
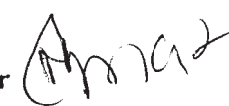
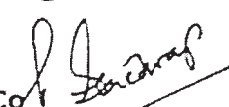



**FORM A**  
**(Pursuant to Clause 31(a) of Listing Agreement)**

No	Particulars	Details
1	Name of the Company	PHOENIX INTERNATIONAL LIMITED
2	Annual Financial Statements for the year ended	31.03.2015
3	Type of Audit Observation	Un-qualified / Matter of Emphasis
4	Frequency of Observation	Whether appeared first time / repetitive / since how long period
5	To be Signed by: <ul style="list-style-type: none"> <li>• Director</li> <li>• Auditor of the Company</li> <li>• Audit Committee Chairman</li> </ul>	 <p>Narender Kumar Makkar </p> <p>For Pradip Bhradwaj &amp; Co   CENTRESEE BUREAU</p> <p>Arjun Kumar Sinha </p>



## PHOENIX INTERNATIONAL LIMITED

### NOTICE

NOTICE IS HEREBY GIVEN THAT THE 28TH ANNUAL GENERAL MEETING OF THE MEMBERS OF PHOENIX INTERNATIONAL LIMITED WILL BE HELD ON WEDNESDAY THE 30TH DAY OF SEPTEMBER, 2015 AT 10.00 A.M. AT LOK KALA MANCH, 20 INSTITUTIONAL AREA, LODHI ROAD, NEW DELHI - 110003, TO TRANSACT THE FOLLOWING BUSINESS

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at March 31, 2015 and Profit & Loss Account for the period ended on that date and Auditors and Directors' report thereon.
2. To appoint a Director in place of Mr. P M Alexander (DIN:00050022), who retires by rotation and being eligible offers himself for re-appointment
3. To ratify the appointment of the Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:-

**RESOLVED THAT** pursuant to the provisions of Section 139 and all other applicable provisions, if any of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof), the appointment of M/s Pradip Bhardwaj & Co., Chartered Accountants (ICAI Firm Registration No. 013697C) which has been approved at the Annual General Meeting held on September 29, 2014 for a term of 3 years, i.e from the conclusion of 27<sup>TH</sup> Annual General Meeting until the conclusion of the 30th Annual General Meeting, be and are hereby ratified for the financial year 2015 -2016 and the Board of Directors/Committee of the Board be and are hereby authorised to fix remuneration plus service tax, out of pocket expenses, travelling etc as may be agreed upon between the Board of Directors of the Company and the Auditors in connection with Statutory Audit and /or continuous audit under the Companies Act, 2013."

#### SPECIAL BUSINESS

4. **To appoint Shri. Arun Kumar Sinha having DIN: 00925589 as an independent director**

To appoint Shri. Arun Kumar Sinha (DIN: 00925589) as an independent director and in this regard to consider and if thought fit, to pass, the following resolution as an **ORDINARY RESOLUTION**

**"RESOLVED THAT** pursuant to the provisions of section 149, 152 read with schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and qualifications 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. Arun Kumar Sinha (DIN 00925589), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from October 01, 2014 up September 30, 2019."

5. **To appoint Mrs. Rupali Chawla (DIN: 06895504) as an independent director**

To appoint Mrs. Rupali Chawla (DIN: 06895504) as an independent director and in this regard to consider and if thought fit, to pass, the following resolution as an **ORDINARY RESOLUTION**

**"RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force) and Clause 49 of the Listing Agreement and in pursuance of General Circular No. 14/2014 dated June 9, 2014, issued by the Ministry of Corporate Affairs, Ms Rupali Chawla, having DIN: 06895504, who has submitted a declaration that she meets the criteria of independence under Section 149(6) of the Act, and who is eligible for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five years with effect from March 26, 2015."

For and on behalf of the Board of Directors  
**For Phoenix International Limited**

Place: New Delhi  
Date: 12.08.2015

Narender Kumar Makkar  
Chairman



**NOTES**

- a) The Explanatory Statement pursuant to section 102 (1) of the Companies Act, 2013 in respect of the Special Business under item no 4 to 5 as stated above in annexed hereto.
- The relevant details as required under the Clause 49, of the Listing Agreements entered into with the Stock Exchange of persons seeking appointment/ re-appointment as Directors under Item No:-4 and Item No:-5 of the Notice, are also annexed.
- b) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE VALID AND EFFECTIVE MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
- Bodies Corporate can be represented at the meeting by such person(s) as are authorised. Copies of resolution under Section 113 of the Companies Act, 2013 authorising such person(s) to attend the meeting should be forwarded to the Company prior to the meeting.
- c) The register of members and shares transfer books of the Company will remain closed on September 30, 2015.
- d) All documents referred to in the accompanying notice are available for inspection at the registered office of the Company on all working days between 10.00 am To 4.00 pm up to the date of this Annual General Meeting.
- e) Shareholders seeking any information with regard to accounts are requested to write to the Company at least 10 days before the date of Annual General Meeting, so as to enable the management to keep the information ready.
- f) You are aware that the provisions of Companies Act, 2013 have been made effective. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules issued thereunder. Companies can serve Annual Reports and other communication through electronics mode to those shareholders who have registered their email address either with Company or with the Depository. It is welcome moves for the society at large as this will reduce paper consumption to a great extent and allow the shareholders to contribute towards a greener environment. This is golden opportunity for every shareholder of the company to contribute to the cause of Green Initiative. We therefore invite all our shareholders to contribute to the cause by filling up the form to receive communication from the Company in electronics mode. You can download the registration form from the website of the Company [www.phoenixindia.com](http://www.phoenixindia.com)
- g) Members who have not registered their email address so far are requested to register their email address for receiving all communication including Annual Report, Notice, Circulars etc from the Company electronically.
- i) Members may note that the Notice of the 28th Annual General Meeting and Annual Report for 2015 will also be available on the Company's website [www.phoenixindia.com](http://www.phoenixindia.com) for their download. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making request for the same by post free of Cost.
- j) The Equity Shares of the Company were listed with the Stock exchange at Delhi and Bombay. Delhi Stock exchanges are now non-operational/ de-recognized or our shares not in their list as Listed Company. The Securities & Exchange Board of India (SEBI) vide circular No.CIR/MRD/DSA/18/2014 dated 22nd May, 2014 read with circular No.CIR/MRD/ DSA/05/2015 dated 17th April, 2015, inter-alia, stated that the companies exclusively listed on the non-operational/de-recognized stock exchanges which fail to obtain listing in any other nationwide stock exchange will cease to be listed companies and will be moved to the dissemination board. However the Company Share is listed in Bombay Stock Exchange. Therefore, no annual listing fee for the year 2015-16 has been paid to Delhi stock Exchanges.
- k) Voting through Electronics means: Pursuant to the provisions of Section 108 of the Companies Act 2013 read with Rule 20 of the Companies (Management and Administration ) Rules 2014 is offering e-voting facility to its members. Detailed procedures are given in the enclosed letter.

**Details of Director (s) seeking appointment / re-appointment as required under Clause 49 of the Listing Agreement with Stock Exchange**

**Item No: 2**

Mr. P M Alexander Director Who retires by rotation and, being eligible, offer for re-appointment at the Annual General Meeting. A brief resume of the said directors is given herein below.

Name of the Director	: Mr. P.M. Alexander
Date of Birth	: 14.11.1954
Date of appointment	: 30.12.2005
Expertise in Specific Functional area	: Public Relation
Qualification	: Graduate



## PHOENIX INTERNATIONAL LIMITED

Sr. No	Names of the Companies/bodies/corporate/ firms/association of individuals	Nature of interest or concern/Change in interest or concern	Share holding	Date on which interest or concern arose/ changed
1	Phoenix International Limited - <b>Listed Company</b>	Director	NIL	30.07.2008
2	Phoenix Real Time Services Limited - <b>Listed Company</b>	Director	NIL	30.07.2008
3	Yellow Valley Leasing & Finance Limited - <b>Listed Company</b>	Director	NIL	30.07.2008
4	Savare Trade Enterprises Limited - <b>Listed Company</b>	Director	NIL	30.07.2008
5	Phoenix Power Development Corporation Ltd	Director	NIL	30.07.2008
6	Phoenix Cement Limited	Director	NIL	30.07.2008
7	Phoenix International Finance Limited	Director	NIL	30.07.2008
8	Focus Energy Limited	Director	NIL	01.07.2008
9	Phoenix Industries Limited	Director	NIL	27.01.2004
10	Oil Sep Engineers Private Limited	Director	5000	28.02.2011
11	Sasson Agencies (P) Limited	Director	NIL	30.07.2008
12	S P Regina Resources Private Limited	Director	5000	10.09.2010
13	Focus Offshore Services Private Limited	Director	NIL	30.07.2008
14	BPS TECH Services Pvt Ltd	Director	5000	18.02.2011

### PROCESS FOR MEMBERS OPTING FOR E-VOTING

In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company will be providing members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by **National Securities Depository Limited (NSDL)**. The detailed procedure to be followed in this regard has been given in Annexure – A to the notice. The members are requested to go through them carefully.



**EXPLANATORY STATEMENT**

**PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

As required by Section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item No(s) 4 to 6 of the accompanying Notice

**ITEM NO. 4:**

The Company, pursuant to the provisions of clause 49 of the Listing Agreements entered with the Stock Exchanges, appoints Mr. Arun Kumar Sinha in compliance with the requirements of the clause 49 of Listing Agreement. Pursuant to the provisions of section 149 of the Companies Act 2013, which came in to effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board of Directors in their meeting held on 12th November, 2014 had Appointed Shri Arun Kumar Sinha as "Independent Director" of the Company for a period of 5 years from 1st October, 2014, subject to approval by the share holders of the Company under Schedule V of the Companies Act, 2013.

In compliance with the provisions of Section 149 read with Schedule IV of Companies Act, 2013 the appointment of Mr. Arun Kumar Sinha as an Independent Directors is now being placed before the Members for their approval.

Mr. Arun Kumar Sinha is an Independent Director of the Company and holding the position as such for more than Five Years in the Company.

As per the current provisions of company law and clause 49 of the Listing Agreement, independent directors are permitted to be appointed for a consecutive period of 5 years without being liable to retire by rotation. It is proposed to appoint Shri. Arun Kumar Sinha as independent directors under section 149 of the Companies Act, 2013 and clause 49 of the Listing Agreement to hold office for 5(Five) consecutive years for a term up to the conclusion of 35th Annual General Meeting of the company in the calendar year 2019.

Mr. Arun Kumar Sinha is not disqualified from being appointed as Directors in terms of section 164 of the Act and have given their consent to act as directors. The company has received declarations from him that he meet with the criteria of independence as prescribed both under sub section (6) of section 149 of Companies Act, 2013 and under clause 49 of the Listing Agreement.

In the opinion of the Board, Mr. Arun Kumar Sinha fulfil the conditions for appointment as independent director as specified in the Companies Act, 2013 and the Listing Agreement. He is independent of the management.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at item No.6 of the Notice.

The Board recommends the Ordinary Resolution set out at item No.4 of the Notice for approval by the members.

Brief resume of Mr. Arun Kumar Sinha, nature of their expertise in specific functional areas and names of Companies in which they hold directorships and memberships / chairmanships of Board committees, shareholding and relationships between directors inter-se as stipulated under clause 49 of the Listing Agreement with the stock exchanges, are provided herein below.

Name	Mr. Arun Kumar Sinha
Director Identification number	(DIN) 00925589
Age	61 Years
Qualification	LLB
Expertise	Legal
Date of first Appointment	30.12.2005
Shareholding	NIL

List of Directorship held in other companies

Sr. No	Names of the Companies /bodies corporate/ firms/ association of individuals	Nature of interest or concern/Change in interest or concern	Share holding	Date on Which interest or concern arose /changed
1	Phoenix International Limited - Listed Companies	Director	NIL	30.12.2005
2	Phoenix Real Time Services Limited - Listed Companies	Director	NIL	30.12.2005
3	Yellow Valley Leasing & Finance Limited - Listed Companies	Director	NIL	30.12.2005
4	Savare Trade Enterprises Limited - Listed Companies	Director	NIL	30.12.2005
5	Phoenix Industries Limited	Director	NIL	26.05.2015



## PHOENIX INTERNATIONAL LIMITED

### ITEM NO. 5:

The Board of Directors in their meeting held on March 26, 2015 had Appointed Mrs Rupali Chawla as "Independent Director" of the Company for a period of 5 years commencing from March 26, 2015, subject to approval by the share holders of the Company under Schedule V of the Companies Act, 2013.

As per the current provisions of Companies Act, 2013 and rules made thereunder and in accordance with the provision of clause 49 of the Listing Agreement, independent directors are permitted to be appointed for a consecutive period of 5 years without being liable to retire by rotation. It is proposed to appoint Mrs. Rupali Chawla as independent directors under section 149 of the Act and the rules made thereunder and clause 49 of the Listing Agreement to hold office for 5(Five) consecutive years for a term up to the conclusion of 37th Annual General Meeting of the company in the calendar year 2020.

Mrs Rupali Chawla is not disqualified from being appointed as Director in terms of section 164 of the Companies Act, 2013 and have given her consent to act as directors. The company has received declarations from Mrs. Rupali Chawla that she meet with the criteria of independence as prescribed both under sub section (6) of section 149 of the Act and under clause 49 of the Listing Agreement.

In the opinion of the Board, Mrs. Rupali Chawla fulfil the conditions for appointment as independent director as specified in the Companies Act, 2013 and the Listing Agreement. Mrs. Rupali Chawla is independent of the management.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at item No.5 of the Notice.

The Board recommends the Ordinary Resolution set out at item No.5 of the Notice for approval by the members.

Brief resume of Mrs. Rupali Chawla, nature of their expertise in specific functional areas and names of Companies in which they hold directorships and memberships / chairmanships of Board committees, shareholding and relationships between directors inter-se as stipulated under clause 49 of the Listing Agreement with the stock exchanges, are provided herein below.

Name	Mrs. Rupali Chawla
Director Identification number	(DIN) 06895504
Age	40 Years
Qualification	Graduate
Expertise	Laision
Date of first Appointment	26.03.2015
Shareholding	NIL

List of Directorship held in other companies

Sr. No	Names of the Companies/bodies corporate/ firms/association of individuals	Nature of interest or concern/Change in interest or concern	No of Shares hold	Date on which interest or concern arose/changed
1	Phoenix International Limited - Listed Company	Additional Director	NIL	26.03.2015
2	Phoenix Real Time Services Limited - Listed Company	Additional Director	NIL	26.03.2015
3	Yellow Velly Leasing and Finance Limited- Listed Company	Additional Director	NIL	26.03.2015
4	Savare Trade Enterprises Limited - Listed Company	Additional Director	NIL	26.03.2015
5	Atlantic Corporate Consultant Private Limited	Additional Director	10,090	15.09.2014



**Directors' Report**

To,  
The Members,

Your Directors have pleasure in presenting their 28th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2015.

**1. Financial summary or highlights/Performance of the Company (Standalone)**

The Board's Report shall be prepared based on the stand alone financial statements of the company.

<b>Particulars</b>	<b>Year Ended 31.03.2015</b>	<b>Year Ended 31.03.2014</b>
Sales & Other Income	<b>39,39,28,774</b>	37,78,33,941
Profit / (Loss) before Depreciation	<b>2,78,57,041</b>	3,58,83,882
Less Depreciation	<b>1,31,45,131</b>	2,24,25,802
Profit / (Loss) after Depreciation but before Extra Ordinary Items	<b>1,47,11,910</b>	1,34,58,080
Add: Extra Ordinary Items	–	–
Profit / (Loss) after Extra Ordinary Items – but before Tax	<b>1,47,11,910</b>	1,34,58,080
Less: Provision for Income Tax/ Fringe benefit Tax	<b>55,00,000</b>	50,20,000
Profit / (Loss) After Tax	<b>92,11,910</b>	84,38,080

**2. Dividend**

To implement the plans and to expand the business activities, your Directors do not recommend any dividend

**3. Reserves**

The amounts, if any, which the Board proposes to carry to any reserves is to be given.

**4. Brief description of the Company's working during the year/State of Company's affair**

If there is more than one division, division wise working details are required to be given. Besides, working details of current years and future prospects of the company's working have also to be given. A statement justifying the reasons for improvement/depressed results in comparison of the previous year is also required to be given.

**5. Change in the nature of business, if any**

There were no changes in the nature of business of the Company.

**6. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report**

Material changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report like settlement of tax liabilities, operation of patent rights, depression in market value of investments, institution of cases by or against the company, sale or purchase of capital assets or destruction of any assets etc.

**7. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future**

There were no material changes.

**8. Details in respect of adequacy of internal financial controls with reference to the Financial Statements. (Applicable to Listed Company)**

The company has identified and documented all key financial controls which impact the financial statements, as part of its standing operating procedures (SOPs). The SOPs are designed for all critical processes across office where financial transactions are undertaken. The SOPs cover the standard processes, risks, key controls and each process is identified by process owner. The financial controls are tested for effectiveness through management ongoing monitoring and review and independently by the internal audit. In our view the internal financial controls, effecting financial statements are adequate and operating effectively.

**9. Details of Subsidiary**

Phoenix Cement Limited and Phoenix Industries Limited are two subsidiaries companies during the year.





## PHOENIX INTERNATIONAL LIMITED

### **10. Performance and financial position of each of the subsidiaries, associates and joint venture companies included in the consolidated financial statement.**

The performance and financial position of the two subsidiary company are as under.

(in Rs.)

<b>Performance</b>	<b>Phoenix Cement Limited</b>	<b>Phoenix Industries Limited</b>
Income	–	3,933
Expenditure	62,014	22,08,831
Net Profit / (Loss)	(62,014)	(22,04,898)
<b>Financial Position</b>		
Share Capital	82,95,35,700	9,43,23,000
General reserves	(55,60,10,041)	(22,31,62,686)

### **11. Deposits**

The Company has neither invited nor accepted any deposits from the public during the period under review. Accordingly, no disclosures are required in this regard by the Company.

### **12. Statutory Auditors**

The Auditors M/s. Pradip Bhardwaj & Co, Chartered Accountant (ICAI Firm Registration No. 013697C), New Delhi, New Delhi, were appointed as Statutory Auditors for a period of 3 years from financial year 2014 to financial year 2017 at the Annual General Meeting (AGM) held on September 30, 2014. However in terms of provisions of provision of Section 139 (1) of Companies Act, 2013 and rules made thereunder, the appointment of Auditors is required to be rectified by the Members of the Company at every Annual General Meeting.

The Company has received a letter from auditor confirming that they are eligible for re-appointment as auditors of the Company under Section 139 of the Companies Act, 2013 and meet the criteria for appointment specified in Section 141 of the Companies Act, 2013.

Based on the recommendations of the Audit Committee and as per the provision of Section 139(1) of the Companies Act, 2013 and the Board of Directors of your Company proposes to reify the appointment of M/s. Pradip Bhardwaj & Co, Chartered Accountant (ICAI Firm Registration No. 013697C), New Delhi, as Statutory Auditors of the Company for the financial year ending 2016.

### **13. Auditors' Report**

The observation made in the Auditors' Report read together with relevant notes thereon are self explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013.

### **14. Share Capital**

#### **A) Issue of equity shares with differential rights**

The Company has not issued any Equity Shares during the year under review.

#### **B) Issue of sweat equity shares**

The Company has not issued any Sweat Equity Shares during the year under review.

#### **C) Issue of employee stock options**

As the Company has not issued any Employee Stock Options during the year under review, hence there is nothing to disclose as required under rule 12 (9) of Companies (Share Capital and Debentures) Rules, 2014.

#### **D) Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees**

As the Company has not made provision of money for purchase of its own shares by Employee or by trustee for the benefit of employees during the year under review, hence there is nothing required to disclose the details as required under rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014

#### **E) Listing of Shares**

The Equity Shares of the Company are listed with Delhi Stock Exchange and Bombay Stock Exchange. The Delhi Stock Exchange are now non operational / de-recognised. The Securities & Exchange Board of India (SEBI) vide circular No.CIR/MRD/DSA/18/ 2014 dated 22nd May, 2014 read with circular No.CIR/ MRD/DSA/05/2015 dated 17th April, 2015, inter-alia, stated that the companies exclusively listed on the non-operational/de-recognized stock exchanges which fail to obtain listing in any other nationwide stock exchange will cease to be listed companies and will be moved to the dissemination board. However the Share of the Company is listed with Bombay Stock Exchange.

### **15. Extract of the annual return**

In accordance with the provisions of Section 134(3)(a) of Companies Act,2013, and rules made thereunder an extract of the annual return in prescribed format is appended as **Annexure** to the Board's report

### **16. Conservation of energy, technology absorption and foreign exchange earnings and outgo**

- a) Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilisation and maximum possible savings of energy is achieved.



- b) No specific investment has been made in reduction in energy consumption.
- c) As the impact of measures taken for conservation and optimum utilisation of energy are not quantitative, its impact on cost cannot be stated accurately.
- d) Since the Company does not fall under the list of industries, which should furnish this information in Form A annexed to the aforesaid Rules, the question of furnishing the same does not arise

**17. Foreign exchange earnings and Outgo:**

Description	Value in Rs.
Earning in foreign currency/Export Sales	3,03,11,236
Remittance in foreign currency-material & others including travelling	18,78,09,561

**18. Directors:**

**A) Appointment / Re-Appointment of Directors**

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and in accordance with the provision of Articles of Association of the Company, Mr. P M Alexander (DIN-00050022) Director of the Company, is liable to retire by rotation and being eligible offers himself for re-appointment.

**B) Changes in Directors and Key Managerial Personnel**

There were no changes in Directors during the year under review.

**C) Declaration by an Independent Director(s) and re- appointment, if any**

The Independent Director(s) have submitted to the Board that they fulfil all the requirements as stipulated in Section 149 (6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and relevant rules.

**D) Formal Annual Evaluation**

Pursuant to the provisions of the Companies Act, 2013 the Board is required to carry out the annual evaluation of its own performance and that of its committees and Individual Directors. Then Nomination and Remuneration Committees of the Board is also required to carry out evaluation of every Director's performance. Accordingly your company has carried out the Performance Evaluation as required during the year under review.

For annual performance evolution of the Board as a whole, it's Committee(s) and individual Directors including the Chairman of the Board, the company has formulated a questionnaire to assist in evaluation of the performance. The tool takes the form of a series of assertion/question which should be awarded a rating on a scale of 1 to 5 by all the individual Directors. Every Director has to fill the questionnaire related to the performance of the Board, its Committees and individual Directors except himself. On the basis of the response to the questionnaire, a formal annual evaluation has been made by the Board of its own performance and that of its Committees and Individual Directors

**19. Number of meetings of the Board of Directors**

The Board of your Company met 5 times during the financial year ended 31.03.2015, the details of which are given in the Corporate Governance Report that forms a part of this Annual Report. The intervening gap between two board meetings was within the period prescribed under Companies Act, 2013.

**20. Disclosure of Composition of Audit Committee**

The Audit Committee consists of the following members :-

Mr. Arun Kumar Sinha	Chairman
Mr. Narender Kumar Makkar	Member
Mr. P M Alexander	Member

All members of the Audit Committee possess strong knowledge of accounting and financial management. The Internal Auditor and Statutory Auditors are regularly invited to attend the Audit Committee Meetings. The committee met four times during the year. The Board has accepted all recommendations of the Audit Committee made from time to time.

**21. Nomination and Remuneration Committee**

The Board has on the recommendation of the Nomination & Remuneration Committee laid down a Nomination & Remuneration policy for selection and appointment of the Directors, Key Managerial Personal and Senior Management and their remuneration

The composition of a Nomination and Remuneration Committee comprises following members :-

Mr. Arun Kumar Sinha	Chairman
Mr. Narender Kumar Makkar	Member
Mr. P M Alexander	Member

**22) Particulars of loans, guarantees or investments under section 186**

Loan to its Subsidiaries Company and investment by loan in the shares of parent company are as follow:



## PHOENIX INTERNATIONAL LIMITED

Description	Phoenix Cement Limited	Phoenix Industries Limited
Loan	Rs. 1,64,25,744	Rs. 48,40,00,000
Investment by loan in the shares	4,19,53,510 (Nos.) Rs. 13,08,46,956	84,32,300 (Nos.) Rs. 2,71,04,727

### **23. Particulars of contracts or arrangements with related parties:**

No Related Party Transactions were entered into during the financial year 2014-15. All Related Party Transactions entered into in the past were on an arm's length basis and were in the ordinary course of business. There are no materially significant Related Party Transactions made by the Company with promoters, directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company

### **24. Managerial Remuneration:**

The provisions of Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 requiring particulars of the employees to be disclosed in the Report of Board of Directors are not applicable to the Company as none of the employees was in receipt of remuneration in excess of Rs.60 lacs per year during the financial year 2014-15

### **25. Secretarial Audit Report**

As required under section 204 (1) of the Companies Act, 2013 the Company has obtained a secretarial audit report. Certain observations made in the report with regard to non filing of some forms were mainly due to ambiguity and uncertainty of the applicability of the same for the relevant period. However, the company would ensure in future that all the provisions are complied to the fullest extent.

#### **Secretarial Audit:**

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed Mrs. Ritu Aggarwal, Company Secretary in practice to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as "Annexure B"

### **26. Corporate Governance**

A Report on Corporate Governance along with a Certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance pursuant to Clause 49 of the listing agreement with stock exchanges is annexed as "Annexure".

