

SUPERIOR INDUSTRIAL ENTERPRISES LIMITED

ANNUAL REPORT 2013-14

| | |
|--------------------------------------|---|
| BOARD OF DIRECTORS | Mahesh Prasad Mehrotra, Director Jagdish Persad Suri, Director Krishna Kumar Agarwal, Director Kamal Agarwal, Director |
| COMPANY SECRETARY | Monika Sharma |
| CHIEF FINANCIAL OFFICER (CFO) | R S Shukla |
| AUDITORS | M/s Kamal & Company Chartered Accountants 1372, Kashmere Gate, Delhi-110006 |
| BANKERS | Punjab National Bank, Civil Lines Punjab National Bank, Loha Mandi, Ghaziabad Punjab National Bank, ECE House, New Delhi |
| CIN | L15142DL1991PLC046469 |
| BOOK CLOSURE DATE | September 22, 2014 to September 29, 2014 (both days inclusive) |
| E-VOTING WINDOW DATE | September 22, 2014, 09.00 a.m. to September 24, 2014, 06.00 p.m. |
| REGISTERED OFFICE | 25 Bazar Lane, Bengali Market, New Delhi-110001 |
| E-MAIL WEBSITE | info@superiorindustrial.in www.superiorindustrial.in |

LISTING**Bombay Stock Exchange Limited**

1st Floor, New Trading Ring, Routana Building,
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai-400001

Delhi Stock Exchange Limited

DSE House,
3/1, Asaf Ali Road,
New Delhi-110002

ISIN NUMBER

INE843L01012

SCRIP CODE

BSE-519234; DSE-19254

**REGISTRAR & SHARE TRANSFER
AGENT**

Mas Services Limited

T-34, 2nd Floor, Okhla Industrial Area, Phase-II,
New Delhi-110020

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NOTICE TO MEMBERS

Notice is hereby given that an Annual General Meeting of the Members of Superior Industrial Enterprises Limited ("**the Company**") will be held on Monday, September 29, 2014 at 10:00 a.m. at Aggarwal Farm House, A-5, Bhati Mines Road, Near Dera crossing, Fatehpur (Chattarpur), Delhi-110074, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and Profit & Loss Account for the year ended on that date together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint Auditors and to fix their remuneration and, in this connection, to consider and if deemed fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules frame thereunder, as amended from time to time, M/s. Kamal & Co., Chartered Accountants (FRN 001033N), be and is hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting of the Company on such remuneration as may be fixed in this behalf by the Board of Directors of the Company."

SPECIAL BUSINESS:

3. Appointment of Mr. Krishna Kumar Agarwal as Director of the Company

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

"**RESOLVED THAT** pursuant to the provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Krishna Kumar Agarwal (DIN: 06713077), who was appointed as an Additional Director on November 22, 2013 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company."

4. Re-appointment of Mr. Jagdish Persad Suri as an Independent Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Jagdish Persad Suri (DIN: 00489974), who was appointed as an Additional Director on November 22, 2013 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, whose office is not liable to retire by rotation for a term of five years with effect from September 29, 2014 to September 28, 2019.”

5. Re-appointment of Mr. Mahesh Prasad Mehrotra as an Independent Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Mahesh Prasad Mehrotra (DIN: 00016768), who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, whose office is not liable to retire by rotation for a term of five years with effect from September 29, 2014 to September 28, 2019.”

6. Appointment of Mr. Kamal Agarwal as Managing Director of the Company

To consider and if thought fit, to pass with or without modification, the following resolution as a Ordinary Resolution:

“RESOLVED THAT pursuant to Sections 152 and other applicable provisions, if any, of the Companies Act, 2013 (**“the Act”**) (including any statutory modification or re-enactment thereof for the time being in force), Mr. Kamal Agarwal, (DIN: 02644047), who has been appointed as an additional director of the Company on 5th August’ 2014 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company.

RESOLVED FURTHER THAT pursuant to Sections 196, 197, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**") (including any statutory modification or re-enactment thereof for the time being in force), Mr. Kamal Agarwal, (DIN: 02644047), be and is hereby appointed as Managing Director and designated as Key Managerial Personnel (KMP) of the Company whose office is not liable to retire by rotation as per the applicable provisions of Companies Act' 2013 for a term of five years with effect from September 29, 2014 to September 28, 2019 on the following terms and conditions:

- (a) Salary & Other allowances: Rs. 25000/-, he shall be entitled for reimbursement of all actual expenses for the business of the Company.
- (b) He shall not be entitled to any sitting fees for attending the Board Meetings of the Company.
- (c) Subject to the superintendence, control and direction of the Board, Mr. Kamal Agarwal shall perform such duties and functions as may be delegated to him from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things and to sign, execute and file and/ or modify all such forms, papers and documents as may be considered necessary or expedient including appointing attorney(s) or authorized representatives to give effect to this Resolution."

By Order of the Board of Directors

Place: New Delhi
Date: August 5, 2014

Jagdish Persad Suri
Director
DIN: 00489974
R/o 13/660, Paschim Vihar,
New Delhi-110087

Krishna Kumar Agarwal
Director
DIN: 06713077
R/o C91, Vaishali Kaloni,
Na 0 Ni 0 Meerut, Tehsil,
Meerut-250001, U.P.

NOTES:

1. **A Member Entitled To Attend And Vote At The Annual General Meeting (The "Meeting") Is Entitled To Appoint A Proxy To Attend And Vote On A Poll Instead Of Himself And The Proxy Need Not Be A Member Of The Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
7. The Register of Members and the Share Transfer Books of the Company will remain closed from September 22, 2014 to September 29, 2014 (both days inclusive).
8. The Annual Report for the year ended March 31, 2014 containing inter-alia, the Directors' Report, Auditors' Report and the audited financial statements are enclosed.
9. **Queries at the AGM:** Queries proposed to be raised at the Annual General Meeting may be sent to the Company at its registered office at Least Seven Days prior to the date of AGM to enable the management to compile the relevant information to reply the same in the meeting.
10. **Address Change intimation:** Members holding shares in physical form are requested to intimate change in their address, if any, immediately to the Company's Registrar and Share Transfer Agent i.e. M/s MAS Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi - 110 020. E-mail: info@masserv.com, website: www.masserv.com is the Registrar and Share Transfer Agent (RTA). MAS Services Limited is also the depository interface of the Company with both NSDL and CDSL.

So, Members holding shares in electronic form must intimate the change in their address, if any, to MAS Services Limited only.

11. In all correspondence with the Company, members are requested to quote their account/folio numbers.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company.
13. The Electronic copy of the Annual Report for the financial year ending 31st March, 2014 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s).
14. We propose to send all future communication in electronic mode to the email address provided by you. So, all the shareholders whose email -id is not registered with us are requested to please register your email address with DP / Registrar / Company, so that your company can contribute to the safety of environment.
15. For members who have not registered their email address, physical copies of the Annual report for the year ending 31st March, 2014 is being sent in the permitted mode and the same is placed on the website of the company viz. www.superiorindustrial.in.
16. Voting through Electronic means

In compliance with the provisions of section 108 of the Act, read with Rule 20 of the companies (Management and Administration) Rules, 2014, the company is pleased to inform you a facility to exercise your voting right at the Annual general Meeting by electronic means (e-voting) and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).

The procedure and instructions for members for e-voting are as follows:

- (i) Log on to the e-voting website www.evotingindia.com

- (vi) Now, fill up the following details in the appropriate boxes:

| | |
|-------------------------------|---|
| PAN | Enter your 10 digit alpha-numeric. PAN issued by Income Tax Department, as mentioned in the communication being sent separately. |
| 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 Bank recorded in your demat account or Details* in the company records for the said demat account or folio |

* Please enter any one of the details in order to login. In case both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for Superior Industrial Enterprises Limited to vote.
- (xi) 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.
- (xii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

- (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then enter the User ID and Captcha Code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

General Instructions:

- A. The e-voting period commences on 22nd September, 2014 (09.00 a.m.) and ends on 24th September, 2014, (06.00 p.m.). During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- B. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- C. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 22nd August, 2014.
- D. The company has appointed Mr. Gaurav Jain, Practicing Chartered Accountant (Mem. No. 512348) Partner of M/s. Gaurav A Jain & Associates, a practicing company accountant firm, as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- E. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.superiorindustrial.in and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company.

17. The scrutinizer shall after the end of AGM and within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses, not in the employment of the company and make a scrutinizer report of the vote cast in favour or against, if any, forthwith to the chairman of the company. The results of the e-voting shall be posted on the website of the Company.

By Order of the Board of Directors
For **Superior Industrial Enterprises Limited**

Place: New Delhi
Date: August 5, 2014

Jagdish Persad Suri
Director
DIN: 00489974
R/o 13/660, Paschim Vihar,
New Delhi-110087

Krishna Kumar Agarwal
Director
DIN: 06713077
R/o C91, Vaishali Kaloni,
Na 0 Ni 0 Meerut, Tehsil,
Meerut-250001, U.P.

Explanatory Statement under Section 102 of the Companies Act, 2013 forming part of Notice of the Annual General Meeting of the Company

Item No. 3:

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mr. Krishna Kumar Agarwal as an Additional Director of the Company with effect from November 22, 2013.

In terms of the provisions of Section 161(1) of the Act, Mr. Krishna Kumar Agarwal would hold office up to the date of the ensuing Annual General Meeting.

A brief profile of the Mr. Krishna Kumar Agarwal to be appointed as director is given below: He is B. Com, LLB and CA (FCA) and has varied experience in Accounts, Finance & Taxation.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Krishna Kumar Agarwal is appointed as a Director.

The Board of Directors accordingly, recommends the Ordinary Resolution(s) as set out in Items No. 4 of the accompanying notice for approval of members.

None of the Directors, Key Managerial Personnel or their relatives are interested or concerned in the proposed Resolution except the appointed director.

Item No. 4 & 5:

As per the provisions of Section 149 of the Companies Act, 2013 which has come into force w.e.f. April 1, 2014, an independent director shall hold office for a term up to five consecutive years on the Board of the Company and is not liable to retire by rotation.

The Board currently comprises of two independent directors, as listed below:

- Mr. Mahesh Prasad Mehrotra
- Mr. Jagdish Persad Suri

The aforesaid Directors have given declaration to the Board that they meet with the criteria of Independence as provided under Section 149(6) of the Act, and the matter regarding their appointment as Independent Directors was placed before the Nomination & Remuneration Committee, which recommends their appointment as Independent Directors for a term of five years.

A brief profile of the Independent Directors to be appointed is given below:

Mr. Mahesh Prasad Mehrotra

Mr. Mehrotra is Director of company since 2011. He is member of PHD Chamber of Commerce Industry and ASSOCHAM. Mr. Mehrotra is fellow Chartered Accountant. He is Graduate in Bachelor of Commerce and LLB. He is a powerful orator and a great motivator. He has been honored with many awards and accolades.

Mr. Jagdish Persad Suri

Mr. Suri is B.Com (H) graduate, LLB and ICWAI. He has been appointed on the Board for better corporate Governance in the year 2013. He has varied experience of 35 years in Accounts, Finance, Hospitality and General Management at Senior level and associated with leading industrial group Viz. Shriram Group, D.S. Group and BHASIL Group.

The Board of Directors accordingly, recommends the Ordinary Resolution(s) as set out in Items No. 5 to 6 of the accompanying notice for approval of members.

None of the Directors, Key Managerial Personnel and their relatives are interested or concerned in the proposed Resolution except the appointed directors.

Item No. 6:

As per the provisions of the Section 196, 203 of the Companies Act, 2013, listed company is required to appoint a Managing Director on the Board of the Company.

Mr. Mukesh Aggarwal has been resigned from the post of Managing Director w.e.f. August 4, 2014 and therefore Company should fill up the vacancy caused by his resignation by appointing some other person thereto.

