b>Closing DBO</b>       | <b>2592</b>                   | <b>1978</b>                   | <b>6535</b>                         | <b>5771</b>                         |



- ii) A reconciliation of the opening and closing balances of the fair value of plan assets:

| Particulars                              | Gratuity          | Gratuity          | Provident Fund    | Provident Fund    |
|--|-------------------|-------------------|-------------------|-------------------|
|  | 2014-15<br>₹/Lacs | 2013-14<br>₹/Lacs | 2014-15<br>₹/Lacs | 2013-14<br>₹/Lacs |
| Opening Fair Value of Plan Assets        | 1935              | 1881              | 5771              | 5373              |
| Expected Returns on Plan Assets          | 136               | 133               | 492               | 461               |
| Actuarial Gains / (Losses)               | 29                | 40                | (157)             | (112)             |
| Contribution by the Employer             | 43                | 24                | 148               | 149               |
| Employees Contribution                   | N.A.              | N.A.              | 472               | 365               |
| Transfer In/Out (Net)                    | -                 | -                 | 12                | 48                |
| Benefits Paid                            | (63)              | (143)             | (203)             | (513)             |
| <b>Closing Fair Value of Plan Assets</b> | <b>2080</b>       | <b>1935</b>       | <b>6535</b>       | <b>5771</b>       |

Fair value of Plan Assets for gratuity represents the amount as confirmed by the Insurer Managed Funds.

- iii) Amount recognised in Balance Sheet including a reconciliation of the present value of the defined benefit obligation in b (i) and the fair value of the plan assets in b (ii) to the assets and liabilities recognised in the balance sheet:

| Particulars  | Gratuity  | Gratuity  | Provident Fund                                  | Provident Fund                                  |
|--|---|---|---|---|
|  | As on 31 <sup>st</sup><br>March, 2015<br>₹/Lacs | As on 31 <sup>st</sup><br>March, 2014<br>₹/Lacs | As on 31 <sup>st</sup><br>March, 2015<br>₹/Lacs | As on 31 <sup>st</sup><br>March, 2014<br>₹/Lacs |
| Present value of Defined Benefit Obligation          | 2592  | 1978  | 6535  | 5771  |
| Fair value of Plan Assets                            | (2080)  | (1935)  | (6535)  | (5771)  |
| <b>Net Liability recognised in the Balance Sheet</b> | <b>512</b>                                      | <b>43</b>                                       | <b>-</b>  | <b>-</b>  |

|                       |     |    |   |   |
|-----------------------|-----|----|---|---|
| Long Term Provisions  | 512 | -  | - | - |
| Short Term Provisions | -   | 43 | - | - |

- iv) The total expense recognised in the Statement of Profit and Loss:

| Particulars                    | Gratuity          | Gratuity          | Provident Fund    | Provident Fund    |
|--------------------------------|-------------------|-------------------|-------------------|-------------------|
|                                | 2014-15<br>₹/Lacs | 2013-14<br>₹/Lacs | 2014-15<br>₹/Lacs | 2013-14<br>₹/Lacs |
| Current Service Cost           | 89                | 94                | 148               | 149               |
| Interest Cost                  | 167               | 151               | 520               | 416               |
| Expected Return on Plan Assets | (136)             | (133)             | (492)             | (461)             |
| Actuarial (Gains)/Losses       | 392               | (163)             | (28)              | 45                |
| <b>Total</b>                   | <b>512</b>        | <b>(51)</b>       | <b>148</b>        | <b>149</b>        |

- v) For each major category of plan assets, following is the percentage that each major category constitutes of the fair value of the plan assets:

| Particulars                       | Gratuity                           |             | Gratuity                           |             | Provident Fund                     |             | Provident Fund                     |             |
|-----------------------------------|------------------------------------|-------------|------------------------------------|-------------|------------------------------------|-------------|------------------------------------|-------------|
|                                   | As on 31 <sup>st</sup> March, 2015 |             | As on 31 <sup>st</sup> March, 2014 |             | As on 31 <sup>st</sup> March, 2015 |             | As on 31 <sup>st</sup> March, 2014 |             |
|                                   | Amount<br>(₹/Lacs)                 | Rate<br>%   | Amount<br>(₹/Lacs)                 | Rate<br>%   | Amount<br>(₹/Lacs)                 | Rate<br>%   | Amount<br>(₹/Lacs)                 | Rate<br>%   |
| Government of India Securities    | -                                  | -           | -                                  | -           | 2482                               | 38%         | 2068                               | 35%         |
| Corporate Bonds                   | -                                  | -           | -                                  | -           | 2251                               | 34%         | 1995                               | 35%         |
| Special Deposit Scheme            | -                                  | -           | -                                  | -           | 1304                               | 20%         | 1304                               | 23%         |
| Equity Shares of Listed Companies | -                                  | -           | -                                  | -           | -                                  | -           | -                                  | -           |
| Property                          | -                                  | -           | -                                  | -           | -                                  | -           | -                                  | -           |
| Insurer Managed Funds             | 2080                               | 100%        | 1935                               | 100%        | -                                  | -           | -                                  | -           |
| Others                            | -                                  | -           | -                                  | -           | 498                                | 8%          | 404                                | 7%          |
| <b>Total</b>                      | <b>2080</b>                        | <b>100%</b> | <b>1935</b>                        | <b>100%</b> | <b>6535</b>                        | <b>100%</b> | <b>5771</b>                        | <b>100%</b> |

- vi) The overall expected rate of return on assets is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

- vii) The Actual Return on Plan Assets is as follows:

| Particulars                  | Gratuity | Gratuity | Provident Fund | Provident Fund |
|------------------------------|----------|----------|----------------|----------------|
|                              | 2014-15  | 2013-14  | 2014-15        | 2013-14        |
| Actual Return on Plan Assets | 165      | 173      | 335            | 349            |