### **27. Risk management policy**

Pursuant to section 134 (3) (n) of the Companies Act, 2013 & Clause 49 of the listing agreement, the company has constituted a business risk management committee. The details of the committee and its terms of reference are set out in the corporate governance report forming part of the Boards report. At present the company has not identified any element of risk which may threaten the existence of the company. A statement indicating development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company.

### **28. Directors' Responsibility Statement**

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis; and
- the directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **29. Acknowledgements**

An acknowledgement to all with whose help, cooperation and hard work the Company is able to achieve the results.

For and on behalf of the Board  
**PHOENIX INTERNATIONAL LIMITED**

Place: New Delhi

Date: 12.08.2015

Narender Makkar  
Director & Company Secretary  
DIN-00026857

P.M. Alexander  
Director  
DIN-00050022

**ANNEXURE “A” FORMING PART OF THE DIRECTOR’S REPORT**

Information pursuant to Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Director’s) Rules 1988 in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo.

		<b>Current Year</b>	<b>Previous Year</b>
<b>A.</b>	<b>CONSERVATION OF ENERGY</b>		
	1. (a) Energy conservation measures undertaken	Nil	Nil
	(b) Proposed energy conservation measures	Nil	Nil
	2. Impact of measures on reduction of energy consumption and consequent impact on the cost of production of goods	Nil	Nil
	3. The details of energy consumption:		
	(a) Power and Fuel consumption	Nil	Nil
	(b) Consumption per unit of production	Nil	Nil
<b>B.</b>	<b>TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION</b>		
	1. Specific area in which R & D was carried out by the Company	Nil	Nil
	2. Benefits derived as a result of the above R&D	Nil	Nil
	3. Future plan of Action	Nil	Nil
	4. Expenditure on R & D	Nil	Nil
<b>C.</b>	<b>FOREIGN EXCHANGE EARNING &amp; OUTGO</b>		
	a) Activities relating to exports: Initiatives taken to increase exports: Development of new export methods for products and services and export plans The Foreign exchange earning through exports were NIL during the year to UK. The efforts to broaden the export base to other countries are continuing.		
	b) The foreign Exchange Earning & Outgo during the period are as under:		
	Foreign Exchange Earning	<b>303.11 Lacs</b>	180.15 Lacs
	Foreign Exchange Outgo	<b>₹ 1,878.09 Lacs</b>	₹ 2,911.85 Lacs

**CHAIRMAN AND DIRECTOR CERTIFICATION**

We, Narender Makkar, Chairman, and P M Alexander, Director certify to the Board that:

We have reviewed financial statements and the cash flow statement for the financial year ended on 31<sup>st</sup> March, 2015, and that to the best of our knowledge and belief:

- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) these statements together present a true and fair view of the company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
  - (a) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company’s code of conduct.
  - (b) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
  - (c) We have indicated to the auditors and the Audit committee:-
    - (i) significant changes, if any, in internal control over financial reporting during the year:
    - (ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements:
    - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company’s internal control system over financial reporting.

For and on behalf of the Board  
**PHOENIX INTERNATIONAL LIMITED**

Place: New Delhi  
Date: 12.08.2015

Narender Makkar  
DIN-00026857  
Director & Company Secretary

P.M. Alexander  
DIN-00050022  
Director



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**REPORT ON CORPORATE GOVERNANCE**

**(1) CORPORATE GOVERNANCE:**

Sound Corporate Governance practices are guided by culture, conscience and mindset of an organization and are based on principles of openness, fairness, professionalism, transparency and accountability with an aim to building confidence of its various stakeholders and paving way for its long-term success. In Phoenix International Limited, Corporate Governance is defined as a systematic process by which companies are directed and controlled keeping in mind the long-term interests of all their stakeholders. Achievement of excellence in good Corporate Governance practices requires continuous efforts and focus on its resources, strengths and strategies towards ensuring fairness and transparency in all its dealings with its stakeholders including society at large. Corporate Governance has indeed assumed greater significance as the world has moved towards closer integration and free trade.

**COMPANY'S PHILOSOPHY ON GOVERNANCE:**

Your Company's philosophy on the Corporate Governance is founded upon a rich legacy of fair and transparent governance practices which are essentially aimed at ensuring transparency in all dealings and hence seeks to focus on enhancement of long-term shareholder value without compromising on integrity, social obligations and regulatory compliances. Your Company has continued its pursuit of achieving these objectives through the adoption and monitoring of corporate strategies and prudent business plans, thereby ensuring that the Company pursues policies and procedures to satisfy its legal and ethical responsibilities. The Company's comprehensive written code of conduct serves as a guide for your company and its employees on the standards of values, ethics and business principles, which should govern their conduct. Your company operates within accepted standards of propriety, fair play and justice and aims at creating a culture of openness in relationships between itself and its stakeholders. Even in a fiercely competitive business environment that the Company is operating in, the management and employees of your Company are committed to uphold the core values of transparency, integrity, honesty and accountability, which are fundamental to the Company and for achieving Corporate Excellence.

**CORPORATE GOVERNANCE PRACTICES:**

The Company's Corporate Governance practices seek to go beyond the regulatory requirements and with a view to ensuring commitment to transparent, law abiding behavior and good Corporate Governance, the Company has put in place the following practices:-

**a) Code of Conduct:**

The Company's Code of Conduct is based on the principle that business should be conducted in a professional manner with honesty, integrity and law abiding behavior and thereby enhancing the reputation of the Company. The Code ensures lawful and ethical conduct in all affairs and dealings of the Company.

**b) Business Policies:**

The Business Policies of Company ensures transparency and accountability to its stakeholders. The policies provide motivation and support for professional development of employees, fair market practices and high level of integrity in financial reporting. The policies recognize Corporate Social Responsibility of the Company and also seek to promote health, safety and quality of environment.

**c) Prohibition of Insider Trading:**

The Code on prevention of Insider Trading, which applies to the Board Members and all officers and employees, seeks to prohibit trading in the securities of the Company based on unpublished price sensitive information. Trading window remains closed so long unpublished price sensitive information is not made public.

**d) Risk Management:**

The Company has developed and implemented a comprehensive risk management policy for risk identification, assessment and minimization procedure. The risk management procedures are clearly defined and periodically reviewed by the Board of Directors with a view to strengthening the risk management framework and to continuously review and reassess the risk that the Company may confront with.

**e) Environment Policy:**

The Company is committed to conducting its business in a manner that values the environment and helps to ensure the safety and health of all its employees and society at large. The policy is aimed towards strengthening pollution prevention and control measures.

**f) Equal Employment Opportunity:**

The employment policy of the Company assure that there shall be no discrimination or harassment against an employee or applicant on the grounds of race, colour, religion, sex, age, marital status, disability, national origin, or any other factor made unlawful by applicable laws and regulations. The policy also ensures fair and respectful treatment of all fellow employees.

A brief report on Corporate Governance for the year ended on 31<sup>st</sup> March 2014 is given below:



**(2) Board of Directors**

**(A) Composition and Category of Directors**

The Board of Directors comprises of 4 Directors at the year end, which includes one executive director, and three non-executive directors.

The composition of Board of Directors, their attendance at Board Meetings during the year ended 31<sup>st</sup> March 2014, the last Annual General Meeting and their Directorships/Committee Memberships in other Companies as on 31<sup>st</sup> March 2014 is as follows:

**(B) Details of Meeting of Board of Directors held during the year ended on 31<sup>st</sup> March, 2015**

Name of the Directors	Category	No. of Board Meeting Attended	Attendance at last AGM	No. of other Directorships in other Companies	As Member in Committees of other Companies	As Chairman in Committees of Other Companies
Mr. Arun K. Sinha	Non Executive and Independent Director	6	Yes	5	4	3
Mr. Narendra Agarwal	Non Executive and Independent Director	5	No	13**	3	Nil
Mr. Narender Makkar	Executive Director	6	Yes	12***	4	2
Mr. P.M. Alexander	Non Executive and Independent Director	6	YES	14****	4	Nil
Mrs. Rupali Chawla	Non Executive and Independent Director	1	NO	5*****	–	NIL

\*\* Out of them 4 Directorships are in Private Limited Companies

\*\*\* Out of them 5 Directorships are in Private Limited Companies

\*\*\*\* Out of them 5 Directorships are in Private Limited Companies

\*\*\*\*\* Out of them 1 Directorships is in Private Limited Companies

None of the Directors on the Board is a member on more than 10 Committee and Chairman of more than 5 Committees (as specified in clause 49 of the Listing Agreement with the Stock Exchanges) across the Companies in which he is a Director.

**(C) Details of Meetings of Board of Directors held during the year**

Date of Board Meetings	No. of Directors Present
26.05.2014	4
05.08.2014	4*
11.11.2014	4
11.02.2015	4
26.03.2015	3

\*The meeting held on 05.08.2014 was adjourned to 09.08.2014.

The maximum time gap between any two meetings did not exceed four calendar months.

**Information to the Board**

The Company holds at least four board meetings in a year with at least one meeting in each quarter to review the quarterly financial results. The maximum gap between two board meetings is not more than four months. Agenda papers are circulated to the Board members well in advance. In addition to the specific matters which are taken at the Board meetings, the following information is also placed before the Board for its review:

- Annual Operating Plans and Capital budget and any updates in connection therewith.
- Minutes of the meetings of the Audit Committee and all other committees of the Board.
- Terms of reference of the Committees of the Board.
- Statutory Compliance Certificate.
- Information on appointment and resignation of senior officers of the Company.
- Show cause, demand, persecution notices and penalty notices of material importance.
- Any material default in financial obligations to and by the Company, or substantial non recovery for sale of goods by the Company.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.



## PHOENIX INTERNATIONAL LIMITED

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- Sale of a material nature, of investments and/or assets, which are not in the normal course of business.
- Any issue involving possible public or product liability claims of a substantial nature, including any judgment or order which may have passed strictures on the conduct of the Company.

### (D) Details of Directors seeking re-appointment at the ensuing Annual General Meeting

In respect of Directors seeking appointment or re-appointment, the relevant information, like brief resume of the Directors, nature of their expertise in specific, functional areas and names of the Companies in which they hold Directorship and Membership of any Committee of the Board is given as annexure to this report.

### (3) Audit Committee

#### (A) Constitution

The Audit Committee of the Board was constituted in the year 2000-01. The following were the members of the Committee during the year 2014 - 2015.

- (A) Mr. Narendra Aggarwal Independent Director
- (B) Mr. Arun K. Sinha Independent Director
- (C) Mr. P. M. Alexander Independent Director

Mr. Narender Makkar, Company Secretary, is the Secretary of the committee.

#### (B) Terms of Reference

Keeping in view the provisions of Section 177(1) of the Companies Act, 2013 and matters specified under clause 49 of the Listing Agreement with stock exchanges, terms of reference are as under;

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
1. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:-
  - a) Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (c) of sub section 3 of Section 134 of the Companies Act, 2013.
  - b) Changes, if any, in accounting policies and practices and reasons for the same.
  - c) Major accounting entries involving estimates based on the exercise of judgment by management.
  - d) Significant adjustments made in the financial statements arising out of audit findings.
  - e) Compliance with listing and other legal requirements relating to financial statements.
  - f) Disclosure of any related party transactions.
  - g) Qualifications regarding audit reports
2. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
3. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
4. Reviewing, the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
5. Discussion with internal auditors any significant findings and follow up there on.
6. Reviewing, the finding of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
7. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
8. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
9. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
10. Carrying out any other function as required.

**(C) Meeting and Attendance during the year**

Five meetings of the Committee were held during the year on 26.05.2014, 05.08.2014, 09.08.2014, 11.11.2014, 11.02.2015, 26.03.2015. The attendance particulars are as follows:

Name of the Chairman /Member	Meeting	
	Held	Attended
Mr. Narendra Agarwal	6	5
Mr. Arun K. Sinha	6	6
Mr. P. M. Alexander	6	6

**(4) Remuneration Committee**

The Company has a Remuneration Committee which comprises of three members. Mr. P.M. Alexander, Mr. Arun K. Sinha and Mr. Narendra Agarwal, Mr. Narender Makkar, the Company Secretary, acts as Secretary of the Committee.

The functioning and terms of reference of the Committee are as prescribed under the Listing Agreement with the Stock Exchanges. It determines the Company's policy on all elements of remuneration packages of directors and employees of the Company.

**Terms of reference:**

Two meeting of the Remuneration Committee were held during the year. Attendance at meeting during the year is as under.

	DIRECTOR	NO. OF MEETINGS ATTENDED
1.	Mr. P.M. Alexander	1
2.	Mr. Arun K. Sinha	2
3.	Mr. Narendra Aggarwal	2

**Remuneration to Directors**

Remuneration to Directors for the year 2014 – 2015:

A)

Sr. No.	Name	Designation	All elements of Remuneration package i.e. Salary benefits bonus, pension etc
1.	Mr. Narender Makkar	Director & Company Secretary	₹ 19,20,000/-

B)

Sr. No.	Name	Designation	Sitting Fees
1.	Mr. Arun Kr. Sinha	Non - Executive Director	₹ 20,000/-
2.	Mrs.Rupali Chawla	Non - Executive Director	₹ 20,000/-

**(5) Stakeholders Relationship Committee** (formerly termed as Share Transfer and Shareholders' /Investors' Grievance Committee)

Pursuant to Section 178(5) of the Act the Company renamed the erstwhile Investors' Grievance Committee as the Stakeholder Relationship Committee with effect from November 8, 2013. The Company has structured a system of reviewing the Shareholders'/Investors' Grievance at every Board Meeting. However, a Committee was constituted in the financial year 2001 with a specific authority to look into the Investors'/ Shareholders' Grievance. The following were the members of the Committee during the year.

- (A) Mr. Narendra Aggarwal Independent Director
- (B) Mr. Arun K. Sinha Independent Director
- (C) Mr. P. M. Alexander Independent Director

Mr. Narender Makkar, Company Secretary, is the Secretary of the committee and is also the Compliance Officer.

During the financial year, 12 meetings of the committee were held on the following dates;

05.05.2014, 9.06.2014, 14.07.2014, 21.07.2014, 11.08.2014, 09.08.2014, 15.09.2014, 13.10.2014, 17.11.2014, 12.01.2015, 16.02.2015, 23.03.2015

The Investors' Grievance Committee, for the purpose of Investor grievances, designated particularly the email Id as per clause 47(f) of the Listing Agreement, which is "narendermakkar@yahoo.com.

The number of complaints received during the year were 05 (Five) and there were one pending as at the end of the financial year.





## PHOENIX INTERNATIONAL LIMITED

### (6) General Body Meeting

(A) The venue date and time of the last 3 Annual General Meetings were as follows;

<u>Date &amp; Time</u>	<u>Location</u>
30 <sup>th</sup> September, 2012 at 10:00 a.m.	Lok Kala Manch, 20 Institutional Area, Lodhi Road, New Delhi – 110003
30 <sup>th</sup> September, 2013 at 10:00 a.m.	Lok Kala Manch, 20 Institutional Area, Lodhi Road, New Delhi – 110003
30 <sup>th</sup> September, 2014 at 10:00 a.m.	Lok Kala Manch, 20 Institutional Area, Lodhi Road, New Delhi – 110003

(B) No Special Resolution has been passed during the last three Annual General Meetings

(C) No Resolution has been passed / moved through postal ballot during the year.

### (7) Disclosure

- I. The details of materially significant related party transactions are discussed in Notes to the Financial Statement.
- II. Whistle Blower Mechanism: - The Company promotes ethical behavior in all its business activities and has put in place mechanism of the reporting illegal or unethical behavior. Employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor/notified person. The reports received from any employee will be reviewed by the Ethics Office and the Corporate Governance and Shareholders'/Investors' Grievance Committee. The Directors and Senior Management are obliged to maintain confidentiality of such report and ensure that the whistle blowers are not subjected to any discriminatory practices.
- III. There are no pecuniary relationships or transactions with the Non-Executive Directors other than sitting fees paid to them.

### (8) Means of Communication

i. Quarterly Result	Un-audited quarterly and yearly results have been published.
ii. Whether the website also displays official news releases and presentation to institutional investors / analysts.	Website has been developed and is active. Notice of Annual General Meeting along the Annual Report is being sent to each shareholder well within time frame.
iii. Newspapers where Audited Financial Results, Un-audited quarterly and yearly results are published	Financial Express Delhi English & Hari Bhumi Hindi Edition
iv. Whether Management Discussion and Analysis is a part of Annual Report or not.	YES
v. Annual Report	Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Director's Report, Auditors' Report and other important information is circulated to members and others entitled thereto.

### (9) Code of Business Conduct and Ethics for Directors and Senior Management

The Board is committed to follow the Code of Business Conduct and Ethics for Directors and Senior Management ('the Code') as recommended by the Corporate Governance and Shareholders'/Investors' Grievance Committee. This Code is a comprehensive Code applicable to all Directors, Executive as well as Non-Executive as well as members of Senior Management. The Code of ethics and compliance with the code of ethics is attached as an Annexure to this report.

### (10) Subsidiary Monitoring Framework

All the subsidiary companies of the Company are Board managed with their Boards of Directors having the rights and obligations to manage such companies in the best interest of their Shareholders. As a majority shareholder, the Company nominates its representatives on the Boards of subsidiary companies and monitors the performance of such companies inter alia, by the following means-

- a) Financial statements, in particular the investments made by the unlisted subsidiary companies, are reviewed quarterly by the Audit Committee of the Company.
- b) All minute of the meetings of subsidiary companies are placed before the Company's Board regularly.
- c) A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary companies is placed before the Company's Board.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Indian Footwear Industry has demonstrated exponential growth and continues to take advantage of the favourable current economic climate to further leverage growth opportunities. The Government has acted as an important catalyst in bringing greater investment to this sector and has granted fiscal relief and incentives to augment production and exports. Innovation continues to be the focal point in your Company's manufacturing, sales, marketing and various brand-building efforts.



The company has manufacturing facility of shoes uppers at Chennai and achieved a turnover of ₹ 2,604.63 Lacs during the current year as compared to ₹ 2,503.26 Lacs during the previous year.

Your Company is always striving to create a favourable work environment with the available resources at its command and is doing its best to retain the available talents within the company.

The Company is having expertise in the product line in which it has been operating. The Company in the past was a continuously profit earning and dividend paying Company.

Your company is well aware of the opportunities, threats and risks involved in the business and it takes every effort to convert the threats and risks into opportunities.

Your Company annually reviews "risk maps" to help identify potential business threats. The capability of these risk mitigation plans, developed to redress identified threats, is honed to protect the interests of all Shareholders. Crisis management plans are well documented.

The Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transaction are authorized and reported correctly.

**(11) General Shareholder Information**

**(a) Annual General Meeting**

Date & Time : 30/09/2015 at 10:00 A.M.

Place : Lok Kala Manch, 20, Institutional Area, Lodhi Road, New Delhi -110003.

**(b) Financial Calendar : 2015 - 16**

(Tentative)

Financial Results for the Quarter Ended:

30<sup>th</sup> June, 2015 - 12<sup>th</sup> August, 2015

30<sup>th</sup> September, 2015 - 9<sup>th</sup> November, 2015

31<sup>st</sup> December, 2016 - 11<sup>th</sup> February, 2016

31<sup>st</sup> March, 2016 - 12<sup>th</sup> May, 2016

Approval of Audited Results for the year ended 31.03.2016 – 26.05.2016

**(c) Date of book Closure - 30<sup>th</sup> September, 2015**

**Listing on Stock Exchanges:**

The shares of the Company are listed on the following stock exchanges:

S. No.	STOCK EXCHANGE	ADDRESS
(a)	Bombay Stock Exchange	The Bombay Stock Exchange, Phiroze Jeejeebhoy Tower, 25th Floor, Dalal Street, Mumbai 400 001
(b)	Delhi Stock Exchange	The Delhi Stock Exchange, DSE House, 3/1, Asaf Ali Road, New Delhi – 110002

The Company has paid Annual Listing Fees to Stock Exchanges.

**(d) Stock Exchange Code at BSE : 526481**

Stock Market Data: Highest & Lowest during each month in last financial year from April, 2014 to March, 2015 on Bombay Stock Exchange.

YEAR	MONTH	HIGHEST RATE (₹)	LOWEST RATE (₹)
2014	April	8.25	5.96
2014	May	8.61	6.65
2014	June	11.24	7.21
2014	July	10.8	7.46
2014	August	9.05	7.65
2014	September	10.28	7.8
2014	October	10.88	8.56



**PHOENIX INTERNATIONAL LIMITED**

YEAR	MONTH	HIGHEST RATE (₹)	LOWEST RATE (₹)
2014	November	15.48	9.65
2014	December	14.4	8.25
2015	January	10.9	8.4
2015	February	10.79	9
2015	March	9.5	7

**(d) Share Transfer System:**

The Company has out sourced share transfer function to M/s Mas Services Limited, which is registered with SEBI as a Category-I Registrar and Transfer Agent.

**(e) Dematerialization of Shares:**

The Company has entered into agreement with NSDL and CDSL for the purpose. The Company ISIN No. is INE245B01011.

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

Shareholding of Nominal Value (₹)	Shareholders		Share Amount	
	Number	% to Total	Amount In (₹)	% to Total
1	2	3	4	5
Up to 5000	8123	90.195	14821840	8.828
5001 – 10,000	492	5.463	3917310	2.333
10,001-20,000	177	1.965	2673050	1.592
20,001-30,000	71	0.788	1837300	1.094
30,001-40,000	34	0.378	1200400	0.715
40,001-50,000	30	0.333	1408940	0.839
50,001-1,00,000	41	0.455	3075620	1.832
1,00,001- and above	38	0.422	138961140	82.766
	<b>9006</b>	<b>100</b>	<b>167895600</b>	<b>100</b>

**(g) (ii) Shareholding Pattern as on 31<sup>st</sup> March, 2015**

Category	No. of shares held	Percentage of shareholding
<b>A. Promoter's holding</b>		
1. Promoters		
– Indian Promoters	27,36,000	16.296
– Foreign Promoters	Nil	Nil
2. Persons acting in concert	90,53,450	53.923
<b>Sub – Total :</b>	<b>1,17,89,450</b>	<b>70.219</b>
<b>B. Non-Promoters Holding</b>		
3. Institutional Investors		
a. Mutual Funds and UTI	Nil	Nil
b. Banks, Financial Institutions, Insurance Companies (Central/ Sale Govt. Institutions/Non-Government Institutions)	Nil	Nil
c. FII's	Nil	Nil
<b>Sub Total</b>	<b>Nil</b>	<b>Nil</b>
4. Others		
a. Corporate Bodies	7,74,866	4.615
b. Indian Public	26,97,999	16.07
c. NRIs/OCBs	11,21,159	6.678
d. Any other (please specify)- Clearing Members	26,800	0.016
<b>Sub-Total</b>	<b>50,00,110</b>	<b>29.782</b>
<b>Grand Total</b>	<b>1,67,89,560</b>	<b>100.00</b>



**(h) Registrar and Transfer Agent**

Mas Services Limited, T-34, 2<sup>nd</sup> Floor, Okhla Industrial Area, Phase-II, New Delhi -110020

**(i) Plant Location**

Phoenix International Ltd.  
No77/70A, Thiruneermalai Main Road, Nagalkeni, Chromepet, Chennai,  
Tamilnadu India Pin - 600044

**(j) Address for Correspondence**

**Phoenix International Limited**  
3<sup>rd</sup> Floor, Gopala Tower, 25, Rajendra Place, New Delhi – 110008

**NON MANDATORY REQUIREMENT**

The company has not adopted non-mandatory requirement.

For and on behalf of the Board  
**PHOENIX INTERNATIONAL LIMITED**

**Place: New Delhi**  
**Date: 12.08.2015**

Narender Makkar  
**DIN-00026857**  
**Director & Company Secretary**

P.M. Alexander  
**DIN-00050022**  
**Director**

**ANNEXURE – 2**

**CODE OF CONDUCT AND COMPLIANCE WITH THE CODE OF CONDUCT**

“The Company’s Board of Directors and Senior Management are responsible for and are committed to setting the standards of conduct contained in this Code and for updating these standards, as appropriate, to ensure their continuing relevance, effectiveness and responsiveness to the need of investors and all other stakeholders as also reflect corporate, legal and regulatory developments. This Code should be adhered to in letter and in spirit.”

The Code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them. A declaration signed by the Whole Time Director is given below:

I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management, affirmation that they have complied with the Code of Business Conduct and Ethics for Directors and Senior Management in respect of the financial year 2013 – 2014.