Keeping in view the above legal requirements and in deference to Company's shareholders' wishes, the Board of Directors have proposed that Mr. Kamal Kumar Aggarwal be appointed as Managing Director of the Company for a period of 5(five) years.

A brief profile of the Mr. Kamal Kumar Aggarwal to be appointed as Managing Director is given below:

Associate with company last 20 year. He is Graduate in Commerce.

The Board of Directors accordingly, recommends the Special Resolution(s) as set out in Items No. 7 of the accompanying notice for approval of members.

None of the Directors, Key Managerial Personnel and their relatives are interested or concerned in the proposed Resolution except the appointed director.

By Order of the Board of Directors
For Superior Industrial Enterprises Limited

Place: New Delhi
Date: August 5, 2014

Jagdish Persad Suri
Director

Krishna Kumar Agarwal
Director

New Delhi-110087

Na 0 Ni 0 Meerut, Tehsil,
Meerut-250001, U.P.

This information forms part of the notice for the Annual General Meeting

Details of Directors seeking reappointment at the Annual General Meeting of the Company and this information forms part of the notice for the Annual General Meeting:

| | | | | |
|--|--|--|--|--|
| Name | Mr. Mahesh Prasad Mehrotra (DIN: 00016768) | Mr. Jagdish Persad Suri (DIN: 00489974) | Mr. Krishna Kumar Agarwal (DIN: 06713077) | Mr. Kamal Agarwal (DIN: 02644047) |
| Nationality | Indian | Indian | Indian | Indian |
| Occupation | Professional | Professional | Professional | Business Executive |
| Qualification | B.Com (H), LLB, FCA | B.com (H) LLB, ICWAI | B.Com, LLB, FCA | Graduate |
| Date of Appointment | 25/08/2011 | 22/11/2013 | 22/11/2013 | 05/08/2014 |
| Shares held in the Company | NIL | NIL | NIL | NIL |
| Directorship in other Companies | 1. Dhampur Sugar Mills Limited 2. VLS Commodities Private Limited 3. India Securities Limited 4. Empee Sugars and Chemicals Limited 5. Maxim Infracon Private Limited 6. VLS Finance Limited 7. South Asian enterprises Limited 8. Delton Cables Limited 9. Om Sree Bavanasai Infratech Private Limited 10. Empee Distilleries Limited 11. SBICAP Securities Limited 12. Baroda Pioneer Asset Management Company Limited 13. Jinbhuvish Power Generations Private Limited 14. Lino Pensione Private Limited 15. GOL Offshore Limited 16. Vinu Promoters Private Limited | 1. Seamec limited | 1. Moon Beverages Limited 2. Softlign Solution Private Limited 3. Versatile Datamatics Private Limited 4. Prince IT Solutions Private Limited | NIL |

The attendance records of the Directors seeking re-appointment and appointment as Independent directors are furnished in Corporate Governance report which forms part of the Annual Report 2013-14.

By Order of the Board of Directors
For **Superior Industrial Enterprises Limited**

Place: New Delhi
Date: August 5, 2014

Jagdish Persad Suri
Director
DIN: 00489974
R/o 13/660, Paschim Vihar,
New Delhi-110087

Krishna Kumar Agarwal
Director
DIN: 06713077
R/o C91, Vaishali Kaloni,
Na 0 Ni 0 Meerut, Tehsil,
Meerut-250001, U.P.

DIRECTORS' REPORT

Dear Members,

Your Directors have immense pleasure in presenting this Annual Report on the business and operation of the company together with Audited Statement of Accounts of the Company for the year ended March 31, 2014.

FINANCIAL RESULTS

Financial results of the Company for the year under review are summarized as below:

| Particulars | (In Lacs) | |
|-----------------------------------|----------------------------------|----------------------------------|
| | Year ended 31.03.2014 | Year ended 31.03.2013 |
| Total Income | 3002.86 | 917.76 |
| Less: Total Expenditure | 2986.17 | 886.92 |
| Profit / (Loss) before Tax | 16.69 | 30.84 |
| Less: Provision for Income tax | 5.16 | 9.80 |
| Profit / (Loss) After Tax | 11.53 | 21.04 |

PERFORMANCE REVIEW

During the year under review, the Company has earned a net profit after tax of Rs. 11.53 lacs as compared to the net profit after tax of Rs. 21.04 lacs in the previous year. Your directors are continuously looking for avenues for future growth of the Company in its business operations.

OPERATIONS

Your Company continues to take effective steps in broad-basing its range of activities.

FUTURE OUTLOOK

In the current year, your directors are putting up efforts to increase the earning speed and it is hope that the company will do better in current year as compared to last year.

With our industry leading organic growth programme and the successful integration of recent strategic investment in our company, our company is very well placed to capitalize on the positive outlook for commodities demand and to continue to deliver growth and long term value for our shareholders.

AMOUNT TRANSFERRED TO RESERVES

During the year under review, the company has not transferred any amount to the reserves of the Company.

DIVIDEND

Keeping in view the future requirements of funds by the company for its proposed growth and expansion, the Board expresses its inability to recommend any dividend from the available profit during the year under review.

DIRECTORS

Mr. Krishna Kumar Agarwal, who was appointed as Additional Director on November 22, 2013 is being appointed as Director of the Company & he has vast experience of Management and operations.

The Company had, pursuant to the Listing agreement entered into with the Stock Exchanges, appointed Mr. Mahesh Prasad Mehrotra, Mr. Jagdish Persad Suri as Independent Directors of the Company. As per Section 149(4) of the Companies Act, 2013 which came into effect from April 1, 2014, every listed company is required to have atleast one-third of the total number of directors as Independent Directors. In accordance with the provisions, these directors are being appointed as Independent Directors to hold office as per their tenure of appointment as mentioned in the Notice of forthcoming Annual General Meeting of the Company.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

Mr. Mukesh Aggarwal has been resigned from the post of Managing Director w.e.f. August 4, 2014 and the Company should fill up the vacancy by appointing the some other person thereto pursuant to the provisions of the Section 196, 203 of the Companies Act, 2013 whereby listed company is required to appoint a Managing Director on the Board of the Company.

Keeping in view the above legal requirements and in deference to Company's shareholders' wishes, the Board of Directors have proposed that Mr. Kamal Kumar Aggarwal be appointed as Managing Director of the Company for a period of 5(five) years.

COMPLIANCE OFFICER

As per the requirement of the Listing Agreement with the Stock Exchange, Ms. Monika Sharma, Company Secretary of the company, acts as the Compliance officer of the Company.

LISTING WITH STOCK EXCHANGES

The Equity Shares of the Company are listed on Bombay Stock Exchange Limited (BSE) and Delhi Stock Exchange (DSE). The annual listing fee to these Exchanges and custodial fees to NSDL & CDSL have been paid by the Company for the financial year 2014-15.

However, the Board has proposed to delist its securities from Delhi Stock Exchange (DSE).

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, with respect to the Directors' Responsibility Statement, it is hereby confirmed:

- a) that in the preparation of the annual accounts for the financial year ended March 31, 2014, the applicable accounting standards had been followed along with proper explanation relating to material departures, wherever applicable;
- b) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
- c) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) That the directors have prepared the annual accounts for the financial year ended March 31, 2014 on going concern basis.

CORPORATE GOVERNANCE

Your Company continues to be complied to uphold the standards of Corporate Governance and adherence to the requirements set out by Clause 49 of the Listing Agreement with the Stock Exchanges.

A detailed report on the Corporate Governance along with the Certificate confirming compliance of conditions of Corporate Governance as stipulated in clause 49 is set out in this Annual Report and forms part of the Annual Report.

AUDITORS

M/s. Kamal & Co., Chartered Accountants, Statutory Auditors of the Company, hold office till the conclusion of the forthcoming AGM and are eligible for re-appointment. Pursuant to the provisions of section 139 of the Companies Act, 2013 and the rules there under, it is proposed to appoint M/s Kamal & Co., Chartered Accountants (FRN 001033N) as the Statutory Auditors of the Company from the conclusion of the forthcoming Annual General Meeting up to the conclusion of the next Annual General Meeting of the Company.

AUDITORS' REPORT

The observations of the Auditors in their report read together with the Notes on Accounts are self explanatory and therefore, in the opinion of the Directors, do not call for any further explanation.

COST AUDITORS AND COST AUDIT REPORT

M/s Mahesh Singh & Co., Cost Accountants has been re-appointed as Cost Auditor on May 24th, 2014 of your Company for Financial year 2014-15.

In accordance with the requirement of the Central Government and pursuant to Section 148 of the Act, your Company carries out an audit of cost accounts. The Board of Directors has obtained a Cost Audit Report from M/s Mahesh Singh & Co.

CHIEF FINANCIAL OFFICER

The directors are informed that in accordance with the provisions of Section 203 and other applicable provisions, if any, of the Companies Act, 2013, and subject to all other approvals, the Board of Directors shall appoint a Chief Financial Officer of the Company.

Therefore, pursuant to the provisions of Section 203 and other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act, 2013, Mr. Ranjeet Jaiswal was appointed as Chief Financial Officer of the Company on May 24, 2014 but due to some unavoidable circumstances puts his resignation on August 4, 2014.

To comply with the abovementioned provisions and to fill the vacancy caused due to his resignation, Mr. RS Shukla from whom consent letter has been received on August 5, 2014 who has been appointed to act as Chief Financial Officer of the Company.

DEPOSITS

Your Company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposit) Rules, 1975 during the year under review.

STATEMENT OF PARTICULARS OF EMPLOYEES

None of the employee drew remuneration of Rs. 60,00,000/- or more per annum or Rs. 5,00,000/- per month during the financial year 2013-2014. This information is furnished with respect to Section 217(2A) of the Companies Act, 1956 and Amended Companies (Particulars of the Employees) Rules, 1975 forming part of the Directors' Report.

However, pursuant to Section 219(1) (b) (IV) of Companies Act, 1956 the reports and accounts are being sent to all the shareholders of the company excluding the statement of particulars of employees. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

HUMAN RESOURCES

The Company seeks to nurture a mutually beneficial relationship with its employees. This relationship is characterized by the investment which the Company makes in its employees by providing challenging roles and assignments opportunities for personal growth, relevant and timely performance support, training and an enabling environment. The Company seeks to

create a workplace which combines achievement orientation with care for employees. The Company lists 'people' as one of its stated core values.

Your Company takes the pride in the Commitment, Competence and dedication shown by its employees in all areas of business. Various HR initiatives are taken to align the HR Policies to the growing requirements of the business.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Particulars with respect to conservation of energy and technology absorption as per Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are given in “**Annexure I**” to the directors’ report.

FOREIGN EXCHANGE EARNINGS / OUTGO

The foreign exchange earnings and outgo in the Company are as follows:

Foreign Exchange Earnings: Rs. 1976.70 Lacs (Previous year: Nil)

Foreign Exchange Outgo : Rs. 1957.51 Lacs (Previous Year: Nil)

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management’s Discussion & Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange, is presented in a separate section forming part of the Director’s Report.

MATERIAL CHANGES

There are no material changes and commitments, affecting the financial position of the Company between the end of the financial year of your Company and the date of the Directors’ Report.

SECRETARIAL COMPLIANCE CERTIFICATE

According to Section 383A of the Companies Act, 1956 and the Companies (Appointment and Qualifications of Secretary) Rules, 1988, every company having a paid-up share capital of not less than rupees Five Crores shall have a whole-time secretary and where a company increase its paid up share capital to more than Rs. Five Crores then the company shall, within a period of one year from the date of such increase, will appoint a whole time company secretary.

In view of above, the Company has appointed Ms. Swapnla Gupta as a Company Secretary of the Company who has been resigned w.e.f. 30th June’2014 and as such to fill up the casual vacancy arises due to her resignation, the Board of Directors of our company has appointed Ms. Monika Sharma as the Company Secretary of the Company w.e.f. 5th August 2014.

INTERNAL AUDITOR

Under Section 138 of the Companies Act, 2013 and the rules prescribed therein, listed Company is required to appoint an Internal Auditor (whether Chartered Accountant or Cost Accountant) to conduct internal audit of the functions and activities of the Company.

In accordance with these provisions, M/s Gaurav A Jain & Associates, Chartered Accountants, (FRN:022339N) eligible to act as the internal auditors of the Company is appointed for the financial year ending March 31, 2015 on the basis of recommendation of Audit committee.

SECRETARIAL AUDIT REPORT

Pursuant to Section 204 of Companies Act, 2013 and the rules prescribed therein, listed Company is required to annex the Secretarial audit report with its Board Report for which the Company needs to appoint a Secretarial Auditor (Practicing Company Secretary) for auditing the secretarial and related records of the company.

For this purpose Board considered the matter & appointed M/s. Shashank Sharma & Associates, Company Secretaries to act as Secretarial Auditor to conduct Secretarial Audit for the Financial Year 2014-15.

ADOPTION OF VIGIL MECHANISM

Pursuant to sub-section (9) of section 177 of Companies Act, 2013, every listed company shall establish a vigil mechanism for their directors and employees for reporting genuine concerns or grievances.

Board has adopted vigil mechanism in its meeting which shall be operated as a part of Audit Committee.

COMPANIES ACT, 2013

The Companies Act, 2013 has become effective from April 1, 2014 and the rules relating to the Act were made effective subsequently. The Ministry of Corporate Affairs, vide circular no. 1/19/2013-CL-V dated April 4, 2014, notified that matters pertaining to maintenance of books of accounts and preparations/adoption/filing of financial statements, auditor's report, Board's report and attachments to such statements and reports in respect of financial years that commenced earlier than April 1, 2014 shall be governed by the relevant provisions/ schedules/ rules of the Companies Act, 1956. Thus, the Board's report and the financial statements of the Company were prepared as per the Companies Act, 1956.

ACKNOWLEDGEMENT

The Board acknowledges with gratitude the co-operation and assistance provided by the company's bankers, financiers, government and non-government agencies. The relationship with the employees remained cordial and your director's wish to place on record their appreciation of the contribution made by the employees at all levels. The directors also wish to thank the shareholders for their continued support and faith reposed in the Company.

By Order of the Board of Directors
For **Superior Industrial Enterprises Limited**

Place: New Delhi
Date: August 5, 2014

Jagdish Persad Suri
Director
DIN: 00489974
R/o 13/660, Paschim Vihar,
New Delhi-110087

Krishna Kumar Agarwal
Director
DIN: 06713077
R/o C91, Vaishali Kaloni,
Na 0 Ni 0 Meerut, Tehsil,
Meerut-250001, U.P.

ANNEXURE TO DIRECTORS' REPORT

Annexure – 1 to Directors' Report

A. Conservation of Energy

| S. No. | Particulars | Description |
|--------|--|--|
| (a) | Energy Conservation measures taken | Adequate measures have been taken to reduce energy consumption. |
| (b) | Additional investments and proposals, if any, being implemented for reduction of consumption of energy | No |
| (c) | and consequent impact on the cost of production of goods | The impacts of the measures indicated in (a) above are expected to be favorable i.e., reduction in energy consumption. |
| (d) | Total energy consumption and energy consumption per unit of production as per Form A of the Annexure of Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 in respect of industries specified in the schedule thereto | Form A attached |

FORM A

Form for disclosure of particulars with respect to conservation of energy

A. Power and fuel consumption

| | | |
|---|---------------------------|---------------------------|
| 1. Electricity | | |
| (a) Purchased | Current year | Previous Year |
| | 01/04/2013- 31/03/2014 | 01/04/2012- 31/03/2013 |
| Unit | 141077 | 87419.69 |
| Total amount | 1007968 | 568228 |
| Rate/unit | 7.14 | 6.50 |
| (b) Own generation | | |
| (i) Through diesel generator | | |
| Unit | 7467.72 | 10968.28 |
| Unit per ltr. of diesel oil | 60.57 | 49.5 |
| Cost/unit | 452320 | 542930 |
| (ii) Through steam turbine/ generator | | |
| Unit | 12942.98 | 22267.75 |
| Unit per ltr. of fuel oil/gas | 82.28 | 85.26 |
| Cost/unit | 1064948 | 1898549 |
| 2. Firewood (specify quality and where used) | | |
| Quantity (tonnes) | Nil | 7.28 |
| Total cost | Nil | 72794 |
| Average rate | Nil | 10 |
| 3. Furnace oil | | |
| Quantity (k ltrs) | Nil | Nil |
| Total amount | Nil | Nil |
| Average rate | Nil | Nil |
| 4. Coal | | |
| Quantity | 158110 | 94515 |
| Total cost | 1983812 | 385308 |
| Rate/unit | 12.55 | 4.077 |

| A. Consumption per unit of production | | | |
|--|-----|---------------------------|---------------------------|
| | | Current year | Previous year |
| | | 01/04/2013- 31/03/2014 | 01/04/2012- 31/03/2013 |
| Products (with details) unit | | | |
| Corrugated Box 1000 ml Kinlay | NIL | 2405475 | 2557075 |
| Corrugated Box 500 ml Kinlay | NIL | 665925 | 561025 |
| Corrugated Box 2000 ml Kinlay | NIL | 131575 | 141575 |
| Corrugated Box 1250 ml Coke | NIL | 642125 | 743000 |
| Corrugated Box 500 ml Coke | NIL | 1479200 | 1388300 |
| Corrugated Box 2000 ml Coke | NIL | 1618100 | 1190700 |
| | | 13927 | - |
| Total Unit Production (Nos) | NIL | 6956327 | 6581675 |
| Electricity - Rs. | NIL | 1007968 | 568228 |
| Diesel oil - Rs. | NIL | 452320 | 542930 |
| Gas - Rs. | NIL | 1064948 | 1898549 |
| Others (specify) - Coal Rs. | NIL | 1983812 | 458102 |

Notes:

- (1) Please give separate details for different products/ items produced by the company and covered under these rules.
- (2) Please give reasons for variation in the consumption of power and fuel from standards of previous year.
- (3) In case of production of different varieties/ specifications consumption details may be given for equivalent production.

FORM B

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION OF TECHNOLOGY

| S. No. | Particulars | Description |
|--------|---|---|
| | Research and Development (R&D) | |
| 1. | Specific areas in which R&D carried out by the company | Nil |
| 2. | Benefits derived as a result of above R&D | Not Applicable |
| 3. | Future plan of action | Nil |
| 4. | Expenditure on R&D | Nil |
| | (a) Capital | Nil |
| | (b) Recurring | Nil |
| | (c) Total | Nil |
| | (d) Total R&D expenditure as percentage of total turnover | Nil |
| | Technology, absorption, adaptation and innovation | |
| 1. | Efforts, in brief, made towards technology absorption, adaptation and innovation | <p>Since the Company has no technical collaboration arrangements with any outside partners, the question of absorption is not relevant to the company. Also, there is no case of adaptation and innovation in the company.</p> <p>However, the Company has made full use of information technology in its operations and efforts are being made to adopt latest technology.</p> |
| 2. | Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc. | Not Applicable |

| | | |
|----|--|---|
| 3. | <p>In case of imported technology (imported during the last 5 years</p> <p>may be furnished:</p> <p>(a) Technology imported</p> <p>(b) Year of import</p> <p>(c) Has technology been fully absorbed?</p> <p>(d) If not fully absorbed, areas where this has not taken place, reasons therefore and further plans of action</p> | <p>The company has not imported technology during the last 5 years.</p> |
|----|--|---|

ANNEXURE TO THE DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Development

Your Company deals in the business of manufacturing of corrugated boxes, which is used in packaging of bottles of mineral water and soft drinks. This sector of industry is growing at very fast rate and there is lot of scope of development.

Outlook, Risk and Concern

Management of risks to the business with the overall recessionary phase in the world economy is a continuous challenge for any organization growing in size and enhancing its purpose. The traditional risk factors like client risks, industry segment risks and economic risks are well understood and the means to handle them are also fairly established.

To counter all these risks, your company conducting its risk identification, assessment and management activities through a dedicated risks and audit department. Your company has also established a separate Department in the company to assess the impact of potential and economical risk factors to the business and provide guidance on how to handle them so as to minimize the impact on the business.

Adequate management control is in place to ensure quick action on early warnings, and to proactively monitor and mitigate all potential risks. A comprehensive risk management strategy developed by the risk and Audit Department forms the framework for all de-risking and risk mitigation activities undertaken by your company with the fullest involvement of top management professionals.

Your Company is exposed to price fluctuation in its business. All major raw materials as well as finished goods being agro-based are subject to market price variations. Prices of these commodities continue to be linked to both domestic and international prices, which in turn are dependent on various Macro / Micro factors. Prices of the finished products manufactured by your company fluctuate widely due to a host of local and international factors. Your Company continues to place a strong emphasis on risk management and has successfully introduced and adopted various measures for hedging the price fluctuations in order to minimize its impact on profitability.

The policies announced by the Government have been progressive and are expected to remain likewise in future, and have generally taken an equitable view towards various stake holders, including domestic farmers, industry, consumers etc.

Opportunities and Threats

The company is optimistic about its future plans and it is banking on the increase in the rural spending. Your company is planning to establish its brand presence in the semi urban and rural market and is planning to tap the niche rural sector. But we expect as the economy will move out of recession, the company expects to improve its performance. The company is facing price war

from its peers which is leading to decrease in the operating profit margin of the company. The company is planning to adopt for cost minimization and cost rationalization techniques in its production to protect its margins which will benefit the company not in this current economic crisis but in the future period.

As the economy is slowly and slowly recovering from its bottoms, company is also seeing the spurt in demand and the company is seeing the ray of hope for the times to come.

Future Outlook

In the current year, your directors are putting up efforts to increase the earning speed and it is hope that the company will do better in current year as compared to last year.

Further, the Company will continue with its expansions plans by raising capital through corporate restructuring, acquisition, investment and other mode of expansion as and when approved by the management of the Company subject to the provisions of the Companies Act, 1956 and other regulatory approvals as applicable.

Adequacy of Internal Control System

The Company has adequate internal control systems to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance of laws and regulations. The Company regularly monitors that all regulatory guidelines are complied with at all levels.

The Audit Committee constituted by the Board reviews the adequacy of internal control system.

Segment Wise Performance

The Company operates only in one segment.

Discussion of Financial Performance

The financial statements are prepared in compliance with the requirements of the Companies Act and the Accounting Standards prescribed by the Institute of Chartered Accountants of India and Generally Accepted Accounting Principles in India.

Human Resources

Management is keen on following the best practices for attracting, retaining and enhancing human resources of the Company. Internal transfer, job rotation and training have been inculcated at different levels of the organization hierarchy to evolve team leaders and managers. The Company has in place the employee stock option scheme for seniors and middle level management. The above-mentioned measures will ensure motivated workforce, promote the ownership and sharing economic growth of the Company.

Cautionary Forward Looking Statements

The company has made forward- looking statements in this document that are subject to risks and uncertainties. Forward- looking statements may be identified by their use of words like 'expects', 'believes', 'estimates' or similar expressions. All statements that address expectations or projections about the future, including, but not limited to, statements about Company's strategy for growth, product development, market position, market expenditures, and financial results are forward looking statements.

For those statements the Company cautions that numerous important factors could affect the Company's actual results and could cause its results to differ materially from those expressed in any such forward looking statements.

By Order of the Board of Directors
For **Superior Industrial Enterprises Limited**

Place: New Delhi
Date: August 5, 2014

Jagdish Persad Suri
Director
DIN: 00489974
R/o 13/660, Paschim Vihar,
New Delhi-110087

Krishna Kumar Agarwal
Director
DIN: 06713077
R/o C91, Vaishali Kaloni,
Na 0 Ni 0 Meerut, Tehsil,
Meerut-250001, U.P.

ANNEXURE TO THE DIRECTORS REPORT

CORPORATE GOVERNANCE REPORT

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance is to observe the highest level of ethics in all its dealings to ensure the efficient conduct of the affair of the Company to achieve its goal of maximizing value for all its stakeholders. The Company believes that sound Corporate Governance is critical to enhance and retain investor trust.

The Company always strives to ensure compliance with regulatory requirements both in letter and spirit besides being responsive to the aspirations of our stakeholders. The Company recognizes that Governance is a conscious and continuous process across the Organization, which enables the Company to adopt best practices to retain and enhance the trust of all our stakeholders.

A transparent, ethical and robust governance framework helps enhance efficiency, which is an important catalyst in driving business growth across parameters and boosts investors' confidence in the Business entity.

The Corporate Governance philosophy encompasses not only regulatory and legal requirements, such as the terms of listing agreements with stock exchanges, but also several voluntary practices aimed at a high level of business ethics, effective supervision and enhancement of value of all stakeholders.

A report on the implementation of the Code of Corporate Governance as per Clause 49 of the Listing Agreement is given below:

II. BOARD OF DIRECTORS

A. BOARD'S COMPOSITION AND CATEGORY

As on March 31, 2014, the Board of the Company consists of five (5) directors, and three of them are Non-Executive directors.

Provided, the Chairman of the Board is a non-executive director so at least one-third of the Board should comprise of independent directors. So the Composition of Board of Directors of the Company is in conformity with the requirements of Clause 49 of the Listing Agreement as the Company comprises of 1/3rd of independent directors.

The details relating to Composition & Category of Directors, Directorships held by them in other Companies and their membership and chairmanship on various Committees of Board of other Companies, as on March 31, 2014 is as follows:

| Name of the Director | Category | No. of Directorships / Chairmanships held in other Companies\$ | | No. of Memberships / Chairmanships in various other Board Committees of other Companies^^ | |
|----------------------------|---|--|-----|---|-----|
| Mr. Mahesh Prasad Mehrotra | Chairman-Non Executive & Independent Director | 12 | Nil | 8 | 3 |
| Mr. Jagdish Persad Suri | Non Executive & Independent Director | Nil | Nil | Nil | Nil |
| Mr. Krishna Kumar Agarwal | Executive & Non-Independent Director | 2 | Nil | Nil | Nil |
| Mr. Rashmi Kant Mittal* | Managing director- Executive & Non-Independent Director | 4 | Nil | Nil | Nil |
| Mr. Mukesh Aggarwal | Non Executive & Independent Director | 6 | Nil | Nil | Nil |

\$Private Limited Companies, Foreign Companies, Alternate Directorships and Companies under Section 25 of the Companies Act, 1956 are excluded for the above purpose.

^^The Committee considered for the above purpose are those prescribed in the Listing Agreement i.e. Audit Committee and Shareholders' / Investors' Grievance Committee.

*Mr. Rashmi Kant Mittal has resigned from the Board of the Company on May 24th, 2014.

B. BOARD MEETINGS AND ATTENDANCE

Dates of Board Meetings are fixed in advance and agenda papers are circulated to Directors generally one week before the meeting. All material information is incorporated in the agenda papers for facilitating meaningful and focused discussion at the meeting. In case of exigencies or urgencies, resolutions are passed by Circulation as well.

During the financial year 2013-14, Seven (7) Board Meetings was held: May 30, 2013, August 13, 2013, September 5, 2013, November 12, 2013, November 22, 2013, February 10, 2014 and March 10, 2014. The intervening period between the Board Meetings were within the maximum time gap prescribed under the Companies Act, 1956 and Clause 49 of the Listing Agreement.

The last Annual General Meeting was held on September 30, 2013.

Details of attendance of Directors at Board Meetings and Annual General Meeting held during the financial year 2013-14 are as under:

| Name of Director | No. of Board Meetings Attended | Whether Attended last AGM |
|-----------------------------|--------------------------------|---------------------------|
| Mr. Mukesh Aggarwal | 7 | Yes |
| Mr. Ashok Saxena* | 5 | Yes |
| Mr. Rashmi Kant Mittal | 7 | Yes |
| Mr. Mahesh Prasad Mehrotra | 7 | Yes |
| Mr. Rajesh Singh* | 5 | Yes |
| Mr. Krishna Kumar Agarwal** | 2 | No |
| Mr. Jagdish Persad Suri** | 2 | No |

*Mr. Ashok Saxena & Mr. Rajesh Singh has resigned from the Board on November 22nd, 2013

** Mr. Krishna Kumar Agarwal & Mr. Jagdish Persad Suri has been appointed on November 22nd, 2013 on the Board of the Company.

C. SHAREHOLDING OF NON EXECUTIVE DIRECTORS

| Name of Director | Number of Shares |
|----------------------------|------------------|
| Mr. Krishna Kumar Agarwal | Nil |
| Mr. Mahesh Prasad Mehrotra | Nil |
| Mr. Jagdish Persad Suri | Nil |

D. NON EXECUTIVE DIRECTORS' COMPENSATION

No fees or compensation is paid to any non- executive directors during the financial year ended on March 31, 2014.

III. COMMITTEES OF THE BOARD

A. AUDIT COMMITTEE

The Company has an Audit Committee of Directors. The Committee has the powers similar to those stated in the listing Agreement and the term of reference and role of the Audit Committee are as per the guidelines set out in the Listing Agreement entered into with the Stock Exchanges read with 292 A of the Companies Act, 1956 and includes such other functions as may be assigned to it by board from time to time.

i) **Composition of Audit Committee:** Composition details of Audit Committee are as follows:

| Name of Members | Category | Designation |
|----------------------------|--|-------------|
| Mr. Mahesh Prasad Mehrotra | Non-Executive & Independent Director | Chairman |
| Mr. Jagdish Persad Suri | Non-Executive & Independent Director | Member |
| Mr. Krishna Kumar Agarwal | Non-Executive & Non-Independent Director | Member |

ii) No. of meeting and attendance at meetings

During the year 2013-14, four meetings of Audit Committee were held on 30th May 2013, 13th August 2013, 12th November 2013, and 10th February 2014.

The Attendance of the Committee members at the above meeting is as follows:

| Members | Committee Meetings | |
|----------------------------|--------------------|----------|
| | Held | Attended |
| Mr. Mahesh Prasad Mehrotra | 4 | 4 |
| Mr. Rashmi Kant Mittal | 4 | 3 |
| Mr. Ashok Saxena | 4 | 3 |
| Mr. Rajesh Singh | 4 | 3 |
| Mr. Jagdish Persad Suri | 4 | 1 |
| Mr. Krishna Kumar Agarwal | 4 | 1 |

Statutory Auditors are permanent invitees to the Audit Committee.

*Mr. Ashok Saxena & Mr. Rajesh Singh ceased to be the director & as such member of the committee on November 22, 2013. Mr. Rashmi Kant Mittal ceased to be member of the committee as on that date. Thereafter, Mr. Jagdish Persad Suri & Mr. Krishna Kumar Agarwal becomes the member of the committee.

iii) Powers and role of audit committee and review of information by it

The powers and terms of reference of the Audit Committee are as mentioned in the Clause 49 II(C),(D)&(E) of the Listing Agreement and section 292A of the Companies Act, 1956 including overseeing financial reporting processes, fixation of Audit fees, reviewing with the management, the financial statements, accounting policies and practices, adequacy of internal audit functions and discussion with internal auditors on any significant findings, financial and risk management policies.

B. SHAREHOLDERS' GRIEVANCE/SHARE TRANSFERS COMMITTEE

Investor Grievance Committee is responsible for the smooth functioning of the share transfer process as well as redresses of shareholder grievances expeditiously and satisfactorily.

To handle the Investor Grievances in coordination with the compliance officer, the Company has appointed **M/s MAS Services Limited** as the Registrar to the issue and as a Share Transfer Agent. All grievances relating to the present issue may be addressed to the registrar with a copy to the compliance officers.

- i) **Composition of the Committee:** Composition details of Shareholders Grievance Committee are as follows:

| Name of Members | Category | Designation |
|----------------------------|--|-------------|
| Mr. Mahesh Prasad Mehrotra | Non-Executive & Independent Director | Chairman |
| Mr. Jagdish Persad Suri | Non-Executive & Independent Director | Member |
| Mr. Krishna Kumar Agarwal | Non-Executive & Non-Independent Director | Member |

ii) **No. of meeting and attendance at meetings**

During the year 2013-14, eleven meetings of the Committee were held on 15th July, 2013, 16th September 2013, 26th September 2013, 09th December 2013, 06th January 2014, 13th January 2014, 24th February 2014, 03rd March 2014, 10th March 2014, 15th March, 2014 & 31st March, 2014.

The Attendance of the Committee members at the above meeting is as follows:

| Members | Committee Meetings | |
|----------------------------|--------------------|----------|
| | Held | Attended |
| Mr. Mahesh Prasad Mehrotra | 11 | 11 |
| Mr. Rashmi Kant Mittal | 11 | 3 |
| Mr. Ashok Saxena | 11 | 3 |
| Mr. Jagdish Persad Suri | 11 | 8 |
| Mr. Krishna Kumar Agarwal | 11 | 8 |

*Mr. Ashok Saxena ceased to be the director & as such member of the committee on November 22, 2013. Mr. Rashmi Kant Mittal ceased to be member of the committee as on that date. Thereafter, Mr. Jagdish Persad Suri & Mr. Krishna Kumar Agarwal becomes the member of the committee.

There was no complaint received / pending as on 31.03.2014

IV. GENERAL BODY MEETINGS

(A) The last three Annual General Meetings were held as under:

| Financial Year | Location | Date | Time |
|----------------|--|------------|------------|
| 2012-13** | Aggarwal Farm House , A-5, Bhati Mines Road, Near Dera Crossing, Fatehpur (Chattarpur), New Delhi - 110074 | 30.09.2013 | 09.30 A.M. |
| 2011-12* | Aggarwal Farm House , A-5, Bhati Mines Road, Near Dera Crossing, Fatehpur (Chattarpur), New Delhi - 110074 | 29.09.2012 | 11.00 A.M. |
| 2010-11 | 25, Bazar Lane, Bengali Market, New Delhi- 110 001 | 30.09.2011 | 11.00 A.M. |

Resolutions pertaining to the following matters were passed as Special Resolutions:-
*Proposal for issue of equity shares through Preferential Allotment. But the Resolution was withdrawn further.
** Appointment of Mr. Rashmi Kant Mittal as Managing Director of the Company.

(B) During the period, no Extra-Ordinary General Meetings of the Company was held.

(C) Following Special resolution is proposed to be passed through Postal ballot:

Inter Corporate Guarantee given by the Company to M/s Hal Offshore Limited

The company has given e-voting facility to the shareholders of the Company.

A member can opt for only one mode of voting i.e. either through e-voting or by physical Postal Ballot. If a Member cast votes by both modes, then voting done through physical postal ballot shall prevail and voting done by e-voting shall be treated as invalid. Please note the unsigned Postal Ballot form will be rejected. Scrutinizer's decision on the validity of the Ballot Form shall be final. Once the vote on the resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

V. DISCLOSURE ON RELATIONSHIP AMONG DIRECTORS

None of Directors are interested or related with each other.

VI. CEO/CFO CERTIFICATION

As required by the clause 49(V) of the Listing Agreement, Mr. Mukesh Aggarwal, CEO/ Managing Director and Mr. Ranjeet Jaiswal, CFO, certified the Financial Statements, the Cash Flow Statement and the Internal Control Systems for financial year ending on 31.03.2014 and is hereby enclosed.

VII. DISCLOSURES

i) Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large.

Transactions with related parties are disclosed elsewhere in the Balance Sheet forming part of this Annual Report.

ii) Details of non-compliance by the Company

The Company has complied with all the requirements of the Listing Agreement of the Stock Exchange as well as regulations and guidelines issued by SEBI. Hence, neither any penalty nor any stricture has been imposed by SEBI, Stock Exchange or any other Statutory Authority on any matter relating to capital markets during the last three years.

iii) As per Whistle Blower policy the Company affirms that no personnel has been denied access to the audit committee.

iv) Details of Compliance with mandatory requirements and adoption of the non mandatory requirements

The Company confirms that it has fully complied with all mandatory requirements of Clause 49 of the Listing Agreement relating to Corporate Governance.

The status of compliance with non-mandatory requirements of Clause 49 of the Listing Agreement are as detailed hereunder:

- a) **Board** - There is no fixed tenure for Independent Directors.
- b) **Remuneration Committee**- The Company was not required to set up any Remuneration Committee for the Financial Year ending on 31 March, 2014.
- c) **Shareholders' Rights**- The quarterly financial results are published in the newspapers as mentioned under the heading "Means of Communication". The results are not separately circulated to the shareholders.
- d) **Audit qualifications**- There are no audit qualifications in the Company's financial statements for the year under reference.
- e) **Disclosure of Accounting Treatment** - The Company has followed the Guidelines of Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.
- f) **Whistle Blower Policy/ Vigil Mechanism:**

Pursuant to listing agreement, vigil mechanism should be established for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.

The company has adopted the Whistle Blower Policy as per listing agreement pursuant to which employees of the Company can raise their concerns relating to fraud, malpractice or any other activities or event detrimental to the interest of the Company.

VIII. MEANS OF COMMUNICATION

The Company has promptly reported all material information and taken adequate measures to disseminate pertinent information to the shareholder's, employees and society at large.

- ❖ **Quarterly Financial Results:** Quarterly financial results; press releases etc. are circulated to the Bombay Stock Exchange Limited ("BSE") and Delhi Stock Exchange Limited ("DSE"), where the equity shares of the Company are listed. The financial results- quarterly, half yearly and annual results and other statutory information are communicated to the shareholders by way of advertisement in an English newspaper and in a vernacular language newspaper viz. The Financial Express, BPN Times, The Pioneer, Haribhumi, Rashtriya Sahara, Naya India.

The quarterly approved results are displayed on website of Bombay Stock Exchange Limited and on the website of the Company i.e. www.superiorindustrial.in.

- ❖ **Investor Education:** Investors are being provided with timely information on all Company related matters including recruitment/ appointment and remuneration of Executive Directors, circulars on the advantages of dematerialization and sub-division of shares etc.

IX. OTHER DISCLOSURES

i. Nomination & Remuneration Committee:

The company has constituted Nomination & Remuneration Committee as per clause 49 of Listing Agreement and Companies Act, 2013.

Composition of Committee: Composition details of Committee are as follows:

| Name of Members | Category | Designation |
|----------------------------|--|--------------------|
| Mr. Jagdish Persad Suri | Non-Executive & Independent Director | Chairman |
| Mr. Mahesh Prasad Mehrotra | Non-Executive & Independent Director | Member |
| Mr. Krishna Kumar Agarwal | Non-Executive & Non-Independent Director | Member |

X. GENERAL SHAREHOLDERS' INFORMATION

i) Annual General Meeting.

Date and Time :- 29th September, 2014 at 10:00 a.m.

Venue :- Aggarwal Farm House, A-5, Bhati Mines Road, Near Dera crossing, Fatehpur (Chattarpur), Delhi-110074

ii) Financial year

The Company follows 1st April to 31st March as its Financial Year. The financial result of every quarter are declared in the month following each quarter except for the last quarter in which the result are declared along with the annual financial results within three months from the end of financial year.

iii) Book Closure

22nd September, 2014 to 29th September, 2014

iii) Dividend Payment Date

The Company has not declared any dividend for the financial year ended on March 31, 2014.

iv) Listing on stock exchanges

Your Company's Shares are listed on the following Stock exchanges:

a) The Delhi Stock Exchanges Association Ltd.

DSE House, 3/1, Asaf Ali Road
New Delhi -110002.

b) The Bombay Stock Exchange Ltd.

Phiroze Jeejeebhoy Towers, Dalal Street
Mumbai- 400001

v) Stock Code

BSE Code: - 519234

DSE Code: - 19254

vi) Electronic Voting:

Pursuant to Section 108 of the Companies Act, 2013, Companies (Management and Administration) Rules, 2014 and as per Listing Agreement, the e-voting facility will be provided to its shareholders, in respect of all shareholders' resolutions, to be passed at General Meetings or through Postal Ballot. The Company shall utilize the service of CDSL to provide e-voting platform, which is in compliance with the conditions specified by the Ministry of Corporate Affairs, Government of India, from time to time and also mention the Internet Link of such e-voting platform in the notice to the shareholders.

vii) Market Price Data

The market price data for the year ended March 2014 for Company's Equity Shares as available on BSE are given as below:

| Month | High | Low |
|----------------|--------|--------|
| April 2013 | 39.95 | 38.00 |
| May 2013 | 36.15 | 36.15 |
| June 2013 | 39.65 | 37.70 |
| July 2013 | 43.55 | 26.05 |
| August 2013 | 30.85 | 25.00 |
| September 2013 | 53.35 | 32.35 |
| October 2013 | 98.40 | 47.45 |
| November 2013 | 103.30 | 89.50 |
| December 2013 | 91.25 | 80.40 |
| January 2014 | 150.00 | 83.60 |
| February 2014 | 173.00 | 148.00 |
| March 2014 | 164.00 | 126.40 |

viii) Registrar and Transfer Agent

MAS Services Limited

T-34, 2nd Floor, Okhla Industrial Area,

Phase - II,

New Delhi - 110 020

Ph: - 26387281/82/83

Fax: - 26387384

Email: - info@masserv.com

Website: www.masserv.com

| | Numbers | Percentage | Numbers | Percentage |
|------------------|-------------|---------------|------------------|---------------|
| 1 - 5000 | 2986 | 84.184 | 592963 | 4.281 |
| 5001 - 10000 | 352 | 9.924 | 283300 | 2.045 |
| 10001 - 20000 | 76 | 2.143 | 116259 | 0.839 |
| 20001 - 30000 | 17 | 0.479 | 45500 | 0.329 |
| 30001 - 40000 | 13 | 0.367 | 49000 | 0.354 |
| 40001 - 50000 | 11 | 0.310 | 53000 | 0.383 |
| 50001 - 100000 | 27 | 0.761 | 236800 | 1.710 |
| 100001 and Above | 65 | 1.833 | 12473178 | 90.059 |
| Total | 3547 | 100.00 | 138500000 | 100.00 |

xi) Shareholding Pattern as on March 31, 2014

| Description of Investors | No. of shares held | % of shareholding |
|--|--------------------|-------------------|
| Promoters | 5728500 | 41.361 |
| Financial Institutions, Insurance Companies Banks and Mutual Funds etc. | NIL | NIL |
| Foreign Institutional Investors | NIL | NIL |
| Bodies Corporate | 1758923 | 12.7 |
| NRIs/ OCBs | 4000 | 0.029 |
| Clearing Member | 4300 | 0.031 |

| | | |
|--|-----------------|---------------|
| Indian Public:- i) Individual shareholders holding nominal share capital up to Rs. 1 lacs. | 1347740 | |
| ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lacs. | 5006537 | 36.148 |
| Total | 13850000 | 100.00 |

xii) Dematerialization of shares and liquidity

The Company's Equity Shares are available for trading in dematerialized form. To facilitate trading in demat form, there are two depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The Company has entered into agreement with both of these depositories. Shareholders can open account with any of the Depository Participant registered with any of these two depositories.

xiii) Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity

Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity are not applicable on the company.

xiv) Plant locations

Plot No.17, South side of GT Road, BSR Industrial Area, Ghaziabad, U.P. – 201009

xv) Code of Conduct

The Company has in place a code of conduct applicable to the Board Members as well as the Senior Management and the same has been communicated to the members of the Company. All the Board Members and the Senior Management of the Company have affirmed compliance with the Code of Conduct as on March 31, 2014.

xvi) Investors' Correspondence may be addressed to:

Mr. Rashmi Kant Mittal
Superior Industrial Enterprises Ltd.
25, Bazar Lane, Bengali Market, Delhi-110001

xvii) Disclosures and Information

The Company has complied with the requirements of Stock Exchange/SEBI/ statutory authorities on all matters relating to Capital Market. No strictures being imposed by SEBI or Stock Exchanges during the year.

The Board of Directors receives from time to time, disclosures relating to financial and commercial transactions from Key Managerial Personnel of the Company, where they and/or their relatives have personal interest.

The particulars of transactions between the Company and its related parties are as per the Accounting Standard set out in the Audited financial reports.

By Order of the Board of Directors

Date: August 5, 2014

Director

DIN: 00489974

R/o 13/660, Paschim Vihar,
New Delhi-110087

Director

DIN: 06713077

R/o C91, Vaishali Kaloni,
Na 0 Ni 0 Meerut, Tehsil,
Meerut-250001, U.P.

DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT

In accordance with sub-section I (D) of Clause 49 of the Listing Agreement with the Stock Exchanges, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the respective Code of Conduct, as applicable to them, for the financial year ended March 31, 2014.

Place: Delhi
Date: May 24, 2014

Mukesh Aggarwal
Managing Director

AUDITORS CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE AS PER CLAUSE 49 OF THE LISTING AGREEMENT WITH ITS STOCK EXCHANGES

**To the Members of
Superior Industrial Enterprises Limited,**

I have examined the compliance of conditions of Corporate Governance by Superior Industrial Enterprises Limited ("the Company") for the year ended 31st March, 2014, in terms of requirements of Clause 49 of the Listing Agreement of the said company with the Bombay Stock Exchange Limited and Delhi Stock Exchange Limited.

The Compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of procedure and implementation thereof, adopted by Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In my opinion and to the best of my information and according to the explanations given to me and representation made by the Directors and Management, I certify that the company has complied with, in all material respect, the conditions of Corporate Governance as stipulated in the said clause of the above mentioned listing agreement.

As required by the guidance note issued by the Institute of Chartered Accountants of India, I have to state that as per the records maintained by the Company as on 31st March, 2014 there were no investor complaint/grievances unattended for a period more than 30 days against the company.

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

For Kamal & Company
Chartered Accountants
FRN: 001033N

Kamal K. Gupta
Membership No. 012738

Place: Delhi
Date: May 24, 2014

Kamal & Co.

CHARTERED ACCOUNTANTS
1372, Kashmere Gate, Delhi-110006
Phones : 23957796, 23960247, 23940661
Fax : 011-23926325

Independent Auditor's Report

To the Members of M/s Superior Industrial Enterprises Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **M/s Superior Industrial Enterprises Limited, New Delhi** ("the Company"), which comprise the Balance Sheet as at 31 March 2014, the Statement of Profit and Loss and the Cash Flow Statement of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 („the Act") read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2014;
- (ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

(1) As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure statement on the matters specified in paragraphs 4 and 5 of the said Order.

(2) As required by section 227(3) of the Act, we report that:

- a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account; and
- d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of

section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013, except Accounting Policy Note No.28 (d) on gratuity and leave encashment which is on payment basis

- e. On the basis of written representation from the Directors as on 31.03.2014 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31.03.2014 from being appointed as director in terms of clause (g) of Sub Section (1) of Section 274 of the companies Act, 1956.
- f. In our opinion and to the best of our information and according to the explanations given to us the accounts read together with our report on CARO Annexure point no.1(c) on Depreciation along with the notes thereon and particularly note No.28(c) on the valuation of stock given the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:

FOR KAMAL & COMPANY

Chartered Accountants

FRN. 001033N

Kamal Kishore Gupta

Kamal Kishore Gupta

Membership No. 012738

Place: 1372, Kashmere Gate, Delhi – 110006

Date: This 24th Day of May 2014

Kamal & Co.

CHARTERED ACCOUNTANTS
1372, Kashmere Gate, Delhi-110006
Phones : 23957796, 23960247, 23940661
Fax : 011-23926325

ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING OF "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OF OUR REPORT OF EVEN DATE ON ACCOUNTS OF M/S SUPERIOR INDUSTRIAL ENTERPRISES LIMITED, NEW DELHI FOR THE YEAR ENDED MARCH 31ST, 2014

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets except vehicles.

(b) The assets have been physically verified by the management during the year in our opinion the frequency of physical verification being conducted from time to time by the company appears to be reasonable having regard to the size of the company and nature of such assets. No significant discrepancy was noticed in the regard.

(c.) Company has not provided yearly depreciation as per company's Act but provided the same as per rates specified by Income Tax Act, 1961 in continuation of past practice
2. (a) Inventory of raw materials, stores, finished goods and packing material have been physically verified by the management during the year. Frequency of verification is reasonable and the procedures of physical verification of such inventories followed by management are adequate in relation to the size of company and nature of its business.

(b) Company is maintaining proper records of inventory and the discrepancies noticed during the physical verification between physical stock and book records are not material and the same have been properly dealt with.
3. The provision regarding granting of loan or raising loan from parties listed in the Register maintained u/s 301 of the Companies Act, 1956 is not applicable as no such loans granted/accepted from such parties during the year.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and nature of business with regard to purchase of inventory, fixed assets and with regard to sale of goods.



5. According to information and explanation given to us transactions entered into with group's company those are required to be entered in the Register maintained u/s 301 of the companies Act, 1956 have been entered in such register. Company has made Sales to Group Company M/s Moon Beverages Limited covered under section 301 of Companies Act, 1956 at the normal selling price applicable to all customers of the company.
6. The company has not invited any deposits from Public falling under section 58A and 58AA of Companies Act, 1956 read with the companies (Acceptance of Deposits) Rule 1975.
7. In our opinion present system of internal audit in the company is adequate and is commensurate with the size and nature of business.
8. We have broadly reviewed the books of account maintained by the company pursuant to the order made by the Central Government for the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
9. (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including PF, ESI, TDS, Sales Tax, except sometimes there have been delay.

(b) No amount was in arrears for a period more than 6 months as regards undisputed amount payable in respect of Sales Tax/Income tax/T.D.S. etc except sale tax appeal for financial year 2006-07 and Income Tax appeal for the assessment year 2002-03 which are pending.

(c) According to the information and explanation given to us, there are no dues of Sales Tax, Income Tax, which have not been deposited on account of any dispute.
10. Provision regarding default in repayment of loans to financial institution is not applicable as no such loan raised during the year.



11. Provision regarding maintenance of adequate records for pledge of shares, debentures and other securities is not applicable to this company as no such loans granted by the company.
12. In our opinion company is not a chit fund or Nidhi/Mutual benefit company; hence Clause 4 (XIII) of the Companies (Auditors Report) order 2003 is not applicable to this company.
13. In our opinion company is not dealing or trading in shares, securities, debenture & other investments, except for 3 parties listed under section 301 of companies Act, 1956 hence the provisions of Clause 4 XIV of the Companies (Auditor's Report) order 2003 are not applicable to this company.
14. The company has given corporate guarantees to the Bankers for loan raised by M/s Hal Offshore Limited its Group Company under the same management. The terms and condition of the same are not prima facie prejudicial to the interest of the company.
15. Provision regarding end use of loans is not applicable as no such loan raised by the company.
17. The provision regarding preferential allotment of shares to parties and companies covered in the Register maintained u/s 301 is not applicable, as the company has made no such preferential allotment during the year.
18. The provisions regarding information on debenture issued and securities created are not applicable to this company as no such transaction has taken place during the year.
19. The Provision regarding end use of public issue money is not applicable as there was no public issue during the year.
20. During the course of our examination of the Books and Records of the company, carried out in accordance with the generally accepted audit practices in India and according to the information and explanation given to us we have neither come across instances of material fraud on or by the company, noticed or reported during the year nor have we been informed of such cases by management.



21. According to the information and explanations given to us and on over all examination of the Balance Sheet of the Company, we report that we have not found short term funds been used for long term investment. No long term funds have been used to finance short term assets, except permanent working capital.

FOR KAMAL & COMPANY

Chartered Accountants

FRN. 001033N

Kamal

Kamal Kishore Gupta



Membership No. 012738

Place : 1372, Kashmere Gate, Delhi – 110006

Date: This 24th Day of May 2014

SUPERIOR INDUSTRIAL ENTERPRISES LIMITED, DELHI
BALANCE SHEET AS AT 31ST MARCH, 2014

(Amount in Rs.)

| | Note No. | AS AT 31ST MARCH. 2014 | AS AT 31ST MARCH. 2013 |
|---|----------|------------------------|------------------------|
| I EQUITY AND LIABILITIES | | | |
| 1 Shareholder's Funds | | | |
| a) Share Capital | 1 | 138,500,000.00 | 138,500,000.00 |
| b) Reserves and Surplus | 2 | 194,282,319.72 | 193,128,921.23 |
| | | 332,782,319.72 | 331,628,921.23 |
| 2 Share Application Money Pending Allotment | | | |
| | | - | - |
| 3 Non-Current Liabilities | | | |
| a) Long Term Borrowings | 3 | 1,367,776.76 | 1,674,609.63 |
| b) Deferred Tax Liabilities | | - | - |
| | | 1,367,776.76 | 1,674,609.63 |
| 4 Current Liabilities | | | |
| a) Short Term Borrowings | 4 | 4,005,424.76 | 987,702.38 |
| b) Trade payables | 5 | 20,927,568.25 | 20,203,258.25 |
| c) Other Current Liabilities | 6 | 1,636,243.00 | 1,641,261.00 |
| d) Short Term Provisions | 7 | 1,598,629.00 | 2,444,381.00 |
| | | 28,167,865.01 | 25,276,602.63 |
| Total | | 362,317,961.49 | 358,580,133.49 |
| II ASSETS | | | |
| 1 Non-Current Assets | | | |
| a) Fixed Assets | | | |
| i) Tangible Assets | 8 | 23,834,398.76 | 23,905,971.76 |
| ii) Intangible Assets | | | |
| b) Non-Current Investments | | | |
| c) Long Term Loan and Advances | | | |
| d) Other Non-Current Assets | 9 | 655,290.00 | 8,045,295.88 |
| Total | | 24,489,688.76 | 31,951,267.64 |
| 2 Current Assets | | | |
| a) Current Investment | 10 | 294,500,000.00 | 294,500,000.00 |
| b) Inventories | 11 | 15,034,673.00 | 10,683,148.83 |
| c) Trade Receivables | 12 | 499,421.00 | 246,664.00 |
| d) Cash and Cash Equivalents | 13 | 18,602,023.00 | 13,175,431.22 |
| e) Short Term Loans and Advances | 14 | 9,192,155.73 | 8,023,621.80 |
| | | 337,828,272.73 | 326,628,865.85 |
| Total | | 362,317,961.49 | 358,580,133.49 |
| Significant Accounting Policies & Notes on Accounts forming integral part of accounts | | - | - |

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

For KAMAL AND COMPANY
Chartered Accountants
FRN. 001033N

(Kamal K. Gupta)

Mem. No. - 012738

Place : 1372, Kashmere Gate, Delhi-110006

Dated : This 24th day of May 2014



Ramit

MANAGER ACCOUNTS

Shri
DIRECTOR

DIRECTOR



SUPERIOR INDUSTRIAL ENTERPRISES LIMITED, DELHI
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

| | Note No. | Current Year 2013-14 | Current Year 2012-13 |
|--|----------|-------------------------|-------------------------|
| I. Revenue from Operations | 15 | 299,568,294.00 | 91,135,943.00 |
| II. Other Income | 16 | 718,104.00 | 639,896.00 |
| III. Total Revenue | | 300,286,398.00 | 91,775,839.00 |
| IV Expenses: | | | |
| Cost of Raw Material Consumed | 17 | 82,945,724.00 | 72,826,172.50 |
| Trading Purchase | | 195,750,750.00 | - |
| Change in Inventories of Finished Goods, Scrap & Work in Process | 18 | (3,583,936.17) | (568,393.83) |
| Power & Fuel Expenses | | 2,959,107.00 | 3,040,362.00 |
| Employee Benefits Expenses | 19 | 7,026,318.00 | 6,299,590.00 |
| Depreciation | | 3,206,608.00 | 3,111,567.00 |
| Finance Cost | 20 | 1,094,631.83 | 218,892.63 |
| Other Expenses | 21 | 9,217,856.85 | 3,763,965.00 |
| Total Expenses | | 298,617,059.51 | 88,692,155.30 |
| V Profit before Extraordinary items | | 1,669,338.49 | 3,083,683.70 |
| VI Extraordinary items | | ----- | ----- |
| VII Profit before Tax | | 1,669,338.49 | 3,083,683.70 |
| VIII Income Tax Provision | | 515,940.00 | 980,000.00 |
| IX Profit for the year | | 1,153,398.49 | 2,103,683.70 |
| X Earnings per equity share | | | |
| i) Basic | | 0.08 | 0.15 |
| ii) Diluted | | 0.08 | 0.15 |

This is the Profit & Loss Account referred to in our report of even date.

For KAMAL AND COMPANY
Chartered Accountants
FRN. 001033N

(Kamal K. Gupta)

Mem. No. - 012738

Place : 1372, Kashmere Gate, Delhi-110006

Dated : This 24th day of May 2014

Ram K. Singh
MANAGER ACCOUNTS

DIRECTOR

DIRECTOR



SUPERIOR INDUSTRIAL ENTERPRISES LIMITED, DELHI

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31.03.2014**

| Particulars | 2013-14 Amount (RS) | 2012-13 Amount (RS) |
|--|------------------------|------------------------|
| A Operating Activity | | |
| Net profit before tax | 1,669,338.49 | 3,083,684.00 |
| Adjustments for non-cash items:- | | |
| - Depreciation | 3,206,608.00 | 3,111,567.00 |
| - Preliminary Expenses Written off | 199,112.00 | - |
| - Bad Debts written off | 5,830,706.88 | - |
| - Foreign Exchange (Gain)\Loss | | |
| Interest Expense | 1,094,631.83 | 218,893.00 |
| Interest Income | (711,630.00) | 578,915.00 |
| Operating profit before working capital changes | 11,288,767.20 | 6,993,059.00 |
| Decrease /(increase) in trade receivable | (252,757.00) | 359,050.00 |
| Decrease /(increase) in Inventories | (4,351,524.17) | (2,308,175.00) |
| Increase /(Decrease) in current liabilities | 719,292.00 | 318,886.00 |
| Decrease/(increase) in loan & Advances | (1,880,186.93) | (770,328.00) |
| Decrease /(increase) in Other Current Assets | 1,360,187.00 | - |
| Cash flow from Operating Activities before tax paid | 6,883,778.10 | 6,195,250.70 |
| Less: Tax Paid | (650,039.00) | - |
| Cash generated from & Used in Operating Activities after tax paid | 6,233,739.10 | 6,195,250.70 |
| B Investing Activity | | |
| Acquisition of assets (Net of Disposal) | (3,135,035.00) | - |
| Investment shares, mutual fund | - | - |
| Profit /(Loss) on sale of investment | - | - |
| Profit /(Loss) on sale of non-current assets | - | - |
| Dividend income | - | - |
| Interest income | 711,630.00 | 578,915.00 |
| Cash flow from Investing Activities | (2,423,405.00) | 578,915.00 |
| C Financing Activity | | |
| Proceeds from issue of share Capital including Premium | - | - |
| Interest expense | (1,094,631.83) | (218,893.00) |
| Short Term Borrowings | 3,017,722.38 | 1,674,610.00 |
| Repayment of Long term borrowing | (306,832.87) | - |
| Cash flow from Financing Activities | 1,616,257.68 | 1,455,717.00 |
| Net (Decrease) / Increase in cash and cash Equivalents | 5,426,591.78 | 8,738,929.00 |
| Cash and cash equivalents at the beginning | 13,175,431.00 | 4,436,502.00 |
| Cash and cash equivalents at the closing | 18,602,022.78 | 13,175,431.00 |
| Cash and cash equivalents at the Close (including FD & Into accrued) | 18,602,022.78 | 13,175,431.00 |

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

For KAMAL AND COMPANY
Chartered Accountants

(Kamal K. Gupta)
Mem. No. - 012738
Place : 1372, Kashmere Gate, Delhi-110006
Dated : This 24th day of May 2014



MANAGER ACCOUNTS

DIRECTOR



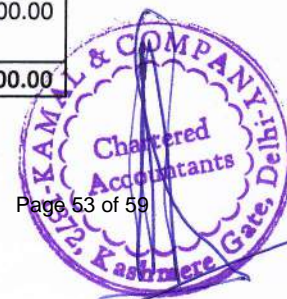
DIRECTOR

SUPERIOR INDUSTRIAL ENTERPRISES LIMITED, DELHI
NOTES FORMING PART OF THE FINANCIAL STATEMENT

| Particulars | As at 31st March, 2014 | | As at 31st March, 2013 | |
|--|------------------------|-----------------------|------------------------|----------------------|
| | Number | Amount | Number | Amount |
| Note No.1- Share Capital | | | | |
| a) Authorised Equity Shares of Rs.10 each | 15,000,000 | 150,000,000.00 | 5,000,000 | 50,000,000.00 |
| b) Issued, Subscribed and Fully Paid up Equity Shares of Rs.10 each | 13,850,000 | 138,500,000.00 | 4,350,000 | 43,500,000.00 |
| TOTAL | 13,850,000 | 138,500,000.00 | 4,350,000 | 43,500,000.00 |
| i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year | | | | |
| Equity Shares with voting rights | | | | |
| Share outstanding at the beginning of the year | 13,850,000 | 138,500,000.00 | 4,350,000 | 43,500,000.00 |
| Share issued during the year | - | - | 9,500,000 | 95,000,000.00 |
| Share outstanding at the end of the year | 13,850,000 | 138,500,000.00 | 13,850,000 | 138,500,000.00 |
| ii) Details of Shares held by each shareholder holding more than 5% shares | | | | |
| Particulars | As at 31st March, 2014 | | As at 31st March, 2013 | |
| | No. of Shares held | % Holding | No. of Shares held | % Holding |
| M/S Hal Offshore Ltd. | 1532500 | 11.07 | 1532500 | 11.07 |
| M/s Jay Polychem (India) Pvt. Ltd. | 1500000 | 10.83 | 1500000 | 10.83 |
| M/s Moon Beverages Ltd. | 1493500 | 10.78 | 1493500 | 10.78 |
| M/S Hindustan Aqua Ltd. | 1000000 | 7.22 | 1000000 | 7.22 |
| Mr. Sanjeev Agarwal | 790000 | 5.70 | 790000 | 5.70 |
| Ms. Deepti Agarwal | 697500 | 5.03 | 697500 | 5.03 |



| PARTICULARS | AS AT 31ST MARCH. 2014 | AS AT 31ST MARCH. 2013 |
|---|---------------------------|---------------------------|
| Note No.2- Reserves & Surplus | | |
| Security Premium | | |
| Opening Balance at the beginning of the year | 199,500,000.00 | - |
| Add: During the year | | 199,500,000.00 |
| Closing Balance at the end of the year (a) | 199,500,000.00 | 199,500,000.00 |
| Profit & Loss Account | | |
| Opening Balance at the beginning of the year | (6,371,078.77) | (9,942,887.47) |
| Profit for current period | 1,153,398.49 | 2,103,683.70 |
| Proposed Dividend & Dividend tax withdrawn | | 1,468,125.00 |
| Closing Balance at the end of the year (b) | (5,217,680.28) | (6,371,078.77) |
| Total (a+b) | 194,282,319.72 | 193,128,921.23 |
| Note No.3-Long Term Borrowings | | |
| HDFC bank Car Loans (Secured against hypothecation of Car) | 1,367,776.76 | 1,674,609.63 |
| | 1,367,776.76 | 1,674,609.63 |
| Note No.4-Short Term Borrowings | | |
| Overdraft from PNB, Delhi (Secured against Bank Fixed Deposit) | 2,259,501.76 | 987,702.38 |
| PNB Buyers Credit (Secured against Bank Fixed Deposit) | 1,745,923.00 | - |
| | 4,005,424.76 | 987,702.38 |
| Note No.5-Trade Payable | | |
| Trade Payable | 20,927,568.25 | 20,203,258.25 |
| | 20,927,568.25 | 20,203,258.25 |
| Note No.6-Other current Liabilities | | |
| Expenses Payable | 73,551.00 | 151,686.00 |
| TDS Payable | 110,470.00 | 113,769.00 |
| Audit Fee Payable | 204,720.00 | 176,967.00 |
| Bonus Payable | 326,690.00 | 287,215.00 |
| Provident Fund Payable | 21,913.00 | 16,019.00 |
| ESI Payable | 4,597.00 | 1,795.00 |
| Salary & Wages Payable | 447,824.00 | 442,244.00 |
| Kamal & Company | 361,223.00 | 234,256.00 |
| Cheque issued but not presented for payment | 85,255.00 | 217,310.00 |
| | 1,636,243.00 | 1,641,261.00 |
| Note No.7-Short Term Provision | | |
| Provision for Income Tax | 1,598,629.00 | 2,444,381.00 |
| | 1,598,629.00 | 2,444,381.00 |
| Note No.9- Other Non-Current Assets | | |
| Unsecured considered good | | |
| Long Term Trade Receivables | - | 7,485,393.88 |
| Premilinary Expenses | 655,290.00 | 559,902.00 |
| | 655,290.00 | 8,045,295.88 |
| Note No.10- Current Investment | | |
| 316000 Equity Share of Rs.10/-each at premium of Rs.365/- in Moon Beverages Ltd. | 118,500,000.00 | 118,500,000.00 |
| 3275000 Equity Share of Rs.10/-each at premium of Rs.30/- in Hindustan Aqua Ltd. | 131,000,000.00 | 131,000,000.00 |
| 300000 Equity Share of Rs.10/-each at premium of Rs.140/- in Metbrass Plassim India Ltd. | 45,000,000.00 | 45,000,000.00 |
| | 294,500,000.00 | 294,500,000.00 |



| | | |
|--|-----------------------|----------------------|
| Note No.11-Inventories | | |
| Finished Goods | 13,070,441.00 | 9,586,373.00 |
| Work in Process | 263,152.00 | 194,385.00 |
| Scrap (Wastage) | 56,112.00 | 25,010.83 |
| Raw Material | 1,644,968.00 | 877,380.00 |
| | 15,034,673.00 | 10,683,148.83 |
| Note No.12- Trade Receivables | | |
| <u>Unsecured considered good</u> | | |
| More than Six Month | - | 2,350.00 |
| Others | 499,421.00 | 244,314.00 |
| | 499,421.00 | 246,664.00 |
| Note No.13-Cash and Cash Equivalents | | |
| Cash in hand & Imprest | 612,368.00 | 1,239,191.22 |
| Cheque in hand | 8,953,863.00 | 4,053,217.00 |
| FDR with Accrued Interest,PNB Delhi | 8,439,712.00 | 7,799,466.00 |
| Balance with Scheduled Bank | 596,080.00 | 83,557.00 |
| | 18,602,023.00 | 13,175,431.22 |
| Note No.14-Short Term Loan and Advances | | |
| Excise Duty/Service Tax Recoverable | 673,519.93 | 110,785.00 |
| Service Tax in Current Account/Service Tax Recoverable | 64,776.00 | - |
| Vat Recoverable | 212,298.80 | 79,341.80 |
| Prepaid exp | 34,524.00 | - |
| Sales Tax Deposit (Appeal) 2006-07 | 350,000.00 | - |
| Advance Tax & Self assessment tax | 1,527,930.00 | 2,285,710.00 |
| TDS | 248,912.00 | 202,785.00 |
| Security Deposit | 3,580,195.00 | 3,545,000.00 |
| Advances | 2,500,000.00 | 1,800,000.00 |
| | 9,192,155.73 | 8,023,621.80 |
| Note No.15- Revenue from Operation | | |
| Domestic Manufacturing Sales | 100,500,962.00 | 89,692,715.00 |
| Trading Sales | 197,669,875.00 | - |
| Scrap Sales | 1,397,457.00 | 1,443,228.00 |
| | 299,568,294.00 | 91,135,943.00 |
| Note No.16- Other Income | | |
| Interest On Bank FDR | 711,630.00 | 578,915.00 |
| Discount Received | 6,474.00 | 60,981.00 |
| | 718,104.00 | 639,896.00 |
| Note No.17-Cost of Raw Material Consumed | | |
| Opening Stock as on 01.04.2013 | 877,380.00 | 3,753,949.30 |
| Purchases during the year | 83,713,312.00 | 69,949,603.20 |
| | 84,590,692.00 | 73,703,552.50 |
| Less: Closing Stock as on 31.03.2014 | 1,644,968.00 | 877,380.00 |
| | 82,945,724.00 | 72,826,172.50 |
| Note No.18-Change in Inventories of Finished Goods, Scrap & Work in Process | | |
| <u>Opening Stock as on 01.04.2013</u> | | |
| Finish Goods | 9,586,373.00 | 9,097,100.00 |
| Work in Process | 194,385.00 | 87,675.00 |
| Scrap (Wastage) | 25,010.83 | 52,600.00 |
| | 9,805,768.83 | 9,237,375.00 |



| | | |
|--|-----------------------|----------------------|
| Closing Stock as on 31.03.2014 | | |
| Finish Goods | 13,070,441.00 | 9,586,373.00 |
| Work in Process | 263,152.00 | 194,385.00 |
| Scrap (Wastage) | 56,112.00 | 25,010.83 |
| | 13,389,705.00 | 9,805,768.83 |
| | (3,583,936.17) | (568,393.83) |
| Note No.19- Employee Benefits Expenses | | |
| Salary & Wages | 6,080,386.00 | 5,423,761.00 |
| Bonus | 326,690.00 | 287,215.00 |
| Employer Contribution to ESI | 41,015.00 | 34,656.00 |
| Employer Contribution to Provident Fund | 131,775.00 | 94,264.00 |
| Staff Welfare | 446,452.00 | 459,694.00 |
| | 7,026,318.00 | 6,299,590.00 |
| Note No.20- Finance Cost | | |
| Bank Interest & Charges | 1,094,261.83 | 218,693.63 |
| Intt. On Excise Duty & TDS | 370.00 | 199.00 |
| | 1,094,631.83 | 218,892.63 |
| Note No.21- Administrative & Other Expenses | | |
| Advertisement Expenses | 72,956.00 | 64,850.00 |
| Audit Fee | 224,720.00 | 196,630.00 |
| Repair & Maintenance of | | |
| (a) Building | 136,945.00 | 184,692.00 |
| (b) Plant & Machinery | 843,277.00 | 987,045.00 |
| (c.) Car | 51,371.00 | 11,610.00 |
| Loading & Unloading Charges(Crane Charge) | 133,760.00 | 346,550.00 |
| Discount | 3,744.00 | 81,842.00 |
| Cost Of Samples & Designing Charges | 154,545.00 | - |
| Freight Charges on dispatches | 157,780.00 | 124,261.00 |
| Bad debts written off | 5,830,706.88 | 141,512.00 |
| Preliminary Expenses written off | 199,112.00 | 139,976.00 |
| Fees & Taxes | 75,460.68 | 170,514.00 |
| Insurance Expenses (Factory) | 68,370.00 | 68,792.00 |
| Legal & Professional Charges. | 814,655.00 | 695,357.00 |
| Printing & Stationery | 78,334.00 | 94,127.00 |
| Telephone & Postage Exp. | 34,264.00 | 38,991.00 |
| Travelling & Conveyance Exp. | 50,931.00 | 321,812.00 |
| Service Tax Arrear | 91,364.00 | - |
| Property Tax | 71,044.00 | 71,044.00 |
| Exchange Fluctuation | 122,346.00 | - |
| Miscellaneous | 2,171.29 | 24,360.00 |
| | 9,217,856.85 | 3,763,965.00 |
| Note No.22- Related Party Transaction | | |
| Sales | 121,133,975.00 | 99,180,396.00 |
| | 121,133,975.00 | 99,180,396.00 |
| Note No.23- Revenue in Foreign Currency | | |
| Sales of Stock in Trade | 197,669,875.00 | - |
| | 197,669,875.00 | - |
| Note No.24- Expenditure in Foreign Currency | | |
| Purchase of Stock in Trade | 195,750,750.00 | - |
| | 195,750,750.00 | - |
| Note No.25-Value of Import on C.I.F Basis | | |
| Capital Goods | 2,861,260.00 | |
| | 2,861,260.00 | |