- viii) Following are the Principal Actuarial Assumptions used as at the balance sheet date:

| Particulars  | Gratuity | Gratuity | Provident Fund | Provident Fund |
|--|----------|----------|----------------|----------------|
|  | 2014-15  | 2013-14  | 2014-15        | 2013-14        |
| Discount Rate  | 8.05%    | 8.95%    | 8.05%          | 8.95%          |
| Expected rate of return on Plan Assets                                       | 8.00%    | 7.50%    | 8.86%          | 8.24%          |
| Salary Escalation Rate   | 7.00%    | 7.00%    | N.A.           | N.A.           |
| Attrition Rate   | 10.00%   | 10.00%   | N.A.           | N.A.           |
| Discount Rate for the remaining term to maturity of the Investment Portfolio | N.A.     | N.A.     | 8.01%          | 9.29%          |
| Average Historic Yield on the Investment Portfolio                           | N.A.     | N.A.     | 8.82%          | 8.58%          |
| Guaranteed Rate of Return  | N.A.     | N.A.     | 8.75%          | 8.75%          |





ix) Amounts recognised in current year and previous four years for Gratuity: ₹/Lacs

| Particulars                               | 2014-15 | 2013-14 | 2012-13 | 2011-12 | 2010-11 |
|---|---------|---------|---------|---------|---------|
| Defined Benefit Obligation                | 2592    | 1978    | 1999    | 1945    | 1658    |
| Plan Assets                               | 2080    | 1935    | 1881    | 1784    | 1487    |
| Surplus / (Deficit)                       | (512)   | (43)    | (118)   | (161)   | (171)   |
| Experience Adjustment on Plan Liabilities | 307     | (11)    | (25)    | 183     | 4       |
| Experience Adjustment on Plan Assets      | 29      | 40      | 40      | 113     | 31      |

x) Expected Contribution to the Funds in the next year: (₹/Lacs)

| Particulars    | 2014-15 | 2013-14 |
|----------------|---------|---------|
| Gratuity       | 255     | 43      |
| Provident Fund | 865     | 724     |

xi) The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

xii) The above disclosures for Provident Fund are limited to the extent of disclosures provided by the actuary.

c) Para 132 of AS 15 (revised 2005) does not require any specific disclosures except where the expense resulting from compensated absence is of such size, nature or incidence that its disclosure is relevant under AS 5 or AS 18 and accordingly, the expense resulting from compensated absence is not significant and hence no disclosures are prepared under various paragraphs of AS 15 (revised 2005).

**29 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006:**

Amounts due to Micro and Small Enterprises disclosed on the basis of information available with the Company regarding status of the suppliers are as follows:

| Sr. No. | Particulars  | 2014-15   |           | 2013-14   |           |
|---------|--|-----------|-----------|-----------|-----------|
|         |  | Principal | Interest  | Principal | Interest  |
| 1.      | Principal Amount and Interest due thereon, remaining unpaid as at the end of the year                  | 12        | -         | 2         | -         |
| 2.      | Amount paid during the year  |           | (₹ 48209) | 16        | (₹ 25749) |
| 3.      | Amount due and payable (on the amounts which have been paid beyond the appointed date during the year) | NIL       | NIL       | NIL       | NIL       |
| 4.      | Amount remaining accrued and unpaid at the end of the year   | NIL       | NIL       | NIL       | NIL       |
| 5.      | Amount due of the previous year  | NIL       | NIL       | NIL       | NIL       |

**30** Capital Commitments: Estimated amount of Contracts remaining to be executed on Capital Account and not provided for ₹ 1369 Lacs (Previous Year ₹ 1976 Lacs) against which advances have been paid ₹ 241 Lacs (Previous Year ₹ 208 Lacs).

**31 Contingent Liability:**

| Claims against the Company not acknowledged as debts (to the extent not provided for) |                               | ₹ / Lacs                     |                              |
|---|-------------------------------|------------------------------|------------------------------|
| (Refer Note below)  |                               | 31 <sup>st</sup> March, 2015 | 31 <sup>st</sup> March, 2014 |
| a)  | 1) Income-Tax Matters         | 92                           | 674                          |
|   | 2) Sales-Tax Matters          | 47                           | 534                          |
|   | 3) Excise and Customs Matters | 757                          | 360                          |
|   | 4) Others                     | -                            | 75                           |
|   | Total                         | 896                          | 1643                         |

b) Excise Department had issued an order dated 31<sup>st</sup> December, 2013 denying the applicability of Notification No. 6/2000 dated 1<sup>st</sup> March, 2000 which allowed payment of duty at specific rate instead of advalorem basis and consequently raising a demand of ₹ 22927 Lacs plus interest thereon and penalty of ₹ 22927 Lacs against which the Company has filed an appeal with the Customs Excise and Service Tax Appellate Tribunal (CESTAT). The Hon'ble CESTAT has passed an order on 12<sup>th</sup> September, 2014 to grant a stay against the demand and admit the appeal on a pre deposit of ₹ 700 Lacs. The Company has deposited this amount on 24<sup>th</sup> December, 2014. The Company has been advised by legal experts that it has a fair chance of ultimately succeeding in the matter and accordingly no provision is required to be made in the accounts.

Note : It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

**32** Other Commitments: The Company has entered into non cancellable agreement with Gas Utility Company on 22<sup>nd</sup> July, 2010 for purchase of LNG. Under this agreement, the Company is committed to purchase certain annual minimum quantity of LNG upto 30<sup>th</sup> April, 2017 failing which, it will pay the seller for any shortfall in offtake of LNG based on an agreed formula. The cost of the minimum committed quantity as at 31<sup>st</sup> March, 2015 for the remaining period of the contract at current market prices approximates ₹ 2561 Lacs (Previous Year ₹ 4138 Lacs). Based on the current projection Company does not expect shortfall in offtake of minimum committed quantity and therefore no material foreseeable losses are expected.