For and on behalf of the Board  
**PHOENIX INTERNATIONAL LIMITED**

**Place: New Delhi**  
**Date: 12.08.2015**

Narender Makkar  
**DIN-00026857**  
**Director & Company Secretary**

P.M. Alexander  
**DIN-00050022**  
**Director**



**PHOENIX INTERNATIONAL LIMITED**

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**AUDITOR'S REPORT ON CORPORATE GOVERNANCE**

To,

**THE MEMBERS OF PHOENIX INTERNATIONAL LIMITED**

We have examined the compliance of conditions of Corporate Governance by Phoenix International Limited ("Company") for the year ended on March 31, 2014 as stipulated in the Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

**For M/s Pradip Bharadwaj & Co,  
Chartered Accountants**

**(Pradip Bhardwaj)**  
(Partner)  
M. No. : 500219

Place : New Delhi  
Date : 26.05.2015

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 2013**  
**RELATING TO SUBSIDIARY COMPANIES**

<b>Name of the subsidiary</b>	<b>Phoenix Industries Ltd.</b>	<b>Phoenix Cement Ltd.</b>
1. Financial year of the Subsidiary ended on	March 31, 2015	March 31, 2015
2. Holding company's Interest i) No. and Face Value of Shares ii) Extent of holding	Holding of 84,32,300 Equity Shares of Rs. 10/- each fully paid-up. 89.40%	Holding of 4,19,53,510 Equity Shares of Rs. 10/- each fully paid-up. 50.57%
3. Net aggregate amount of Subsidiary's Profit / Loss so far as they concerns the member of the Holding Company and not dealt with in the Holding Company's accounts i For Subsidiary Financial Year ii For Subsidiary previous financial year since it became Subsidiary	₹(22.05) Lacs ₹(3,214) Lacs	₹(0.62) Lacs ₹(5,559.48) Lacs
4. Net aggregate amount of Subsidiary's Profits / (Loss) so far as it concerns the member of the Holding Company and dealt with in the Holding Company's accounts i For Subsidiary Financial Year ii For Subsidiary previous financial year since it became Subsidiary	Nil Nil	Nil Nil
5. Change in the interest of Holding Company between the end of Subsidiary financial year and the end of Holding Company's financial year.	Not applicable	Not Applicable
6. Material change between the end of Subsidiary company financial year and the Holding Company's financial year i) Fixed Assets ii) Investments iii) Monies lent by the subsidiary iv) Monies borrowed by the subsidiary Other than for meeting current liabilities	Not applicable Not applicable Not applicable Not applicable	Not applicable Not applicable Not applicable Not applicable

For and on behalf of Board of Directors

**Phoenix International Limited**

Place: New Delhi  
Date : 12.08.2015

Narender Makkar  
**Director & Company Secretary**  
DIN: 00026857

Arun K. Sinha  
**Director**  
DIN: 00925589

Narendra Agarwal  
**Director**  
DIN: 00027347



## PHOENIX INTERNATIONAL LIMITED

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2015

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]*

To

The Members

Phoenix International Limited

3<sup>rd</sup> Floor, Gopala Tower

25 Rajendra Place, New Delhi - 110008

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Phoenix International Limited ('the Company'). The secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of -

- i. The Companies Act, 2013 and the Rules made under that Act;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made under that Act;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act;
- iv. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; and
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.
  - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

I have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with the Stock Exchanges in India.

I report that, during the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines mentioned above.

I further report that, there were no actions/events in pursuance of:

- a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

requiring compliance thereof by the Company during the financial year and the Secretarial Standards issued by the Institute of Company Secretaries of India were not applicable during the year.

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, and based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, the Company is complying with the applicable general laws.

I further report, that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been review in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

I further report, that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review





## PHOENIX INTERNATIONAL LIMITED

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were carried out in compliance with the provisions of the Act.

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

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report, that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I report further, that during the audit period, there were no specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc. having a major bearing of the Company's affairs.

Date: 11.07.2015

Ritu Agarwal

Place: AGRA

ACS No. 21378, CP No. 12759

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

### APPENDIX A

To

The Members

Phoenix International Limited

3<sup>rd</sup> Floor, Gopala Tower

25 Rajendra Place

New Delhi - 110008

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

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

Date: 11.07.2015

Ritu Agarwal

Place: AGRA

ACS No. 21378, CP No. 12759



**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN**

**As on financial year ended on 31.03.2015**

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

**I. REGISTRATION & OTHER DETAILS:**

1	CIN	L74899DL1987PLC030092
2	Registration Date	12/28/1987
3	Name of the Company	PHOENIX INTERNATIONAL LIMITED
4	Category/Sub-category of the Company	LIMITED BY SHARES
5	Address of the Registered office & contact details	3RD FLOOR GOPALA TOWER, 25 RAJENDRA PLACE DELHI - 110008
6	Whether listed company	YES
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	MAS SERVICES LIMITED, T-34, OKHLA INDUSTRIAL AREA PHASE-II, DELHI

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	<b>NIL</b>		
2			
3			

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

S.N.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Phoenix Industries Limited	U74899DL1999PLC101593	Subsdairy		
2	Phoenix Cement Limited	U74899DI1995PLC065806	Subsdairy		
3					

**IV. SHARE HOLDING PATTERN**

(Equity share capital breakup as percentage of total equity)

**(i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>1 Indian</b>									
a) Individual/ HUF	–	2,736,000	2,736,000	16.30%	–	2,736,000	2,736,000	16.30%	0.00%
b) Central Govt	–		–	0.00%			–	0.00%	0.00%
c) State Govt (s)	–		–	0.00%			–	0.00%	0.00%
d) Bodies Corp.	106,250	8,947,200	9,053,450	53.92%		9,053,450	9,053,450	53.92%	0.00%
e) Banks / FI			–	0.00%			–	0.00%	0.00%
f) Any other			–	0.00%			–	0.00%	0.00%
Sub Total (A) (1)	106,250	11,683,200	11,789,450	70.22%	–	11,789,450	11,789,450	70.22%	0.00%
<b>2 Foreign</b>									
a) NRI Individuals			–	0.00%			–	0.00%	0.00%
b) Other Individuals			–	0.00%			–	0.00%	0.00%
c) Bodies Corp.			–	0.00%			–	0.00%	0.00%
d) Any other			–	0.00%			–	0.00%	0.00%
Sub Total (A) (2)	–	–	–	0.00%	–	–	–	0.00%	0.00%
TOTAL (A)	106,250	11,683,200	11,789,450	70.22%	–	11,789,450	11,789,450	70.22%	0.00%
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds			–	0.00%			–	0.00%	0.00%
b) Banks/FI			–	0.00%			–	0.00%	0.00%
c) Central Govt			–	0.00%			–	0.00%	0.00%
d) State Govt(s)			–	0.00%			–	0.00%	0.00%
e) Venture Capital Funds			–	0.00%			–	0.00%	0.00%
f) Insurance Companies			–	0.00%			–	0.00%	0.00%
g) FIs			–	0.00%			–	0.00%	0.00%
h) Foreign Venture Capital Funds			–	0.00%			–	0.00%	0.00%
i) Others (specify)			–	0.00%			–	0.00%	0.00%
Sub-total (B)(1):-	–	–	–	0.00%	–	–	–	0.00%	0.00%
<b>2. Non-Institutions</b>									
a) Bodies Corp.	244100	514000	758100	4.52%	260866	514000	774866	4.62%	2.21%
i) Indian	1,819,787	866,351	2,686,138	16.00%	1844166	853833	2,697,999	16.07%	0.44%
ii) Overseas			–	0.00%			–	0.00%	0.00%
b) Individuals									



## PHOENIX INTERNATIONAL LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh			–	0.00%			–	0.00%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	383,390		431,690	2.57%	330986	48300	379,286	2.26%	–12.14%
c) Others (specify)									
Non Resident Indians	13,408		1,120,808	6.68%	13759	1107400	1,121,159	6.68%	0.03%
Overseas Corporate Bodies			–	0.00%			–	0.00%	0.00%
Foreign Nationals			–	0.00%			–	0.00%	0.00%
Clearing Members	3,374		3,374	0.02%	26800		26,800	0.16%	694.31%
Trusts			–	0.00%			–	0.00%	0.00%
Foreign Bodies – D R			–	0.00%			–	0.00%	0.00%
Sub-total (B)(2):–	2,464,059	1,380,351	5,000,110	29.78%	2,476,577	2,523,533	5,000,110	29.78%	0.00%
Total Public (B)	2,464,059	1,380,351	5,000,110	29.78%	2,476,577	2,523,533	5,000,110	29.78%	0.00%
C. Shares held by Custodian for GDRs & ADRs			–	0.00%				0.00%	0.00%
Grand Total (A+B+C)	2,570,309	13,063,551	16,789,560	100.00%	2,476,577	14,312,983	16,789,560	100.00%	0.00%

### (ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Phoenix International Finance Limited	106,250	0.63%	0	106,250	0.63%	0	0.00%
2	D N Kalsi	1,600	0.01%	0	1,600	0.01%	0	0.00%
3	Mayflower Management Services Pvt Ltd	2,880,000	17.15%	0	2,880,000	17.15%	0	0.00%
4	Vanguard Services Pvt Ltd	3,120,000	18.58%	0	3,120,000	18.58%	0	0.00%
5	Spartan Management Services Pvt Ltd	2,880,000	17.15%	0	2,880,000	17.15%	0	0.00%
6	Fitzroy Exports Pvt Ltd	16,800	0.10%	0	16,800	0.10%	0	0.00%
7	Focus Energy Limited	200	0.00%	0	200	0.00%	0	0.00%
8	Ajay Kalsi	2,734,400	16.29%	0	2,734,400	16.29%	0	0.00%

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

NO CHANGE

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
					0.00%		0.00%
					0.00%		0.00%
	At the end of the year				0.00%		0.00%

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs)

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Dhanastra Investments Ltd			65,300	0.39%	65,300	0.39%
2	Bds Share Brokers Private Ltd.			38,364	0.23%	43,328	0.26%
3	Champion Investments Ltd			1,58,000	0.94%	1,58,000	0.94%
4	Sanjay Gupta			47,700	0.28%	47,700	–
5	Chandra Prabha Ghandhi			25,464	0.15%	22,570	0.13%
6	Paras Mal Pipra			1,30,151	0.78%	1,40,123	0.83%
7	M L Ghandi			19,943	0.12%	–	0.00%
8	Dorcy Holding Limited			1,50,300	0.90%	1,50,300	–
9	Carver Finance Limited			1,44,900	0.86%	1,44,900	0.86%
10	Dynas Investments Limited			1,58,200	0.94%	1,58,200	0.94%
11.	Gjanshyam N Gajjar			16,868	0.10%	16,868	0.10%

(v) Shareholding of Directors and Key Managerial Personnel:

NOT APPLICABLE

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Name						
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year				0.00%		0.00%
2	Name						
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year				0.00%		0.00%



**PHOENIX INTERNATIONAL LIMITED**

**V. INDEBTEDNESS**

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

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount				-
ii) Interest due but not paid				-
iii) Interest accrued but not due				-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
* Addition				-
* Reduction				-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount				-
ii) Interest due but not paid				-
iii) Interest accrued but not due				-
<b>Total (i+ii+iii)</b>	-	-	-	-

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**NOT APPLICABLE**

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

S. N.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (Rs/Lac)
	Name		
	Designation		
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-
2	Stock Option		-
3	Sweat Equity		-
4	Commission		-
	– as % of profit		-
	– others, specify		-
5	Others, please specify		-
	Total (A)	-	-
	Ceiling as per the Act		

**PHOENIX INTERNATIONAL LIMITED**



B. Remuneration to other Directors

S N.	Particulars of Remuneration	Name of Directors			Total Amount
					(Rs/Lac)
1	Independent Directors				
	Fee for attending board committee meetings				-
	Commission				-
	Others, please specify				-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors				-
	Fee for attending board committee meetings				-
	Commission				-
	Others, please specify				-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration				-
	Overall Ceiling as per the Act				

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

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
		Name			(Rs/Lac)
		Designation	CEO	CFO	CS
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				-
2	Stock Option				-
3	Sweat Equity				-
4	Commission				
	- as % of profit				-
	- others, specify				-
5	Others, please specify				-
	Total	-	-	-	-





VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

NOT APPLICABLE

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

NIL

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**Independent Auditors' Report**

**To the Members of Phoenix International Limited**

**Report on the Financial Statements**

We have audited the accompanying financial statements of Phoenix International Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement 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 Accounting principles generally accepted in India , including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for the ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- (b) in the case of the Statement of Profit and Loss , of the profit for the year ended on that date; and
- (c) 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, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act and on the basis of such checks of the books and records of the company as we considered appropriate and according to information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 1. As required by section 143(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;
  - (d) in our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 8/2014 dated 4<sup>th</sup>April, 2014 issued by the Ministry of Corporate Affairs ;



## PHOENIX INTERNATIONAL LIMITED

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- (e) on the basis of written representations received from the directors as on March 31, 2015 under section 164(2) of the Companies Act, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of provisions of section 164(2) of the Companies Act, 2013.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors), 2014, In our opinion and to the best of our information and according to the explanations given to us;
  - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to Note no. 28
  - (ii) the company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses, and
  - (iii) There has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

**For Pradip Bhardwaj & Co.**  
**Chartered Accountants**  
**FRN: 013697C**

**Date: 26.05.2015**  
**Place: New Delhi**

*per* **Pradip Bhardwaj**  
**Partner**  
**M.No. 500219**



**ANNEXURE REFERRED TO IN PARAGRAPH ‘1’ UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR AUDIT REPORT OF EVEN DATE TO THE MEMBERS OF PHOENIX INTERNATIONAL LIMITED**

1. (a) According to the information and explanations given to us, company is maintaining proper records of fixed assets.  
(b) Physical verification of fixed assets has been made by the management during the year and no material discrepancies were noticed on such verification.
2. (a) The management has conducted physical verification of inventory at reasonable interval during the period.  
(b) The procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to size of the company and the nature of its business.  
(c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
3. As per information and explanations provided to us, the company has not granted any loans, secured and unsecured to companies, firms or other parties covered in the register maintained under section 189 of Companies Act,2013,Clause iii of paragraph 3 of the Companies (Auditor’s Report) Order, 2015 are not applicable to the company.
4. According to the information and explanations given to us, there is adequate internal control system commensurate with the size of the company and the nature of its business for Purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control procedures.
5. According to the information and explanations given to us, the company has not accepted any deposits in terms of directives issued by Reserve Bank of India and the provisions of section 73 to 76 or any other provisions of the Companies Act and the rules framed there under, hence clause v of paragraph 3 of the Companies (Auditor’s Report) Order,2015 is not applicable.
6. According to the information and explanations given to us, maintenance of cost records have not been specified by the Central Government under sub- section (1) of Section 148 of Companies Act,2015, hence clause vi of paragraph 3 of the Companies (Auditor’s Report) Order,2015 is not applicable.
7. (a) According to the information and explanations given to us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues as applicable to the company except income tax (TDS of Rs 4392). According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, Value added tax, cess and any other statutory dues were outstanding, as at 31.03.2015 for a period of more than six months from the date they become payable.  
(b) As per information and explanation provided to us, the following are the contingent liabilities against which the appeal is pending to the various authorities

Particulars	Authorities	Amounts
1.Sales Tax	Commissioner Appeal	2,91,515
2.Wealth Tax	Commissioner Appeal	8,45,144
3.Service Tax	CESSTAT	1,32,24,465
4.Service Tax (12-13)	Commissioner Appeal	37,08,000
5.Employee Provident Fund	EPF Appellate Tribunal, New Delhi	18,63,744

- (c) As per information and explanations given to us, there is no amount required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act and rules made there under, hence clause vii(c ) of paragraph 3 of the Companies( Auditor’s Report)Order,2015 is not applicable.
8. The Company has no accumulated losses at the end of financial year and. The company has not incurred any cash losses during the current financial year and also immediately preceding financial year. Clause viii of paragraph 3 of the Companies (Auditor’s Report) Order,2015 is not applicable.
9. According to the information and explanations give to us, the company has taken loan from bank but there is no default in repayment of principal and interest during the year.
10. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions. Clause x of paragraph 3 of the companies (Auditor’s Report) Order, 2015 are not applicable to the company.
11. According to the information and explanations given to us, no term loans were obtained during the year under audit. Hence the provision of Clause (xi) of paragraph 3 of the Companies (Auditor’s Report) Order, 2015 are not applicable to the company.



## PHOENIX INTERNATIONAL LIMITED

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12. During the course of our examination of the books and records of the company in accordance with generally accepted accounting practices, no fraud on or by the company has been noticed or reported during the year covered by our audit.
16. According to the information and explanations given to us, the company has not availed any fresh term loan. Accordingly, the provision of 4(xvi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
17. According to the information and explanations given to us, no funds raised on short term basis have been used for long term investment and vice-versa. Accordingly, the provision of 4 (xvii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
18. According to the information and explanations given to us, the company has not made a preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. According to the information and explanations given to us, the company has not issued any debenture. Accordingly, the provision of 4 (xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
20. During the year covered by our report the Company has not raised any money by public issue. Accordingly, the provision of 4 (xx) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
21. During the course of our examination of the books and records of the company, no fraud on or by the company has been noticed or reported during the year covered by our audit.

*For M/s Pradip Bharadwaj & Co,*  
Chartered Accountants  
Firm Regd. No. 013697C

**Pradip Bhardwaj**  
Partner  
M.No. 500219

Place : **New Delhi**  
Date : **26.05.2015**

**PHOENIX INTERNATIONAL LIMITED**  
CIN: L74899DL1987PLC030092  
**BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2015**

PARTICULARS	Note No	As at 31st March, 2015 (₹)	As at 31st March, 2014 (₹)
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	187,895,600	187,895,600
(b) Reserves and Surplus	3	511,117,398	514,213,852
<b>(2) Non-Current Liabilities</b>			
(a) Long Term Borrowings	4	415,098,829	463,362,019
(b) Long-Term Liabilities	5	51,890,019	56,489,169
(c) Long Term Provisions	6	1,008,148	1,340,046
<b>(3) Current Liabilities</b>			
(a) Trade Payables	7	178,360,583	152,105,005
(b) Other Current Liabilities	8	41,143,007	41,506,009
(c) Short-Term Provisions	9	20,353,734	18,171,261
<b>TOTAL</b>		<b>1,406,867,318</b>	<b>1,435,082,961</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
<b>(a) Fixed Assets</b>			
(i) Tangible Assets	10	355,648,456	383,116,020
(ii) Capital Work-in-Progress	10	23,242,075	23,242,075
<b>(b) Non-Current Investments</b>	11	<b>159,082,580</b>	<b>159,082,580</b>
<b>(c) Long Term - Loans and Advances</b>	12	<b>511,791,387</b>	<b>508,964,241</b>
<b>(2) Current Assets</b>			
(a) Inventories	13	51,829,794	68,937,877
(b) Trade Receivables	14	154,948,584	196,739,498
(c) Cash and Cash Equivalents	15	40,291,994	29,977,676
(d) Short Term Loans & Advances	16	105,054,827	57,688,898
(e) Other Current Assets	17	4,977,621	7,334,096
<b>TOTAL</b>		<b>1,406,867,318</b>	<b>1,435,082,961</b>
Significant Accounting Policies	1		
Notes on Financial Statements	2 to 41		

As per our report of even date annexed

**For Pradip Bhardwaj & Co.**

**Chartered Accountants**

FRN- 013697C

*per* Pradip Bhardwaj

Partner

M.No. 500219

Place : New Delhi

Dated : 26.05.2015

Narendra Aggarwal

Director

DIN No. : 00027347

**For and on behalf of the Board of Directors**

P. M. Alexander

Director

Din No. : 00050022

Narender Makkar

Company Secretary

PHOENIX INTERNATIONAL LIMITED  
CIN: L74899DL1987PLC030092

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2015

PARTICULARS	Note No	For the Year Ended 31st March, 2015 (₹)	For the Year Ended 31st March, 2014 (₹)
<b>I Revenue from Operations</b>	18	391,736,150	368,347,069
<b>II Other Income</b>	19	2,192,624	9,486,872
<b>III Total Revenue (I +II)</b>		<b>393,928,774</b>	377,833,941
<b>IV Expenses</b>			
Cost of Material Consumed	20	229,764,607	178,430,702
Changes in Inventories of finished goods, Work-in-progress and Stock-in-Trade	21	4,095,869	(3,811,512)
Employees' Benefit Expenses	22	11,376,050	27,189,753
Financial Costs	23	61,099,928	71,546,046
Depreciation	10	13,145,131	22,425,802
Other Expenses	24	59,735,279	68,595,070
<b>Total Expenses (IV)</b>		<b>379,216,864</b>	364,375,861
<b>V Profit before Tax (III - IV)</b>		<b>14,711,910</b>	13,458,080
<b>VI Tax Expenses</b>			
(1) Provision for Income Tax		5,500,000	5,020,000
<b>VII Profit/(Loss) for the year (V-VI)</b>		<b>9,211,910</b>	8,438,080
<b>VIII Earning per equity share:</b>			
Basic & Diluted	25	0.55	0.50
Significant Accounting Policies	1		
Notes on Financial Statements	2 to 40		

As per our report of even date annexed

**For Pradip Bhardwaj & Co.**  
Chartered Accountants  
FRN- 013697C

For and on behalf of the Board of Directors

*per* Pradip Bhardwaj  
Partner  
M.No. 500219

Narendra Aggarwal  
Director  
DIN No. : 00027347

P. M. Alexander  
Director  
Din No. : 00050022

Narender Makkar  
Company Secretary

Place : New Delhi  
Dated : 26.05.2015



**PHOENIX INTERNATIONAL LIMITED**  
**CIN: L74899DL1987PLC030092**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2015**

PARTICULARS	For the Year Ended 31st March, 2015 ₹	For the Year Ended 31st March, 2014 ₹
<b>A. Cash Flow from Operating Activities</b>		
Net Profit / (Loss) before Tax	14,711,910	13,458,080
<b>Adjustments for:</b>		
Depreciation & Amortization Exp.	13,145,131	22,425,802
Foreign Exchange (Net)	6,067,966	34,827,693
Interest (Net)	60,597,701	70,478,458
Loss on sale of Fixed Assets	447,441	338,727
<b>Operating profit before Working Capital Changes</b>	<b>94,970,149</b>	<b>141,528,760</b>
Trade receivables & Other current assets	(3218,540)	107,102,240
Changes in Stock in Trade	17,108,081.93	(3,827,074)
Trade Payables & other liabilities	23,558,518	(142,556,917)
<b>Cash from Operating Activities</b>	<b>132,418,209</b>	<b>102,247,009</b>
Taxes paid	5,500,000	5,020,000
<b>Net cash from operating activities</b>	<b>126,918,209</b>	<b>97,227,009</b>
<b>B. Cash flow from Investing Activities</b>		
Purchase of Fixed Assets / CWIP	(61,371)	(611,638)
Sale of Fixed Assets	1,628,000	660,000
Interest Received	502,227	1,067,588
<b>Net Cash used in investing activities</b>	<b>2,068,856</b>	<b>1,115,950</b>
<b>C. Cash flow from Financing Activities</b>		
Advances from Subsidiaries / Others	(4,710,479)	(1,430,601)
Repayment of Long Term Borrowing (Net)	(48,263,190)	(43,412,507)
Security Deposits (Paid) / Received	(4,599,150)	8,442,910
Interest Paid	(61,099,928)	(71,546,046)
<b>Net Cash from Financing Activities</b>	<b>(118,672,747)</b>	<b>(107,946,244)</b>
<b>Net Increases (Decreases) in cash and cash Equivalents</b>	<b>10,314,318</b>	<b>(9,603,285)</b>
<b>Cash and Cash Equivalent at the beginning</b>	<b>29,977,676</b>	<b>39,580,961</b>
<b>Cash and Cash Equivalent at the end of the Year</b>	<b>40,291,994</b>	<b>29,977,676</b>

We have examined the above cash flow statement of Phoenix International Limited for the year ended 31.03.2015. The statement has been prepared by the management in accordance with the listing requirements of Security Exchange Board of India (SEBI) and is based on and derived from the audited financial statement of the company for the year ended 31.03.2015.

As per our report of even date annexed

**For Pradip Bhardwaj & Co.**

**Chartered Accountants**

FRN- 013697C

*per* Pradip Bhardwaj

Partner

M.No. 500219

Place : New Delhi

Dated : 26.05.2015

**Narendra Aggarwal**

Director

DIN No. : 00027347

**For and on behalf of the Board of Directors**

**P. M. Alexander**

Director

Din No. : 00050022

**Narender Makkar**

Company Secretary





**Note 1**

**SIGNIFICANT ACCOUNTING POLICIES**

**1. a) BASIS OF PREPARATION OF FINANCIAL STATEMENT**

These Financial Statements have been prepared to comply with the Generally Accepted Accounting Principles (Indian GAAP) including the Accounting Standards notified under the relevant provisions of the Companies Act 2013.

The Financial Statements are prepared on accrual basis under the historical cost convention. The financial Statements are presented in Indian rupees rounded off to the nearest rupees.

**b) USE OF ESTIMATES**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (Indian GAAP) requires judgments, estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materealised.

**2. FIXED ASSETS**

Tangible Assets are stated at cost net of recoverable taxes, trade discount and rebates and include amount added on revaluation, less accumulated depreciation and impairment loss, if any. The cost of tangible assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

Projects under which assets are not ready for their intended use are disclosed under Capital Work-in-Progress

**3. VALUATION OF INVENTORIES**

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

**4. DEPRECIATION**

a) Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written Down Value (WDV) Method except in case of assets pertaining to unit- Noida A-37 where depreciation is provided on Straight Line Method (SLM). Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

b) No write off is made in respect of long term lease hold land.

**5. FOREIGN EXCHANGE TRANSACTION**

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

b. Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.

c. Non-monetary foreign currency items are carried at cost.

d. In respect of integral foreign operations, all transactions are translated at rates prevailing on the date of transaction or that approximates the actual rate at the date of transaction. Monetary assets and liabilities are restated at the year end rates.

e. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss Statement.

**6. REVENUE RECOGNITION**

Revenue is recognised only when risk and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operation include sale of goods and services. Export Sales are accounted for on the basis of the date of Bill of Lading, Domestic sales are accounted for on the basis of ex-factory/godown dispatches. Sales include excise duty but exclude discounts, sales tax and all other charges.