MESSRS SUPERIOR INDUSTRIAL ENTERPRISES LIMITED, NEW DELHI

NOTES FORMING PARTS OF FINANCIAL STATEMENTS AS AT 31st MARCH 2014

NOTE NO.26 -NOTES ON ACCOUNTS

- I. Confirmations in support of outstanding expenses payable amount due to suppliers are being obtained at the instance of auditors.
- II. Power & Fuel cost is inclusive of cost of L.P.G, Diesel & Electricity.
- III. Company has made investment in shares of M/sMetbrass Plassim India Ltd. to the extent of 300000 share of face value Rs10/- at premium Rs.140/- ,in shares of M/s Moon Beverages Ltd. to the extent of 316000 share of face value Rs10/- at premium Rs.365/- and in subsidiary M/s Hindustan Aqua Ltd to the extent of 3275000 share of face value Rs10/- at premium Rs.30/-.
- IV. Sundry Debtors Written off represent quality rebate given on supplies at the time of final settlement of accounts.
- V. Share issue expense has been amortized as per permission of section 35D of Income Tax Act, 1961.
- VI. Wherever expenses/payment was not supported by bill/receipts, auditors have relied upon satisfaction of expenses/payment.
- VII. Finished Goods purchases and sales are inclusive of overseas transactions.

NOTE NO.27 -Contingent Liabilities exist in respect of:

- (a) Any demands that may be raised suppliers of machinery/ raw Material & other suppliers on reconciliation of accounts.
- (b) Any demands that may be raised E.S.I. & P.F. authorities on delay deposit of E.S.I. /P.F. contribution.
- (c) Any demand that may be raised by Excise, Income Tax & sales Tax authorities on completion of pending assessment. Sales Tax Assessment are pending from 2011-2012.
- (d) Appeal for Assessment Year 2002-2003 is pending before C.I.T. (Appeals). No provision made for demand of Rs.3017132/- being disputed by the company.



(e) Sales tax appeal for Assessment Year 2006-2007 is pending for which no provision exists.

NOTE NO.28-ACCOUNTING POLICIES

- a) Cost of Inventory of Raw Material, stores, Chemicals & packing Material is inclusive of Purchase Price & Net of Excise Duty.
- b) Sales are net of Excise Duty & Trade Discount.
- c) Stock of Raw Material & Packing Material is valued at cost price. Purchase Cost is inclusive of cost of Raw Material, Insurance, and Entry Tax with cess. Finished Goods Stock has been valued at selling rate subject to adjustment of selling expenses & excise duty.
- d) As per the practice of the company the liability on account of Gratuity and Leaves Encashment would be on the payment basis. However the company is proposing to take up effective steps for insurance cover.
- e) Fixed assets are stated at cost. All cost relating to acquisition and installation of Fixed Assets are capitalized.
- f) P.F. /E.S.I charges are inclusive of administrative charges.
- g) Raw Material consumption for the year is inclusive of Raw Material Stores consumed during the year.
- i) Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet and Provision for all known liabilities have been made.
- j) Advances recoverable in cash or kind include advances made to Machinery suppliers which would be, adjusted on rendition of the accounts receipts of the material/ render of services.
- k) No Provision made for deferred tax liability and steps are yet to be taken for creation of deferred tax assets as on 31.03.2014.
- l) Previous year figures have been rearranged/ regrouped to make them comparable.



- m) Foreign currency transactions are accounted for at the exchange rates from prevailing on the date of transaction. All foreign currency liabilities at the year end are accounted for at exchange rates prevailing on the date and any resulting foreign exchange gain or losses are recognized as period cost.


MANAGER ACCOUNTS


DIRECTOR



FOR KAMAL & COMPANY

Chartered Accountants

FRN. 001033N



Kamal Kishore Gupta



Membership No. 012738

Place : 1372, Kashmere Gate, Delhi - 110006

Date: This 24th Day of May 2014

SUPERIOR INDUSTRIAL ENTERPRISES LTD. (For the year 2013-14)

NOTE NO - 8

Schedule of assets as per Income Tax

| S.no | Particulars | Cost as on 01.04.2013 | Rate of Depreciation | Addition during the year upto 30-09-2013 | Sales/Transfer during the year | Total cost as on 31-03-2014 | Depreciation upto 31-03-2013 | Depreciation for the year | Total Depreciation on 31-03-2014 | Written Down Value as on 31-03-2014 | Written Down Value as on 31-03-2013 |
|------|--------------------------|-----------------------|----------------------|--|--------------------------------|-----------------------------|------------------------------|---------------------------|----------------------------------|-------------------------------------|-------------------------------------|
| 1 | Land & Site Development | 3,306,898.00 | - | | | 3,306,898.00 | - | - | - | 3,306,898.00 | 3,306,898.00 |
| 2 | Building Factory | 14637870.99 | 10.00 | | | 14,637,870.99 | 11,557,571.99 | 308,030.00 | 11,865,601.99 | 2,772,269.00 | 3,080,299.00 |
| 3 | Building Admin Block | 1,022,994.30 | 10.00 | | | 1,022,994.30 | 818,610.30 | 20,438.00 | 839,048.30 | 183,946.00 | 204,384.00 |
| 4 | Plant & Machinery | 91,993,747.12 | 15.00 | 440,505.00 | 2,626,680.00 | 95,060,932.12 | 77,679,340.36 | 2,410,238.00 | 80,089,578.36 | 14,971,353.76 | 14,314,406.76 |
| 5 | Air Conditioner | 30,240.00 | 15.00 | | | 30,240.00 | 29,992.00 | 37.00 | 30,029.00 | 211.00 | 248.00 |
| 6 | D.G. Set | 405,000.00 | 15.00 | | | 405,000.00 | 156,280.00 | 37,308.00 | 193,588.00 | 211,412.00 | 248,720.00 |
| 7 | Computer | 240,445.00 | 60.00 | | | 240,445.00 | 218,328.00 | 13,270.00 | 231,598.00 | 8,847.00 | 22,117.00 |
| 8 | Typewriter | 26,302.00 | 15.00 | | | 26,302.00 | 26,302.00 | - | 26,302.00 | - | - |
| 9 | Telecommunication System | 123,491.00 | 15.00 | | | 123,491.00 | 116,802.00 | 1,003.00 | 117,805.00 | 5,686.00 | 6,689.00 |
| 10 | Fax & Photocopier | 96,928.00 | 15.00 | | | 96,928.00 | 94,626.00 | 345.00 | 94,971.00 | 1,957.00 | 2,302.00 |
| 11 | Electric Installation | 454,941.50 | 15.00 | 42,770.00 | | 497,711.50 | 173,670.50 | 48,606.00 | 222,276.50 | 275,435.00 | 281,271.00 |
| 12 | Tools & Dies | 152,906.00 | 15.00 | | | 152,906.00 | 152,906.00 | - | 152,906.00 | - | - |
| 13 | Water Cooler | 22,050.00 | 15.00 | 25,080.00 | | 47,130.00 | 3,509.00 | 5,793.00 | 14,302.00 | 32,828.00 | 13,541.00 |
| 14 | Weighting Machine | 452,037.00 | 15.00 | | | 452,037.00 | 444,485.00 | 1,133.00 | 445,618.00 | 6,419.00 | 7,552.00 |
| 15 | Furniture & Fixture | 129,103.00 | 10.00 | | | 129,103.00 | 84,621.00 | 4,448.00 | 89,069.00 | 40,034.00 | 44,482.00 |
| 16 | Vehicles | 3,597,493.89 | 15.00 | | | 3,597,493.89 | 3,390,153.89 | 31,101.00 | 3,421,254.89 | 176,239.00 | 207,340.00 |
| 17 | Car - Innova | 1,344,691.00 | 15.00 | | | 1,344,691.00 | 201,704.00 | 171,448.00 | 373,152.00 | 971,539.00 | 1,142,987.00 |
| 18 | Verna Car Hyundai | 1,105,660.00 | 15.00 | | | 1,105,660.00 | 82,925.00 | 153,410.00 | 236,335.00 | 869,325.00 | 1,022,735.00 |
| | Total | 119,142,798.80 | | 508,355.00 | 2,626,680.00 | 122,277,833.80 | 95,236,827.04 | 3,206,608.00 | 98,443,435.04 | 23,834,398.76 | 23,905,971.76 |

For KAMAL AND COMPANY
Chartered Accountants
FRN. 001033N

(Kamal K. Gupta)

Mem. No. 012738

Place : 1372, Kashmere Gate, Delhi-110006

Dated : This 24th day of May 2014

MANAGER ACCOUNTS

DIRECTOR

DIRECTOR



Si
EL

Superior Industrial Enterprises Limited

Si
EL

25 Bazar Lane Bengali Market, Connaught Place, New Delhi-110001 • Tel : 23731233, 23731230

To,

Date: 22nd September, 2014

Delhi Stock Exchange Limited
DSE House, 3/1, Asaf Ali Road
New Delhi-110 002

Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400 001

Sub: Submission of Annual Audit Report for the year end 31st March, 2014

Dear Sir

We are pleased to inform that the company will hold its Annual General Meeting on Monday, September 29, 2014 at 10.00 a.m. at Aggarwal Farm House, A-5, Bhati Mines Road, Near Dera crossing, Fatehpur (Chattarpur), Delhi-110074. Accordingly, pursuant to Clause 31(a) & 31(e) of the Listing Agreement, pls find enclosed six copies of Annual report for the financial year ended 31st March 2014 along with Form A as below:

FORM A

| | |
|---|--|
| 1. Name of the Company | Superior Industrial Enterprises Limited |
| 2. Annual financial statements for the year ended | 31 st March, 2014 |
| 3. Type of Audit observation | Un-qualified |
| 4. Frequency of observation | N/A |
| 5. To be signed by- <ul style="list-style-type: none"> • CEO/ Managing Director/Directors • CFO • Auditor of the Company • Audit Committee Chairman | Mr. Mukesh Aggarwal Mr. Jagdish Persad Suri Mr. Ranjeet Jaiswal M/s Kamal & Company |

For Superior Industrial Enterprises Limited


R S Shukla

Authorized Signatory

Encl: as above