**33 Derivative Instruments and Unhedged Foreign Currency Exposures**

The Company enters into forward exchange contracts being derivative instruments, which are not intended for trading or speculative purposes, but for hedge purposes.

i. (a) Hedge of buyer's credit and trade payables

| As on 31.03.2015 |                       |                |                | As on 31.03.2014 |                       |                |                |
|------------------|-----------------------|----------------|----------------|------------------|-----------------------|----------------|----------------|
| Currency         | Amount hedged In Lacs | Cross Currency | Amount In Lacs | Currency         | Amount hedged In Lacs | Cross Currency | Amount In Lacs |
| USD              | 8                     | INR            | 535            | USD              | 64                    | INR            | 3984           |
| EUR              | 5                     | INR            | 378            |                  |                       |                |                |



## (b) Hedge of firm purchase commitments

| As on 31.03.2015 |                          |                   |                   | As on 31.03.2014 |                          |                   |                   |
|------------------|--------------------------|-------------------|-------------------|------------------|--------------------------|-------------------|-------------------|
| Currency         | Amount hedged<br>In Lacs | Cross<br>Currency | Amount<br>In Lacs | Currency         | Amount hedged<br>In Lacs | Cross<br>Currency | Amount<br>In Lacs |
| USD              | 16                       | INR               | 1014              | USD              | 61                       | INR               | 3767              |
| EUR              | 4                        | INR               | 312               |                  |                          |                   |                   |
| JPY              | 1160                     | INR               | 652               |                  |                          |                   |                   |

ii Mark-To-Market Losses provided for ₹ 119 Lacs (Previous Year ₹ 112 Lacs).

iii The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below.

| Particulars           | As on 31.03.2015 |         | As on 31.03.2014 |         |
|-----------------------|------------------|---------|------------------|---------|
|                       | Currency         | In Lacs | Currency         | In Lacs |
| (a) Interest Payable  | USD              | -       | USD              | -       |
| (b) Amount Receivable | USD              | *       | USD              | 2       |

\* Amount is below the rounding off norm adopted by the Company

34 Revenue expenditure incurred on Research and Development during the year is ₹ 221 Lacs (Previous Year ₹ 324 Lacs).

35 Production in Continuous Process Plant at Bharuch producing Polyester Yarn was suspended in November, 2013. A part of the said Plant was converted to non-continuous process and has been put into operation. Some of the portion of the plant is still in the process of conversion to non-continuous process. As the operation of remaining Plant continues to be unviable, the Company, for the time being, has decided to continue suspension of the remaining Plant to protect overall profitability of the Company.

## 36 Earnings per Share

|  | 2014-15  | 2013-14  |
|--|----------|----------|
| (a) Net profit after tax available for equity shareholders (₹ /Lacs)   | 3657     | 6293     |
| (b) Weighted average number of Basic / Diluted Equity shares of ₹ 10.00 each outstanding during the year (No. of shares) | 21850589 | 21850589 |
| (c) Basic / Diluted Earnings per Share (₹ ) (a/b)  | 16.74    | 28.80    |

Note : The Company does not have any outstanding dilutive potential equity shares.

37 The Gross Block of Fixed Assets was written up by ₹ 8301 Lacs on revaluations carried out in the year 1983 and 1989.

## 38 Segment Reporting

## a) Primary Segment (by Business Segment):

Based on the guiding principles given in the Accounting Standards on Segment Reporting ( AS - 17 ), the Company is primarily in the business of manufacture and sale of Synthetic Yarn and Tyre Cord Fabric which mainly have similar risks and returns. The Company's business activity falls within a single geographical and business segment(Synthetic Yarn), hence it has no other primary reportable segments.

## b) Secondary Segment (by Geographical demarcation):

i) The secondary segment is based on geographical demarcation i.e. in India and outside India.

ii) Information about Secondary Segments is as follows:

| Particulars             | 2014-15  |               |        | 2013-14  |               |        |
|-------------------------|----------|---------------|--------|----------|---------------|--------|
|                         | In India | Outside India | Total  | In India | Outside India | Total  |
| Segment Revenue (Gross) | 134474   | 1940          | 136414 | 161585   | 2644          | 164229 |

iii) All segment assets of the Company are predominantly located in India.

39 Exceptional items of ₹ 220 Lacs for the year ended 31<sup>st</sup> March 2014 represents loss on account of disposal/ write off due to non usability of certain fixed assets consequent to closure of operations at Mahad and is net of write back of provision for earlier years consequent to finalisation of the liability.

## 40 DETAILS OF PROVISION FOR DISPUTED MATTERS:

| Particulars                           | 2014-15 | 2013-14 |
|---------------------------------------|---------|---------|
| Balance at the beginning of the year  | 610     | 611     |
| Add: Provided during the year         | -       | 91      |
| Less: Paid / Adjusted during the year | 137     | 92      |
| Balance at the end of the year        | 473     | 610     |

(a) The above provision represents claims against the Company not acknowledged as debt.

(b) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

41 Related Party Disclosures as per Accounting Standard (AS-18) on Related Party Disclosure (As identified by the Management and where transactions exist)

## (i) Related Party Relationships

Key Management Personnel Mr. G. M. Singhvi (Whole-time Director)

(ii) Transactions with Related Parties carried out in the ordinary course of business:

| Description and nature of the transaction (in ordinary course of business) | 2014-15 | 2013-14 |
|--|---------|---------|
| Managerial Remuneration paid   | 167     | 126     |
| Sale of Vehicle  | 5       | -       |

There are no amounts outstanding as at 31<sup>st</sup> March, 2015 and 31<sup>st</sup> March, 2014