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

**7. EXPORT BENEFITS**

Sale of advance licenses is accounted for on realizations basis, Duty Drawbacks and Duty entitlement Pass Book benefits are accounted for on accrual basis.



**8. RETIREMENT BENEFITS**

- a) Contributions to Provident fund are made at the prescribed rates in the recognized funds and charged to the Profit and Loss A/c.
- b) Provision for Gratuity are to be made on the basis of actuarial valuation.
- c) Every employee who has completed five years or more of service gets a gratuity on leaving at 15 days salary (last drawn salary) for each completed year of service. Year end liability on account of retirement benefits to employees are provided.
- d) Leave encashment is accounted for on year to year basis and not accumulated to be encashed at the time of retirement.

**9. INVESTMENTS**

Investments in subsidiary and other companies are treated as long term investments and are stated at cost. Provision of diminution in the market value of long- term investments is made only if such decline is considered permanent by the Management. Dividend is accounted for as and when received.

**10. IMPAIRMENT OF FIXED ASSETS**

An assets is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement in the year in which an assets is identified as impaired. The impairment loss is recognised in prior accounting period is reversed if there has been a change in the estimates of recoverable amount.

**11. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provision is recognised in the accounts when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and reliable estimates can be made. Provision are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates at each reporting date and adjusted to reflect the current best estimates.



## PHOENIX INTERNATIONAL LIMITED

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2. SHARE CAPITAL	As at 31st March, 2015 (₹)		As at 31st March, 2014 (₹)	
	No's of Share	Value (₹)	No's of Share	Value (₹)
<b>(a) Authorized Share Capital</b>				
Equity Share @ ₹ 10/- each	50,000,000	500,000,000	50,000,000	500,000,000
4% Cumulative Redeemable Preference Share @ ₹ 100/- each	10,000,000	1,000,000,000	10,000,000	1,000,000,000
<b>TOTAL</b>	<b>60,000,000</b>	<b>1,500,000,000</b>	60,000,000	1,500,000,000

#### (b) Issued, Subscribed and Fully Paid up

Equity Share @ ₹ 10/- each	16,789,560	167,895,600	16,789,560	167,895,600
4% Cumulative Redeemable Preference Share @ ₹ 100/- each	200,000	20,000,000	200,000	20,000,000
<b>TOTAL</b>	<b>16,989,560</b>	<b>187,895,600</b>	16,989,560	187,895,600

#### (c) Disclosure for Shareholding

The details of shareholders holding more than 5%

Name of Shareholder	No. of Shares held	% age of Holding	No. of Shares held	% age of Holding
<b>(i) Equity Shares:</b>				
Vanguard Services Private Limited	3,120,000	18.58%	3,120,000	18.58%
Mayflower Management Services Private Limited	2,880,000	17.15%	2,880,000	17.15%
Sparton Management Services Private Limited	2,880,000	17.15%	2,880,000	17.15%
Ajay Kalsi	2,734,400	16.29%	2,734,400	16.29%
<b>TOTAL</b>	<b>11,614,400</b>	<b>69.18%</b>	11,614,400	69.18%

#### (ii) Preference Shares:

Granada Services Pvt. Ltd.	200,000	100.00%	200,000	100.00%
<b>TOTAL</b>	<b>200,000</b>	<b>100.00%</b>	200,000	100.00%

(d) Reconciliation of Shares Outstanding	No's of Share	Value (₹)	No's of Share	Value (₹)
<b>(i) Equity Shares:</b>				
<b>Shares outstanding at the beginning of the year</b>	<b>16,789,560</b>	<b>167,895,600</b>	16,789,560	167,895,600
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Any other movement	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>16,789,560</b>	<b>167,895,600</b>	16,789,560	167,895,600

#### (ii) Preference Shares:

<b>Shares outstanding at the beginning of the year</b>	<b>200,000</b>	<b>20,000,000</b>	200,000	20,000,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Any other movement	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>200,000</b>	<b>20,000,000</b>	200,000	20,000,000

PARTICULARS	As at 31st March, 2015 (₹)		As at 31st March, 2014 (₹)	
	<b>3. RESERVE &amp; SURPLUS</b>			
<b>General Reserve</b>				
As per last Balance Sheet		100,121,793		100,121,793
<b>Securities Premium Reserve</b>				
As per last Balance Sheet		124,198,900		124,198,900
<b>Profit &amp; Loss Account - Balance</b>				
Opening Balance	289,893,159		281,455,079	
Adjustment of Fixed Assets {Ref. 10(a)}	(12,308,364)			
Net Profit for the Current Year	9,211,910	286,796,705	8,438,080	289,893,159
<b>TOTAL</b>		<b>511,117,398</b>		<b>514,213,852</b>

PARTICULARS	As at 31st March, 2015 (₹)		As at 31st March, 2014 (₹)	
	Non Current	Current	Non Current	Current
<b>4. LONG TERM BORROWINGS</b>				
Term Loan from Bank : Secured	415,098,829	40,000,000	463,362,019	40,000,000
<b>TOTAL</b>	<b>415,098,829</b>	<b>40,000,000</b>	<b>463,362,019</b>	<b>40,000,000</b>

**Notes:**

- A) Term Loan from Oriental Bank of Commerce of Rs. 4,550.99 Lacs (Previous year Rs. 5,033.62 Lacs) is secured by way of Equitable Mortgage of Land and Building measuring 61,690 Sq. Meters at A-37, Sector 60, Noida assigned by way of security of the rights of borrower under sub lease/lease agreements including assignment of receivables of future rentals/lease money and first charge on all moveable / Fixed Assets & Inventory (existing and future) of the Company. The Loan is repayable in 120 Equated monthly installments from the date of disbursement. Due with in a year Rs. 1,087.23 Lacs including interest (Previous Year Rs. 1,091.16 Lacs including interest).
- B) Term Loan from Oriental Bank of Commerce Amount Rs. 1,474 Lacs are repayable over a period of 2 to 5 years.

PARTICULARS	As at 31st March, 2015 (₹)		As at 31st March, 2014 (₹)	
	<b>5. OTHER LONG TERM LIABILITY</b>			
Security Deposit		51,890,019		51,890,019
Advances from customers – Other, Considered Goods		–		4,599,150
<b>TOTAL</b>		<b>51,890,019</b>		<b>56,489,169</b>

PARTICULARS	As at 31st March, 2015 (₹)		As at 31st March, 2014 (₹)	
	<b>6. LONG TERM PROVISION</b>			
Provision for Gratuity (As per Actuarial Certificate)		1,008,148		1,340,046
<b>TOTAL</b>		<b>1,008,148</b>		<b>1,340,046</b>

PARTICULARS	As at 31st March, 2015 (₹)	As at 31st March, 2013 (₹)
<b>7. TRADE PAYABLES</b>		
Payable against Supplies, Services & Others	178,360,583	152,105,005
<b>TOTAL</b>	<b>178,360,583</b>	<b>152,105,005</b>

PARTICULARS	As at 31st March, 2015 (₹)	As at 31st March, 2014 (₹)
<b>8. OTHER CURRENT LIABILITIES</b>		
Current Maturity of Long Term Borrowing (Refer Note No. 4)	40,000,000	40,000,000
Payable to Others	770,073	1,177,026
Payable to Govt. Authority	372,934	328,983
<b>TOTAL</b>	<b>41,143,007</b>	<b>41,506,009</b>

PARTICULARS	As at 31st March, 2015 (₹)	As at 31st March, 2014 (₹)
<b>9. SHORT TERM PROVISIONS</b>		
Taxation – Income Tax	20,212,000	18,063,500
Gratuity (As per Actuarial certificate)	141,734	107,761
<b>TOTAL</b>	<b>20,353,734</b>	<b>18,171,261</b>

10. FIXED ASSETS

(Figures in ₹)

ASSETS	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	As at 01.04.2014	Addi- tions for the Period	Sales/ Transfer Adjust- ment	As at 31.03.2015	Up to 31.03.2014	For the Period	Adjust- ment with Retained Earning	Sale/ Transfer Adjust- ment	Up to 31.03.2015	As at 31.03.2015	As at 31.03.2014
Land	35,715,590	–	–	35,715,590	–	–	–	–	–	35,715,590	35,715,590
Building	571,513,620	–	–	571,513,620	241,765,183	11,534,283	–	–	253,299,466	318,214,154	329,748,437
Plant and Machinery(chennai)	42,261,276	54,646	3,808,003	38,507,919	34,132,058	221,380	5,838,609	1,913,298	38,278,749	229,170	8,129,218
Electrical Installation	28,219,953	–	90,300	28,129,653	20,267,235	823,555	6,356,556	40,049	27,407,297	722,356	7,952,718
Vehicles	6,629,432	–	–	6,629,432	6,347,018	124,164	–	–	6,471,182	158,250	282,414
Office and Other Equipment(chennai)	4,234,021	6,725	181,152	4,059,594	3,573,611	271,782	32,125	97,307	3,780,211	279,383	660,410
Furniture & Fixtures	3,468,107	–	218,182	3,249,925	2,840,874	169,967	81,074	171,543	2,920,372	329,553	627,233
Wooden Structure	2,878,972	–	–	2,878,972	2,878,972	–	–	–	2,878,972	–	–
<b>TOTAL</b>	694,920,971	61,371	4,297,637	690,684,705	311,804,951	13,145,131	12,308,364	2,222,197	335,036,249	355,648,456	383,116,020
<b>Capital Work In Progress:-</b>											
Machinery	23,242,075	–	–	23,242,075	–	–	–	–	–	23,242,075	23,242,075
<b>TOTAL</b>	23,242,075	–	–	23,242,075	–	–	–	–	–	23,242,075	23,242,075
<b>GRAND TOTAL – Current Year</b>	718,163,046	61,371	4,297,637	713,926,780	311,804,951	13,145,131	12,308,364	2,222,197	335,036,249	378,890,531	406,358,095
<b>GRAND TOTAL – Previous Year</b>	718,862,221	611,638	1,310,813	718,163,046	289,691,235	22,425,802	–	312,086	311,804,951	406,358,095	429,170,986

10(a). Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II. Accordingly the unamortised carrying value is being depreciated/amortised over the revised/remaining useful lives. The written down value of Fixed Assets whose lives expired have been adjusted with the Retained Earning amounting to Rs.1,23,08,364.

PARTICULARS	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	*Value (₹)	No. of Shares	Value (₹)
<b>11. NON-CURRENT INVESTMENTS</b>				
<b>Long Term Investments – At Cost</b>				
<b>Investments, Unquoted in Equity Instruments – fully paid up</b>				
Phoenix Industries Limited (Subsidiary Company)	8,432,200	27,104,727	8,432,200	27,104,727
Phoenix Cement Limited (Subsidiary Company)	41,953,510	130,846,956	41,953,510	130,846,956
Bloomsbury Trading PTE Limited, (Foreign Company)	46,000	1,130,597	46,000	1,130,597
Phoenix Hydro Carbons Limited	10	100	10	100
Phoenix Power Development Corporation Limited	10	100	10	100
Focus Offshore Services Pvt. Ltd.	10	100	10	100
<b>TOTAL</b>	<b>50,431,740</b>	<b>159,082,580</b>	50,431,740	159,082,580

**Notes :**

- i. Aggregate amount of unquoted shares
- ii. Value of Shares is net of provision of decline in value of investment which is of permanent nature.

PARTICULARS	As at 31st March, 2015 (₹)		As at 31st March, 2014 (₹)	
	<b>12. LONG TERM LOANS &amp; ADVANCES</b>			
Unsecured, Considered Good				
Security Deposits		3,922,729		4,953,350
Loans and Advances to Related Parties *		500,425,744		500,431,259
Advances to suppliers – Others, Considered Good		7,442,914		3,579,632
<b>TOTAL</b>		<b>511,791,387</b>		508,964,241

PARTICULARS	As at 31st March, 2015 (₹)		As at 31st March, 2014 (₹)	
	<b>13. INVENTORIES</b>			
Raw Material		43,163,408		56,175,622
Work In Progress		5,575,950		10,846,031
Finished Goods		3,090,436		1,916,224
<b>TOTAL</b>		<b>51,829,794</b>		68,937,877

PARTICULARS	As at 31st March, 2015 (₹)		As at 31st March, 2014 (₹)	
	<b>14. TRADE RECEIVABLES</b>			
Outstanding for a period exceeding six months				
Unsecured, Considered good		72,332,641		187,219,426
Less : Provision for Doubtful Debts		(61,307,832)		61,307,832
Other Receivables				
Unsecured, Considered good *		143,923,775		70,827,904
<b>TOTAL</b>		<b>154,948,584</b>		196,739,498

PARTICULARS	As at 31st March, 2015 (₹)		As at 31st March, 2014 (₹)	
<b>15. CASH &amp; CASH EQUIVALENTS</b>				
(a) Balances with Scheduled Banks				
In current Accounts	35,253,605		25,364,145	
In Deposit Accounts	1,512,115	36,765,720	1,451,560	26,815,705
(b) Cash in hand		3,526,274		3,161,971
<b>TOTAL</b>		<b>40,291,994</b>		<b>29,977,676</b>

PARTICULARS	As at 31st March, 2015 (₹)		As at 31st March, 2014 (₹)	
<b>16. SHORT TERM LOANS &amp; ADVANCES</b>				
Unsecured, Considered good				
Due from Related Parties	–		2,687,008	
Due from others	49,269,544	49,269,544	4,484,204	7,171,212
Balance with Govt. Authority		55,785,283		50,517,686
<b>TOTAL</b>		<b>105,054,827</b>		<b>57,688,898</b>

PARTICULARS	As at 31st March, 2015 (₹)		As at 31st March, 2014 (₹)	
<b>17. OTHER CURRENT ASSETS</b>				
Prepaid Expenses	4,962,626		7,332,030	
Interest accrued but not due	14,995		2,066	
<b>TOTAL</b>		<b>4,977,621</b>		<b>7,334,096</b>

PARTICULARS	For the Year Ended 31st March, 2015 (₹)		For the Year Ended 31st March, 2014 (₹)	
<b>18. REVENUE FROM OPERATIONS</b>				
Sales of Products	260,463,489		250,325,677	
Sales of Services - Rent	131,272,661		118,021,392	
<b>TOTAL</b>		<b>391,736,150</b>		<b>368,347,069</b>

PARTICULARS	For the Year Ended 31st March, 2015 (₹)		For the Year Ended 31st March, 2014 (₹)	
<b>19. OTHER INCOME</b>				
Interest on Deposits, Margin Money etc.	502,227		1,067,588	
Other Receipts / Misc. Income {TDS Deducted Rs. 1,68,080/- Previous year Rs. 1,25,580/-}	1,690,397		2,163,361	
Profit on Sale on fixed Assets	–		6,255,923	
<b>TOTAL</b>		<b>2,192,624</b>		<b>9,486,872</b>

PARTICULARS	For the Year Ended 31st March, 2015 (₹)	For the Year Ended 31st March, 2014 (₹)
<b>20. COST OF MATERIAL CONSUMED</b>		
Inventory at the beginning of the year	56,175,622	56,160,060
Add: Purchase of Raw Material , components, packing material	211,918,057	178,446,264
Add: ITC reversal of earlier Years	4,834,336	–
Less: Inventory at the end of the year	43,163,408	56,175,622
<b>TOTAL</b>	<b>229,764,607</b>	<b>178,430,702</b>

PARTICULARS	For the Year Ended 31st March, 2015 (₹)	For the Year Ended 31st March, 2014 (₹)
<b>21. CHANGES IN FINISHED GOODS / WORK IN PROGRESS</b>		
<b>Closing Stock -</b>		
Finished Goods	1,916,224	–
Work in Progress	10,846,031	8,950,743
<b>Opening Stock -</b>		
Finished Goods	3,090,436	1,916,224
Work in Progress	5,575,950	10,846,031
<b>CHANGE IN INVENTORY</b>	<b>TOTAL</b>	<b>(3,811,512)</b>
	<b>4,095,869</b>	

PARTICULARS	For the Year Ended 31st March, 2015 (₹)	For the Year Ended 31st March, 2014 (₹)
<b>22. EMPLOYEES' BENEFIT EXPENSES</b>		
Salary & Benefits	11,004,177	24,795,727
Employer Contribution to Provident Fund & ESIC	205,037	1,778,895
Staff Welfare Expenses	166,836	615,131
<b>TOTAL</b>	<b>11,376,050</b>	<b>27,189,753</b>

PARTICULARS	For the Year Ended 31st March, 2015 (₹)	For the Year Ended 31st March, 2014 (₹)
<b>23. FINANCIAL COST</b>		
<b>(a) Interest paid:</b>		
On Term Loan	60,459,810	65,975,124
Others	640,118	5,570,922
<b>TOTAL</b>	<b>61,099,928</b>	<b>71,546,046</b>





**PHOENIX INTERNATIONAL LIMITED**

<b>PARTICULARS</b>	<b>For the Year Ended 31st March, 2015 (₹)</b>	<b>For the Year Ended 31st March, 2014 (₹)</b>
<b>24. OTHER EXPENSES</b>		
Insurance Expenses	181,846	182,001
Rent Expenses	3,183,725	3,706,618
Rates & Taxes	190,004	179,763
Fabrication / Job Work Expenses	25,131,131	9,444,678
Electricity & Water Charges	6,785,000	694,850
Power & Fuel Expenses	125,500	–
Auditor's Remunerations	150,000	1 25,000
Repairs & Maintenance – Building	140,030	430,963
– Machinery	118,419	361,404
– Vehicles	350,231	210,275
– Others	100,411	487,864
Loss on Sale of Assets	447,441	338,727
Custom Duties & Taxes Paid	1,108,914	6,725,137
Advertisement, Publicity & Business Promotion Exp.	126,210	139,171
Exchange Gain / (Loss)	6,067,966	34,827,693
Freight Inward/Outward, Handling and Clearing Exp.	6,335,266	6,440,606
Travelling & Conveyance Expenses	519,390	460,593
Legal & Professional Fees	1,190,561	1,450,319
Other Misc. Expenses	553,275	399,797
Printing & Stationery, Books & Periodicals	508,902	271,209
Watch & Ward Expenses	1,028,908	1,235,599
Communication Expenses	642,931	349,742
Registrar & Transfer Agent Exp.	161,969	105,888
AGM Exp.	31,699	27,173
Sundry Balances / Amount Written off	4,555,550	–
<b>TOTAL</b>	<b>59,735,279</b>	<b>68,595,070</b>

<b>PARTICULARS</b>	<b>For the Year Ended 31st March, 2015 (₹)</b>	<b>For the Year Ended 31st March, 2014 (₹)</b>
<b>25. BASIC AND DILUTED EARNING PER SHARE</b>		
Net Profit After Tax (In ₹)	9,211,910	8,438,080
Weighted Average Number of Equity Shares	16,789,560	16,789,560
Nominal Value of Equity Shares (In ₹)	10	10
<b>Basic and Diluted Earning Per Share (In ₹)</b>	<b>0.55</b>	<b>0.50</b>

**26. RELATED PARTY DISCLOSURE**

(i) In accordance with the requirements of Accounting Standard (AS-18) on Related Party Disclosures, the name of the related parties where control exists and/or with whom transactions have taken place during the year and description of relationships, as identified and certified by management are:-



**(a) Key Managerial Personnel (K M P)**

Mr. Narender Makkar  
Mr. Narender Aggarwal  
Mr. P.M. Alexander

**(b) Subsidiary Companies**

Phoenix Industries Limited  
Phoenix Cement Limited

**(c) Enterprises under direct/indirect common control:**

Focus Energy Limited  
Granada Services Pvt. Ltd.

**(ii) The following transactions were carried out with related parties parties in the ordinary course of business**

Name of the Related Party		Volume of Transactions	For the year ended 31st March, 2015	For the year ended 31st March, 2014
Mr. Narender Makkar	Director Remuneration	1,920,000	104,400	138,800
Phoenix Industries Limited	Advance Recoverable	–	484,000,000	484,000,000
Phoenix Industries Limited	Investment (Net of Provision)	–	27,104,727	27,104,727
Phoenix Cement Limited	Advance Recoverable	–	16,425,744	16,425,744
Phoenix Cement Limited	Investment (Net of Provision)	–	130,846,956	130,846,956
Focus Energy Limited	Sales of Goods	142,587,396	32,087,369	55,239,153
Granada Services Pvt. Ltd.	Rental income	29,592,924	–	–

**Notes:**

Sale of Goods to Focus Energy Ltd. during the F.Y. Ended 31/03/2014 is ₹ 19,98,82,534/-.

27. PAYMENT TO AUDITORS	For the Year Ended 31st March, 2015 (₹)	For the Year Ended 31st March, 2014 (₹)
Audit Fees – Statutory Audit (including service tax)	134,832	112,360
– Tax Audit (including service tax)	33,708	28,090
Out of Pocket Expenses	10,000	10,000
Professional Charges for Other Services	74,211	28,090
<b>TOTAL</b>	<b>252,751</b>	<b>178,540</b>
28. CONTINGENT LIABILITIES NOT PROVIDED FOR	For the Year Ended 31st March, 2015 (₹)	For the Year Ended 31st March, 2014 (₹)
1. Sales Tax	291,515	291,515
2. Wealth Tax	845,144	845,144
3. Service Tax	16,932,465	16,932,465
4. Employee Provident Fund	1,863,744	1,863,744
<b>TOTAL</b>	<b>19,932,868</b>	<b>19,932,868</b>

**29. DISCLOSURE WITH RESPECT TO EMPLOYEES' BENEFITS**

Every employee who has completed five years or more of service gets a gratuity on leaving at 15 days salary (last drawn salary) for each completed year of service.

Year end liability on account of retirement benefits to employees are provided on actuarial valuation. Contribution to defined contribution scheme such as Provident Fund and Family Pension fund are charged to Profit & Loss Account as expenses.

	Year Ended 31st March, 2015 (₹)	Year Ended 31st March, 2014 (₹)
<b>Membership Data</b>		
Number of Employees	21	83
Qualifying Monthly Salary for Gratuity Computation	222,199	500,454
Average Past Service	6.90 Years	4.59 Years
Average Age	37.48 Years	34.01 Years
Average Outstanding Service of Employees upto Retirement	22.52 Years	25.99 Years
Estimated Term of Benefit Obligations	11 Years	15 Years



## PHOENIX INTERNATIONAL LIMITED

<b>Financial Assumptions</b>		
Discount Rate	7.80%	9.10%
Rate of increase in Compensation levels	10.00%	10.00%
Rate of Return on Plan Assets		
<b>MOVEMENT IN THE LIABILITY RECOGNIZED IN THE BALANCE SHEET</b>		
Opening Net Liability (In ₹)	1,447,807	1,148,949
Expenses as above (In ₹)	(226,820)	298,858
Benefits paid directly by the enterprise (In ₹)	(71,105)	–
Contributions paid into the Fund (In ₹)	–	–
Closing Net Liability (In ₹)	1,149,882	1,447,807

### 31. DIRECTORS REMUNERATION

PARTICULARS	For the Year ended 31st March, 2015(₹)	For the Year ended 31st March, 2014 (₹)
Salary, Wages & Other Allowances	1,901,400	1,875,600
Contributions to EPF / Others	18,600	14,400
<b>TOTAL</b>	<b>1,920,000</b>	<b>1,890,000</b>

### 32. DISCLOSURE OF LOAN/ADVANCES AND INVESTMENT IN ITS OWN SHARES BY THE LISTED COMPANIES, THEIR SUBSIDIARIES, ASSOCIATES ETC. CERTIFIED BY MANAGEMENT

PARTICULARS	For the Year Ended 31st March, 2015 (₹)		For the Year Ended 31st March, 2014 (₹)	
1. Loan & Advances in the nature of loan to Subsidiaries		500,425,744		500,425,744
2. Loan & Advances in the nature of loan to Associates		–		–
3. Loans & Advances in the nature of loans where there is no repayment schedule, no interest or interest below		–		–
4. Loans & Advances in the nature of loans to firms / Companies to which directors are interested				5,515.00
5. Investment by loans in the shares of parent company and subsidiary company when the company has made loans or advances in the nature of loan:				
Phoenix Industries Limited	84,32,300 (Nos.)	27,104,727	84,32,300 (Nos.)	27,104,727
Phoenix Cement Limited	4,19,53,510 (Nos)	130,846,956	4,19,53,510 (Nos)	130,846,956

### 33. SEGMENT REPORTING

#### A) PRIMARY SEGMENT INFORMATION

The Company has identified two reportable segments viz. Manufacturing of Shoes Upper and Rental Income from Immovable Property. As per Accounting Standard on Segment Reporting (AS-17), "Segment Reporting" the Company has reported segment information. Gross turnover of Company is Rs. 3,939.29 Lacs during the period 01.04.2014 to 31.03.2015 (Previous Year Rs. 3,778.34 Lacs).