42 ADDITIONAL INFORMATION PURSUANT TO SCHEDULE III OF THE COMPANIES ACT, 2013

| (a) Raw Materials Consumed   | Value (₹ / Lacs)           |              |              |              |                              |                              |
|--|----------------------------|--------------|--------------|--------------|------------------------------|------------------------------|
|  | 2014-15                    | 2013-14      |              |              |                              |                              |
| Caprolactam  | 43667                      | 45935        |              |              |                              |                              |
| Nylon Chips  | 23421                      | 14486        |              |              |                              |                              |
| Glycol   | -                          | 6758         |              |              |                              |                              |
| PTA  | -                          | 18555        |              |              |                              |                              |
| Others   | 10339                      | 8753         |              |              |                              |                              |
| <b>Total</b>   | <b>77427</b>               | <b>94487</b> |              |              |                              |                              |
| <b>(b) Value of Materials consumed and Percentage thereof :</b>            |                            |              |              |              |                              |                              |
|  | Consumption (₹ / Lacs)     |              |              |              |                              |                              |
|  | Total Value of Consumption |              | Imported     |              | Indigenous                   |                              |
|  | 2014-15                    | 2013-14      | 2014-15      | 2013-14      | 2014-15                      | 2013-14                      |
| Raw Materials  | 77427                      | 94487        | 36925        | 29323        | 40502                        | 65164                        |
| Stores, Spare Parts and Packing Material                                   | 4619                       | 4680         | 346          | 316          | 4273                         | 4364                         |
|  | <b>82046</b>               | <b>99167</b> | <b>37271</b> | <b>29639</b> | <b>44775</b>                 | <b>69528</b>                 |
| Percentage to Total Consumption  |                            |              |              |              |                              |                              |
| Raw Materials  |                            |              | 47.69%       | 31.03%       | 52.31%                       | 68.97%                       |
| Stores, Spare Parts and Packing Material                                   |                            |              | 7.49%        | 6.75%        | 92.51%                       | 93.25%                       |
| <b>(c) CIF Value of Imports:</b>   |                            |              |              |              | 2014-15                      | 2013-14                      |
|  |                            |              |              |              | ₹ / Lacs                     | ₹ / Lacs                     |
| Raw Materials  |                            |              |              |              | 31946                        | 31306                        |
| Stores and Spare Parts (Including Components)                              |                            |              |              |              | 430                          | 388                          |
| Capital Goods  |                            |              |              |              | 1910                         | 2393                         |
|  |                            |              |              |              | <b>34286</b>                 | <b>34087</b>                 |
| <b>(d) Expenditure in Foreign Currency:</b>                                |                            |              |              |              |                              |                              |
| (Including amounts provided but yet to be remitted)                        |                            |              |              |              |                              |                              |
| (i) Interest and Finance Charges   |                            |              |              |              | 3                            | 138                          |
| (ii) Others  |                            |              |              |              | 149                          | 37                           |
|  |                            |              |              |              | <b>152</b>                   | <b>175</b>                   |
| <b>(e) Remittance on account of Dividend to Non-Resident Shareholders:</b> |                            |              |              |              |                              |                              |
| <b>(i) Remitted in Foreign Currency</b>                                    |                            |              |              |              | 2014-15                      | 2013-14                      |
| Year to which Dividend relates   |                            |              |              |              | Year ended                   | Year ended                   |
|  |                            |              |              |              | 31 <sup>st</sup> March, 2014 | 31 <sup>st</sup> March, 2013 |
| Net Amount of Dividend remitted (₹ / Lacs)                                 |                            |              |              |              | 85                           | 85                           |
| Number of Shareholders   |                            |              |              |              | 5                            | 5                            |
| Number of Shares held  |                            |              |              |              | 1419470                      | 1419470                      |
| <b>(ii) Remitted to their Banks in India</b>                               |                            |              |              |              | 2014-15                      | 2013-14                      |
| Year to which Dividend relates   |                            |              |              |              | Year ended                   | Year ended                   |
|  |                            |              |              |              | 31 <sup>st</sup> March, 2014 | 31 <sup>st</sup> March, 2013 |
| Net Amount of Dividend remitted (₹ / Lacs)                                 |                            |              |              |              | 33                           | 25                           |
| Number of Shareholders   |                            |              |              |              | 353                          | 366                          |
| Number of Shares held  |                            |              |              |              | 549806                       | 413775                       |
| <b>(f) Earnings in Foreign Exchange:</b>                                   |                            |              |              |              | 2014-15                      | 2013-14                      |
|  |                            |              |              |              | ₹ / Lacs                     | ₹ / Lacs                     |
| F.O.B. Value of Export Sales   |                            |              |              |              | 1907                         | 2474                         |
| Recovery of Freight and other charges                                      |                            |              |              |              | 33                           | 170                          |
| Sale on Commission Basis   |                            |              |              |              | 36                           | 34                           |
|  |                            |              |              |              | <b>1976</b>                  | <b>2678</b>                  |

43 The Company has adopted useful lives of the fixed assets as those specified in Part C of Schedule II to the Companies Act, 2013 ('the Act') effective 1<sup>st</sup> April, 2014. Accordingly carrying amount of assets, for which the useful lives as per the revised estimate are exhausted as of 1<sup>st</sup> April, 2014 have been recognised in the retained earning as on that date after retaining the residual value of these assets. For the other assets, the carrying amount as of 1<sup>st</sup> April, 2014 will be amortised over the remaining useful lives of the assets.

As a result :

- An amount of ₹ 517 Lacs (Net of Deferred tax of ₹ 220 Lacs ) has been recognised to the opening retained earning as of 1<sup>st</sup> April, 2014.
- An amount of ₹ 102 Lacs has been transferred from Revaluation reserves to General reserve with respect to previously revalued assets
- Depreciation charge for the year ended 31<sup>st</sup> March, 2015 is lower by ₹ 2748 Lacs

44 Tax expenses for the year ended 31<sup>st</sup> March, 2015, includes ₹ 627 Lacs for additional charge of deferred tax due to change in effective rates of income-tax.

45 Previous Year's figures have been regrouped / rearranged, wherever necessary.

For PRICE WATERHOUSE  
Firm Registration No. 301112E  
Chartered Accountants

JEETENDRA MIRCHANDANI

Partner

Membership No. 48125

For and on behalf of the Board of Directors

D.B. ROONGHTA  
Chief Financial Officer

C.B. GAGRANI  
Secretary

B.K. BIRLA  
G.M. SINGHVI  
Directors

Place: Mumbai  
Date: May 05, 2015

Place: Mumbai  
Date: May 05, 2015



# CENTURY ENKA LIMITED

Registered Office: Century Arcade, 2<sup>nd</sup> Floor, Narangi Baug Road, Pune-411 001  
CIN: L24304PN1965PLC139075  
Phone No. 020-26166511, Fax No. 020-26166511  
Website: www.centuryenka.com Email: investor@centuryenka.com

49<sup>th</sup>  
Annual Report  
for the year  
2014-15  
has been  
posted  
separately

## NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the 49th Annual General Meeting of the Shareholders of CENTURY ENKA LIMITED will be held at Pudumjee Hall, Mahratta Chamber of Commerce, Industries and Agriculture, Tilak Road, Pune-411002 on Tuesday, the 14th July, 2015 at 12.30 P.M. to transact the following business:

### ORDINARY BUSINESS

1. To consider the Reports of the Auditors and Directors and to receive, consider and adopt the audited financial statements for the year ended 31<sup>st</sup> March, 2015.
2. To declare dividend on Equity Shares for the year ended 31<sup>st</sup> March, 2015.
3. To appoint M/s. Price Waterhouse, Chartered Accountants (Firm Registration No. 301112E) as Auditors of the Company and to authorise the Board of Directors to fix their remuneration.

### SPECIAL BUSINESS

4. To consider and, if thought fit, to pass with or without modification the following resolution:

#### AS ORDINARY RESOLUTION

"RESOLVED THAT Mrs. Rajashree Birla (holding DIN 00022995), who has been appointed as a Director of the Company by the Board of Directors to fill up the casual vacancy and her term of office expires at 49th Annual General Meeting, and a notice in writing has been received from a member proposing the candidature of Mrs. Rajashree Birla for the office of Director of the Company liable to retire by rotation be and is hereby approved."

5. To consider and, if thought fit, to pass with or without modification the following resolution:

#### AS ORDINARY RESOLUTION

"RESOLVED THAT pursuant to the provisions of Section 149, 150 and 152 and other applicable provisions of the Companies Act, 2013, the rules made thereunder and Schedule IV to the Companies Act, 2013 (including any statutory modification, amendment, substitution, re-enactment thereof for the time being in force), Mr. K.S. Thar (holding DIN 00390137) who has been appointed by the Board of Directors as a Non Executive Independent Director of the Company to fill up the casual vacancy and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years commenced from the date of his appointment upto 26<sup>th</sup> November, 2019".

6. To consider and, if thought fit, to pass with or without modification the following resolution:

#### AS ORDINARY RESOLUTION

"RESOLVED THAT remuneration of ₹ 275000 (Rupees Two Lacs Seventy Five Thousand Only) plus taxes and reimbursement of out of pocket expenses to M/s. N. I. Mehta

& Co., Cost Accountants, appointed as the cost auditors of the Company and fixed their remuneration by the Board of Directors, pursuant to the provisions of Section 148 and other applicable provisions if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 for the conduct of the audit of the cost records of the Company's products Nylon and Polyester as covered under the head 'Textiles' in the Notification dated 31<sup>st</sup> December, 2014 issued by the Ministry of Corporate Affairs, Government of India for the financial year ending 31<sup>st</sup> March 2016 be and is hereby ratified.

7. To consider and, if thought fit, to pass with or without modification the following resolution:

### AS SPECIAL RESOLUTION

"RESOLVED THAT pursuant to the provisions of Section 42 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification, amendment, substitution or re-enactment thereof for the time being in force), the approval of the Company be and is hereby accorded for making offer(s) or invitation(s) to subscribe to Non-Convertible Debentures (NCD)/bonds/other instruments on a private placement basis, in one or more tranches during a period of one year from the date of passing of this resolution, provided the outstanding amount at any time during the period shall not exceed ₹150 Crs. (Rupees one hundred fifty crores), within the overall borrowing limits of the Company, as approved by the members from time to time."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof), be and is hereby authorised to do all such acts, deeds and things and give such directions as may be deemed necessary or expedient to give effect to the above resolution, including determining the terms and conditions of NCDs/bonds/other instruments."

By Order of the Board

Place: Mumbai  
Date : 25<sup>th</sup> May, 2015

**C.B. GAGRANI**  
Secretary

### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company (For more details you may refer Section 105 of the Companies Act, 2013).
2. The Register of Members and Share Transfer Register of the Company will remain closed from Friday, the 3<sup>rd</sup> July, 2015 to Friday, the 10<sup>th</sup> July, 2015, both days inclusive on account of Dividend payment.





3. The payment of dividend, if declared at the said meeting, will be made to those shareholders whose names shall appear on the Company's Register of Members on 10<sup>th</sup> July, 2015, or to their nominees. In respect of shareholding in dematerialised form, dividend will be paid to the beneficial owners as per details to be furnished by the Depositories for the purpose. Dividend Warrants will be dispatched or credit will be given under National Electronic Clearing Service (NECS) / Electronic Clearing Service (ECS) as the case may be on or after 17<sup>th</sup> July, 2015.
4. Members desirous of getting any information about the accounts and operations of the Company are requested to address their query to the Secretary at the Registered Office address well in advance so that the same may reach him at least 10 days before the date of the meeting to enable the Management to keep the required information readily available at the meeting.
5. (i) The unclaimed dividend upto financial years 1995-96 have been transferred to the General Revenue Account of the Central Government in terms of the provisions of Section 205A of the Companies Act, 1956. Those shareholders who have so far not claimed their dividend for the financial years upto 1995-96 may claim their dividend from the Registrar of Companies, Maharashtra, Pune by submitting an application in the prescribed form.
- (ii) Those members who have not encashed dividend warrant for the financial years 2007-08 to 2013-14 may return the time barred dividend warrant or write to the Company's Share Transfer Agent, M/s. Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078 for issue of duplicate dividend warrant.
- (iii) Pursuant to the provisions of Section 205A of the Companies Act, 1956, as amended, dividend for the financial year 2007-08 and thereafter which remain unclaimed for a period of 7 (seven) years will be transferred to the Investor Education and Protection Fund (the Fund) constituted by the Central Government under Section 205C of the Companies Act, 1956. Unclaimed Equity Dividend for the financial year 2007-08 will fall due for transfer to the said Fund on 2<sup>nd</sup> August, 2015.
- As regards unclaimed dividend for the financial years 1996-97 to 2006-07, the same have already been transferred to the said Fund.
6. Dividend in respect of shares held in dematerialised form shall be credited to the beneficial owner's bank account directly through NECS / ECS wherever NECS/ ECS facility is available subject to availability of bank account details / core banking account number and 9 digits code number. In case the said details have not been provided to the concerned Depository Participant or there is any change, the same may please be intimated to the concerned Depository Participant immediately.