PARTICULARS	RENTAL		SHOES		OTHERS		GRAND TOTAL	
	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
<b>I) Segment Revenue</b>	<b>1,312.73</b>	<b>1,180.21</b>	<b>2,604.63</b>	<b>2,503.26</b>	<b>16.90</b>	<b>84.19</b>	<b>3,934.27</b>	<b>3,767.66</b>
Less: Excise Duty / Service Tax Recovered	-	-	-	-	-	-	-	-
<b>Net Turnover</b>	<b>1,312.73</b>	<b>1,180.21</b>	<b>2,604.63</b>	<b>2,503.26</b>	<b>16.90</b>	<b>84.19</b>	<b>3,934.27</b>	<b>3,767.66</b>
<b>II) Segment Results before Interest and Tax</b>	<b>890.25</b>	<b>509.59</b>	<b>(160.46)</b>	<b>244.14</b>	<b>16.90</b>	<b>84.19</b>	<b>746.69</b>	<b>837.92</b>
Less : Interest Expenses	<b>604.60</b>	659.75	-	54.26	-	-	<b>604.60</b>	714.01
Add : Interest Income	<b>3.42</b>	-	<b>1.60</b>	10.68	-	-	<b>5.02</b>	10.68
Add : Exceptional Items	-	-	-	-	-	-	-	-
Profit before Tax	<b>289.07</b>	(150.16)	<b>(158.86)</b>	200.56	<b>16.90</b>	84.19	<b>147.12</b>	134.58
Current Tax	<b>55.00</b>	-	-	-	-	50.20	<b>55.00</b>	50.20
<b>Profit after Tax</b>	<b>234.07</b>	<b>(150.16)</b>	<b>(158.86)</b>	<b>200.56</b>	<b>16.90</b>	<b>33.99</b>	<b>92.12</b>	<b>84.38</b>
<b>III) OTHER INFORMATION</b>								
Segment Assets	<b>4,916.48</b>	4,912.57	<b>2,557.10</b>	2,748.38	<b>6,595.09</b>	6,689.88	<b>14,068.67</b>	14,350.83
Segment Liabilities	<b>1,036.86</b>	753.16	<b>1,490.69</b>	1,347.84	<b>4,550.99</b>	5,228.74	<b>7,078.54</b>	7,329.74
Capital Expenditure	-	-	-	-	-	-	-	-
Depreciation and Amortisation	<b>122.67</b>	215.86	<b>8.78</b>	8.39	-	-	<b>131.45</b>	224.26
Non Cash Expenses other than Depreciation and Amortisation	<b>123.08</b>	-	-	-	-	-	<b>123.08</b>	-

(b) SECONDARY SEGMENT INFORMATION

PARTICULARS	2014-15	2013-14
<b>I) Segment Revenue - External Turnover</b>		
Within India	<b>3,636.18</b>	3,598.19
Outside India	<b>303.11</b>	180.15
<b>Total Revenue</b>	<b>3,939.29</b>	<b>3,778.34</b>
<b>II) Segment Assets</b>		
Within India	<b>14,068.67</b>	14,350.83
Outside India	-	-
<b>Total Assets</b>	<b>14,068.67</b>	<b>14,350.83</b>
<b>III) Segment Liability</b>		
Within India	<b>7,078.54</b>	7,329.74
Outside India	-	-
<b>Total Liability</b>	<b>7,078.54</b>	<b>7,329.74</b>
<b>IV) Capital Expenditure</b>		
Within India	-	-
Outside India	-	-
<b>Total Expenditure</b>	-	-



## PHOENIX INTERNATIONAL LIMITED

34. Additional information pursuant to the provisions of Part II of Schedule III of the Companies Act, 2013, to the extent relevant, are given as under :

### I) PARTICULARS OF CAPACITY AND PRODUCTION AS ON 31.03.2015

DESCRIPTION	UNIT	LICENSED CAPACITY		INSTALLED CAPACITY		PRODUCTION	
		Year Ended on 31st March, 2015	Year Ended on 31st March, 2014	Year Ended on 31st March, 2015	Year Ended on 31st March, 2014	Year Ended on 31st March, 2015	Year Ended on 31st March, 2014
Shoes Upper	PAIRS	N.A	N.A	Refer note 1 below		65,932	110,455
Samples / Others		N.A	N.A	Refer note 1 below		1,228	3,020

Notes: Installed capacity is as certified by the management & Relied upon by the Auditor being technical matter.  
Installed capacity is for 12 months.

### II) PARTICULARS OF STOCK, SALES & SERVICES

STOCKS								
UNIT	OPENING STOCK		Production/Purchase During the year		Sales		Closing Stock	
	1st April, 2014				Year ended on 31st March, 2015		Year ended on 31st March, 2015	
	QTY.	(Value in ₹)	QTY.	(Value in ₹)	QTY.	(Value in ₹)	QTY.	(Value in ₹)
Shoes Upper (Pairs)	9,618	12,762,255	67,160	–	66,529	–	10,249	8,666,386
<b>TOTAL</b>	9,618	12,762,255	67,160	–	–	–	–	8,666,386

### III) PARTICULARS OF MATERIALS CONSUMED AS ON 31.03.2015

DESCRIPTION	UNIT	Year ended on 31st March, 2015		Year ended on 31st March, 2014	
		QTY.	(₹ In Lacs)	QTY.	(₹ In Lacs)
Finished Leather/ Lining and Others	Sqr. Mtrs.	–	229,764,607	–	178,430,702
<b>TOTAL</b>		–	229,764,607	–	178,430,702

### IV) VALUE OF IMPORTED / INDIGENOUS RAW MATERIAL, STORE SPARES AND COMPONENTS CONSUMED AS ON 31.03.2015

DESCRIPTION	Year ended on 31st March, 2015		Year ended on 31st March, 2014	
	Consumption (₹ In Lacs)	% of	Consumption (₹ In Lacs)	% of Consumption
Imported	183,130,619	79.70%	135,578,453	75.98%
Indigenous	46,633,988	20.30%	42,852,249	24.02%
<b>TOTAL</b>	229,764,607	100%	178,430,702	100%

### V) VALUE OF IMPORTS OF C.I.F BASIS AS ON 31.03.2015

DESCRIPTION	Year ended on 31st March, 2015 (₹ in lacs)		Year ended on 31st March, 2014 (₹ in lacs)	
Raw Material Stores & Spares and Component	–	157,768,835	–	135,593,453
Capital Goods	–	–	–	–

**PHOENIX INTERNATIONAL LIMITED****VI) EARNING / EXPENDITURE IN FOREIGN CURRENCY AS ON 31.03.2015**

DESCRIPTION	Year ended on 31st March, 2015	Year ended on 31st March, 2014
Earnings in Foreign Currency/Export Sales	30,311,236	18,015,348
Remittance in Foreign Currency – Material & Others including Travelling	187,809,561	291,185,552

35. Debit / Credit balances as on 31st March 2015 of Debtors, Creditors, Loans & Advances and other parties accounts are subject to confirmations.
36. The accounts of the company have been prepared on going concern basis as per Accounting Standard (AS-1) "Disclosure of Accounting Policies".
37. In the opinion of the management, there is no certainty that sufficient future taxable income will be available, the Company has not recorded cumulative Deferred Tax Assets on account of timing differences as stipulated in Accounting Standard (AS - 22) "Accounting for Taxes of Income"
38. The Company generally enters into cancelable operating leases for office premises, factory premises and residence of the employees, normally renewable on expiry.
39. No creditor has intimated about their status being of small scale industrial undertakings.
40. As per Accounting Standard 5, Net Profit or loss for the period, and Prior Period Item and Change in Accounting Policy Issued by ICAI, Prior period expenses of Rs. 66,08,958/- are include in electricity & water charges.
41. Previous year figures have been regrouped / rearranged wherever considered necessary to conform to the classification adopted in the current year.

As per our report of even date annexed

**For Pradip Bhardwaj & Co.**

**Chartered Accountants**

FRN- 013697C

*per* **Pradip Bhardwaj**

Partner

M.No. 500219

Place : New Delhi

Dated : 26.05.2015

**Narendra Aggarwal**

Director

DIN No. : 00027347

**For and on behalf of the Board of Directors**

**P. M. Alexander**

Director

Din No. : 00050022

**Narender Makkar**

Company Secretary



## PHOENIX INDUSTRIES LIMITED

### Independent Auditor's Report

#### TO THE MEMBERS OF PHOENIX INDUSTRIES LIMITED, REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of **Phoenix Industries Limited**, which comprise the Balance Sheet as at **March 31, 2015**, and the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

#### AUDITORS' RESPONSIBILITY

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of 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 subject to non-inclusion of financial statement of "**Pelle Fine Leather Inc. USA**" a foreign subsidiary of the company, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2015; and its Profit and Loss Account and its Cash Flows of the profit for the year ended on that date.

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

**for R.K.M & ASSOCIATES**  
Chartered Accountants  
Firm Reg. No. 007536N

Rakesh Mathur  
**Prop.**  
**M.No. 81851**

Place : Gurgaon  
Date: 23-05-2015



**ANNEXURE REFERRED TO IN PARAGRAPH '1' OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF PHOENIX INDUSTRIES LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH' 2015**

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

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.  
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.  
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
(c) In our opinion and on the basis of our examination of the records, the company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for sale of goods and services. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. The Company has not accepted any deposits and is compliant with the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and Rules framed there under.
6. The company has maintained cost records as prescribed for footwear and for its components by Central Government under sub section (1) of section 148 of the Act for the products of the company. However we have not made detailed examinations of such records with a view to determine whether they are accurate and complete.
7. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31<sup>st</sup> of March, 2015 for a period of more than six months from the date they became payable.  
(b) According to the information and explanations given to us there is no amount payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.  
(c) According to the records of the company, no amount was required to be transferred to Investors Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and the rules made there under.
8. As at 31<sup>st</sup> March 2015, the accumulated losses of the Company are more than its net worth. The Company has incurred cash loss during the current financial year as well as in the immediately preceding financial year.
9. Based on our audit procedures and on the information and explanations given by the management, the Company has not borrowed any funds from financial institutions and banks.
10. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
11. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
12. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

**for R.K.M & ASSOCIATES**  
Chartered Accountants  
Firm Reg. No. 007536N

Rakesh Mathur  
**Prop.**  
**M.No. 81851**

Place : **Gurgaon**  
Date : 23-05-2015



**PHOENIX INDUSTRIES LIMITED**  
**CIN: U74899DL1999PLC101593**  
**BALANCE SHEET AS AT 31st, MARCH, 2015**

PARTICULARS	Note No	As at 31st March, 2015 (₹)	As at 31st March, 2014 (₹)
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	94,323,000	94,323,000
(b) Reserves and Surplus	3	(223,162,686)	(220,957,788)
<b>(2) Non-Current Liabilities</b>			
(a) Long Term Liabilities - Unsecured	4	676,940,000	676,940,000
(b) Long Term Provisions	5	121,154	82,423
<b>(3) Current Liabilities</b>			
(a) Other Current Liabilities	6	26,586,789	25,803,952
<b>TOTAL</b>		<b>574,808,257</b>	<b>576,191,587</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
<b>(a) Fixed Assets</b>			
(i) Tangible Assets	7	785,967	2,229,868
<b>(b) Long Term - Loans and Advances</b>	8	<b>445,971</b>	445,971
<b>(c) Non-Current Investments</b>	9	<b>98,178,505</b>	98,178,505
<b>(2) Current Assets</b>			
(a) Inventories	10	2,555,624	2,555,624
(b) Trade Receivables	11	4,859,632	5,058,651
(c) Cash and Cash Equivalents	12	6,249,145	5,964,686
(d) Other Current Assets	13	461,733,413	461,758,282
<b>TOTAL</b>		<b>574,808,257</b>	<b>576,191,587</b>
<b>Notes on Financial Statements</b>	<b>1- 32</b>		

**Significant Accounting Policies as per Annexure - "A" Annexed**

As per our report of even date  
For RKM & Associates  
**CHARTERED ACCOUNTANTS**  
Firm Reg. No. - 007536N

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

(Rakesh Mathur)  
Prop.  
M.No. 81851

Narendra Aggarwal  
Director  
DIN No. 00027347

P. M. Alexnder  
Director  
DIN No. 00050022

PLACE : NEW DELHI  
DATED : 23.05.2015

## PHOENIX INDUSTRIES LIMITED

CIN: U74899DL1999PLC101593

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2015

Particulars	Note No	As at 31st March, 2015 (₹)	As at 31st March, 2014 (₹)
I Revenue from Operations		–	–
<b>II Other Income</b>	26	<b>3,933</b>	–
III Total Revenue (I +II)		<b>3,933</b>	–
IV Expenses			
Changes in Inventories of finished goods, Work-in-progress and Stock-in-Trade	27	–	–
Employees' Benefit Expenses	28	<b>655,010</b>	557,247
Depreciation & Amortisation Exp.	7	<b>1,443,901</b>	1,382,641
Other Expenses	29	<b>109,920</b>	107,522
Total Expenses (IV)		<b>2,208,831</b>	<b>2,047,410</b>
<b>V Profit / (Loss) before Tax (III - IV)</b>		<b>(2,204,898)</b>	(2,047,410)
<b>VI Tax Expenses</b>			
(1) Current Tax (MAT)		–	–
(2) Deferred Tax		–	–
<b>VII Profit/(Loss) for the year (V-VI)</b>		<b>(2,204,898)</b>	<b>(2,047,410)</b>
<b>VIII Earning per equity share:</b>			
Basic & Diluted	30	<b>(0.23)</b>	(0.22)
<b>Notes forming part of the financial statements</b>	<b>1- 32</b>		

## Significant Accounting Policies as per Annexure - "A" Annexed

As per our report of even date  
For RKM & Associates  
CHARTERED ACCOUNTANTS  
Firm Reg. No. - 007536N

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

(Rakesh Mathur)  
Prop.  
M.No. 81851

Narendra Aggarwal  
Director  
DIN No. 00027347

P. M. Alexnder  
Director  
DIN No. 00050022

PLACE : NEW DELHI  
DATED : 23.05.2015

**PHOENIX INDUSTRIES LIMITED**  
**CIN: U74899DL1999PLC101593**  
**Cash Flow Statement for the Year Ended 31st March, 2014**

PARTICULARS	For the Year Ended 31st March, 2015 ₹ in Lakh	For the Year Ended 31st March, 2014 ₹ in Lakh
<b>A. Cash Flow from Operating Activities</b>		
Net Profit /(Loss) before Tax	(2,204,898)	(2,047,410)
<b>Adjustments for :</b>		
Depreciation & Amortization Exp.	1,443,901	1,382,641
Foreign Exchange (Net)	-	-
Interest (Net)	-	-
Loss on sale of Fixed Assets	-	-
Misc. Income Written back	-	-
<b>Operating profit before Working Capital Changes</b>	<b>(760,997)</b>	<b>(664,769)</b>
Trade receivables & Other current assets	223,888	(20,441,409)
Changes in Stock in Trade	-	-
Trade Payables & other liabilities	821,568	15,525,422
<b>Cash from Operating Activities</b>	<b>284,459</b>	<b>(5,580,756)</b>
Taxes paid	-	-
<b>Net cash from operating activities</b>	<b>284,459</b>	<b>(5,580,756)</b>
<b>B. Cash flow from Investing Activities</b>		
Purchase of Fixed Assets / CWIP	-	-
Foreign Exchange (Net)	-	-
Sale of Fixed Assets	-	-
Interest Received	-	-
<b>Net Cash used in investing activities</b>	<b>-</b>	<b>-</b>
<b>C. Cash flow from Financing Activities</b>		
Advances from Subsidiaries / Others	-	-
Repayment of Long Term Borrowing (Net)	-	-
Security Deposits (Paid) / Received	-	-
Interest Paid	-	-
<b>Net Cash from Financing Activities</b>	<b>-</b>	<b>-</b>
<b>Net Increases (Decreases) in cash and cash Equivalents</b>	<b>284,459</b>	<b>(5,580,756)</b>
<b>Cash and Cash Equivalent at the beginning</b>	<b>5,964,686</b>	<b>11,545,442</b>
<b>Cash and Cash Equivalent at the end of the Year</b>	<b>6,249,145</b>	<b>5,964,686</b>

As per our report of even date  
For RKM & Associates  
**CHARTERED ACCOUNTANTS**  
Firm Reg. No. 007536N

(Rakesh Mathur)  
Prop.  
M.No. 81851

PLACE : NEW DELHI  
DATED : 23.05.2015

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

Narendra Aggarwal  
Director  
DIN No. 00027347

P. M. Alexnder  
Director  
DIN No. 00050022

## SIGNIFICANT ACCOUNTING POLICIES

Annexure - "A"

**1. (a) BASIS OF PREPARATION OF FINANCIAL STATEMENT**

The financial statements have been prepared under the historical cost convention on accrual basis, in accordance with Generally Accepted Accounting Principles (GAAP) and comply in all material respect with the mandatory applicable accounting standards as prescribed under section 133 of the act, read with Rule 7 of the Companies Accounts Rule 2014 and presentational requirements of the Companies Act, 2013.

**(b) USE OF ESTIMATES**

The financial statements have been prepared under the historical cost convention on accrual basis, in accordance with Generally Accepted Accounting Principles (GAAP) and comply in all material respect with the mandatory applicable accounting standards as prescribed under section 133 of the act, read with Rule 7 of the Companies Accounts Rule 2014 and presentational requirements of the Companies Act, 2013.

**2. FIXED ASSETS**

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation. All cost relating to the acquisition and installation of Fixed Assets are capitalized and include financing costs relating to the borrowed funds attributable to construction or acquisition of fixed asset up to the date asset is put to use. Capital Work in Progress is stated at amount expended up to the date of Balance Sheet.

**3. VALUATION OF INVENTORIES**

- (a) Raw materials, stores and spares are valued at lower cost or net realizable value.
- (b) Works in Progress are valued at lower of cost or net realizable value and includes cost of raw materials, direct labour and proportionate overheads including fabrication charges.
- (c) Finished goods are valued at lower of cost or net realizable value. Finished Goods lying in the factory bonded premises are valued inclusive of excise duty.
- (d) Goods in Transit are valued at lower of cost or net realizable value.
- (e) Cost is determined on FIFO basis for all categories of inventories.

**4. DEPRECIATION**

- (a) Depreciation on fixed assets has been provided on prorata basis on the Straight Line Method at the rates and in the manner prescribed under Part- C of Schedule II of the Companies Act, 2013. Fixed Assets shifted from erstwhile two units, H.O. and Chennai are depreciated at Written Down Value Method as per past practice. As per Companies Act 2013, the management has certified that the fixed assets can be used for more than its estimated life, as prescribed by the act and its residual life is 5% of original value.
- (b) No write off is made in respect of long term lease hold land.

**5. FOREIGN EXCHANGE TRANSACTION**

Transactions in foreign currency are recorded at the exchange rates existing at the time of the transaction. All current assets and liabilities are converted at exchange rates prevailing on the last working day of the accounting year and loss or gain on conversion, if any, has been charged to the Profit & Loss Account. Foreign Exchange differences relating to acquisition of fixed assets are adjusted to the carrying cost of the relevant fixed assets.

**6. SALES**

Export Sales are accounted for on the basis of the date of Bill of Lading, Domestic sales are accounted for on the basis of ex-factory / godown dispatches. Sales include excise duty but exclude discounts, sales tax and all other charges.

**7. EXPORT BENEFITS**

Sale of advance licenses is accounted for on realizations basis, Duty Drawbacks and Duty entitlement Pass Book benefits are accounted for on accrual basis.

**8. RETIREMENT BENEFITS**

- (a) Contributions to Provident fund are made at the prescribed rates in the recognized funds and charged to the Profit and Loss A/c.
- (b) Provision for Gratuity are to be made on the basis of actuarial valuation.
- (c) Every employee who has completed five years or more of service gets a gratuity on leaving at 15 days salary (last drawn salary) for each completed year of service. Year end liability on account of retirement benefits to employees are provided and funded to approved Gratuity Fund under the Group Gratuity cum Life Assurance scheme of Life Insurance corporation of India.



## PHOENIX INDUSTRIES LIMITED

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(d) Leave encashment is accounted for on year to year basis and not accumulated to be encashed at the time of retirement.

### 9. INVESTMENTS

Investments in subsidiary and other companies are treated as long term investments and are stated at cost. Provision of diminution in the market value of long- term investments is made only if such decline is considered permanent by the Management. Dividend is accounted for as and when received.

### 10. IMPAIRMENT OF FIXED ASSETS

- (a) Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the company's Fixed Assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.
- (b) Reversal of impairment losses recognized in prior years is recorded when there is an indication that impairment losses recognized for the assets no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognized to the extent it does not exceed the carrying amount that would have been determined (net of depreciation ) had no impairment loss been recognized for the assets in prior year.

### 11. CONTINGENCIES

The company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is possible obligation or a present obligation that may, but probably will not; require an out flow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

NOTES TO ACCOUNTS

1. Contingent Liabilities Not Provided For :	As at 31st March, 2015 (₹)		As at 31st March, 2014 (₹)	
Contingent Liability not provided for	Nil		Nil	
<b>2. SHARE CAPITAL</b>	<b>Nos of Share</b>	<b>Value in ₹</b>	<b>Nos of Share</b>	<b>Value in ₹</b>
<b>(a) Authorised Capital</b>				
Equity Shares @ 10/ each	10,000,000	100,000,000	10,000,000	100,000,000
<b>TOTAL</b>	<b>10,000,000</b>	<b>100,000,000</b>	<b>10,000,000</b>	<b>100,000,000</b>
<b>(b) Issued, Subscribed and fully paid up</b>				
Equity Shares @ 10/ each	9,432,300	94,323,000	9,432,300	94,323,000
<b>TOTAL</b>	<b>9,432,300</b>	<b>94,323,000</b>	<b>9,432,300</b>	<b>94,323,000</b>
<b>(c) Disclosure for Shareholding</b>	<b>No. of</b>	<b>% age</b>	<b>No. of</b>	<b>% age</b>
<b>Name of Shareholder</b>	<b>Shares held</b>	<b>of Holding</b>	<b>Shares held</b>	<b>of Holding</b>
<b>Phoenix International Limited</b>	<b>8,432,300</b>	<b>89.40%</b>	<b>8,432,300</b>	<b>89.40%</b>
(Holding Company)				
<b>Phoenix Cement Limited</b>	<b>1,000,000</b>	<b>10.60%</b>	<b>1,000,000</b>	<b>10.60%</b>
(Subsidiary of Phoenix International Ltd.)				
<b>TOTAL</b>	<b>9,432,300</b>	<b>100%</b>	<b>9,432,300</b>	<b>100%</b>
<b>(d) Reconciliation of Shares Outstanding</b>	<b>Nos of Share</b>	<b>Value</b>	<b>Nos of Share</b>	<b>Value</b>
<b>Shares outstanding at the beginning of the year</b>	<b>9,432,300</b>	<b>94,323,000</b>	<b>9,432,300</b>	<b>94,323,000</b>
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Any other movement	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>9,432,300</b>	<b>94,323,000</b>	<b>9,432,300</b>	<b>94,323,000</b>
<b>3. RESERVES &amp; SURPLUS</b>				
<b>General Reserve</b>				
- As per last Balance Sheet	91,210,013		91,210,013	
Less : adjusted as per Contra P & L A/c	(91,210,013)	-	(91,210,013)	-
<b>Share Premium Account</b>		<b>100,000,000</b>		<b>100,000,000</b>
<b>Investment Allowance Reserve</b>		<b>442,744</b>		<b>442,744</b>
<b>Profit &amp; Loss Account - Balance</b>				
Opening Balance	(321,400,532)		(319,353,122)	
Net Loss for the Current Year	(2,204,898)	(323,605,430)	(2,047,410)	(321,400,532)
<b>TOTAL</b>		<b>(223,162,686)</b>		<b>(220,957,788)</b>

4. OTHER LONG TERM BORROWINGS		As at 31st March, 2015 (₹)	As at 31st March, 2014 (₹)
<b>Unsecured Loans</b>			
From Phoenix International Limited - Holding Company		484,000,000	484,000,000
From Focus Energy Limited		189,940,000	189,940,000
From Spartan Agro Industries Limited		3,000,000	3,000,000
	<b>TOTAL</b>	<b>676,940,000</b>	<b>676,940,000</b>
<b>5. LONG TERM PROVISIONS</b>			
Provision for Gratuity		12,154	82,423
	<b>TOTAL</b>	<b>12154</b>	<b>82,423</b>
<b>6. OTHER CURRENT LIABILITIES</b>			
Payable to Others		24,397,538	23,620,319
Payable against Supplies, Services & Others		2,189,251	2,183,633
	<b>TOTAL</b>	<b>26,586,789</b>	<b>25,803,952</b>

7. FIXED ASSETS

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Particulars	As at 01.04.2014	Additions for the Period	Sales/ Transfer Adjustment	As at 31.03.2015	Up to 31.03.2014	For the Period	Sales/ Transfer Adjustment	Up to 31.03.2015	As at 31.03.2015
Furniture & Fixtures	3,054,779	-	-	3,054,779	3,052,653	1,804	-	3,054,457	322	2,126
Electrical Installation	1,931,545	-	-	1,931,545	1,928,387	1,545	-	1,929,932	1,613	3,158
Office and Other Equipment	1,872,914	-	-	1,872,914	1,870,213	1,470	-	1,871,683	1,231	2,701
Plant and Machinery	28,084,849	-	-	28,084,849	25,862,966	1,439,082	-	27,302,048	782,801	2,221,883
Vehicles	1,541,755	-	-	1,541,755	1,541,755	-	-	1,541,755	-	-
Wooden Structure (Temporary)	2,210,664	-	-	2,210,664	2,210,664	-	-	2,210,664	-	-
<b>TOTAL – Current Year</b>	<b>38,696,506</b>	<b>-</b>	<b>-</b>	<b>38,696,506</b>	<b>36,466,638</b>	<b>1,443,901</b>	<b>-</b>	<b>37,910,539</b>	<b>785,967</b>	<b>2,229,868</b>
<b>TOTAL – Previous Year</b>	<b>38,696,506</b>	<b>-</b>	<b>-</b>	<b>38,696,506</b>	<b>35,083,997</b>	<b>1,382,641</b>	<b>-</b>	<b>36,466,638</b>	<b>2,229,868</b>	<b>3,612,509</b>

8. LONG TERM LOANS & ADVANCES	As at 31st March, 2015 (₹)	As at 31st March, 2014 (₹)
<b>(Unsecured, Considered Good)</b>		
Security Deposits	322,437	322,437
Loans and Advances to Related Parties *	123,534	123,534
<b>TOTAL</b>	<b>445,971</b>	<b>445,971</b>

\*Due from Focus Energy Ltd. a Company in which Directors are interested as Directors.