Shareholders holding shares in physical form and desirous of availing NECS / ECS facility, should provide the bank details / core banking account number and 9 digits code number in NECS / ECS Mandate Proforma. Shareholders who have already given their bank details to avail NECS / ECS facility should furnish the same only if there is any change.

The NECS / ECS Mandate Proforma can be obtained from the Company's Share Transfer Agent, M/s. Link Intime India Private Limited at the address mentioned hereinbelow in Note 7 or can be downloaded from the Company's website [www.centuryenka.com](http://www.centuryenka.com).

7. In terms of provisions of Section 72 of the Companies Act, 2013, nomination facility is available to individual shareholders. The shareholders who are holding shares in physical form and are desirous of availing this facility may kindly write to the Company's Share Transfer Agent, **M/s. Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078** for nomination form quoting their folio number. Shareholders holding shares in dematerialised form, should write to their Depository Participant for the purpose.
8. Members who are holding shares in identical order of names in more than one folio, are requested to write to the Company's Share Transfer Agent at the address mentioned hereinabove in Note 7 to consolidate their holdings in one folio.
9. Members who are holding shares in physical form are requested to notify change in address, if any, to the Company's Share Transfer Agent at the address mentioned hereinabove in Note 7 quoting their folio number. Shareholders holding shares in dematerialised form, should intimate change of their address, if any, to their Depository Participant.
- 10. Procedure for voting through Electronic Means**

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Listing Agreement, the members are provided with e-Voting facility to cast their votes electronically. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-voting.

**The instructions for shareholders voting electronically are as under:**

- i. The voting period begins on Friday, 10<sup>th</sup> July, 2015 at 9.00 A.M. and ends on Monday, 13<sup>th</sup> July, 2015 by 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of Wednesday, 07<sup>th</sup> July, 2015 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](http://www.evotingindia.com).
- iii. Click on Shareholders.
- iv. Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.





vii. If you are a first time user follow the steps given below:

|                       | <b>For Members holding shares in Demat Form and Physical Form</b>   |
|-----------------------|---|
| PAN                   | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.</li> </ul>  |
| DOB                   | 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.   |
| Dividend Bank Details | Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. <ul style="list-style-type: none"> <li>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 (iv).</li> </ul> |

viii. After entering these details appropriately, click on "SUBMIT" tab.

ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

xi. Click on the EVSN for the relevant CENTURY ENKA LIMITED on which you choose to vote.

xii. On the voting page, you will see "RESOLUTION

DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

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

xvi. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

xvii. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xviii. Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

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

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

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

### Item No. 4

Mrs. Rajashree Birla has been appointed as a Director of the Company by the Board of Directors to fill up the casual vacancy caused by the sad demise of Mrs. Saraladevi Birla. The appointment of Mrs. Saraladevi Birla was liable for retirement by rotation at the 49th Annual General Meeting. Accordingly, Mrs. Rajashree Birla's appointment will fall due for vacation on the date of the 49th Annual General Meeting.

A notice has been received from a member alongwith deposit of ₹ 1,00,000/- (Rupee One Lac) under Section 160 of the Companies Act, 2013 signifying the intention to propose Mrs. Rajashree Birla's candidature for the Director of the Company, liable to retire by rotation.

Mrs. Rajashree Birla, aged 69 years, is a Bachelor in Arts, an industrialist and one of the promotor of the Company. She is on the Board of large numbers of highly reputed listed companies and several Private Limited companies. She is also a philanthropist and closely associated with various Charitable Trusts, Educational and Cultural Institutions and guiding various initiatives and activities for



social upliftment and welfare of the weaker sections of the society, rural development, health and education.

She is not a member of Audit Committee, Nomination & Remuneration Committee or Stakeholders Relationship/ Grievance Committee of Directors of any Company.

She holds 26080 Equity Shares of the Company.

None of the Directors and Key Managerial Personnel and their relatives, except Mr. B. K. Birla, who is a relative is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4

The Board of Directors, therefore, commends this item of the accompanying notice for approval of the members.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Visit Company's website for more information.

#### Item No. 5

Mr. K.S. Thar has been appointed as an Independent Director of the Company by the Board of Directors to fill up the casual vacancy caused by the resignation of Mr. R.A. Shah.

Section 149 of the Companies Act, 2013 deals with appointment of Independent Director for a term of 5 years. Mr. K.S. Thar being eligible and offered himself for appointment as an Independent Director to hold office for a term of five consecutive years w.e.f. from 27<sup>th</sup> November, 2014 being the date of his appointment and expire on 26<sup>th</sup> November, 2019. A notice has been received from a member alongwith a deposit of ₹1,00,000/- (Rupees One Lac) proposing Mr. K.S. Thar as a candidate for the office of a director of the Company.

Mr. K.S. Thar, aged 58 years is a Practicing Chartered Accountant having more than 30 years experience. He is on the Board of two Private Limited companies.

He does not hold any Equity Shares of the Company.

The company has received a declaration from Mr. K.S. Thar that he meets with the criteria of independence as prescribed under Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

In the opinion of the Board of Directors, Mr.K.S. Thar fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the Management.

Draft letter of appointment of Mr. K.S. Thar setting out the terms and condition is available for inspection by the members at the registered office of the Company.

Except Mr. K.S. Thar being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

The Board of Directors considers that his association would be of immense benefit to the Company as an Independent Director. Accordingly, the Board of Directors commends the resolution in relation to appointment of Mr. K.S. Thar as an Independent Director, for the approval of the members of the Company.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Visit Company's website for more information.

#### Item No. 6

The Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment and remuneration of Messrs. N. I. Mehta & Co., Cost Accountants, for the conduct of the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2016.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) at the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors for auditing the cost records of the Company in respect of its products Nylon and Polyster as covered under the head 'Textile' in the notification dated 31<sup>st</sup> December, 2014 issued by the Ministry of Corporate affairs, Government of India for the year ending 31<sup>st</sup> March, 2016 as set out in the Resolution for the aforesaid services to be rendered by them.

None of the Directors, Key Managerial Personnel of the Company and their relatives is in any way, concerned or interested in the said Resolution.

The Board of Directors commends the Ordinary Resolution set out at Item No. 6 of the Notice for ratification by the Members.

#### Item No. 7

As per the provisions of Section 42 of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014, a Company offering or making an invitation to subscribe to Non Convertible Debentures (NCD)/bonds/other instruments on a private placement basis, is required to obtain the prior approval of the shareholders by way of a special resolution, which can be obtained once a year for all the offers and invitations for such NCDs/bonds/other instruments during the year.

NCDs/bonds/other instruments including Commercial Paper, issued on private placement basis is one of the important and cost effective source of borrowings for the Company.

The approval of the Members is being sought by way of a special resolution under Section 42 and other applicable provisions of the Companies Act, 2013 read with the rules made thereunder, to enable the Company to offer or invite subscriptions for NCDs/ bonds/other instruments on a private placement basis, in one or more tranches, during a period of one year from the date of passing of this resolution provided the outstanding at any time during the period shall not exceed ₹150 Crs. (Rupees one hundred fifty crores), within the overall borrowing limits of the Company, as approved by the members from time to time, with authority to the Board of Directors to determine the terms and conditions, including the issue price of the NCD/bonds/other other instruments.

The Board of Directors commends the Special Resolution at Item No. 7 of the accompanying notice, for the approval of the members of the Company.

None of the Directors of the Company or their relatives or Key Managerial Personnel of the Company or their relatives are concerned or interested, financial or otherwise, in the passing of the resolution at Item No. 7, except to the extent of NCDs/bonds/ other instruments that may be subscribed to by them, their relatives or companies/firms in which they are interested.



### CENTURY ENKA LIMITED

Registered Office : Century Arcade, 2<sup>nd</sup> Floor, Narangi Baug Road, Pune-411 001  
CIN: L24304PN1965PLC139075

Only Shareholders or the Proxies will be allowed to attend the meeting

### ATTENDANCE SLIP

Serial No.

|   |  |
|---|--|
| Registered Folio No./<br>DP ID/ Client ID |  |
| Name and Address<br>of the Shareholder(s) |  |
| Joint Holder 1<br>Joint Holder 2          |  |
| No. of Shares held                        |  |

I/We hereby record my/our presence at the 49<sup>th</sup> Annual General Meeting of the Company being held on Tuesday, the 14<sup>th</sup> July, 2015 at 12.30 P.M. at Pudumjee Hall, Mahratta Chamber of Commerce, Industries and Agriculture, Tilak Road, Pune-411 002.

Name of the Shareholder(s) 1. .... 2. .... 3. ....

Signature of Shareholder(s) 1. .... 2. .... 3. ....

Signature of Proxyholder .....

**Note: Fill-in this Attendance Slip by Member/Proxy attending the Meeting and hand it over at the entrance of the venue of the Meeting.**

### ELECTRONIC VOTING PARTICULARS

| EVSN<br>(Electronic Voting Sequence Number) | Sequence Number * |
|---|-------------------|
|   |                   |

**Note :** The E-Voting starts from Friday, 10<sup>th</sup> July, 2015 at 9.00 A.M. and ends on Monday, 13<sup>th</sup> July, 2015 at 5.00 P.M. The E-Voting module shall be disabled by CDSL for voting thereafter. Kindly refer the instructions printed in the Notice of Forty Ninth AGM before exercising your vote. These details form an integral part of the **Notice for the Forty Ninth AGM to be held on 14<sup>th</sup> July, 2015.**

\* Only members who have not updated their PAN with the Company/ Depository Participant shall use Sequence Number in the PAN field.



### CENTURY ENKA LIMITED

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

FORM No. MGT - 11

CIN : L24304PN1965PLC139075  
Name of the Company : CENTURY ENKA LIMITED  
Registered Office : Century Arcade, 2<sup>nd</sup> Floor, Narangi Baug Road, Pune-411 001

### PROXY FORM

|                           |
|---------------------------|
| Name of the member(s)     |
| Registered Address        |
| Email ID                  |
| Folio No./DP ID/Client ID |

I/We, being the member(s) of ..... shares of the above named company, 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 .....

## Important Communication

Pursuant to Section 101 of the Companies Act, 2013 and Rule 18 of the Companies (Management and Administration) Rules, 2014, notice of meeting may be given through electronic mode. Similarly, pursuant to Section 136 of the Companies Act, 2013 and Rule 11 of the Companies (Accounts) Rules, 2014, annual financial statements may be sent by electronic mode. To support green initiative, Members are requested to provide their updated e-mail id to the Company's Registrar & Transfer Agent, M/s. Link Intime India Pvt. Ltd. by filling up the form available on the Company's website and also update the e-mail ID, if there is a change.

**TO SUPPORT GREEN INITIATIVE - PROVIDE E-MAIL ID**

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 49<sup>th</sup> Annual General Meeting of the Company to be held on Tuesday, the 14<sup>th</sup> July, 2015 at 12.30 P.M. at Pudumjee Hall, Mahratta Chamber of Commerce, Industries and Agriculture, Tilak Road, Pune-411 002 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution No. | Resolutions   | Optional * |         |
|----------------|---|------------|---------|
|                |   | For        | Against |
| 1              | Consider and adopt the Reports of Auditors, Directors and Audited Financial Statements for the year ended 31 <sup>st</sup> March, 2015.   |            |         |
| 2              | Declaration of Dividend on Equity Shares.   |            |         |
| 3              | Appointment of Messrs Price Waterhouse, Chartered Accountants as Auditors and authorise the Board of Directors to fix their remuneration. |            |         |
| 4              | Appointment of Mrs. Rajashree Birla as a Director of the Company, liable to retire by rotation.   |            |         |
| 5              | Appointment of Mr. K. S. Thar as an Independent Director.   |            |         |
| 6              | Ratification of Remuneration to Cost Auditors   |            |         |
| 7              | Offer or invitation to subscribe to Non-Convertible Debentures on private placement upto ₹ 150 crores.                                    |            |         |

Signed this ..... day of ..... 2015.