9. NON CURRENT INVESTMENTS	As at 31st March, 2015 (₹)		As at 31st March, 2014 (₹)	
	Nos of Share	Value in ₹	Nos of Share	Value in ₹
Long Term Investments - At Cost				
Investments, Unquoted - Trade				
Super Bazaar Co-operative Store Ltd.	1,000	10,010	1,000	10,010
Investments, Unquoted - Non Trade				
Phoenix Cement Limited (Subsidiary of Holding Company)	21,000,000	37,894,500	21,000,000	37,894,500
Phoenix Power Development Corporation Limited	10	100	10	100
Pelle Fine Leather Inc. (Foreign Company)	1,246,000	58,837,618	1,246,000	58,837,618
Investments, Quoted				
Savare Trade Enterprises Ltd.	72,200	1,091,877	72,200	1,091,877
Yellow Valley Leasing and Finance Limited	24,600	344,400	24,600	344,400
<b>TOTAL</b>	<b>22,343,810</b>	<b>98,178,505</b>	<b>22,343,810</b>	<b>98,178,505</b>

**Note:**

Aggregate cost of Quoted Investment	14.36 Lacs	14.36 Lacs
Aggregate Market Value of Quoted Investment	18.14 Lacs	18.14 Lacs
Aggregate cost of Unquoted Investment	967.42 Lacs	967.42 Lacs

The Market value of Share of Yellow Valley Leasing and Finance Limited has been taken on the basis of last traded rate of ₹ 26/80 per share as per Delhi Stock Exchange quotation. The Market value of Share of Savare Trade Enterprises Limited has been taken on the basis of last traded rate of ₹ 16 per share as per Delhi Stock Exchange quotation.

10. INVENTORIES	As at 31st March, 2015 (₹)	As at 31st March, 2014 (₹)
Stock in Trade		
Raw Material	1,879,942	1,879,942
Finished Goods	675,682	675,682
<b>TOTAL</b>	<b>2,555,624</b>	<b>2,555,624</b>

11. TRADE RECEIVABLES (Unsecured Considered Good)		
Receivables from Phoenix International Ltd. (Holding Company)	-	199,020
Considered Doubtful	22,059,106	22,059,105
Less : Provision for Doubtful Debts	(17,199,474)	(17,199,474)
<b>TOTAL</b>	<b>4,859,632</b>	<b>5,058,651</b>

12. CASH & CASH EQUIVALENTS	31st March, 2014 (₹)		31st March, 2013 (₹)	
	(i) Balances with Scheduled Banks			
In current Accounts	1,384,692		1,100,233	
In Deposit Accounts	2,297,170	3,681,862	2,297,170	3,397,403
(ii) Cash on hand		2,567,283		2,567,283
<b>TOTAL</b>		<b>6,249,145</b>		<b>5,964,686</b>





## PHOENIX INDUSTRIES LIMITED

13. OTHER CURRENT ASSETS	As at 31st March, 2015 (₹)	As at 31st March, 2014 (₹)
Other Receivables	461,715,682	461,740,550
Interest accrued but not due	1,590	1,591
Advances Taxes & Withholding Taxes	16,141	16,141
<b>TOTAL</b>	<b>461,733,413</b>	<b>461,758,282</b>

### 14. SEGEMENTAL REPORTING

Based on guiding principles given Accounting Standard (AS-17) "Segement Reporting", there are no separate reportable segments.

### 15. RELATED PARTY DISCLOSURE

(i) In accordance with the requirements of Accounting Standard (AS-18) on Related party Disclosures, the name of the related parties where control exist and/or with whom transactions have taken place during the year and description of relationships , as identified and certified by management are :-

#### (a) Key Managerial Personnel

Mr. Narendra Aggarwal

Mr. P.M. Alexander

#### (b) Enterprise under direct/Indirect common control:

Focus Energy Limited

Phoenix International Ltd.

Spartan Agro Industries Limited

(ii) The following transactions were carried out with related parties in the ordinary course of business :

Name of the Related Party	Nature of Transaction	Volume of Transactions	Outstanding Amount as on 31.03.2015	Outstanding Amount as on 31.03.2014
Phoenix International Limited	Unsecured Loans	-	484,000,000	484,000,000
Focus Energy Limited	Unsecured Loan	-	189,940,000	189,940,000
Focus Energy Limited	Payble on Current A/c	733,420	17,638,179	16,864,759
Spartan Agro Industries Limited	Unsecured Loan	-	3,000,000	3,000,000

### 16. FAIR VALUE OF CURRENT AND NON CURRENT ASSETS

In the opinion of Management, the value on realization of current and non current assets, loans & advances in the ordinary course of business would be at least equal to the amount at which they are stated in the Balance Sheet and provision for all known liabilities is adequate.

17. PAYMENT TO AUDITORS	As at 31st March, 2015 (₹)	As at 31st March, 2014 (₹)
Audit Fees - Statutory Audit	39,326	39,326
<b>TOTAL</b>	<b>39,326</b>	<b>39,326</b>

### 18. DISCLOSURE WITH RESPECT TO EMPLOYEE'S BENEFITS

Every employee who has completed five years or more of service gets a Gratuity on leaving at 15 days salary (last drawn salary for each completed year of service).

Year end liability on account of retirement benefits to employees are provided on actuarial valuation. Contribution to defined contribution scheme such as Provident and Family Pension fund are charged to Profit & Loss Account as expenses.

Leave Encashment is accounted for on year to year basis and not accumulated to be encashed at the time of retirement.

19. Additional information pursuant to the provisions of Part II of Schedule III of the Companies Act, 2013, to the extent relevant, are given as under :

(I) PARTICULARS OF CAPACITY AND PRODUCTION

DESCRIPTION	UNIT	LICENSED CAPACITY		INSTALLED CAPACITY		PRODUCTION	
		YEAR ENDED 31.03.2015	YEAR ENDED 31.03.2014	YEAR ENDED 31.03.2015	YEAR ENDED 31.03.2014	YEAR ENDED 31.03.2015	YEAR ENDED 31.03.2014
SHOES UPPER	PAIRS	N.A	N.A	Refer note 1 below		-	-
FOOTWEAR	PAIRS	N.A	N.A			-	-

Notes:- Installed capacity is as certified by the management & Relied upon by the Auditor being technical matter.  
Installed capacity is for 12 months.

(II) PARTICULARS OF STOCKS AND SALES & SERVICES

UNIT	Opening Stock		Production / Purchase During the year		Sales		Closing Stock	
	As at 1st April, 2014		Year ended on 31st March, 2015		As at 31st March, 2015			
	Qty.	(Value In ₹)	Qty.	(Value In ₹)	Qty.	(Value In ₹)	Qty.	(Value In ₹)
Shoes Upper (Pairs)	137	28,094	-	-	-	-	137	28,094
Sports Shoes	36,282	647,588	-	-	-	-	36,282	647,588
Leather/Lining & Others	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>36,419</b>	<b>675,682</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>36,419</b>	<b>675,682</b>

(III) PARTICULARS OF MATERIALS CONSUMED

DESCRIPTION	UNIT	As at 31.03.2014		As at 31.03.2013	
		QTY.	Amt. (In ₹)	QTY	Amt. (In ₹)
FINISHED LEATHER	SQ. DM	NIL	NIL	NIL	NIL
CHEMICAL		NIL	NIL	NIL	NIL
OTHERS		NIL	NIL	NIL	NIL
<b>TOTAL</b>		<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

20. No creditor has intimated about their status being of small scale industrial undertakings.
21. The accounts of the company have been prepared on going concern basis as per Accounting Standard (AS-1) "Disclosure of Accounting Policies".
22. As per accounting policy of the Company, the valuation of closing stock of Finished Goods has been done by including Excise Duty. In the current year, the excise duty payable on finished goods lying at factory (Bounded Store Room) amounting to Rs. Nil (Previous year Rs. Nil) has been included in the value of finished goods stock. It does not have any impact on the Profit & Loss Account of the Company.
23. In view of the losses and uncertainty of future taxable income, the Company has not recorded Cumulative Deferred Tax Assets/Liability on account of timing differences as stipulated in Accounting Standards (AS-22)-"Accounting for Taxes on Income"
24. Debit / Credit balances as on 31st March 2015 of Debtors, Creditors, Loans & Advances and other parties accounts are subject to confirmations.
25. In the opinion of Management, the value on realization of current and non current assets, loans & advances in the ordinary course of business would be at least equal to the amount at which they are stated in the Balance Sheet and provision for all known liabilities is adequate.

26. OTHER INCOME	Current Year 31st March, 2015 (₹)	Previous Year 31st March, 2014 (₹)
Other Receipts / Misc. Income	3,933	–
<b>TOTAL</b>	<b>3,933</b>	<b>–</b>

27. CHANGE IN STOCK IN TRADE	Current Year 31st March, 2014 (₹)	Previous Year 31st March, 2013 (₹)
Opening Stock - Finished Goods	675,682	675,682
Closing Stock - Finished Goods	675,682	675,682
<b>Changes in Inventories</b>	<b>–</b>	<b>–</b>

28. EMPLOYEES' BENEFIT EXPENSES	Current Year 31st March, 2015 (₹)	Previous Year 31st March, 2014 (₹)
Salaries & Benefits	639,355	540,624
Employer Contribution to Provident Fund & ESIC	15,655	16,623
<b>TOTAL</b>	<b>655,010</b>	<b>557,247</b>

29. OTHER EXPENSES	Current Year 31st March, 2014 (₹)	Previous Year 31st March, 2013 (₹)
Auditor's Remunerations	39,326	39,326
Bank Charges	1,508	520
Filing Fees Exp.	14,069	10,113
Legal & Professional fees	27,017	10,563
Other Misc. Expenses	0	47,000
Travelling & Conveyance Exp.	28,000	–
<b>TOTAL</b>	<b>109,920</b>	<b>107,522</b>

30. BASIC AND DILUTED EARNING PER SHARE		
Net Profit / (Loss) After Tax (in ₹)	(2,204,898)	(2,047,410)
Number of Equity Shares	9,432,300	9,432,300
Nominal Value of Equity Shares (in ₹)	10	10.00
<b>Basic and Diluted Earning Per Share (in ₹)</b>	<b>(0.23)</b>	<b>(0.22)</b>

31. Previous year figures have been regrouped / rearranged wherever considered necessary to conform to the classification adopted in the current year.

As Per Our Report of Even Date

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

For RKM & Associates  
CHARTERED ACCOUNTANTS  
Firm Reg. No. 007536N

(Rakesh Mathur)  
Prop.  
M. No. 81851

Narendra Aggarwal  
Director  
DIN No. 00027347

P.M. Alexander  
Director  
DIN No. 00050022

PLACE: NEW DELHI  
DATED: 23.05.2015

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 INDEPENDENT AUDITOR'S REPORT
 

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TO THE MEMBERS OF PHOENIX CEMENT LIMITED,  
 REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of **Phoenix Cement Limited**, New Delhi which comprise the Balance Sheet as at **March 31, 2015**, and the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

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

**AUDITORS' RESPONSIBILITY**

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of 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 subject to non-inclusion of financial statement of "**Buildwell Cement Limited**" a foreign subsidiary of the company, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2015; and its Profit and Loss Account and its Cash Flows of the profit for the year ended on that date.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

**for R.K.M & ASSOCIATES**  
 Chartered Accountants  
 Firm Reg. No. 007536N

Rakesh Mathur  
 Prop.  
 M.No.81851

Place : **Gurgaon**  
 Date : **23.05.2015**



## PHOENIX CEMENT LIMITED

### THE ANNEXURE REFERRED TO IN PARAGRAPH 1 OF THE OUR REPORT OF EVEN DATE TO THE MEMBERS OF PHOENIX CEMENT LIMITED ON THE ACCOUNTS OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH, 2015.

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

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.  
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
2. The Company does not have inventories, hence this clause is not applicable.
3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for sale of goods and services. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. The Company has not accepted any deposits and is compliant with the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and Rules framed there under.
6. As per information & explanation given by the management, maintenance of cost records have not been prescribed by the Central Government under sub-section (1) of section 148 of the Act for any products of the company.
7. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31<sup>st</sup> of March, 2015 for a period of more than six months from the date they became payable.  
(b) According to the information and explanations given to us there is no amount payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.  
(c) According to the records of the company, no amount was required to be transferred to Investors education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 and the rules made there under.
8. As at March, 2015, the accumulated losses of the Company are more than fifty percent of its net worth. The Company has incurred cash loss during the current financial year and also in the immediately preceeding financial year.
9. Based on our audit procedures and on the information and explanations given by the management, the Company has not borrowed any funds from financial institutions and banks.
10. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
11. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
12. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

**for R.K.M & ASSOCIATES**  
Chartered Accountants  
Firm Reg. No. 007536N

Rakesh Mathur  
**Prop.**  
**M.No.81851**

Place : **Gurgaon**  
Date : **23.05.2015**

PHOENIX CEMENT LIMITED  
CIN: U74899DL1995PLC065806  
BALANCE SHEET AS AT 31st, MARCH, 2015

PARTICULARS	Note No	Current Year 31st March, 2015 (₹)	Previous Year 31st March, 2014 (₹)
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	829,535,700	829,535,700
(b) Reserves and Surplus	3	(556,010,041)	(555,948,027)
<b>(2) Current Liabilities</b>			
(a) Other current liabilities	4	44,216,836	44,154,822
<b>Total</b>		<b>317,742,495</b>	<b>317,742,495</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
<b>(a) Fixed assets</b>			
(i) Tangible assets	5	-	-
(ii) Plant & Machinery for Re Export	5	22,874,720	22,874,720
<b>(b) Long term loans and advances</b>	6	<b>12,108,279</b>	95,108,279
<b>(C) Non Current Investment</b>	7	<b>199,612,500</b>	199,612,500
<b>(2) Current Assets</b>			
(a) Cash and cash equivalents	8	83,146,996	146,996
<b>Total</b>		<b>317,742,495</b>	<b>317,742,495</b>
<b>Notes on Financial Statement</b>	<b>2 to 21</b>		

**Significant Accounting Policies as per Annexure - "A" Annexed**

As per our report of even date

**For RKM & Associates**  
Chartered Accountants  
Firm Reg. No. - 007536N

For and on behalf of the Board of Directors

Rakesh Mathur  
Prop.  
Mem. No. 81851

**Narender Makkar**  
**Director**  
Din No. : 00026857

**Narendra Aggarwal**  
**Director**  
Din No. : 00027347

Place : **New Delhi**  
Date : **23.05.2015**

PHOENIX CEMENT LIMITED  
CIN: U74899DL1995PLC065806

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2015

PARTICULARS	Note No	Current Year 31st March, 2015 (₹)	Previous Year 31st March, 2014 (₹)
<b>I. Other Income</b>			
<b>Total Revenue</b>			-
<b>II. Expenses</b>			
Other expenses	<u>12</u>	<b>62,014</b>	40,284
<b>Total Expenses</b>		<b>62,014</b>	40,284
<b>III. Profit / (Loss) before tax (I - II)</b>		<b>(62,014)</b>	(40,284)
<b>IV. Tax Expense</b>			
(1) Current tax/MAT		-	-
(2) Deferred tax Asset / (Liability)		-	-
<b>V. Profit / (Loss) after tax (III - IV)</b>		<b>(62,014)</b>	(40,284)
<b>VI. Profit / (Loss) for the year (III - IV)</b>		<b>(62,014)</b>	(40,284)
<b>Basic &amp; Diluted</b>			
Earning per Share	11	<b>(0.007)</b>	(0.0005)
<b>Notes on Financial Statement</b>	<b>2 to 21</b>		

As per our report of even date annexed

**For RKM & Associates**  
Chartered Accountants  
Firm Reg. No. - 007536N

For and on behalf of the Board of Directors

Rakesh Mathur  
Prop.  
Mem. No. 81851

**Narender Makkar**  
Director  
Din No. : 00026857

**Narendra Aggarwal**  
Director  
Din No. : 00027347

Place : **New Delhi**  
Date : **23.05.2014**

PHOENIX CEMENT LIMITED  
CIN: U74899DL1995PLC065806

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2014

PARTICULARS	For the Year Ended 31st March, 2014 (₹)	For the Year Ended 31st March, 2013 (₹)
<b>A. Cash Flow from Operating Activities</b>		
Net Profit /(Loss) before Tax	(62,014)	(40,284)
<b>Adjustments for</b>		
Depreciation		
Interest Income		
Exchange fluctuation on Translation of Foreign currency		
Miscellaneous Income-Provisions Written Back		
Profit/(Loss) on Sale/Retirement of Fixed Assets		
<b>Operating profit before Working Capital Changes</b>	<b>(62,014)</b>	<b>(40,284)</b>
Trade Receivables		
Changes in Stock in Trade		
Non-Current Assets (Other Other Fixed Assets)		
Loans and Advances		
Other Current Assets	-	-
Other Current Liabilities	62,014	40,284
Short Term Provisions		
<b>Cash generated from operating activities</b>	<b>(0)</b>	<b>-</b>
Taxes paid	-	-
<b>Net cash from operating activities</b>	<b>(0)</b>	<b>-</b>
<b>B. Cash flow from Investing Activities</b>		
Purchase of Fixed Assets	-	-
Sale of Fixed Assets	-	-
<b>Net Cash used in investing activities</b>	<b>-</b>	<b>-</b>
<b>C. Cash flow from Financing Activities</b>		
Interest Income	-	-
Investments in Shares & Securities	83,000,000	-
TDS	-	-
<b>Net Cash from Financing Activities</b>	<b>83,000,000</b>	<b>-</b>
Net Cash flow during the Year	83,000,000	-
<b>Cash and Cash Equivalent at the beginning</b>	<b>146,996</b>	<b>146,996</b>
<b>Cash and Cash Equivalent at the end of the year</b>	<b>83,146,996</b>	<b>146,996</b>

As Per Our Report of Even Date Annexed

**For RKM & Associates**  
Chartered Accountants  
Firm Reg. No. - 007536N

Rakesh Mathur  
Prop.  
Mem. No. 81851

Place : New Delhi  
Date : 23.05.2015

For and on behalf of the Board of Directors

Narender Makkar  
**Director**  
Din No. : 00026857

Narendra Aggarwal  
**Director**  
Din No. : 00027347





**Annexure - "A" SIGNIFICANT ACCOUNTING POLICIES**

**1. a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared under the historical cost convention on accrual basis, in accordance with Generally Accepted Accounting Principles (GAAP) and comply in all material respect with the mandatory applicable accounting standards as prescribed under section 133 of the act, read with Rule 7 of the Companies Accounts Rule 2014 and presentational requirements of the Companies Act, 2013.

**b) USE OF ESTIMATES**

The preparations of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

**2. FIXED ASSETS**

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation. All cost relating to the acquisition and installation of Fixed Assets are capitalized and include financing costs relating to the borrowed funds attributable to construction or acquisition of fixed asset up to the date asset is put to use. Capital Work in Progress is stated at amount expended up to the date of Balance Sheet. Management has certified that the value of a fixed asset for re export at warehouse at Mumbai at cost .

**3. VALUATION OF INVENTORIES**

- a) Raw materials, stores and spares are valued at lower cost or net realizable value.
- b) Works in Progress are valued at lower of cost or net realizable value and includes cost of raw materials, direct labour and proportionate overheads including fabrication charges.
- c) Finished goods are valued at lower of cost or net realizable value. Finished Goods lying in the factory bonded premises are valued inclusive of excise duty.
- d) Goods in Transit are valued at lower of cost or net realizable value.
- e) Cost is determined on FIFO basis for all categories of inventories.

**4. DEPRECIATION**

- a) Depreciation on fixed assets has been provided on prorata basis on the Straight Line Method at the rates and in the manner prescribed under Part- C of Schedule II of the Companies Act, 2013. However, depreciation is not charged during the year.
- b) No write off is made in respect of long term lease hold land.

**5. FOREIGN EXCHANGE TRANSACTION**

Transactions in foreign currency are recorded at the exchange rates existing at the time of the transaction. All current assets and liabilities are converted at exchange rates prevailing on the last working day of the accounting year and loss or gain on conversion, if any, has been charged to the Profit & Loss Account. Foreign Exchange differences relating to acquisition of fixed assets are adjusted to the carrying cost of the relevant fixed assets.

**6. SALES**

Export Sales are accounted for on the basis of the date of Bill of Lading, Domestic sales are accounted for on the basis of ex-factory / godown dispatches. Sales include excise duty but exclude discounts, sales tax and all other charges.

**7. EXPORT BENEFITS**

Sale of advance licenses is accounted for on realizations basis, Duty Drawbacks and Duty entitlement Pass Book benefits are accounted for on accrual basis.

**8. RETIREMENT BENEFITS**

- a) Contributions to Provident fund are made at the prescribed rates in the recognized funds and charged to the Profit and Loss A/c.
- b) Provision for Gratuity are to be made on the basis of actuarial valuation.
- c) Every employee who has completed five years or more of service gets a gratuity on leaving at 15 days salary (last drawn salary) for each completed year of service. Year end liability on account of retirement benefits to employees are provided and funded to approved Gratuity Fund under the Group Gratuity cum Life Assurance scheme of Life Insurance corporation of India.
- d) Leave encashment is accounted for on year to year basis and not accumulated to be encashed at the time of retirement.

**9. INVESTMENTS**

Investments in subsidiary and other companies are treated as long term investments and are stated at cost. Provision of diminution in the market value of long- term investments is made only if such decline is considered permanent by the Management. Dividend is accounted for as and when received.



**10. IMPAIRMENT OF FIXED ASSETS**

- (a) Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the company's Fixed Assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.
- (b) Reversal of impairment losses recognized in prior years is recorded when there is an indication that impairment losses recognized for the assets no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognized to the extent it does not exceed the carrying amount that would have been determined (net of depreciation ) had no impairment loss been recognized for the assets in prior year.

**11. CONTINGENCIES**

The company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is possible obligation or a present obligation that may, but probably will not; require an out flow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.



# PHOENIX CEMENT LIMITED

## NOTES TO ACCOUNTS

DESCRIPTION	YEAR ENDED 31st MARCH, 2015 (₹)		YEAR ENDED 31st MARCH, 2014 (₹)	
<b>1. Contingent Liabilities Not Provided For</b>	-	-	-	-
<b>2. SHARE CAPITAL</b>				
(a) Authorised Capital	1,000,000,000	10,000,000,000	1,000,000,000	10,000,000,000
<b>TOTAL</b>	<b>1,000,000,000</b>	<b>10,000,000,000</b>	<b>1,000,000,000</b>	<b>10,000,000,000</b>

(b) Issued, Subscribed and Fully Paid Up	82,953,570	829,535,700	82,953,570	829,535,700
<b>TOTAL</b>	<b>82,953,570</b>	<b>829,535,700</b>	<b>82,953,570</b>	<b>829,535,700</b>

Note: Out of the above total paid up share capital

1) 58,200,000 Equity shares allotted pursuant to a contract without payment in cash

(c) Disclosure for Shareholding (holding more than 5%)

Name of Shareholder	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>Phoenix International Limited</b> (Holding Company)	41,953,510	51%	41,953,510	51%
<b>Phoenix Industries Limited</b> (Subsidiary of Phoenix International Ltd.)	21,000,000	25%	21,000,000	25%
<b>Phoenix Real Time Services Ltd.</b>	20,000,000	24%	20,000,000	24%
<b>TOTAL</b>	<b>82,953,510</b>	<b>100%</b>	<b>82,953,510</b>	<b>100%</b>

(d) Reconciliation of Shares Outstanding	Nos of Share	Amount (In ₹)	Nos of Share	Amount (In ₹)
Shares outstanding at the beginning of the year	82,953,570	829,535,700	82,953,570	829,535,700
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Any other movement	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>82,953,570</b>	<b>829,535,700</b>	<b>82,953,570</b>	<b>829,535,700</b>

3. RESERVES & SURPLUS	₹	₹	₹	₹
<b>General Reserve</b>				
- As per last Balance Sheet				
<b>Profit &amp; Loss Account- Balance</b>				
Opening Balance	(555,948,027)		(555,907,743)	
Net Loss for the Current Year	(62,014)	(556,010,041)	(40,284)	(555,948,027)
<b>TOTAL</b>		<b>(556,010,041)</b>		<b>(555,948,027)</b>

DESCRIPTION	YEAR ENDED 31st MARCH, 2015 (₹)	YEAR ENDED 31st MARCH, 2014 (₹)
<b>4. OTHER CURRENT LIABILITIES</b>		
<b>Other advances</b>		
From Related Parties	17,804,595	17,747,882
Others– Against Supplies & Services	24,015,692	24,010,074
Other Payables	2,396,549	2,396,866
<b>TOTAL</b>	<b>44,216,836</b>	<b>44,154,822</b>

**5. FIXED ASSETS**

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1st April, 2014	Addition during the year	Deletion during the year	As at 31st March, 2015	Upto 31st March, 2014	For the year	Adjustment during the year	Total upto 31st March, 2015	As at 31st March, 2015	As at 31st March, 2014
TANGIBLE ASSETS										
Furniture & Fixtures	51,342		51,342	–	51,342		51,342	–	–	–
Office Equipments	150,046		150,046	–	150,046		150,046	–	–	–
<b>TOTAL</b>	<b>201,388</b>		<b>201,388</b>	<b>–</b>	<b>201,388</b>		<b>201,388</b>	<b>–</b>	<b>–</b>	<b>–</b>
Plant & Machinery – for Re Export	22,874,720			22,874,720	–			–	22,874,720	22,874,720
<b>Current Year</b>	23,076,108			22,874,720	201,388			–	22,874,720	22,874,720
<b>Previous Year</b>	23,076,108			22,874,720	201,388			–	22,874,720	

6. LONG TERM LOANS & ADVANCES	YEAR ENDED 31st MARCH, 2015 (₹)	YEAR ENDED 31st MARCH, 2014 (₹)
<b>(Unsecured, Considered Good)</b>		
Security Deposits *	5,044,179	5,044,179
Loans and Advances to Others	7,064,100	90,064,100
<b>TOTAL</b>	<b>12,108,279</b>	<b>95,108,279</b>

- (I) Deposit for custom duty paid in earlier years amounting to Rs. 50.44 lacs is refundable by the Custom Department. The company is making efforts for refund of this amount from custom Authorities.
- (II) The Company had paid a deposit of Rs. 70.64 Lacs in earlier years to the Madhya Pradesh Audhyogic Kendra Vikas Nigam (Gwalior) Limited for acquisition of land in District Satna, Madhya Pradesh for setting up of cement plant in that area. The project for setting up of the Cement Plant has been abandoned. The land owners had filed a petition against the notification for acquisition of land by the Government in the High Court, which has been decided in the favour of landowners. The company has requested the authorities for refund of the amount, which has been considerably delayed. The Government is likely to issue de-notification in the near future and the deposit will be refunded in due course.

7. CURRENT INVESTMENTS	YEAR ENDED 31st MARCH, 2015 (₹)		YEAR ENDED 31st MARCH, 2014 (₹)	
<b>Long Term Investments– At Cost</b>	<b>No. of Share</b>	<b>Value</b>	<b>No. of Share</b>	<b>Value</b>
<b>Investments, Unquoted– Non Trade</b>				
<b>Build Well Cement Ltd. (Foreign Company)</b>	4,000,000	176,440,000	4,000,000	176,440,000
<b>Phoenix Industries Limited</b> (Subsidiary of Phoenix International Ltd.)	1,000,000	23,172,500	1,000,000	23,172,500
<b>TOTAL</b>	<b>5,000,000</b>	<b>199,612,500</b>	<b>5,000,000</b>	<b>199,612,500</b>



## PHOENIX CEMENT LIMITED

8. CASH & CASH EQUIVALENTS	YEAR ENDED 31st MARCH, 2015 (₹)		YEAR ENDED 31st MARCH, 2014 (₹)	
	(i) Balances with Scheduled Banks			
In current Accounts	83,119,496		119,496	
In Deposit Accounts	-	83,119,496	-	119,496
(ii) Cash on hand		27,500		27,500
<b>TOTAL</b>		<b>83,146,996</b>		<b>146,996</b>

### 9. FAIR VALUE OF CURRENT AND NON CURRENT ASSETS

In the opinion of Management, the value on realization of current and non current assets, loans & advances in the ordinary course of business would be at least equal to the amount at which they are stated in the Balance Sheet and provision for all known liabilities is adequate.

10. PAYMENT TO AUDITORS	YEAR ENDED 31st MARCH, 2015 (₹)		YEAR ENDED 31st MARCH, 2014 (₹)	
	Audit Fees	28,090		28,090
<b>TOTAL</b>	<b>28,090</b>		<b>28,090</b>	

11. BASIC AND DILUTED EARNING PER SHARE:	YEAR ENDED 31st MARCH, 2015 (₹)		YEAR ENDED 31st MARCH, 2014 (₹)	
	Net Profit / (Loss) After Tax (In ₹)	(62,014)		(40,284)
Weighted Average Number of Equity Shares	82,953,570		82,953,570	
Nominal Value of Equity Shares (In ₹)	10		10	
Basic and Diluted Earning Per Share (In ₹)	(0.00)		(0.0005)	

12. OTHER EXPENSES	YEAR ENDED 31st MARCH, 2014 (₹)		YEAR ENDED 31st MARCH, 2013 (₹)	
	Auditors Remuneration	28,090		28,090
Filing Fees	12,842		5,002	
Legal & Professional fees	21,082		7,192	
<b>TOTAL</b>	<b>62,014</b>		<b>40,284</b>	

### 13. SEGMENT REPORT

Accounting Standard AS 17 regarding Segment Reporting issued by Institute of Chartered Accountants of India is not applicable as the company doesn't have any other segment.

### 14. RELATED PARTY DISCLOSURES

(i) In accordance with the requirements of Accounting Standard (AS-18) on Related Party Disclosures, the name of the related parties where control exist and/or with whom transactions have taken place during the year and description of relationships, as identified and certified by management are:

**(a) Key Managerial Personnel**

1. Narender Makkar
2. Narendra Aggarwal
3. Mr. P. M. Alexander

**(b) Enterprise under direct/Indirect common control:**

1. Focus Energy Ltd.
2. Phoenix International Limited
3. Phoenix Industries Limited

## PHOENIX CEMENT LIMITED



(ii) The following transactions were carried out with related parties in the ordinary course of business:

Name of the Party	Nature of Transaction	Volume of Transaction	Outstanding Amount as on 31.03.2015	Outstanding Amount as on 31.03.2014
Phoenix International Limited	Unsecured Loans	–	<b>16,425,744</b>	16,425,744
Phoenix Industries Limited	Long Term Investment	–	<b>23,172,500</b>	23,172,500
Focus Energy Limited	Payable on Current Account	56,713	<b>1,378,851</b>	1,322,138

15. AS-22 regarding taxes and income is not presently applicable to the company as it has not commenced any business activity.
16. The accounts of the company have been prepared on going concern basis as per Accounting Standard (AS-1)
17. In view of losses and uncertainty of future taxable income, the Company has not recorded cumulative Deferred Tax Assets on account of timing differences as stipulated in Accounting Standard (AS - 22) "Accounting for Taxes of Income"
18. Other statutory information is presently not applicable as the company has not started any business activities.
19. Previous year figures have been regrouped / rearranged wherever considered necessary to conform to the classification adopted in the current year.
20. Debit / Credit balances as at 31st March, 2015 of Debtors, Creditors, Loans & Advances and other parties accounts are subject to confirmations.
21. The Company has received back share application money Rs. 8.30 Crores given to parties in earlier years.

**For RKM & Associates**  
Chartered Accountants  
Firm Reg. No. - 007536N

For and on behalf of the Board of Directors

Rakesh Mathur  
Prop.  
Mem. No. 81851

Narender Makkar  
**Director**  
Din No. : 00026857

Narendra Aggarwal  
**Director**  
Din No. : 00027347

Place : **Gurgaon**  
Date : **23.05.2015**



## PHOENIX INTERNATIONAL LIMITED

### Independent Auditors' Report

To the Board of Directors of Phoenix International Limited

#### Report on the Financial Statements

We have audited the accompanying Consolidated Financial Statements of Phoenix International Limited ('the Company') and its subsidiaries, which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March 2015, the Consolidated Profit and Loss account and Consolidated Cash Flows Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these Consolidated Financial Statement that give a true & fair view of the financial position, financial performance and cash flow of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standard specified under section 133 of the Act, read with the rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the group and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and the presentation of the Consolidated Financial statement 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 consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on 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 consolidated financial statements.

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

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the consolidated balance sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2015;
- (i) in the case of the consolidated profit and loss account, of the profit for the year ended on that date; and
- (ii) in the case of the consolidated cash flow statement, of the cash flows for the year ended on that date.

#### Other Matters

We did not audit the financial statements of the subsidiaries, whose financial statements reflect Total Assets of ₹ 8925.51 Lacs and Total Liabilities of ₹ 7478.65 Lacs as at March 31, 2015, Total Revenues of ₹ Nil and Total Expenses of ₹ 22.71 Lacs at the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

For Pradip Bhardwaj & Co.  
Chartered Accountants  
FRN: 013697C

Date: 26.05.2015  
Place: New Delhi

per Pradip Bhardwaj  
Partner  
M.No. 500219

**PHOENIX INTERNATIONAL LIMITED**  
**CIN : L74899DL1987PLC030092**  
**Consolidated Balance Sheet As at 31st March, 2015**

PARTICULARS		As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	187,895,600	187,895,600
(b) Reserves and Surplus	3	383,227,642	388,518,096
<b>Minority Interest</b>		<b>53,557,051</b>	53,629,959
<b>(2) Non-Current Liabilities</b>			
(a) Long Term Borrowings	4	608,038,829	656,302,019
(b) Other Long-Term Liabilities	5	51,890,019	56,489,169
(c) Long Term Provisions	6	1,129,302	1,422,469
<b>(3) Current Liabilities</b>			
(a) Trade Payables	7	204,582,027	151,905,991
(b) Other Current Liabilities	8	50,282,414	95,039,040
(c) Short-Term Provisions	6	20,353,734	18,171,261
<b>TOTAL</b>		<b>1,560,956,617</b>	1,609,373,604
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
<b>(a) Fixed Assets</b>			
(i) Tangible Assets	9	356,434,427	385,345,892
(ii) Capital Work-in-Progress		46,116,795	46,116,795
<b>(b) Non-Current Investments</b>	10	<b>237,854,902</b>	237,854,902
<b>(c) Long Term - Loans and Advances</b>	11	<b>17,745,349</b>	104,092,747
<b>(2) Current assets</b>			
(a) Inventories	12	54,385,417	71,493,501
(b) Trade Receivables	13	140,914,719	201,599,134
(c) Cash and Cash Equivalents	14	129,688,136	36,089,358
(d) Short Term Loans & Advances	15	572,837,660	519,445,588
(e) Other Current Assets	16	4,979,211	7,335,686
<b>TOTAL</b>		<b>1,560,956,617</b>	1,609,373,604
Significant Accounting Policies	1		
Notes on Financial Statements	2 to 43		

As per our report of even date annexed

**For Pradip Bhardwaj & Co.**  
**Chartered Accountants**  
FRN- 013697C

For and on behalf of the Board of Directors

per **Pradip Bhardwaj**  
Partner  
M.No. 500219

**Narender Makkar**  
Director  
DIN: 00026857

**P. M. Alexander**  
Director  
DIN : 00050022

Place : New Delhi  
Dated : 26.05.2015



## PHOENIX INTERNATIONAL LIMITED

CIN : L74899DL1987PLC030092

## Consolidated Profit and Loss Account for the year ended 31st March, 2015

PARTICULARS	Note No	For the Year Ended 31st March, 2015 ₹	For the Year Ended 31st March, 2014 ₹
<b>I. Revenue from Operations</b>	17	<b>391,736,150</b>	368,347,069
<b>II. Other Income</b>	18	<b>2,196,874</b>	9,486,872
<b>III. Total Revenue (I + II)</b>		<b>393,933,024</b>	377,833,941
<b>IV. Expenses</b>			
Cost of Material consumed	19	<b>224,757,204</b>	178,430,702
Changes in inventories of finished goods, Work-in-progress and Stock-in-Trade	20	<b>4,095,869</b>	(3,811,512)
Employees' Benefit Expenses	21	<b>11,978,744</b>	27,747,000
Financial Costs	22	<b>60,459,810</b>	71,400,849
Depreciation	6	<b>14,589,032</b>	23,808,443
Other Expenses	23	<b>65,607,369</b>	68,888,073
<b>Total Expenses</b>		<b>381,488,027</b>	<b>366,463,555</b>
<b>V. Profit before Tax (III - IV)</b>		<b>12,444,997</b>	11,370,386
<b>VI. Tax Expenses</b>			
(1) Current tax		<b>5,500,000</b>	5,020,000
(2) Deferred tax		—	—
<b>VII. Profit/(Loss) for the year (V-VI)</b>		<b>6,944,997</b>	<b>6,350,386</b>
<b>VIII. Earning per equity share:</b>			
Basic & Diluted	24	<b>0.41</b>	0.38
Significant Accounting Policies	1		
Notes on Financial Statements	2 to 43		

As per our report of even date annexed

**For Pradip Bhardwaj & Co.**  
Chartered Accountants  
FRN- 013697C

For and on behalf of the Board of Directors

per **Pradip Bhardwaj**  
Partner  
M.No. 500219

**Narender Makkar**  
Director  
DIN: 00026857

**P. M. Alexander**  
Director  
DIN : 00050022

Place : New Delhi  
Dated : 26.05.2015

PHOENIX INTERNATIONAL LIMITED

CIN : L74899DL1987PLC030092

Consolidated Cash Flow Statement for the Year Ended 31st March, 2015

PARTICULARS	For the Year Ended 31st March, 2015 ₹	For the Year Ended 31st March, 2014 ₹
<b>A. Cash Flow from Operating Activities</b>		
Net Profit /(Loss) before Tax	12,444,997	11,370,386
<b>Adjustments for</b>		
Depreciation & Amortized Expenses	80,196,401	23,808,443
Interest (Net)	59,957,583	70,333,261
Foreign Exchange (Gain)\Loss	6,067,966	34,827,693
Loss on sale of Fixed Assets	447,441	338,727
Misc. Income Written back	-	-
<b>Operating profit before Working Capital Changes</b>	<b>159,114,388</b>	<b>140,678,510</b>
Trade Receivables & Other Current Assets	9,648,818	86,660,825
Changes in Stock in Trade	17,108,084	(3,827,074)
Trade Payables & Other Liabilities	9,808,716	(92,163,512)
<b>Cash from Operating Activities</b>	<b>195,680,006</b>	<b>131,348,749</b>
Taxes Paid	5,500,000	5,020,000
<b>Net Cash from Operating Activities</b>	<b>190,180,006</b>	<b>126,328,749</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(61,371)	(611,638)
Foreign Exchange (Net)	(6,067,966)	(34,827,693)
Sale of Fixed Assets	1,628,000	660,000
Interest Received	502,227	1,067,588
<b>Net Cash used in Investing Activities</b>	<b>(3,999,110)</b>	<b>(33,711,743)</b>
<b>C. Cash Flow from Financing Activities</b>		
Repayment of Long Term Borrowing (Net)	(48,263,190)	(43,412,507)
Security Deposits (Paid) / Received	(4,599,150)	8,442,910
Advances from Subsidiaries / Others	86,347,398	(1,430,601)
Interest Paid	60,459,810	(71,400,849)
<b>Net Cash from Financing Activities</b>	<b>93,944,868</b>	<b>(107,801,047)</b>
<b>Cash and Cash Equivalent at the beginning</b>	<b>36,089,358</b>	<b>51,273,399</b>
<b>Net Increases (Decreases) in cash and cash Equivalents</b>	<b>280,125,764</b>	<b>(15,184,041)</b>
<b>Cash and Cash Equivalent at the end of the Year</b>	<b>316,215,122</b>	<b>36,089,358</b>

As per our report of even date annexed

For Pradip Bhardwaj & Co.  
Chartered Accountants  
FRN- 013697C

For and on behalf of the Board of Directors

per Pradip Bhardwaj  
Partner  
M.No. 500219

Narender Makkar  
Director  
DIN: 00026857

P. M. Alexander  
Director  
DIN : 00050022

Place : New Delhi  
Dated : 26.05.2015



## PHOENIX INTERNATIONAL LIMITED

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### 1. SIGNIFICANT ACCOUNTING POLICIES

#### **1. BASIS OF PREPARATION OF FINANCIAL STATEMENT**

(a) The financial statements have been prepared under the historical cost convention on accrual basis, in accordance with Generally Accepted Accounting Principles (GAAP) and comply in all material respect with the mandatory applicable accounting standards and relevant provisions and presentational requirements of the Companies Act, 1956.

#### **(b) USE OF ESTIMATES**

The preparations of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

#### **2. FIXED ASSETS**

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation. All cost relating to the acquisition and installation of Fixed Assets are capitalized and include financing costs relating to the borrowed funds attributable to construction or acquisition of fixed asset up to the assets is put to use. Capital Work in Progress is stated at amount expended up to the date of Balance Sheet.

#### **3. VALUATION OF INVENTORIES**

- (a) Raw materials, stores and spares are valued at lower cost or net realizable value.
- (b) Works in Progress are valued at lower of cost or net realizable value and includes cost of raw materials, direct labour and proportionate overheads including fabrication charges.
- (c) Finished goods are valued at lower of cost or net realizable value. Finished Goods lying in the factory bonded premises are valued inclusive of excise duty.
- (d) Goods in Transit are valued at lower of cost or net realizable value.
- (e) Cost is determined on FIFO basis for all categories of inventories.

#### **4. DEPRECIATION**

- (a) Depreciation on fixed assets has been provided on prorata basis on the Straight Line Method at the rates and in the manner prescribed under Schedule XIV of the Companies Act, 1956. Fixed Assets shifted from erstwhile two units, H.O. and Chennai are depreciated at Written Down Value Method as per past practice.
- (b) No write off is made in respect of long term lease hold land.

#### **5. FOREIGN EXCHANGE TRANSACTION**

Transactions in foreign currency are recorded at the exchange rates existing at the time of the transaction. All current assets and liabilities are converted at exchange rates prevailing on the last working day of the accounting year and loss or gain on conversion, if any has been charged to the Profit & Loss Account. Foreign Exchange differences relating to acquisition of fixed assets are adjusted to the carrying cost of the relevant fixed assets.

#### **6. SALES**

Export Sales are accounted for on the basis of the date of Bill of Lading, Domestic sales are accounted for on the basis of ex-factory / godown dispatches. Sales include excise duty but exclude discounts, sales tax and all other charges.

#### **7. EXPORT BENEFITS**

Sale of advance licenses is accounted for on realizations basis, Duty Drawbacks and Duty entitlement Pass Book benefits are accounted for on accrual basis.

#### **8. RETIREMENT BENEFITS**

- (a) Contributions to Provident fund are made at the prescribed rates in the recognized funds and charged to the Profit and Loss A/c.
- (b) Provision for Gratuity is made on the basis of actuarial valuation.



## PHOENIX INTERNATIONAL LIMITED

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- (c) The Company operates defined benefits plans for its employees, viz, gratuity. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year end.
- (d) Leave encashment is accounted for on year to year basis and not accumulated to be encashed at the time of retirement.

### 9. INVESTMENTS

Investments in subsidiary and other companies are treated as long term investments and are stated at cost. Provision of diminution in the market value of long- term investments is made only if such decline is considered permanent by the Management. Dividend is accounted for as and when received.

### 10. IMPAIRMENT OF FIXED ASSETS

- (a) Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the company's Fixed Assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.
- (b) Reversal of impairment losses recognized in prior years is recorded when there is an indication that impairment losses recognized for the assets no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognized to the extent it does not exceed the carrying amount that would have been determined (net of depreciation ) had no impairment loss been recognized for the assets in prior year.

### 11. CONTINGENCIES

The company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is possible obligation or a present obligation that may, but probably will not; require an out flow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.



## PHOENIX INTERNATIONAL LIMITED

### NOTES FORMING PARTS OF THE FINANCIAL STATEMENTS

2. SHARE CAPITAL	As at 31st March, 2015		As at 31st March, 2014	
	No of Shares	Value (₹)	No of Share	Value (₹)
<b>(a) Authorized Share Capital</b>				
Equity Share @ ₹ 10/- each	500,00,000	500,000,000	50,000,000	500,000,000
4% Cumulative Redeemable Preference Share @ ₹ 100/- each	100,00,000	1,00,000,000	10,000,000	1,00,000,000
<b>TOTAL</b>	<b>60,000,000</b>	<b>1,500,000,000</b>	<b>60,000,000</b>	<b>1,500,000,000</b>

#### (b) Issued, Subscribed and Fully Paid up

Equity Share @ ₹ 10/- each	16,789,560	167,895,600	16,789,560	167,895,600
4% Cumulative Redeemable Preference Share @ ₹ 100/- each	200,000	20,000,000	200,000	20,000,000
<b>TOTAL</b>	<b>16,989,560</b>	<b>187,895,600</b>	<b>16,989,560</b>	<b>187,895,600</b>

#### (c) Disclosure for Shareholding (holding more than 5%)

Name of Shareholders	No. of Shares held	% age of Holding	No. of Shares held	% age of Holding
<b>(i) Equity Shares:</b>				
Vanguard Management Services Pvt. Ltd.	3,120,000	18.58%	3,120,000	18.58%
Mayflower Management Services Pvt. Ltd.	2,880,000	17.15%	2,880,000	17.15%
Sparton Management Services Pvt. Ltd.	2,880,000	17.15%	2,880,000	17.15%
Ajay Kalsi	2,734,400	16.29%	2,734,400	16.29%
<b>TOTAL</b>	<b>11,614,400</b>	<b>69.18%</b>	<b>11,614,400</b>	<b>69.18%</b>

#### (ii) Preference Shares:

Granada Services Pvt. Ltd.	200,000	100%	200,000	100%
<b>TOTAL</b>	<b>200,000</b>	<b>100%</b>	<b>200,000</b>	<b>100%</b>

#### (d) Reconciliation of Shares Outstanding

	No of Share	Value (₹)	No of Share	Value (₹)
<b>(i) Equity Shares:</b>				
<b>Shares outstanding at the beginning of the year</b>	<b>16,989,560</b>	<b>187,895,600</b>	<b>16,989,560</b>	<b>187,895,600</b>
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Any other movement during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>16,989,560</b>	<b>187,895,600</b>	<b>16,989,560</b>	<b>187,895,600</b>
<b>TOTAL</b>	<b>16,989,560</b>	<b>187,895,600</b>	<b>16,989,560</b>	<b>187,895,600</b>

#### (ii) Preference Shares:

<b>Shares outstanding at the beginning of the year</b>	<b>200,000</b>	<b>20,000,000</b>	<b>200,000</b>	<b>20,000,000</b>
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Any other movement	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>200,000</b>	<b>20,000,000</b>	<b>200,000</b>	<b>20,000,000</b>

**3. RESERVE & SURPLUS**

	As at 31st March, 2015 (₹)	As at 31st March, 2014 (₹)
Capital Reserve on Consolidation	505,751,449	505,751,449
General Reserve	100,121,793	100,121,793
Security Premium Reserve	224,198,900	224,198,900
Investment Allowance Reserve	442,744	442,744
Profit & Loss Account - Balance	(447,287,249)	(441,996,790)
<b>TOTAL</b>	<b>383,227,642</b>	<b>388,518,096</b>

**4. LONG TERM BORROWINGS**

	As at 31st March, 2015 (₹)		As at 31st March, 2014 (₹)	
	Non Current	Current	Non Current	Current
<b>Loans from Banks : Secured</b>				
Oriental Bank of Commerce	415,098,829	40,000,000	463,362,019	40,000,000
<b>Loans from Other's : Unsecured</b>				
From Related Parties	192,940,000	–	192,940,000	–
<b>TOTAL</b>	<b>608,038,829</b>	<b>40,000,000</b>	<b>656,302,019</b>	<b>40,000,000</b>

**Notes:**

- A) Term Loan from Oriental Bank of Commerce of Rs. 4,550.99 Lacs (Previous year Rs. 5,033.62 Lacs) is secured by way of Equitable Mortgage of Land and Building measuring 61,690 Sq. Meters at A-37, Sector 60, Noida assigned by way of security of the rights of borrower under sub lease/lease agreements including assignment of receivables of future rentals/lease money and first charge on all moveable / Fixed Assets & Inventory (existing and future) of the Company. The Loan is repayable in 120 Equated monthly installments from the date of disbursement. Due with in a year Rs. 1,091.16 Lacs including interest (Previous Year Rs. 1,091.16 Lacs including interest).
- B) Term Loan from Oriental Bank of Commerce Amount Rs. 1,474 Lacs are repayable over a period of 2 to 5 years.

**5. LONG TERM LIABILITIES**

	As at 31st March, 2015 (₹)	As at 31st March, 2014 (₹)
Security Deposit Received	51,809,019	51,890,019
Advances from customers-Other, Considered goods	–	4,599,150
<b>TOTAL</b>	<b>51,809,019</b>	<b>56,489,169</b>

**6. PROVISIONS**

	As at 31st March, 2015 (₹)	As at 31st March, 2014 (₹)
<b>A) Long Term Provision:</b>		
Provision for Gratuity (As per Actuarial Certificate)	1,129,302	1,422,469
<b>TOTAL</b>	<b>1,129,302</b>	<b>1,422,469</b>
<b>B) Short Term Provision:</b>		
Tax Expenses	20,212,000	18,063,500
Gratuity (As per Actuarial Certificate)	141,734	107,761
<b>TOTAL</b>	<b>20,353,734</b>	<b>18,171,261</b>

7. TRADE PAYABLES

	As at 31st March, 2015 (₹)	As at 31st March, 2014 (₹)
Payables against Supplies, Services & Others	204,582,027	151,905,991
<b>TOTAL</b>	<b>204,582,027</b>	<b>151,905,991</b>

8. OTHER CURRENT LIABILITIES

	As at 31st March, 2015 (₹)	As at 31st March, 2014 (₹)
Current Maturity of Long Term Borrowing (Refer note no. 4)	40,000,000	40,000,000
Payable to Others	9,907,080	54,705,807
Payable to Govt Authority	375,334	333,233
<b>TOTAL</b>	<b>50,282,414</b>	<b>95,039,040</b>

9. FIXED ASSETS

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2014	Additions for the Period	Sales/ Transfer Adjustment	As at 31.03.2015	Up to 31.03.2014	For the Period	Sale/ Transfer Adjustment	Up to 31.03.2015	As at 31.03.2014	As at 31.03.2014
Land	35,715,590	-	-	35,715,590	-	-	-	-	35,715,590	35,715,590
Building	571,513,620	-	-	571,513,620	241,765,183	11,534,283	-	253,299,466	318,214,154	329,748,437
Plant and Machinery	70,346,125	54,646	3,808,003	66,592,768	59,995,024	7,499,071	1,913,298	65,580,797	1,011,971	10,351,101
Electrical Installation	30,151,498	-	90,300	30,061,198	22,195,622	7,181,656	40,049	29,337,229	723,969	7,955,876
Vehicles	8,171,187	-	-	8,171,187	7,888,773	124,164	-	8,012,937	158,250	282,414
Office and Other Equipment	6,256,981	6,725	331,198	5,932,508	5,593,870	305,377	247,353	5,651,894	280,614	663,111
Furniture & Fixtures	6,574,231	-	269,524	6,304,707	5,944,868	252,845	222,885	5,974,828	329,879	629,363
Wooden Structure	5,089,636	-	-	5,089,636	5,089,636	-	-	5,089,636	-	-
<b>Total</b>	<b>733,818,868</b>	<b>61,371</b>	<b>4,499,025</b>	<b>729,381,214</b>	<b>348,472,976</b>	<b>26,897,396</b>	<b>2,423,585</b>	<b>372,946,787</b>	<b>356,434,427</b>	<b>385,345,892</b>
Capital Work In Progress:-										
Plant and Machinery - For Re Export	22,874,720	-	-	22,874,720	-	-	-	-	22,874,720	22,874,720
Machinery	23,242,075	-	-	23,242,075	-	-	-	-	23,242,075	23,242,075
<b>Total</b>	<b>46,116,795</b>	<b>-</b>	<b>-</b>	<b>46,116,795</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>46,116,795</b>	<b>46,116,795</b>
<b>CURRENT YEAR - TOTAL</b>	<b>779,935,663</b>	<b>61,371</b>	<b>4,499,025</b>	<b>775,498,009</b>	<b>348,472,976</b>	<b>26,897,396</b>	<b>2,423,585</b>	<b>372,946,787</b>	<b>402,551,222</b>	<b>431,462,687</b>
PREVIOUS YEAR - TOTAL	780,634,838	611,638	1,310,813	779,935,663	324,976,619	23,808,443	312,086	348,472,976	431,462,687	455,658,219

10. NON-CURRENT INVESTMENTS

	As at 31st March, 2015		As at 31st March, 2014	
	No of Shares	Value (In ₹)	No of Shares	Value (In ₹)
<b>Long Term Investments - At Cost</b>				
<b>Unquoted - Trade</b>				
Super Bazaar Co-operative Store Ltd.	1,000	10,010	1,000	10,010
<b>Unquoted - Non Trade</b>				
Phoenix Hydrocarbons Ltd.	10	100	10	100
Phoenix Power Development Corporation Ltd.	20	200	20	200
Focus Offshore Services Pvt. Ltd.	10	100	10	100
<b>(Formally known as Phoenix Footwear Pvt. Ltd.)</b>				
Bloomsbury Trading PTE Ltd., (Foreign Company)	46,000	1,130,597	46,000	1,130,597
Pele Fine Leather Inc. (Foreign Company)	1,246,000	58,837,618	1,246,000	58,837,618
Build Well Cement Ltd. (Foreign Company)	4,000,000	176,440,000	4,000,000	176,440,000
<b>Quoted</b>				
Yellow Valley Leasing and Finance Ltd.	24,600	344,400	24,600	344,400
Savare Trade Enterprises Ltd.	72,200	1,091,877	72,200	1,091,877
<b>TOTAL</b>	<b>5,389,840</b>	<b>237,854,902</b>	<b>5,389,840</b>	<b>237,854,902</b>

11. LONG TERM LOANS & ADVANCES

	As at 31st March, 2015 (₹)	As at 31st March, 2014 (₹)
<b>Unsecured, Considered Goods</b>		
Security Deposits	9,289,345	10,319,966
Loans and Advances to Others	7,064,100	90,064,100
Loans and Advances to Related Parties	–	129,049
Advances to Suppliers- Other, Considered goods	1,391,904	3,579,632
<b>TOTAL</b>	<b>17,745,349</b>	<b>104,092,747</b>

12. INVENTORIES

	As at 31st March, 2015 (₹)	As at 31st March, 2014 (₹)
Raw Material	45,043,350	58,055,564
Work In Progress	5,575,950	10,846,031
Finished Goods	3,766,118	2,591,906
<b>TOTAL</b>	<b>54,385,417</b>	<b>71,493,501</b>

13. TRADE RECEIVABLES

	As at 31st March, 2015 (₹)	As at 31st March, 2014 (₹)
<b>Outstanding for a period exceeding six months</b>		
Unsecured, considered goods	11,702,956	209,278,537
Less : Provision for Doubtful Debts	(78,507,306)	78,507,306
<b>Other receivables</b>		
Unsecured, considered goods	152,599,935	15,588,750
Receivables from Related Parties	(50,980,866)	55,239,153
<b>TOTAL</b>	<b>140,914,719</b>	<b>201,599,134</b>





## PHOENIX INTERNATIONAL LIMITED

### 14. CASH & CASH EQUIVALENTS

	As at 31st March, 2015 (₹)		As at 31st March, 2014 (₹)	
<b>Balances with Scheduled Banks</b>				
In current Accounts	119,757,794		26,583,874	
In Deposit Accounts	3,809,285	123,567,079	3,748,730	30,332,604
<b>Cash in hand</b>		6,121,057		5,756,754
<b>TOTAL</b>		<b>129,688,136</b>		<b>36,089,358</b>

### 15. SHORT TERM LOANS & ADVANCES

	As at 31st March, 2015 (₹)		As at 31st March, 2014 (₹)	
<b>Unsecured, Considered good</b>				
Due from Others		517,036,236		468,904,561
<b>Balance with Govt Authority</b>		55,801,424		50,541,027
<b>TOTAL</b>		<b>572,837,660</b>		<b>519,445,588</b>

### 16. OTHER CURRENT ASSETS

	As at 31st March, 2015 (₹)		As at 31st March, 2014 (₹)	
Prepaid Expenses		4,962,626		7,332,030
Interest accrued but not due		16,585		3,656
<b>TOTAL</b>		<b>4,979,211</b>		<b>7,335,686</b>

### 17. REVENUE FROM OPERATIONS

	For the Year Ended 31st March, 2015 (₹)		For the Year Ended 31st March, 2014 (₹)	
Sales of Products		260,463,489		250,325,677
Sales of Services - Rent		131,272,661		118,021,392
<b>TOTAL</b>		<b>391,736,150</b>		<b>368,347,069</b>

### 18. OTHER INCOME

	For the Year Ended 31st March, 2015 (₹)		For the Year Ended 31st March, 2014 (₹)	
Interest on Deposits, Margin Money etc.		502,227		1,067,588
Other Receipts / Misc. Income		1,694,647		2,163,361
Sundry Balance Written off		-		6,255,923
<b>TOTAL</b>		<b>2,196,874</b>		<b>9,486,872</b>

### 19. COST OF MATERIAL CONSUMED

	For the Year Ended 31st March, 2015 (₹)		For the Year Ended 31st March, 2014 (₹)	
Inventory at the beginning of the year		58,055,564		58,040,002
Add: Purchase of Raw Material , components, packing material		211,744,989		178,446,264
Less: Inventory at the end of the year		45,043,350		58,055,564
<b>TOTAL</b>		<b>224,757,204</b>		<b>178,430,702</b>

**20. CHANGES IN FINISHED GOODS/WORK IN PROGRESS**

	For the Year Ended 31st March, 2015 (₹)		For the Year Ended 31st March, 2014 (₹)	
<b>Closing Stock-</b>				
Finished Goods	2,591,906		675,682	
Work in Progress	10,846,031	13,437,937	8,950,743	9,626,425
<b>Opening Stock-</b>				
Finished Goods	3,766,118		2,591,906	
Work in Progress	5,575,950	9,342,068	10,846,031	13,437,937
<b>Changes in Inventory</b>				
<b>TOTAL</b>		<b>4,095,869</b>		<b>(3,811,512)</b>

**21. EMPLOYEES' BENEFIT EXPENSES**

	For the Year Ended 31st March, 2015 (₹)	For the Year Ended 31st March, 2014 (₹)
Salaries & Benefits	11,603,133	25,336,351
Employer Contribution to Provident Fund & ESIC	220,692	1,795,518
Staff Welfare Expenses	154,919	615,131
<b>TOTAL</b>	<b>11,978,744</b>	<b>27,747,000</b>

**22. FINANCIAL COST**

	For the Year Ended 31st March, 2015 (₹)	For the Year Ended 31st March, 2014 (₹)
<b>Interest paid:</b>		
On Term Loan	60,459,810	65,975,124
Others	–	5,425,725
<b>TOTAL</b>	<b>60,459,810</b>	<b>71,400,849</b>

**23. OTHER EXPENSES**

	For the Year Ended 31st March, 2015 (₹)	For the Year Ended 31st March, 2014 (₹)
Insurance Expenses	181,846	182,001
Rent Expenses	3,183,725	3,706,618
Rates & Taxes	190,004	179,763
Fabrication / Job Work Expenses	25,304,199	9,444,678
Power & Fuel Expenses	6,910,500	694,850
Auditor's Remunerations	227,416	192,416
Repairs & Maintenance – Building	78,795	430,963
– Machinery	67,545	–
– Vehicles	350,231	210,275
– Others	212,520	849,268
Loss on Sale of Assets	447,441	338,727
Custom Duties & Taxes Paid	5,943,250	6,725,137
Advertisement, Publicity & Business Promotion Exp.	126,210	139,171
Exchange Gain / (Loss)	6,067,966	34,827,693
Bank Charges / Upfront Fees	641,625	145,717
Freight Inward/Outward, Handling and Clearing Exp.	5,163,685	6,440,606
Travelling & Conveyance Expenses	537,390	460,593
Legal & Professional Fees	1,238,977	1,573,962
Other Misc. Expenses	1,804,083	489,085
Printing & Stationery, Books & Periodicals	508,902	271,209

	For the Year Ended 31st March, 2015 (₹)	For the Year Ended 31st March, 2014 (₹)
Watch & Ward Expenses	1,028,908	1,235,599
Communication Expenses	642,931	349,742
Registrar & Transfer Agent Exp.	161,969	–
AGM Exp.	31,699	–
Sundry balances / bed debts Written off	4,555,551	–
<b>TOTAL</b>	<b>65,607,369</b>	<b>68,888,073</b>

**24. BASIC AND DILUTED EARNING PER SHARE**

	For the Year Ended 31st March, 2015 (₹)	For the Year Ended 31st March, 2014 (₹)
Net Profit After Tax (₹)	6,944,997	6,350,386
Weighted Average Number of Equity Shares	16,789,560	16,789,560
Nominal Value of Equity Shares (₹)	10	10
<b>Basic and Diluted Earning Per Share</b>	<b>0.41</b>	<b>0.38</b>

**25. RELATED PARTY DISCLOSURE**

- (i) In accordance with the requirements of "Accounting Standard (AS-18) on Related party Disclosures", the name of the related parties where control exist and/or with whom transactions have taken place during the year and description of relationships, as identified and certified by management are:-

**(a) Key Managerial Personnel**

Mr. Narender Kumar Makkar  
Mr. Arun Kr. Sinha  
Mr. Narender Aggarwal  
Mr. P.M. Alexander

**(b) Enterprise under direct/Indirect common control/influence:**

Focus Energy Limited  
Mayflower Management Services Pvt. Ltd.  
Spartan Agro Industries Ltd.  
Granada Services Pvt. Ltd.

- (ii) The following transactions were carried out with related parties in the ordinary course of business:

(Amount in ₹)

Name of the Related Party	Nature of Transactions	Volume of Transactions	As at 31.03.2015	As at 31.03.2014
Mr. Narender Makkar	Directors Remuneration	1,920,000	104,400	138,800
Mr. Arun Kr. Sinha	Directors Sitting Fees	16,000	4,000	4,000
Spartan Agro Industries Limited	Advance Recoverable	–	3,000,000	3,000,000
Granada Services Pvt. Ltd.	Rental Income	26,337,600	–	–
Focus Energy Limited	Sale of Goods	–	–	55,239,153
Focus Energy Limited	Unsecured Loans	–	189,940,000	189,940,000
Mayflower Management Services Pvt. Ltd.	Advance to Suppliers	–	–	2,687,008

**Notes:**

Sale of Goods to Focus Energy Ltd. during the F.Y. Ended 31/03/2014 is ₹ 19,98,82,534/-.

**26. PAYMENT TO AUDITORS**

	For the Year Ended 31st March, 2015 (₹)	For the Year Ended 31st March, 2014 (₹)
Audit Fees - Statutory Audit	–	174,158
- Tax Audit	–	28,090
Out of Pocket Expenses	–	10,000
Professional Charges for Other Services	–	28,090
<b>TOTAL</b>	–	240,338

**27. CONTINGENT LIABILITIES NOT PROVIDED FOR**

	For the Year Ended 31st March, 2015 (₹)	For the Year Ended 31st March, 2014 (₹)
Income Tax, Sales Tax, Service Tax, Excise Duty and Custom Duty Demands under Appeals	157 Lacs	157 Lacs
<b>TOTAL</b>	157 Lacs	157 Lacs

**28. DETAILS OF SUBSIDIARIES**

Subsidiaries:

The consolidated financial statements have been prepared in accordance with the requirement of Accounting Standard (AS - 21) "Consolidated Financial Statements". The Consolidated Financial Statements comprise the financial statements of Phoenix International Limited (Parent Company) and its following two Subsidiary companies (collectively referred to as "the Group") for the accounting year specified their against.

Name of the Company	Country of Incorporation	% of Holding as on 31.03.2013	Accounting Period
Phoenix Industries Limited	India	*100%	01.04.2014 to 31.03.2015
Phoenix Cement Limited	India	**76%	01.04.2014 to 31.03.2015

\* Including 10.60% held by Phoenix Cement Limited, which is also subsidiary of the Parent Company.

\*\* Including 25.32% held by Phoenix Industries Limited, which is also subsidiary of the Parent Company.

**29. SEGMENT REPORTING**

The Company has identified two reportable segments viz. Manufacturing of Shoes Upper and Rental Income from Immovable Property. As per Accounting Standard on Segment Reporting (AS-17), "Segment Reporting" the Company has reported segment information. Gross turnover of Company is Rs. 3,939.33 Lacs during the period 01.04.2014 to 31.03.2015 (Previous Year Rs. 3,778.34 Lacs).

PARTICULARS	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
<b>I) Segment Revenue</b>	1,312.73	1,180.21	2,604.63	2,503.26	16.94	84.19	3,934.31	3,767.66
Less: Excise Duty / Service Tax Recovered	–	–	–	–	–	–	–	–
<b>Net Turnover</b>	<b>1,312.73</b>	<b>1,180.21</b>	<b>2,604.63</b>	<b>2,503.26</b>	<b>16.94</b>	<b>84.19</b>	<b>3,934.31</b>	<b>3,767.66</b>
<b>II) Segment Results before Interest and Tax</b>	890.25	509.59	(160.46)	244.14	(5.77)	63.31	724.02	817.04
Less : Interest Expenses	604.60	659.75	–	54.26	–	–	604.60	714.01
Add : Interest Income	3.42	–	1.60	10.68	–	–	5.02	10.68
Add : Exceptional Items	–	–	–	–	–	–	–	–
Profit before Tax	289.07	(150.16)	(158.86)	200.56	(5.77)	63.31	124.45	113.70
Current Tax	55.00	–	–	–	–	50.20	55.00	50.20
<b>Profit after Tax</b>	<b>234.07</b>	<b>(150.16)</b>	<b>(158.86)</b>	<b>200.56</b>	<b>(5.77)</b>	<b>13.11</b>	<b>69.45</b>	<b>63.50</b>



## PHOENIX INTERNATIONAL LIMITED

PARTICULARS	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
<b>III) OTHER INFORMATION</b>								
Segment Assets	4,916.48	4,912.57	2,557.10	2,748.38	8,135.99	8,432.79	15,609.57	16,093.74
Segment Liabilities	1,036.86	753.16	1,490.69	1,347.84	6,835.21	7,692.30	9,362.76	9,793.30
Capital Expenditure	–	–	–	–	–	–	–	–
Depreciation and Amortisation	122.67	215.86	8.78	8.39	14.44	–	145.89	224.26
Non Cash Expenses other than Depreciation and Amortisation	123.08	–	–	–	–	–	123.08	–

### B) SECONDARY SEGMENT INFORMATION

PARTICULARS	2014–15	2013–14
<b>I) Segment Revenue – External Turnover</b>		
Within India	3,636.18	3,598.19
Outside India	303.11	180.15
<b>Total Revenue</b>	<b>3,939.29</b>	<b>3,778.34</b>
<b>II) Segment Assets</b>		
Within India	15,609.57	16,093.74
Outside India	–	–
<b>Total Assets</b>	<b>15,609.57</b>	<b>16,093.74</b>
<b>III) Segment Liability</b>		
Within India	9,362.76	9,793.30
Outside India	–	–
<b>Total Liability</b>	<b>9,362.76</b>	<b>9,793.30</b>
<b>IV) Capital Expenditure</b>		
Within India	–	–
Outside India	–	–
<b>Total Expenditure</b>	<b>–</b>	<b>–</b>

### 30. DISCLOSURE WITH RESPECT TO EMPLOYEES' BENEFITS

Every employee who has completed five years or more of service gets a gratuity on leaving at 15 days salary (last drawn salary) for each completed year of service.

Year end liability on account of retirement benefits to employees are provided on actuarial valuation. Contribution to defined contribution scheme such as Provident Fund and Family Pension fund are charged to Profit & Loss Account as expenses.

31. Figures relating to Subsidiary Companies have been reclassified, wherever necessary, to bring them in line with the Parent Company's Financial Statements.
32. The Consolidated Financial Statement have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible in the same manner as the company's separate financial statement except as otherwise stated.
33. The Consolidated Financial Statement of the Group have been prepared based on a line by line consolidation of the financial statements of the Parent Company and its two Subsidiary Companies by adding together the book value of like items of assets, liabilities, income & expenses after fully eliminating intra-group balances and intra-group transactions and unrealized profit & losses.
34. The difference between the cost of investment in the Subsidiary Companies and the Parent Company's holding (as on date of consolidation) of proportion of equity shares of subsidiary companies on the date of acquisition / disposal has been recognized in the Consolidated Financial Statements as Capital Reserve / Goodwill as the case may be.



35. The share of Minority interest's in the net worth of Subsidiary Companies is identified and presented in the Consolidated Balance Sheet separately from the equity of the parent company Shareholders.
36. The Consolidated Financial Statement under report do not include financial statement of "Pele Fine Leather Inc.", USA which is foreign Subsidiary Company of Phoenix Industries Ltd. and financial statements of "Build Well Cement Ltd." which is foreign Subsidiary Companies of Phoenix Cement Ltd.
37. One of the Subsidiary Company Phoenix Cement Limited had paid a deposit of ₹ 70.00 Lacs in earlier years to the Madhya Pradesh Audhyogic Kendra Vikas Nigam (Gwalior) Limited for acquisition of land in District Satna, Madhya Pradesh for setting up of cement plant in that area. The project for setting up of the Cement Plant has been abandoned. The land owners had field a petition against the notification for acquisition of land by the Government in the High Court which has been decided in favour of the land owners. The Management has requested the authorities for refund of the amount which has been considerably delayed. The Government is likely to issue identification in the near future and the deposit will be refunded in due course.
38. Prior Period expenditure have been included under normal head of expenses.
39. Long Term Loan & Advances include custom duty paid in earlier years amounting to ₹ 50.44 Lacs by one of the Subsidiary Company Phoenix Cement Ltd., which is refundable by the custom department.
40. The Company generally enters into cancellable operating leases for office premises, factory premises and residence of the employees, normally renewable on expiry. Lease payment amounting to Rs. 23.87 Lacs (Previous Year Rs. 23.45 Lacs) made under operating lease have been recognized as an expenses in the Profit & Loss Account.
41. As the company has unabsorbed depreciation and unabsorbed losses which are to be carried forward as per the provision of Income Tax Act, 1961. In the opinion of the management, there is no certainty that sufficient future taxable income will be available, the Company has not recorded cumulative Deferred Tax Income Assets / Liabilities on account of timing differences as stipulated in Accounting Standard (AS - 22) "Accounting of Taxes of Income".
42. The accounts of the company have been prepared on Going Concern basis.
43. No Creditors has intimated about their status being of small scale industrial undertaking.
44. Previous year's figures have been regrouped/rearranged & reclassified as necessary.

As Per Our Report of Even Date Annexed

**For Pradip Bhardwaj & Co.**  
**Chartered Accountants**  
**FRN- 013697C**

**For and on behalf of the Board of Directors**

per **Pradip Bhardwaj**  
Partner  
M. No. 500219

**Narender Makkar**  
Director  
DIN: 00026857

**P. M. Alexander**  
Director  
DIN : 00050022

Place : New Delhi  
Dated : 26.05.2015



PHOENIX INTERNATIONAL LIMITED

Form No: MGT-11

PROXY FORM

AGM 2015

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

Name of the Company: PHOENIX INTERNATIONAL LIMITED

CIN :-L74899DL1987PLC030092

Regd. Office: 3rd Floor, Gopala Tower, 25 Rajendra Place, New Delhi-110008

Folio / DP ID –Client ID No:
Name of the member (s) & Address:
E-mail.id: Folio No / DP ID and Client ID:

I / we being member (s) of ..... shares of the above named Company, hereby appoint

1. Name ..... E Mail id: .....

Address .....

Signature: -----of failing him

2. Name ..... E Mail id: .....

Address .....

Signature: -----of failing him

3. Name ..... E Mail id: .....

Address .....

Signature: -----of failing him

as my / our proxy to attend and vote (on poll) for me / us and on my / our behalf at the 28th Annual General Meeting of the Company, to be held on Wednesday the 30th September 2015 at 10.00 AM at Lok Kala Manch, 20 Institutional Area, Lodhi Road, New Delhi - 110003 and at any adjournment thereof in respect of such resolution as are indicated below:

Table with 4 columns: Reso No, Description, For, Against. Contains 5 rows of resolutions regarding annual accounts, director elections, and auditor appointments.

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



Signature of Shareholder /Proxy Holders: .....

Note: This proxy form in order to be effective should be duly completed and deposited at the Registered Office of the company, not less than 48 Hours before the commencement of the meeting



**28TH**  
**ANNUAL REPORT**  
2014 – 2015

**PHOENIX INTERNATIONAL LIMITED**

**CIN: L74899DL1987PLC030092**

Regd. Office: 3<sup>RD</sup> FLOOR, GOPALA TOWER, 25, RAJENDRA PLACE, NEW DELHI - 110008



**BOARD OF DIRECTORS**

Mr. Arun Kumar Sinha, Independent Director  
Mr. Narendra Aggarwal, Director  
Mr. Narender Kumar Makkar, Director  
Mr. P.M. Alexander, Director  
Mrs. Rupali Chawla, Independent Director

**COMPANY SECRETARY**

Mr. Narender Kumar Makkar

**AUDITORS**

M/s Pradip Bhardwaj & Co.  
MZ-12A, Ansal Fortune Arcade,  
Sector-18, Noida - 201301

**REGISTRAR & TRANSFER AGENT**

Mas Services Ltd.,  
T-34, 2nd Floor,  
Okhla Industrial Area, Phase - II,  
New Delhi - 110020

**REGISTERED OFFICE**

3rd Floor, Gopala Tower  
25, Rajendra Place,  
New Delhi-110 008

**Works**

No77/70A,  
Thiruneermalai Main Road,  
Nagalkeni, Chromepet,  
Chennai, Tamilnadu  
Pin - 600044

**CONTENTS****PAGE NO.****A. PHOENIX INTERNATIONAL LIMITED**

Notice	1-5
Director Report	6-10
Report on Corporate Governance	11-20
Auditor Report	30-33
Balance Sheet	34
Profit & Loss Account	35
Cash Flow Statement	36
Significant Accounting Policies	37-38
Notes to Accounts	39-50

**B. PHOENIX INDUSTRIES LIMITED**

Auditors Report	51-52
Balance Sheet	53
Profit & Loss Account	54
Cash Flow Statement	55
Significant Accounting Policies	56-57
Notes to the Accounts	58-63

**C. PHOENIX CEMENT LIMITED**

Auditors' Report	64-65
Balance Sheet	66
Profit & Loss Account	67
Cash Flow Statement	68
Significant Accounting Policies	69-70
Notes to the Accounts	71-74

**D. CONSOLIDATED FINANCIAL STATEMENTS**

Auditors' Report	75
Balance Sheet	76
Profit & Loss Account	77
Cash Flow Statement	78
Significant Accounting Policies	79-80
Notes to the Accounts	81-90