Signature of shareholder(s) : .....

Signature of Proxy holder(s) : .....

Affix  
15 Paise  
Revenue  
Stamp

Notes:

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
- (2) For Resolutions, Explanatory Statements and Notes, please refer to the Notice of the 49<sup>th</sup> Annual General Meeting.
- \* (3) It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- (4) Please complete all details including details of member(s) at the back in box before submission.



## FINANCIAL HIGHLIGHTS

### OPERATING RESULTS

(₹ In Lacs)

| FINANCIAL YEAR  | 2010 - 11    | 2011 - 12   | 2012 - 13    | 2013-14      | 2014-15      |
|---|--------------|-------------|--------------|--------------|--------------|
| <b>INCOME</b>   |              |             |              |              |              |
| Revenue from Operations (Net of returns and Sales Tax)  | 148940       | 182129      | 174714       | 164865       | 137000       |
| Less : Excise Duty                                      | 14032        | 17178       | 19497        | 18186        | 15147        |
|   | 134908       | 164951      | 155217       | 146679       | 121853       |
| Other Income  | 1048         | 1823        | 1215         | 1236         | 702          |
|   | 135956       | 166774      | 156432       | 147915       | 122555       |
| <b>EXPENDITURE</b>                                      |              |             |              |              |              |
| Materials & Overheads ( + / - Stock Adj. )              | 117604       | 156824      | 143147       | 129172       | 110286       |
| <b>PROFIT BEFORE FINANCE COST, DEPRECIATION AND TAX</b> | <b>18352</b> | <b>9950</b> | <b>13285</b> | <b>18743</b> | <b>12269</b> |
| Less : Finance Cost                                     | 1618         | 3172        | 2946         | 2091         | 1732         |
| <b>PROFIT BEFORE DEPRECIATION AND TAX</b>               | <b>16734</b> | <b>6778</b> | <b>10339</b> | <b>16652</b> | <b>10537</b> |
| Less : Current Depreciation ( Net )                     | 6115         | 6743        | 7191         | 7071         | 4275         |
| Less : Tax ( Net ) - Including Deferred Tax             | 2683         | (843)       | 959          | 3288         | 2605         |
| <b>NET PROFIT</b>                                       | <b>7936</b>  | <b>878</b>  | <b>2189</b>  | <b>6293</b>  | <b>3657</b>  |
| <b>DIVIDEND ( % )</b>                                   | 65%          | 50%         | 60%          | 60%          | 60%          |
| <b>EARNING PER SHARE ( ₹ )</b>                          | * 36.47      | 4.02        | 10.02        | 28.80        | 16.74        |
| <b>CASH EARNINGS PER SHARE ( ₹ )</b>                    | * 64.57      | 34.88       | 42.93        | 61.16        | 36.30        |
| <b>BOOK VALUE PER SHARE ( ₹ )</b>                       | * 294.43     | 291.42      | 294.37       | 316.14       | 323.75       |

\* Calculated on Weighted average of shares outstanding during the year.

### STATEMENT OF ASSETS AND LIABILITIES

(₹ In Lacs)

|  | As on<br>31.03.2011 | As on<br>31.03.2012 | As on<br>31.03.2013 | As on<br>31.03.2014 | As on<br>31.03.2015 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>A : EQUITY AND LIABILITIES</b>            |                     |                     |                     |                     |                     |
| <b>Shareholders' Funds</b>                   |                     |                     |                     |                     |                     |
| Share Capital                                | 2185                | 2185                | 2185                | 2185                | 2185                |
| Reserves & Surplus ( including Revaluation ) | 62987               | 62574               | 63198               | 67928               | 69429               |
|  | 65172               | 64759               | 65383               | 70113               | 71614               |
| <b>Non - Current Liabilities</b>             |                     |                     |                     |                     |                     |
| Long Term Borrowings                         | 14951               | 14502               | 6713                | 4822                | 6523                |
| Deferred Tax Liabilities (Net)               | 10979               | 10721               | 10298               | 9406                | 10252               |
| Long Term Liabilities and Provisions         | 1040                | 1147                | 1249                | 1222                | 1680                |
|  | 26970               | 26370               | 18260               | 15450               | 18455               |
| <b>Current Liabilities</b>                   |                     |                     |                     |                     |                     |
| Short Term Borrowings                        | 22874               | 18270               | 12693               | 12768               | 7391                |
| Trade Payables, Liabilities and Provisions   | 11812               | 12999               | 14616               | 8669                | 7398                |
|  | 34686               | 31269               | 27309               | 21437               | 14789               |
| <b>( A )</b>                                 | <b>126828</b>       | <b>122398</b>       | <b>110952</b>       | <b>107000</b>       | <b>104858</b>       |
| <b>B. ASSETS</b>                             |                     |                     |                     |                     |                     |
| Fixed Assets ( Net )                         | 74635               | 72203               | 67293               | 61799               | 62378               |
| Non- Current Investments                     | 319                 | 319                 | 319                 | 852                 | 852                 |
| Long Term Loans and Advances                 | 884                 | 1278                | 849                 | 1041                | 1511                |
| Other Non Current Assets                     | 685                 | 309                 | 1                   | 776                 | 776                 |
| Current Assets                               | 50305               | 48289               | 42490               | 42532               | 39341               |
| <b>( B )</b>                                 | <b>126828</b>       | <b>122398</b>       | <b>110952</b>       | <b>107000</b>       | <b>104858</b>       |



# BOOK POST



## CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES