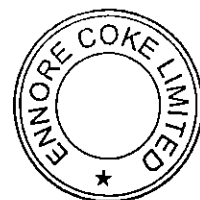


**FORM A**  
**(Pursuant to Clause 31(a) of Listing Agreement)**  
**ANNUAL AUDIT REPORT**

1.	Name of the Company	ENNORE COKE LIMITED
2.	Annual Financial Statement for the year ended	MARCH 31, 2015
3.	Type of Audit observation	<p><b><u>Emphasis of Matter - 1:</u></b></p> <p>Note No 14 of Notes to Financial Statements relating to transfer of the leasehold land.</p> <p>Our opinion is not qualified in respect of this matter.</p> <p><b><u>Related Notes to Accounts</u></b>  (extracted from Note 14 to the financial statements)</p> <p>Gross block of the Company includes Leasehold land of Rs. 2,46,37,289/- registered in the name of erstwhile company Ennore Power and Coke Private Limited (EPCPL). During January 2009, the Company has invested in 100% of shares of EPCPL and further entered into a scheme of amalgamation of EPCPL from the appointed date of April 01, 2008 duly approved by the shareholders of both the companies, consortium banks and the Hon'ble High Court of Madras. Under the scheme, the Company shall be entitled to apply for the necessary approvals from concerned authorities to own and operate the undertakings of EPCPL. The Company has filed an application for title change, subsequent to the amalgamation, with Haldia Development Authority (HDA) which is pending approval.</p> <p><b><u>Management Response:</u></b></p> <p>The Company has initiated steps for transferring the Title in the name of the company</p> <p><b><u>Emphasis of Matter - 2:</u></b></p> <p>Note No 16c of Notes to Financial Statements regarding non reversal of deferred tax asset.</p> <p>Our opinion is not qualified in respect of this matter.</p> <p><b><u>Related Notes to Accounts</u></b>  (extracted from Note 16c to the financial statements)</p>



Deferred tax asset of Rs. 15,57,22,180/- on account of carried forward business losses and depreciation as per the Income Tax act is continued to be carried forward and no adjustment for the reversal has been considered during the year, as the management is of the opinion that the company's taxable income in the ensuing financial years would be adequate enough to absorb the same.

**Management Response:**

The management is of the opinion that the company is optimistic of earning profits in the ensuing financial years and hence no adjustment for reversal of Deferred Tax Asset is considered necessary.

**Emphasis of Matter - 3:**

Note No 31 of Notes to Financial Statements regarding non-availability of confirmation of balances relating to certain Loans and Advances, Trade Payables, and Deposits.

Our opinion is not qualified in respect of this matter.

**Related Notes to Accounts**

(extracted from Note 31 to the financial statements)

The Company has not obtained confirmation of balances in respect of:-

- a) Loans & Advances amounting to Rs. 6,09,42,527/-
- b) Trade Payables amounting to Rs. 10,36,84,384 /-
- c) Deposits amounting to Rs.18,78,308/-

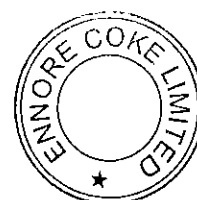
Pending receipt of confirmation and reconciliation of balances, no adjustments have been carried out to the carrying values of the above amounts for the year ended 31 March 2015. In the opinion of the Management, the amounts stated in the Balance Sheet are fully realisable/ payable.

**Management Response:**

The management is of the opinion that the balances due to the company are good and fully realisable and dues by the company are fully payable and will be settled in due course.

**Emphasis of Matter - 4:**

Note No 47 of Notes to Financial Statements regarding VAT



payment.

Our opinion is not qualified in respect of this matter.

**Related Notes to Accounts**

(extracted from Note 47 to the financial statements)

Based on a legal opinion, an amount of Rs.7,70,00,000/- paid to West Bengal VAT Authorities in an earlier financial year is being disputed by the Company and is carried over as advance. In the opinion of the management, the amount is fully recoverable and hence no provision is considered necessary for the same.

**Management Response:**

The management is confident that there is a fair chance of succeeding in the appeal and the amount is fully recoverable and hence no provision is warranted.

**Emphasis of Matter - 5:**

Note No 48 (ii) of Notes to Financial Statements regarding change in accounting policy on inventory of stores and consumables.

Our opinion is not qualified in respect of this matter.

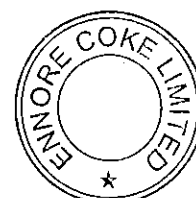
**Related Notes to Accounts**

(extracted from Note 48(ii) to the financial statements)

The Company has been hitherto adopting the policy of treating the purchase of Stores and Consumables as expenditure without accounting for their stock materials at the close of the accounting period. However, the Company has changed during the current year, the method of accounting, by recognising in the books the value of such stocks physically available at the stores every month. As a result, the loss for the year is lower by Rs.20,31,788/- and the inventory is higher by the same amount.

**Management Response:**

The change in the accounting policy on accounting the inventory of Stores consumables resulting in the understatement of loss by Rs 20,31,788/-, the management has decided to account for inventory of stores consumables for better control.



**Emphasis of Matter - 6:**

Note No 48 (iii) of Notes to Financial Statements regarding change in accounting policy on finance charges on letters of credit.

Our opinion is not qualified in respect of this matter.

**Related Notes to Accounts**

(extracted from Note 48(iii) to the financial statements)

The Company has been hitherto adopting the policy of accounting the finance charges in respect of letters of credit opened by the company as expenditure. However from the current year, the finance charges are accounted as expenditure on a pro-rata basis corresponding to the tenor of the instrument and the charges relating to the unexpired period is carried over. As a result, the loss for the year is lower by Rs.5,30,991/- and the current asset is higher by the same amount.

**Management Response:**

The change in the accounting policy on accounting the finance charges on pro rata basis resulting in understatement of loss by Rs 5,30,991./-, the management has decided to adopt the matching concept principle .

**Emphasis of Matter - 7:**

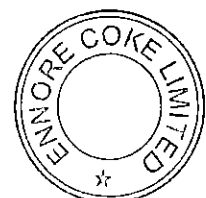
Note No 48 (iv) of Notes to Financial Statements regarding non-recognition of interest income.

Our opinion is not qualified in respect of this matter.

**Related Notes to Accounts**


(extracted from Note 48(iv) to the financial statements)

The Company has been hitherto recognising interest income on the loans due net of interest paid on loans received from a fellow subsidiary. However from the current year, the Company has not recognised such interest, taking a prudent and conservative view. The interest income (net of interest expense) not recognised amounts to Rs.11 21 17 180 /-. AS a result, the loss is overstated and the current asset is understated by the same amount.



	<p><b><u>Management Response:</u></b> The company has not recognised, interest on loans advanced to / loans availed from a fellow subsidiary taking a prudent and conservative view.</p> <p><b><u>Point (vi) of the Annexure to the Auditors' Report :</u></b> The Central Government has prescribed maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, in respect of Company's products effective June 2014. However the Company has not maintained the cost records prescribed.</p> <p><b><u>Management Response:</u></b> The company has since appointed Cost Auditor for the financial year 2014-15 and maintained the Cost Records under sub-section (1) of Section 148 of the Companies Act, 2013.</p> <p><b><u>Point (vii) (a) and (b) of the Annexure to the Auditors' Report</u></b> (a) Undisputed statutory dues towards Income tax, Sales Tax (VAT), Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues have been regularly deposited with the appropriate authorities and there have been delays in remittance in few cases  (b) There are dues in respect of income tax, and service tax, that have not been deposited with the appropriate authorities on account of dispute</p> <p><b><u>Management Response:</u></b> The Company is in the process of regularising all statutory remittances to the concerned department. A substantial level of taxes has been paid subsequently as on the date of this report.</p> <p><b><u>Point (xi) of the Annexure to the Auditors' Report :</u></b> The Company have defaulted in repayment of dues to banks during the year</p> <p><b><u>Management Response:</u></b> The company had initiated the process of regularizing the bank dues and as on the date of this report all dues have been updated.</p>
4.	<p>Frequency of observation</p> <p>The matter referred to above relating to Emphasis of Matter Paragraph – 1 is appearing from financial year ended 31<sup>st</sup> March 2011 (Fifth Time).</p>



<p>5. To be signed by:</p> <ul style="list-style-type: none"> <li>• CEO (M. NATARAJAN)</li> <li>• CFO (A. GANESH)</li> <li>• Audit Committee Chairman (R. RAMAKRISHNAN)</li> </ul>	<p><i>M. Natarajan</i></p> <p><i>A. Ganesh</i></p> <p><i>R. Ramakrishnan</i></p>
<p>6. Statutory Auditor</p>	<p>Refer our Audit Report dated May 22, 2015</p> <p>For Sreedhar, Suresh &amp; Rajagopalan Chartered Accountants FRN: 003957S</p> <p><i>S. Subramaniam</i></p> <p>S. Subramaniam Partner Membership No. 025433</p> 

Place: Chennai  
Date: May 22, 2015



# CORPORATE INFORMATION

**ENNORE COKE LIMITED**

**CIN: L65921TN1985PLC070358**

BOARD OF DIRECTORS	<p>Mr. R Ramakrishnan – Independent Director</p> <p>Mr. M Aravind Subramaniam – Independent Director</p> <p>Mr. K U Sivadas – Independent Director</p> <p>Ms. J Kotteswari – Non-Executive Director</p>
CHIEF EXECUTIVE OFFICER	Mr. M Natarajan
CHIEF FINANCIAL OFFICER	Mr. A Ganesh
COMPANY SECRETARY	Mr. M Saravanan
AUDITORS	<p>M/s. Sreedhar, Suresh &amp; Rajagopalan</p> <p>Chartered Accountants</p> <p>Chennai</p>
BANKERS	<p>State Bank of India, Overseas Branch, Kolkata – 700 001.</p> <p>Union Bank of India, IFB, Chennai – 600 001.</p> <p>State Bank of Hyderabad, IFB, Chennai – 600 001.</p> <p>Indian Overseas Bank, Cathedral Branch, Chennai – 600 002.</p>
REGISTERED OFFICE	<p>Sigappi Achi Building, 1st Floor</p> <p>18/3 Rukmini Lakshmi pathi Road, Egmore</p> <p>Chennai, Tamil Nadu</p> <p>India – 600 008.</p> <p>Corporate Identity Number: L65921TN1985PLC070358</p> <p>E- mail: <a href="mailto:complianceofficer@ennorecoke.com">complianceofficer@ennorecoke.com</a></p> <p>Website: <a href="http://www.ennorecoke.com">www.ennorecoke.com</a></p>
REGISTRAR	<p>Cameo Corporate Services Limited</p> <p>Subramaniam Building</p> <p>#1, Club House Road,</p> <p>Chennai – 600 002.</p>

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# NOTICE

## NOTICE OF THE THIRTIETH ANNUAL GENERAL MEETING

Notice is hereby given that the Thirtieth Annual General Meeting of Ennore Coke Limited will be held on Monday the 28<sup>th</sup> September 2015 at 11.00 A.M. at Kamakoti Hall, Sri Krishna Gana Sabha, 20, Maharajapuram Santhanam Road, T. Nagar, Chennai 600 017 to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2015 and the Profit and Loss Account of the Company for the year ended March 31, 2015, together with the Directors' Report and the Auditors' Report thereon.

#### 2. Appointment of Statutory Auditors:

**To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:-**

**"RESOLVED THAT**, pursuant to the provisions of Section 139 and other applicable provisions if any of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s. Sreedhar, Suresh & Rajagopalan (Firm Registration No. 003957S) Chartered Accountants, Chennai be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of Thirty First Annual General Meeting of the Company to be held in the Calendar year 2016 (subject to ratification of the appointment by the members at every Annual General Meeting held after this Annual General Meeting on a remuneration as may be determined by the Board)".

### SPECIAL BUSINESS

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

**Ratification of remuneration to be paid to Mr. M. Kannan, Cost Auditor of the Company**

**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, if any and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016, be paid a remuneration of ₹ 50,000/- (Rupees Fifty thousand only) excluding out of pocket expenses to Mr. M. Kannan, Cost Accountant, (Membership Number FCA:022827) representing M/S. RKMS & Associates, Cost Accountants of the Company for the financial year 2015-16, be and is hereby ratified.

**FURTHER RESOLVED THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution".

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

**Appointment of Ms. J Kotteswari as Director**

**"RESOLVED THAT** pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory

modification(s) or re-enactment thereof for the time being in force) Ms. J. Kotteswari (DIN 02155868), who was appointed as an Additional Director of the Company with effect from March 31, 2015, and who holds office upto the date of the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

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

**Appointment of Mr. K.U. Sivasdas as an Independent Director**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Clause 49 of the Listing Agreement, as amended from time to time, the consent of the members of the Company be and is hereby accorded to appoint Mr. K.U Sivasdas (DIN 00498594), who has submitted a declaration that he meets the criteria of Independence under Section 149 of the Companies Act, 2013 and who qualifies for being appointed as an Independent Director of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (five) consecutive years for a term up to September 28, 2020."

**By Order of the Board of Directors**

Place: Chennai

M Saravanan

Date: 22.05.2015

Company Secretary

#### Registered Office:

Ennore Coke Limited

Sigappi Achi Building, 1st Floor

18/3 Rukmini Lakshmipathi Road,

Egmore, Chennai 600 008

# NOTICE

## Notes:

1. The relative explanatory statements pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Special Business set out in the notice is annexed hereto.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy and vote instead of himself and the proxy need not be a member of the company. Proxy to be valid should be deposited with the company not later than forty eight hours before the time for holding the meeting. No Person can act as a Proxy on behalf of a member not exceeding fifty and holding in the aggregate not more than the 10% of the paid-up Share Capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total Share Capital of the Company carrying voting rights, then such proxy shall not be act as a proxy for any other person or shareholder.
3. Members/Proxies should bring their Attendance slip duly completed for attending the meeting. The signature of the attendance slip should match with the signature(s) registered with the Company. Members holding shares in dematerialized form are requested to bring their Client ID and DP ID numbers for identification.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 22<sup>nd</sup> September 2015 to Monday, 28<sup>th</sup> September 2015 (both days inclusive)
5. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
6. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
7. Members are requested to address all the correspondences, to the Registrar and Share Transfer Agents, M/s. Cameo Corporate Services Ltd, Subramaniam Building, #1, Club House Road, Chennai 600 002.
8. Members whose shareholding is in electronic mode are requested to direct change of address notification and

updates on bank account details, if any, to the respective depository participants.

9. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to update your email address with your Depository Participant to enable us to send you the communications via email.
10. As an economic measure, copies of Annual Report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of Annual Report to the meeting.
11. The procedure and instructions for members for voting through electronic means are as under:

In case of members receiving e-mail:

- (i) The voting period begins on Thursday, 24<sup>th</sup> September, 2015 at 10.00 a.m. and ends on Sunday, 27<sup>th</sup> September, 2015 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 18<sup>th</sup> September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iii) Click on "Shareholders" tab.
- (iv) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.</li> </ul>
DOB#	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

# NOTICE

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for "ENNORE COKE LIMITED" on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (PoA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in)

under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

- (xx) The Board has appointed Ms. B Chandra, Practising Company Secretary, Chennai, as the Scrutinizer for conducting the e-voting process for the Thirtieth Annual General Meeting in accordance with the law and in a fair and transparent manner.

The Scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-voting period unlock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

- (xxi) The Results shall be declared on the day of the Annual General Meeting of the Company. The results declared along with the scrutinizer's report shall be placed on the Company's website [www.ennorecoke.com](http://www.ennorecoke.com) and on the website of CDSL within two days of passing of the resolutions at the Annual General Meeting of the Company and communicated to the Bombay Stock Exchange Limited.

## By Order of the Board of Directors

Place: Chennai

M Saravanan

Date: 22.05.2015

Company Secretary

## Registered Office:

Ennore Coke Limited

Sigappi Achi Building, 1st Floor

18/3 Rukmini Lakshmipathi Road,

Egmore, Chennai 600 008

# NOTICE

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

### ITEM NO. 3

The Board of Directors on the recommendation of the Audit Committee has approved the appointment of Mr. M. Kannan, Cost Accountant, (Membership Number FCA:022827) representing M/s. RKMS & Associates, Cost Accountants as the cost auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016 and the Board in its meeting held on 20th May 2015 based on the recommendation of Audit Committee, and subject to the ratification by the Members, had approved the remuneration of Mr. M. Kannan, Cost Accountant, (Membership Number FCA:022827) representing M/s. RKMS & Associates, Cost Accountants, as the cost auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016 at a remuneration of ₹ 50,000 plus applicable taxes and reimbursement of such other out of pocket expenses as may be incurred by the said cost auditors during the course of the audit.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration recommended by Audit Committee shall be approved by the Board of Directors and subsequently to be ratified by the members of the Company.

Accordingly, the consent of the members is being sought for passing an Ordinary Resolution as set out Item No.3 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2016.

None of the Directors, Key Managerial Personnel and Relatives of the Directors / Key Managerial Personnel of the Company are concerned or interested, financially or otherwise, in the resolution.

### ITEM NO. 4

Ms. J Kotteswari was appointed as an Additional Director at the Board Meeting held on 31st March, 2015. In terms of Section 152 of the Companies Act, 2013, she holds office up to the date of the ensuing Annual General Meeting. Notice under Section 160 of the Companies Act, 2013, along with a deposit of ₹ 100,000/-, as required under that Section, has been received from a member of the Company proposing the appointment of Ms. J. Kotteswari as Director of the Company liable to retire by rotation at the ensuing Annual General Meeting of the Company.

Neither the Directors of the Company, nor the Key Managerial Personnel of the Company nor their respective relatives are in any way concerned or interested, financially or otherwise in this Resolution, except Ms. J Kotteswari, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no. 4 for the approval of the members.

### ITEM NO. 5

In terms of Section 149 and any other applicable provisions, if any, of the Companies Act, 2013, Mr. K U Sivadas is proposed to be appointed as an Independent Director of the Company for a term of five years. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of ₹ 100,000/- proposing the candidature of Mr. K U Sivadas as an Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mr. K U Sivadas as an Independent Director of the

Company up to September 28, 2020 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder.

He is not liable to retire by rotation.

In the opinion of the Board of Directors, Mr. K U Sivadas, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and the Rules made thereunder and he is independent of the Management. A copy of the draft letter for the appointment of Mr. K U Sivadas, as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's Registered Office during normal business hours on working days up to the date of the AGM.

Neither the Directors of the Company, nor the Key Managerial Personnel of the Company nor their respective relatives are in any way concerned or interested, financially or otherwise in this resolution, except Mr. K U Sivadas, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no. 5 for the approval of the members.

### By Order of the Board of Directors

Place: Chennai

M Saravanan

Date: 22.05.2015

Company Secretary

### Registered Office:

Ennore Coke Limited

Sigappi Achi Building, 1st Floor

18/3 Rukmini Lakshmipathi Road,

Egmore, Chennai 600 008

# NOTICE

## DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE THIRTIETH ANNUAL GENERAL MEETING

(Pursuant to Clause 49 (VIII) (E) of the Listing Agreement)

### Profile of the Director seeking reappointment/appointment

#### Ms. J. Kotteswari

Ms. J. Kotteswari is a Chartered Accountant and she has over 20 years of experience in Project Cost Management, Banking, Management Information Systems, Internal Audit, Review of Capex and Consolidation of financials, Treasury, and Cost control. She has also handled Manufacturing accounts in factory, Marketing finance and Corporate finance and M&A activities. Prior to joining our Group Ms. J. Kotteswari was working as Vice President Finance and Accounts at M A Chidambaram Group.

Ms. J. Kotteswari is the Chief Financial Officer of M/s. Shriram Industrial Holdings Limited, our Group Company since January 2013 and a key member of the management team.

She was appointed as an Additional Director on March 31, 2015

She is not a member of any committee

She does not hold any shares in the Company

Details of her other directorship and membership/chairmanship of the committee are given below

Sl.No	Name of the Company	Position	Committee Membership / Chairmanship
1	Shyamantaka Trading Pvt Ltd	Director	-
2	Shriram SEPL Composites Pvt Ltd	Director	-
3	Wellman Coke India Ltd	Director	-
4	Hamon Shriram Cottrell Pvt Ltd	Director	-
5	P S R Green Power Projects Pvt Ltd	Director	-
6	Clarion Wind Farm Pvt Ltd	Director	-
7	Prosperity shop (India) Ltd	Director	-
8	Bharath Coal Chemicals Ltd	Director	-
9	Shriprop Dwellers Pvt Ltd	Director	-
10	Beta Wind Farm Private Limited	Director	-

#### Mr. K U Sivasdas

K U Sivasdas is a Mechanical Engineer and also holds an MBA degree from the University of Madras. He is having 40 years of rich experience in various fields like, Erection, Construction, Manufacturing, Project and Marketing Management. He was working for 18 years with Binny Ltd., Chennai and worked for 2 years with Suhail & Soud Bahwan Group, Muscut and then worked for M/s. Thermopack Engineers Pvt. Ltd., Chennai, for 5 years.

He is a member of the following Committees:

1. Audit Committee
2. Borrowing Committee
3. Stakeholders Relationship Committee
4. Remuneration and Compensation Committee

He does not holds any shares in the Company.

Details of his other directorship and membership/chairmanship of the committees are given below:

Sl.No	Name of the Company	Position	Committee Membership / Chairmanship
1	STT Ltd	Director	-
2.	Alpha Wind Farm Pvt Ltd	Director	-
3.	Blackstone Group Technologies Pvt Ltd	Director	-
4.	Chemproject Consulting Pvt Ltd	Director	-
5.	Shriram Composites Pvt Ltd	Director	-
6.	Geometric Engineering Constructions Pvt Ltd	Director	-
7.	Global Powertech Equipments Pvt Ltd	Director	-
8.	Orient Green Power Company(rajasthan)Pvt Ltd	Director	-
9.	Gamma Green Power Pvt Ltd	Director	-
10.	Gayathri Green Power Pvt Ltd	Director	-
11.	Haldia Coke and Chemicals Pvt Ltd	Director	-
12.	Mahala Coke Products Pvt Ltd	Director	-
13.	Aditya Coke Pvt Ltd	Director	-
14.	Asia Coke Ltd	Director	-
15.	Hexa Wind Farm Pvt Ltd	Director	-
16.	Wellman Coke India Ltd	Director	-
17.	P S R Green Power Projects Pvt Ltd	Director	-



## DIRECTORS' REPORT

Dear Share holders,

The Directors take pleasure in presenting the Thirtieth Annual Report together with the audited financial statements for the year ended March 31, 2015.

The performance of the Company for the year ended 31st March 2015 is summarized below

(₹ in Lakhs)

Particulars	2014 - 2015	2013 - 2014
Revenue from operations and Other Income	39,272.70	50,097.70
Profit/(Loss) before Interest, Depreciation and Tax	(2,607.24)	(443.46)
Interest & Finance Charges	1,531.47	1,592.29
Depreciation	1,295.35	1,490.72
Provision for Tax	-	9.10
Deferred Tax	(69.53)	76.72
Net Profit/(Loss) for the year	(5,364.53)	(3,612.29)
Accumulated Profit/(Loss) Brought forward From Balance Sheet	(5,969.71)	(2,357.42)
Transfer from Accumulated Depreciation	(11.39)	-
Total Distributable profit/(Loss)	(11,345.63)	(5,969.71)
Dividend	Nil	Nil
Dividend Tax	Nil	Nil
Profit/(Loss) Carried over to the Balance Sheet	(11,345.63)	(5,969.71)

Revenue from operations and other income for the year under review was ₹ 39,272.70 lacs and for previous year ₹ 50,097.70 lacs and the loss before tax was ₹ (5,434.05) and for previous year (3,526.48) lacs. The loss after tax including loss carried over to the Balance Sheet stands at ₹ (11,345.63) and for previous year (5,969.71) lacs.

### BUSINESS REVIEW

Indian Metallurgical Coke Industry is in developing stage and demand and supply gap met by imported coke and merchant coke plants. The Indian steel industry needs about 35 million tonnes of coke per year, out of which about 20 to 25 million tonnes are met from captive capacities leaving a balance of 10 million tonnes. The installed capacity of merchant met coke is said to be 10 million tonnes per annum but the actual plant utilisation is said to be only 30%-35%, due mostly to cheaper imports from China. India lacks locally available coke displacement options that exist in other countries. It is likely to remain the world's single largest import market for coke. The government is pushing towards phased de-regulation of the coal sector to tap its full potential and it also provide incentive for new technologies in underground mining.

The global economy is exhibiting strong signals of recovery and the Indian economy with a GDP forecast of over 7% suggests that the worst is behind us and we are seeing a revival all around. Indian steel consumption is growing at the rate of 6%. Met coke, the demand of which is directly linked to steel production, is obviously going to share the same fortune. India has a severe shortfall of good quality hard coking coal, which is being primarily met by imports. This demand supply gap is further going to increase in days to come with India trying to meet its target of 300 million tonnes by 2020 from current levels of around 53 million tonnes per annum.

It is estimated that by 2018 as per the current projections, India would need more than 75 million tonnes of coking coal. With China closing some of its coal mines and becoming a net importer of coking coal, it has become a commodity in global short supply and hence there is an increased demand for coke in the market. All these spell a wonderful future for your company.

### OPERATIONS & FUTURE PROSPECTS

- The present aggregate manufacturing capacity of your Company is 130,000 TPA and expansion plans are in place to increase the capacity to 500,000 TPA by 2018 and by 1 Million TPA by 2020. Your Company has shifted the strategy of Product Sales from Whole Sale to Retail in order to achieve maximum realisation. Your Company is focused on manufacturing highest quality metallurgical coke from the existing/ upcoming plants by sourcing finest grade of coking coal across the world and introduce Best Operating Practices across all functions in delivering consistent quality products and services offerings to the market
- To improve the sale and maximize the realisation, your Company's key strategies is
  - focusing on continue improvement on capacity utilization and product quality/services from the existing plants.
  - Install Power Co-Generation Unit in all Coking Plants. Maximize availability and utilisation of power plant and re-negotiate power tariffs.
  - Increase the coke manufacturing capacity in terms of brownfield and greenfield expansion to economise the cost of products. De-risking of product profile by expanding into the fragmented dealer markets.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed review of the operations, performance and outlook of the company and its business is given in the Management Discussion and Analysis Report, which forms a part of this report.

### DEPOSITORY SYSTEM

Your Company's Equity Shares are available in dematerialized form through National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL). As at 31<sup>st</sup> March 2015, 99.91% of the Equity Shares of the Company were held in demat form.

### DIVIDEND

Your Directors have not recommended dividend in view of the losses incurred by the company during the year.

### DEPOSITS

The Company has not accepted any deposits either from the shareholders or public within the meaning of The Companies (Acceptance of Deposits) Rules, 2014 as amended.

### DISCLOSURES UNDER THE COMPANIES ACT 2013

- Extract of Annual Return:-  
The extract of the Annual Return in the form MGT - 9 as required under Section 92 (3) and 134 (3) of the Act is attached to this Report as Annexure - 1.
- Number of Board Meetings  
The Board of Directors met 8 (Eight) times in the year 2014-15. The details of the board meetings and the attendance of the Directors are provided in the Corporate Governance Report.

# DIRECTORS' REPORT

## iii) Change in Share Capital

During the year under review, there is no change in the Share Capital of the Company.

## iv) Composition of Audit Committee

The Board has constituted the Audit Committee which comprises of Mr.R. Ramakrishnan as the Chairman and Mr. K.U. Sivadas and Mr. Aravind Subramaniam as the members. More details on the committee are given in the Corporate Governance Report.

## v) Related Party Transactions

All the related party transactions are entered on arm's length basis and are in compliance with the applicable provisions of the Act and the Listing Agreement. There are no materially significant Related Party transactions made by the Company with Promoters, Directors or Key Management Personnel etc. which may have potential conflict with the interest of the company at large

All Related Party Transactions are presented to the Audit Committee and the Board. A statement of all related party transactions is presented before the Audit Committee specifying the nature, value and terms and conditions of the transactions.

The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website at the Web Link:<http://www.ennorecoke.com/investors/Policy> on Related Party transactions

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 is enclosed as Annexure - D in Form AOC-2.

## MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN MARCH 31, 2015 AND MAY 22, 2015 (DATE OF THE REPORT)

There were no material changes and commitments affecting the financial position of the Company between the end of the financial year (March 31, 2015) and the date of the Report (May 22, 2015).

## INTERNAL CONTROL SYSTEM

The Company has in place an adequate system of internal controls commensurate with its size, requirements and the nature of operations. These systems are designed, keeping in view the nature of activities carried out at each location and the various business operations. The company has documented a robust and comprehensive internal control system for all the major processes to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedures, laws and regulations, safeguarding of assets and economical and efficient use of resources. The formalised systems of control facilitate effective compliance as per Clause 49 of the Listing Agreement. The Company also has well documented Standard Operating Procedures (SOPs) for various processes which is periodically reviewed for changes warranted due to business needs.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal controls system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries.

Based on the report of internal audit, process owners undertake corrective action in their respective areas and thereby strengthen the controls. During the year, the Audit Committee met regularly to review reports submitted by the Internal Audit. All significant audit observations and follow-up actions thereon were reported to the Audit Committee. The Audit Committee also met the Company's Statutory Auditors to ascertain their views on the financial statements, including the financial reporting system, compliance to accounting policies and procedures, the adequacy and effectiveness of the internal controls and systems followed by the Company.

## VIGIL MECHANISM/WHISTLE BLOWER POLICY

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rule 2014 and Clause 49 of the Listing Agreement, the Board of Directors had approved the Policy on Vigil Mechanism/Whistle Blower and the same was hosted on the website of the Company. The Policy inter-alia provides Whistle Blower, a direct access to the Chairman of the Audit Committee.

Your Company hereby affirms that no Director/employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year

The Whistle Blower Policy as approved by the Board is uploaded on the Company's website at the Web Link:

[http://www.ennorecoke.com/Investors/CorporateGovernance/Whistle Blower Policy](http://www.ennorecoke.com/Investors/CorporateGovernance/WhistleBlowerPolicy).

## CORPORATE SOCIAL RESPONSIBILITY (CSR) :

In terms of Section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors of your Company have constituted a CSR Committee. The Committee comprises of all Independent Directors. Since the average net profits of the company made during the three immediately preceding financial years was negative, the Company was not required to spend any money on CSR activities during the previous year.

## DIRECTORS AND KEY MANAGERIAL PERSON

### 1. CESSATION

Mr. G. Natarajan has resigned from the Board with effect from 31<sup>st</sup> March 2015. The Board placed on records its appreciation for the valuable services rendered by Mr. G. Natarajan.

### 2. APPOINTMENT

Ms. J. Kotteswari (DIN No. 02155868) has been appointed as an Additional Director under Section 161 of the Companies Act, 2013 with effect from March 31, 2015.

Ms. J. Kotteswari is a Chartered Accountant and she has over 20 years of experience in Project Cost Management, Banking, Management Information Systems, Internal Audit, Review of Capex and Consolidation of financials, Treasury, and Cost control. She has also handled Manufacturing accounts in factory, Marketing finance and corporate finance and M&A activities. Prior to joining our Group Ms. J. Kotteswari was working as Vice President Finance and Accounts at MACHidambaram Group.

Ms. J. Kotteswari is the Chief Financial Officer of M/s. Shriram Industrial Holdings Limited, our Group Company since January 2013 and a key member of the management team.

As an Additional Director of the Company shall hold office upto the date of ensuing Annual General Meeting. The Company has received a notice as per the provisions of Section 160(1) of the Companies Act, 2013, from a member

# DIRECTORS' REPORT

proposing her appointment as Director. The Board of Directors recommends her appointment.

Further details about the above directors are given in the Corporate Governance Report as well as in the Notice of the ensuing Annual General Meeting being sent to the shareholders along with Annual Report.

## 3. RETIREMENT BY ROTATION

In accordance with the provisions of Section 152(6) and the Articles of Association of the Company Ms. J Kotteswari (DIN No.02155868) will retire by rotation at the ensuing Annual General Meeting of the company and being eligible, offer herself for re-appointment. The Board recommends her re-appointment.

## 4. APPOINTMENT OF INDEPENDENT DIRECTORS

Mr. K.U. Sivasdas was appointed as an Independent Director at the Board meeting held on May 20, 2015 for a period of five years subject to the approval of Shareholders. He has submitted the declaration of Independence as required pursuant to Section 149(7) of the Companies Act, 2013, stating that he meet the criteria of Independence as provided in Sub Section (6). The profile of the Independent Director forms part of the Corporate Governance Report.

## 5. KEY MANAGERIAL PERSON

During the year under review, the Board took on record Mr. M Natarajan Chief Executive Officer, Mr. A Ganesh Chief Financial Officer and Mr. M Saravanan - Company Secretary as the Whole-time Key Managerial Personnel of the Company under Section 203 of the Companies Act, 2013.

## EVALUATION OF THE BOARD'S PERFORMANCE

In compliance with the Companies Act, 2013 and Clause 49 of the Listing Agreement, the performance evaluation of the Board was carried out during the year under review. More details on the same is given in the Corporate Governance Report.

## REMUNERATION POLICY

The Remuneration Policy of the Company comprising the appointment and remuneration of the Directors, Key Managerial Personnel and Senior Executives of the Company including criteria for determining qualifications, positive attributes, independence of a director and other related matters has been provided in the Corporate Governance Report.

## DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013.

- (i) in the preparation of the annual accounts for the year ended 31st March 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures if any ;
- (ii) 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 as at 31st March 2015 and Profit and Loss and cash flow of the Company for the year ended on that date;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities; and

(iv) the Directors have prepared the annual accounts of the Company on a 'going concern' basis.

(v) the Directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

(vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has always provided a congenial atmosphere for work to all the employees that is free from discrimination and harassment including sexual harassment. It has provided equal opportunities of employment to all without regard to their caste, religion, colour, marital status and sex. The Company has also framed a policy on "Prevention of Sexual Harassment at workplace. There were no cases reported during the financial year under review under the said policy.

## AUDITORS

### a) STATUTORY AUDITORS

M/s Sreedhar, Suresh & Rajagopalan, (Registration No. 003957S) Chartered Accountants, Chennai, Statutory Auditors of the Company has been appointed as Statutory Auditors of the Company as per Section 139 of the Companies Act, 2013 for a period of 3 years from the conclusion of Twenty Ninth Annual General Meeting till the conclusion of Thirty First Annual General Meeting by the members at the Annual General Meeting held on September 22, 2014.

As per Section 139(1) of the Companies Act, 2013 the company shall place such appointment of the Statutory Auditors for ratification by members at ensuing annual general meeting.

Members' attention is invited to the observation made by the Auditors under "Emphasis of Matter" appearing in the Auditors Reports.

### b) INTERNAL AUDIT

Internal Audit of the company is handled by M/s. Ravindran & Associates, Chartered Accountants, Chennai for evaluating the adequacy of internal controls and concurrently reviews majority of the transactions in value terms.

Independence of the firm and compliance is ensured by the direct reporting of the firm to the Audit Committee of the Board.

### c) SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company has appointed Ms. B. Chandra, Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as "Annexure - E "

## CORPORATE GOVERNANCE

Corporate Governance is based on some fundamental and basic principles such as conducting the business with integrity and fairness, ensuring transparency in all the transactions, making all relevant disclosures as per the various Regulations in force and complying with all the laws of the land, ensuring accountability and responsibility in all dealings with the various stakeholders and commitment for conducting the business in an ethical and transparent manner.

Your Company is committed to achieving and maintaining these



# DIRECTORS' REPORT

high standards of Corporate Governance and places high emphasis on business ethics. The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

The Company has laid down a well- defined Code of Conduct, which fairly addresses the issues of integrity, conflict of interest and confidentiality and stresses the need of ethical conduct, which is the basis of good governance. This Code of Conduct is applicable to all the members of the Board and the Senior Management Personnel. The declaration regarding compliance with Ennore Coke Limited Code of Conduct and Ethics for all Board Members and Senior Management Personnel of the Company forms part of the Report on Corporate Governance.

The Company is complying with all the norms laid down by the Regulatory Authorities in all its functional areas. The Company Secretary is also the Compliance Officer under Clause 47 of the Listing Agreement entered into with the Stock Exchanges, to comply with various guidelines of Securities and Exchange Board of India and Stock Exchanges.

The Company is promptly submitting a "Quarterly Compliance Report on Corporate Governance" as per Clause 49 of the Listing Agreements with the Stock Exchanges.

As part of the good Corporate Governance, the Company ensures that all Investor Grievances are attended to and resolved in a timely manner as per the records maintained by our Registrar and Transfer Agent.

The certificate from the Statutory Auditors, M/s Sreedhar, Suresh & Rajagopalan, confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 is reproduced in a separate section elsewhere in the Annual Report.

## INSIDER TRADING

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended, your Company has instituted a comprehensive Code titled as "Ennore Coke Limited - Code of Conduct" which lays down guide lines and advises the Directors and Employees of the Company on procedures to be followed and disclosures to be made while dealing in securities of the Company.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rule 2014, is annexed herewith as "Annexure A".

## PARTICULARS OF EMPLOYEES

None of the employees of the Company was in receipt of remuneration in excess of the limits prescribed under the 2013 Act and the rules framed thereunder. The information required pursuant to Section 197 of the 2013 Act read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, is provided in Annexure B forming part of this Report.

## AUDIT REPORT AND EXPLANATION UNDER SECTION 134 OF THE COMPANIES ACT, 2013

The Auditors' Report is self-explanatory and does not require any further comments except that:

### Point (a) of "Emphasis of Matter" in Auditors' Report :

The Company has initiated steps for transferring the Title in the name of the Company

### Point (b) of "Emphasis of Matter" in Auditors' Report :

The Management is of the opinion that the company is optimistic of earning profits in the ensuing financial years and hence no adjustment for reversal of Deferred Tax Asset is considered necessary.

### Point (c) of "Emphasis of Matter" in Auditors' Report :

The Management is of the opinion that the balances due to the Company are good and fully realisable and dues by the Company are fully payable and will be settled in due course.

### Point (d) of "Emphasis of Matter" in Auditors' Report :

The Management is confident that there is a fair chance of succeeding in the appeal and the amount is fully recoverable and hence no provision is warranted.

### Point (e) of "Emphasis of Matter" in Auditors' Report :

The change in the accounting policy on accounting the inventory of Stores consumables resulting in the understatement of loss by ₹ 20,31,788/-, the management has decided to account for inventory of stores consumables for better control.

### Point (f) of "Emphasis of Matter" in Auditors' Report :

The change in the accounting policy on accounting the finance charges on pro rata basis resulting in understatement of losses by ₹ 5,30,991./-, the management has decided to adopt the matching concept principle .

### Point (g) of "Emphasis of Matter" in Auditors' Report :

The Company has not recognised, interest on loans advanced to / loans availed from a fellow subsidiary taking a prudent and conservative view.

### Point (vi) of the Annexure to the Auditors' Report :

The Company has since appointed Cost Auditor for the financial year 2014-15 and maintained the Cost Records under sub-section (1) of Section 148 of the Companies Act, 2013.

### Point (vii) (a) and (b) of the Annexure to the Auditors' Report :

The Company is in the process of regularising all statutory remittances to the concerned department. A substantial level of taxes has been paid subsequently as on the date of this report.

### Point (xi) of the Annexure to the Auditors' Report :

The company had initiated the process of regularizing the bank dues and as on the date of this report all dues have been updated.

## ACKNOWLEDGEMENTS

Your Directors wish to express their appreciation for the assistance, support and cooperation extended by the Banks, Financial Institutions, Government Authorities, Customers, Suppliers and all Members during the year under review. Your Directors also wish to place on record their appreciation for the committed services by all employees of the Company.

For and on behalf of the Board

**Ennore Coke Limited**

Place: Chennai

Date: 22.05.2015

R. Ramakrishnan

Director

DIN 00809342

K.U. Sivasdas

Director

DIN 00498594

## ANNEXURE A

**ANNEXURE TO THE DIRECTORS' REPORT**

Information pursuant to Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo.

**A. CONSERVATION OF ENERGY**

The Company has implemented non recovery coke oven facility of capacity 1,30,000 MT per annum and is in the verge of integrating it with 12 MW waste heat power generation facility at Haldia. The coke making facility through non recovery coke oven technology and generation of electricity using the waste heat from waste gases of the coke ovens would contribute towards reduction of emissions of clean gases to atmosphere when compared with by product recovery type coke making facility and production of the same power through a base technology of conventional coal based thermal power plant.

1. The coke making process when integrated with co – generation power plant facility qualifies as a Clean Development Mechanism under KYOTO PROTOCOL of United Nations framework.
2. Energy saving through installation of Energy Saving motor.
3. By replacing existing street lights by Light Emitting Diode (LED) types.

**B. TECHNOLOGY ABSORPTION****1. Specific areas in which R&D is carried out by the Company :**

The Company has not carried out any specific R&D activities.

**2. Benefits derived as a result of the above R&D**

The Company has not carried out any R&D activities and hence the question of receiving benefits does not arise.

**3. Future Plan of Action :**

Under process of implementation

**4. Expenditure on R & D : Nil****C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

Particulars	2014 - 2015	2013 - 2014
(a) Expenditure in Foreign currency (Accrual basis)		
Travelling Expenses	4,21,655	4,57,279
Demurrage Charges	2,28,90,599	7,58,37,896
Interest on Claims Payable	12,53,622	12,44,316
Freight Charges	1,61,44,414	6,16,50,948
Legal fees	1,17,64,608	1,45,83,947
Subscription	2,660	-
	<b>5,24,77,558</b>	<b>15,37,74,386</b>
(b) Value of Imports (CIF basis)		
Raw Material	-	18,90,54,644
Traded Goods	-	29,53,74,169
	-	48,44,28,813
(c) Earnings in Foreign Exchange		
Export Sale	-	1,85,36,839
Remittance of Dividends	-	-

# ANNEXURE - B TO THE DIRECTORS REPORT

DETAILS PURSUANT TO THE PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Relevant clause u/r 5(1)	Prescribed Requirement	Particulars
(i)	Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Not Applicable
(ii)	Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	M. Natarajan – Chief Executive Officer – NIL A. Ganesh – Chief Financial Officer – 18% M. Saravanan – Company Secretary – Appointed during the Year
(iii)	Percentage increase in the median remuneration of employees in the financial year	4.65%
(iv)	Number of permanent employees on the rolls of company	109 Nos.
(v)	Explanation on the relationship between average increase in remuneration and company performance	There is a relationship between average increase in remuneration and individual and company performance only in the case of one of the Key Managerial Personnel (KMP) and a few very senior management personnel of the company and not for other categories of employees. Since the company had been incurring losses, no performance linked incentives or bonus has been paid during the year to the KMP. In the case of all other employees, the increase in remuneration is towards normal inflation and salary correction, etc, wherever necessitated and is not linked to company performance.
(vi)	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	The Income from Operations of the company decreased from a level of ₹ 46,178.96 Lacs in 2013-14 to ₹ 34,113.30 Lacs in 2014-15 representing a decline of 26.13%. In view of the loss in 2014-15, no increase in remuneration has been given to any of the KMP's other than CFO. During the year CFO has been re-designated from General Manager Finance, increase in remuneration has been given as per the industrial standards
(vii)	Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year	The market capitalization of the company based on Bombay Stock Exchange quotation of ₹ 12.00 per share as on 31.03.2014 and ₹ 9.26 per share as on 31.03.2015 was ₹ 13,860.00 and ₹ 10,695.30 Lacs respectively, representing an decrease of 22.83% "Considering the losses for this year and the previous year, Price earnings ratio is not applicable."
(viii)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average increase in remuneration of Managerial Personnel – 8%  – Average increase in remuneration of employees other than the Managerial Personnel – 8%
(ix)	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company	Covered in sub-clause (vi) above.
(x)	Key parameters for any variable component of remuneration availed by the directors	No variable remuneration was availed by any Directors during the year.

## ANNEXURE - B TO THE DIRECTORS REPORT

Relevant clause u/r 5(1)	Prescribed Requirement	Particulars
(xi)	Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	Not Applicable. There is no such employee who received remuneration in excess of the highest paid director during the year.
(xii)	Affirmation that the remuneration is as per the remuneration policy of the company	The remuneration is as per the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and Other Employees of the Company, formulated pursuant to the provisions of section 178 of the Companies Act, 2013

# ANNEXURE - C TO THE DIRECTORS REPORT

## Form No. MGT-9

### Extract of Annual Return as on the financial year ended on 31st March, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and  
rule12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L65921TN1985PLC070358
ii.	Registration Date	25/02/1985
iii.	Name of the Company	M/s. Ennore Coke Limited
iv.	Category / Sub-Category of the Company	Company limited by shares/ Indian- non Government Company
v.	Address of the Registered office and contact details	Sigappi Achi Building, 1st Floor, 18/3 Rukmini Lakshmi pathi Road, Egmore, Chennai- 600008. Phone No: 044 - 40406373 Email ID:complianceofficer@ennorecoke.com Website: www.ennorecoke.com
vi.	Whether listed company Yes / No	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Cameo Corporate Services Limited, Subramaniam Building, #1, Club House Road, Chennai – 600002 Tel: +91-44-40406373 Fax: +91-44-42699766 Email: cameosys@cameoindia.com Website: www.cameoindia.com

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

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

Sl. NO	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Coal & Coke	19101	100%

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

Sl. NO	Name and Address of the Company	CIN/GLN	Holding / Subsidiary/ Associate	% if Shares held	Applicable Section
1	Haldia Coke and Chemicals Private Limited Sigappi Achi Building, 1st Floor, 18/3 Rukmini Lakshmi pathi Road, Egmore, Chennai-600008	U15541TN2004PTC054260	Holding	60.86%	2 (46)

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity):

i. Category-wise Shareholding

Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2014)				No. of Shares held at the end of the year (As on 31-03-2015)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.</b>	<b>SHAREHOLDING OF PROMOTER AND PROMOTER GROUP</b>									
1.	INDIAN	574078	-	574078	3.7037	140000	-	140000	0.9032	-2.8005
a.	INDIVIDUALS/HUF	-	-	-	-	-	-	-	-	-
b.	CENTRAL GOVERNMENT	-	-	-	-	-	-	-	-	-
c.	STATE GOVERNMENT(S)	-	-	-	-	-	-	-	-	-
d.	BODIES CORPORATE	10009430	-	10009430	64.5769	10443508	-	10443508	67.3774	2.8005
e.	BANKS/FI	-	-	-	-	-	-	-	-	-
f.	ANY OTHER	-	-	-	-	-	-	-	-	-
	<b>SUB - TOTAL (A)(1)</b>	<b>105833508</b>	<b>-</b>	<b>105833508</b>	<b>68.2806</b>	<b>105833508</b>	<b>-</b>	<b>105833508</b>	<b>68.2806</b>	<b>0.0000</b>
2.	FOREIGN	-	-	-	-	-	-	-	-	-
a.	NRIs - INDIVIDUALS	-	-	-	-	-	-	-	-	-
b.	OTHER- INDIVIDUALS	-	-	-	-	-	-	-	-	-
c.	BODIES CORPORATE	-	-	-	-	-	-	-	-	-
d.	BANK/FI	-	-	-	-	-	-	-	-	-
e.	ANY OTHER	-	-	-	-	-	-	-	-	-
	<b>SUB - TOTAL (A)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>TOTAL SHARE HOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A)(1)+(A)(2)</b>	<b>105833508</b>	<b>-</b>	<b>105833508</b>	<b>68.2806</b>	<b>105833508</b>	<b>-</b>	<b>105833508</b>	<b>68.2806</b>	<b>0.0000</b>
<b>B.</b>	<b>PUBLIC SHAREHOLDING</b>									
1.	INSTITUTIONS	-	-	-	-	-	-	-	-	-
a.	MUTUAL FUNDS/UTI	-	-	-	-	-	-	-	-	-
b.	BANKS/FI	-	-	-	-	-	-	-	-	-
c.	CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)	-	-	-	-	-	-	-	-	-
d.	VENTURE CAPITAL FUNDS	-	-	-	-	-	-	-	-	-

i. Category-wise Shareholding (Contn...)

Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2014)				No. of Shares held at the end of the year (As on 31-03-2015)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
e.	INSURANCE COMPANIES	-	-	-	-	-	-	-	-	-
f.	FOREIGN INSTITUTIONAL INVESTORS	-	-	-	-	-	-	-	-	-
g.	FOREIGN VENTURE CAPITAL INVESTORS	-	-	-	-	-	-	-	-	-
i.	ANY OTHER	-	-	-	-	-	-	-	-	-
	<b>SUB - TOTAL (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0.0000</b>
2.	NON-INSTITUTIONS									
a.	BODIES CORPORATE									
i)	INDIANS	1445248	12000	1457248	9.4016	1468537	12000	1480537	9.5518	0.1502
ii)	OVERSEAS	-	-	-	-	-	-	-	-	-
b.	INDIVIDUALS									
i	INDIVIDUAL SHAREHOLDERS	1272499	2300	1274799	8.2245	1226606	2333	1228939	7.9286	-0.2958
	HOLDING NOMINAL SHARE CAPITAL UPTO ₹ 1 LAKH									
ii	INDIVIDUAL SHAREHOLDERS	1791358	0	1791358	11.5571	1925845	0	1925845	12.4248	0.8676
	HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF ₹1 LAKH									
c.	Others (Specify)									
i)	HUF	117545	0	117545	0.7583	112357	0	112357	0.7248	-0.0334
ii)	CLEARING MEMBERS	1019	0	1019	0.0065	2425	0	2425	0.0156	0.0090
iii)	NRI	166844	0	166844	1.0764	166389	0	166389	1.0734	-0.0029
iv)	DIRECTORS AND THEIR RELATIVES	107679	0	107679	0.6947	0	0	0	0.0000	-0.6947
	<b>SUB - TOTAL (B)(2)</b>	<b>4902192</b>	<b>14300</b>	<b>4916492</b>	<b>31.7193</b>	<b>4902159</b>	<b>14333</b>	<b>4916492</b>	<b>31.7193</b>	<b>0.0000</b>
	<b>TOTAL PUBLIC SHAREHOLDING</b>									
	<b>(B) = (B)(1)+(B)(2)</b>	<b>4902192</b>	<b>14300</b>	<b>4916492</b>	<b>31.7193</b>	<b>4902159</b>	<b>14333</b>	<b>4916492</b>	<b>31.7193</b>	<b>0.0000</b>
	<b>TOTAL (A)+(B)</b>	<b>15485700</b>	<b>14300</b>	<b>15500000</b>	<b>100.0000</b>	<b>15485667</b>	<b>14333</b>	<b>15500000</b>	<b>100.0000</b>	<b>0.0000</b>
	SHARES HELD BY CUSTODIANS FOR GDRs & ADRs									
C.	TOTAL CUSTODIAN (C)	-	-	-	-	-	-	-	-	-
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>15485700</b>	<b>14300</b>	<b>15500000</b>	<b>100.0000</b>	<b>15485667</b>	<b>14333</b>	<b>15500000</b>	<b>100.0000</b>	<b>0.0000</b>

## ANNEXURE - C TO THE DIRECTORS REPORT

## ii. Share holding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2014)			Shareholding at the end of the year (As on 31-03-2015)			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in shareholding during the year
1.	Haldia Coke and Chemicals Private Ltd	9434000	60.86	30	9434000	60.86	30	0
2.	Premier Energy And Infrastructure Ltd	575430	3.71	0	1009508	6.51	100	2.80
3.	Vathsala Ranganathan representing Shriram Auto Finance	140000	0.90	0	140000	0.90	0	0
4.	Vidya Narayanamurthi representing Shriram Auto Finance	434078	2.80	0	-	-	-	100
	<b>Total</b>	<b>10583508</b>	<b>68.28</b>	<b>30</b>	<b>10583508</b>	<b>68.28</b>	<b>-</b>	<b>-</b>

## iii. Change in Promoters' Shareholding for the Financial Year 2014-15

S.No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1. Haldia Coke and Chemicals Private Ltd					
At the beginning of the year		9434000	60.83	9434000	60.83
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.)		There is no change in the total shareholding between 01-04-2014 to 31-03-2015			
At the End of the year		9434000	60.83	9434000	60.83
2. Premier Energy And Infrastructure Ltd					
At the beginning of the year		575430	3.71	575430	3.71
Add: Market Purchase*		*434078	*2.80	1009508	6.51
At the End of the year		1009508	6.51	1009508	6.51
3. Vathsala Ranganathan representing Shriram Auto Finance					
At the beginning of the year		140000	0.90	140000	0.90
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.)		There is no change in the total shareholding between 01-04-2014 to 31-03-2015			



# ANNEXURE - C TO THE DIRECTORS REPORT

S.No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the End of the year	386526	0.07	386526	0.07
<b>4. Vidya Narayanamurthi representing Shriram Auto Finance</b>					
	At the beginning of the year	434078	2.80	434078	2.80
	<b>Less: Market Sale#</b>	#434078	#2.80	0	0
	At the end of the year	0	0	0	0

\* During the year M/s. Premier Energy And Infrastructure Ltd purchased 434078 equity shares at face value ₹10 each, representing 2.80 % of the equity share capital of the Company, through market purchase.

#During the year Ms. Vidya Narayanamurthi representing Shriram Auto Finance sold 434078 equity shares at face value ₹ 10 each, representing 2.80 % of the equity share capital of the Company, through market sale

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

Sl. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	<b>Shaktiman Steel Castings Pvt Ltd</b>				
	At the beginning of the year	500000	3.2258	500000	3.2258
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.)	There is no change in the total shareholding between 01-04-2014 to 31-03-2015			
	At the end of the year	500000	3.2258	500000	3.2258
2.	<b>Ramesh.R</b>				
	At the beginning of the year	316500	2.0418	316500	2.0418
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.)	There is no change in the total shareholding between 01-04-2014 to 31-03-2015			
	At the end of the year	316500	2.0418	316500	2.0418
3.	<b>Vivro Capital Advisors Pvt Ltd</b>				
	At the beginning of the year	232500	1.5000	232500	1.5000
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.)	There is no change in the total shareholding between 01-04-2014 to 31-03-2015			
	At the end of the year	232500	1.5000	232500	1.5000
4.	<b>Anjan Das</b>				
	At the beginning of the year	150976	0.9740	150976	0.9740
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.)	There is no change in the total shareholding between 01-04-2014 to 31-03-2015			
	At the end of the year	150976	0.9740	150976	0.9740

## ANNEXURE - C TO THE DIRECTORS REPORT

Sl. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
5.	<b>Anwerali B Rayani</b>				
	At the beginning of the year	140000	0.9032	140000	0.9032
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.)	There is no change in the total shareholding between 01-04-2014 to 31-03-2015			
	At the end of the year	140000	0.9032	140000	0.9032
6.	<b>Swastika Investment Limited</b>				
	At the beginning of the year	135841	0.8938	135841	0.8938
	Add: Market Purchase on 06.03.2015	35647	0.2299	35647	0.2299
	At the end of the year	174188	1.1237	174188	1.1237
7.	<b>Sabyasachi Dash</b>				
	At the beginning of the year	125000	0.8064	125000	0.8064
	<b>Add:</b> Market Purchase	There is no change in the total shareholding between 01-04-2014 to 31-03-2015			
	At the end of the year	125000	0.8064	125000	0.8064
8.	<b>Cs Holdings Pvt Ltd</b>				
	At the beginning of the year	104374	0.6733	104374	0.6733
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.)	There is no change in the total shareholding between 01-04-2014 to 31-03-2015			
	At the end of the year	104374	0.6733	104374	0.6733
9.	<b>Macle Capital Private Limited</b>				
	At the beginning of the year	100250	0.6467	100250	0.6467
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.)	There is no change in the total shareholding between 01-04-2014 to 31-03-2015			
	At the end of the year	100250	0.6467	100250	0.6467
10.	<b>Narendra Virji Chandra</b>				
	At the beginning of the year	96307	0.6213	96307	0.6213
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.)	There is no change in the total shareholding between 01-04-2014 to 31-03-2015			
	At the end of the year	96307	0.6213	96307	0.6213

**V. Share holding of Directors and Key Managerial Personnel:**

No Directors and Key Managerial Personnel are holding any shares in the Company

# ANNEXURE - C TO THE DIRECTORS REPORT

## VI. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	460,119,144	2,107,807,447	-	2,567,926,591
ii. Interest due but not paid	5,833,654	-	-	5833654
iii. Interest accrued but not due	-	-	-	
Total (i+ii+iii)	465,952,798	2,107,807,447	-	2573760245
Change in Indebtedness during the financial year			-	
- Addition	335,000,000		-	
- Reduction	(97,619,144)	(645,080,887)	-	
Net Change	237,380,856	(645,080,887)	-	(407,700,031)
Indebtedness at the end of the financial year			-	
i. Principal Amount	697,500,000	1,462,726,559	-	2,160,226,559
ii. Interest due but not paid	6,230,890		-	6,230,890
iii. Interest accrued but not due	-		-	
Total (i+ii+iii)	703,730,890	1,462,726,559	-	2,166,457,449

## VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Company doesn't have a Managing Director/Whole-time Directors and/or Manager

### B. Remuneration to other directors:

#### 1. Remuneration to Independent Directors:

Particulars of Remuneration	Name of Directors		Total Amount
<b>Independent Directors</b>	<b>Mr. R. Ramakrishnan</b>	<b>Mr. M. Aravind Subramaniam</b>	
a) Fee for attending			
i. Board meetings	1,05,000	1,20,000	2,25,000
ii. Committee meetings			
b) Commission	1,40,000	1,50,000	2,90,000
c) Others			
<b>Total</b>	<b>2,45,000</b>	<b>2,70,000</b>	<b>5,15,000</b>

#### 2. Remuneration to Other Non-Executive Directors:

Particulars of Remuneration	Name of Directors			Total Amount
<b>Non-Executive Directors</b>	<b>Mr. K.U. Sivadas</b>	<b>Mr. G. Natarajan</b>	<b>Ms. J. Kotteswari</b>	
Other Non-Executive Directors				
a) Fee for attending				
i. Board meetings	1,20,000	-	-	1,20,000
ii. Committee meetings	1,60,000	-	-	1,60,000
b) Commission				
c) Others				
<b>Total</b>	<b>2,80,000</b>	<b>Nil</b>	<b>Nil</b>	<b>2,80,000</b>

## ANNEXURE - C TO THE DIRECTORS REPORT

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

S.No	Particulars of Remuneration	Mr. M. Natarajan, Chief Executive Officer	Mr. A. Ganesh, Chief Financial Officer	* Mr. M. Saravanan, Company Secretary	TOTAL
1.	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	14,91,155	2,16,204	17,07,359
	(b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
2.	Commission	-	58,333	-	58,333
	Performance Bonus				
3	Others- Retirement Benefits	-	-	-	-
	<b>Total</b>	<b>-</b>	<b>15,49,488</b>	<b>2,16,204</b>	<b>17,65,693</b>

\* Mr. M. Saravanan, Company Secretary was appointed on September 22, 2014.

# ANNEXURE - D TO THE DIRECTORS REPORT

Form No. AOC-2

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

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

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

2. Details of material contracts or arrangement or transactions at arm's length basis

S. No	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any	Transaction amount
1	Haldia Coke and Chemicals Pvt Ltd (Holding Company)	Purchase of Goods	For a period of One year from April 01, 2014 to March 31, 2015	Contract for purchase of Coking Coal from Haldia	13.08.2014	NIL	58,27,96,500
		Reimbursement of Expenses		Arrangements for reimbursement of Expenses to and from Haldia		NIL	22,28,47,567
		Advance Received and Paid		Arrangement of Advances for purchase of Coking Coal		NIL	61,25,31,884
2	Wellman Coke India Limited (Fellow Subsidiary)	Purchase and Sale of Goods	For a period of One year from April 01, 2014 to March 31, 2015	Contract for purchase and sale of Coking Coal from Wellman Coke India Limited	13.08.2014	NIL	Purchases – 10,86,86,602 Sales – 10,58,40,072
		Reimbursement of Expenses		Arrangements for reimbursement of Expenses to and from Wellman Coke India Ltd		NIL	3,73,112
		Advance Received and Paid		Arrangement of Advances for purchase of Coking Coal		NIL	19,20,39,159
3	Aditya Coke Pvt Ltd (Fellow Subsidiary)	Purchase and Sale of Goods	For a period of One year from April 01, 2014 to March 31, 2015	Contract for purchase and sale of Coking Coal from Aditya Coke Private Limited	13.08.2014	NIL	Purchases – 78,95,52,226 Sales – 1,96,35,66,379
		Reimbursement of Expenses		Arrangements for reimbursement of Expenses to and from Aditya Coke Pvt Ltd		NIL	12,33,92,299
		Advance Received and Paid		Arrangement of Advances for purchase of Coking Coal		NIL	11,22,00,773
4	Mahala Coke and Products Pvt Ltd (Fellow Subsidiary)	Advances Received		Arrangement of Advances from Mahala Coke for purchase of Coking Coal	13.08.2014	NIL	11,72,817

For and on behalf of the Board

**Ennore Coke Limited**

Place: Chennai  
Date: 22.05.2015

R. Ramakrishnan  
Director  
(DIN00809342)  
K.U. Sivadas  
Director  
(DIN00498594)

# ANNEXURE-E TO THE DIRECTORS REPORT

The Members of

Ennore Coke Limited

Sigappi Achi Building, 1st Floor, 18/3, Rukmini Lakshmi pathi Road, Egmore, Chennai 600 008

CIN: L65921TN1985PLC070358

Dear Members,

**Sub: My 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 my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever 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 management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Chennai

Date: May 20, 2015

Signature : -Sd-

Name of Company Secretary : B Chandra

ACS No.: 20879

C. P. No.: 7859

# 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]

## SECRETARIAL AUDIT REPORT OF M/S. ENNORE COKE LIMITED

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2015

To,

The Members, M/s. ENNORE COKE LIMITED

Sigappi Achi Building, 1st Floor,

18/3 Rukmini Lakshmipathi Road, Egmore, Chennai 600 008

I/We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. ENNORE COKE LIMITED, CIN L65921TN1985PLC070358** ("the Company"). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

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

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- vi. The other laws as may be applicable specifically to the company are:- Based on the compliance reports made available to the undersigned and the compliance reports by the functional heads of the Company including in the factory located in Haldia to the Top Management/Board of Directors of the Company, I/we report that the Company has substantially complied with the provisions of those Acts that are applicable to factories manufacturing coke and co generating power such as The Electricity Act, 2003, National Tariff Policy, Essential Commodities Act, 1955, Explosives Act, 1884, laws related to maintenance of including Factories Act, Laws related to Human resources including Employees Provident Fund Act, Employees State Insurance Act, and the Tax laws.

I/we have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standard on Meetings of the Board of Directors (SS- 1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI).
- ii. The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited (BSE).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Listing Agreement with Stock Exchanges, Guidelines, Standards, etc. mentioned above subject to the following observations:

I/we further report that

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
3. I/we further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Chennai

Date: May 20, 2015

Signature : -Sd-

Name of Company Secretary : B Chandra

ACS No.: 20879

C P No.: 7859



# MANAGEMENT DISCUSSION ANALYSIS

## Company Overview and Areas of Business in Future

Your Company resumed full fledged operations with the newly redesigned coke oven batteries during the financial year 2014-15 achieving an operative capacity of 1,30,000 MT per annum along with Co-Gen Power Production. Your company is also in the process of tapping Markets in other States.

## Global Economy

The global economy is exhibiting signals of recovery and Indian economy with a GDP forecast of 5.5% suggest that the worst is behind us. Indian steel consumption is growing at the rate of 6% and now has moved two notches up to become the third largest crude steel producer in the world year to date. Met coke, whose demand is directly linked to steel production, is obviously going to share the same fortune. India has severe shortfall of good quality hard coking coal, which is being primarily met by imports. This demand supply gap is further going to increase in days to come with India trying to meet its target of 300 million tonnes by 2020

## GLOBAL METALLURGICAL COKE INDUSTRY

Metallurgical coke prices have been on a downward slide for over last couple of years. With slow growth in Chinese economy and Europe's declining appetite for coke, the demand of coke in the global market has come down significantly. The steel mills are operating at much lower than their capacity causing huge inventory of met coke being built up. With any recovery in the global market, the inventories would first be cleared before new production to hit the market. The export tax on metallurgical coke from China was removed in 2013, which resulted import from China to the already oversaturated global coke market. During 2013 and 2014 increase in supply of Chinese coke the market remained over supplied putting pressure on prices.

Chinese coke prices have fallen by \$20 / tonne on FOB basis in the first four months since the start of 2015. Alongside India, the European met coke market has also been coming under the influence of the Chinese exports. Another important factor responsible in keeping the met coke prices low is the declining coking coal prices. Coking coal price has been following the current bloodbath in the commodity cycle, with the prices for the second quarter of 2015 settling at as low as \$109.50 a tonne FOB, while on spot basis coking coal is available at around \$90 per tonne. This is now down two-thirds from their peak around \$300 a tonne in 2011. The total global trade in met coke has been at around 20 million tonnes in 2014, which is much lower than the peaks of over 30 million tonnes in 2009, signifying the absence of demand and low capacity utilisation of user industries. China accounted to around 45% of market share in global trade of met coke.

## DOMESTIC MET COKE INDUSTRY

The domestic met coke industry in India is facing of low domestic demand and the cheap Chinese imports. Met coke from China is subject to import duty of only 2.5% which is nominal. In the past suppliers from China had to pay 40% export duty till December 2012, when it was withdrawn completely, making it attractive for importers to buy from China. Even after paying the 2.5% import duty, imported met coke from China works out to be about \$40 cheaper than the domestic supply. Indian met coke producers are under pressure due to competitively priced Chinese coke. Total import of met coke to India is estimated to be above 4 million tonnes in 2014.

The installed capacity of merchant met coke is said to be 10 million tonnes per annum but the actual plant utilisation is said to be only 35% , due mostly to cheaper imports from China. The industry however has sufficient capacity which can be ramped up to meet any increase in demand. Indian metallurgical coke industry has been exploring options to counter the Chinese threat. As a result of petitions by the domestic merchant met coke industry the import duty on metallurgical coke industry has been increased to 5% in the current budget, while keeping the duty on coking coal unchanged. Further, the metallurgical coke industry has filed applications for imposition of anti-dumping duty and safeguard duty with the competent authorities. The industry is hopeful, that the above measures would help in reversing the downward trend of price and demand for domestic met coke in India.

## COMPANY'S PERFORMANCE

The income from operations was at ₹ 392.72 crores in the year under review as compared to ₹ 500.97 crores during the previous year. The net loss during the year under review got pared to a great extent and was reported at ₹ 53.64 crores as compared to net loss of ₹ 32.16 crores during the previous year.

## Outlook

The market condition is expected to improve in the next financial year considering the implementation of reforms and growth oriented policies that the new government intends to do. The prices of coking coal and met coke are at one of the historic lows in the recent period. The met coke industry is optimistic to tide over the challenges posed by imports from China and take benefit of rise in domestic consumption and demand in near future.

## OPPORTUNITIES AND THREATS

The factors lending to the optimism include infrastructure push and make India a manufacturing power house through various government policies, thrust on public spending in infrastructure, clearances of major investment proposals and announcements of increase in import duty on met coke and increasing the ceiling for import duty to 15% in steel products. Any increase in import duty on steel products would increase domestic steel production, which would have a direct impact of increased demand for met coke. With the presence of various checks in controlling these threat elements to precipitate, the industry is hopeful of a recovery in the near future.

## RISKS

Our businesses and operations are subject to a variety of risks and uncertainties which are similar to any other company in general and also common to the industry to which we belong. Some of the key risks and uncertainties affecting the company are set forth below.

- a) Price Risk: The Company is exposed to the risk of price fluctuations on raw materials and finished goods. However, considering the normal correlation in the prices of raw material i.e coking coal and finished good i.e. met coke, this risk gets reduced / adjusted over a period of time.
- b) Production Risk: Coking coal, the critical raw material required for manufacture of met coke is highly volatile in pricing ,currently on the downward trend resulting in uncertainty to buy in bulk and consequently affecting the coke prices. Availability of raw material at consistent



# MANAGEMENT DISCUSSION ANALYSIS

## OPPORTUNITY

- a) Low Transmission Cost
- b) Multiple coal blends which leads to reduction in coal cost
- c) Export potential and huge domestic demand
- d) Continuous process improvement and production of Coke to suit to different end users.

## STRENGTHS

- a) The Company's work force is equipped with the requisite skill set and experience essential for delivering consistent growth in the Coke sector. The Company's experienced and knowledgeable managerial force provides it the bandwidth to manage & guide its fortune which has helped it to survive recent industry pressures and business turbulence
- b) Minimum Inventory holding time .
- c) Environment friendly Technology.
- d) Co-Gen Power production with PPA with state electricity board.

## WEAKNESS

- a) High volatility in price of Raw Material and in turn the challenge in better realization of Coke prices
- b) Sustained High Finance Cost - Elevated borrowing cost halts the pace of capacity addition. The industry encounters high finance cost in the absence of any governmental or regulatory support.

## THREATS

Strategy of China on dumping of coke at very low prices.

## HUMAN RESOURCES

Human Resources is a high priority area and the Company strives towards creating a motivating work environment, empowering employees, providing growth opportunities and maintaining a congenial atmosphere with equal opportunity for all. The Company is highly appreciative of its highly motivated and skilled labor force which has been instrumental in enabling it to progress on several fronts despite the fairly challenging operating environment. Continuing education and training are key focus areas as are the areas of Health, Safety & Environment. All of this have contributed to high employee engagement levels which have ensured a lower employee turnover ratio. The Company also maintains high level of transparency in its operations through a high degree of internal communication. Further, it practices a distributed decision making culture ensuring that capabilities and decision making skills are rapidly developed at all levels and ensuring faster and more seamless flow of information without compromising on checks and balances. This ensures that employees feel more responsible for the success or failure of the organization and also inculcates an ownership mindset. The objective is to ensure heightened productivity of the organization at all times.

## INTERNAL CONTROLS

The Company has sufficient internal controls in place. Adequate level of security ensures the safety of assets and the interest of the concerned parties. To ensure implementation of such practices, the Company makes sure that the same is implemented throughout the organization. Company also

believes in maintaining clarity of one's role and responsibilities in the organization. Such measures provide the framework for smooth functioning of the business within the boundaries of various laws, rules, regulations and policies applicable to the business and ensures that the financial reporting of the Company remains reliable.

## MANAGEMENT'S RESPONSIBILITY STATEMENT

The management is accountable for preparing the Company's financial statements and related information that appear in this annual report. It believes that these financial statements fairly reflect the form and substance of transactions, and reasonably represents the company's financial condition and results of operations in conformity with Indian Generally Accepted Accounting Principles.

## DISCLAIMER CLAUSE

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and incidental factors.

# CORPORATE GOVERNANCE REPORT

**Directors Report on Compliance of the Corporate Governance is given below.**

## **Philosophy on Code of Corporate Governance:**

Ennore Coke's Philosophy on Corporate governance enshrines the attainment of the highest level of transparency, integrity, accountability of the management and equity in all facets of its operations and in all interactions with its stakeholders including shareholders, employees, the Government, lenders and all others concerned.

The Company is committed to values and ethical business conduct and a high degree of transparency in the area of Corporate Governance. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value over a sustained period of time.

## **BOARD OF DIRECTORS**

**Composition and category of Directors as of March 31, 2015 is as follows:**

The Board consists of 4 Directors as on 31<sup>st</sup> March 2015. The composition of the Board is in conformity with Clause 49 of the listing agreement. The day-to-day management of the Company was carried on by the Chief Executive Officer of the Company.

The Non-executive Directors including Independent Directors on the Board are experienced, competent and highly renowned persons from the fields of manufacturing, finance & taxation, economics, law, governance etc. They take active part in the Board and Committee Meetings by providing valuable guidance to the Management on various aspects of business, policy direction, governance, compliance etc. and also play a critical role on strategic issues, which enhances the transparency and adds value in its decision making process.

The composition of the Board also complies with the provisions of the Companies Act, 2013 and the Listing Agreement. The total Board strength comprises of the following:

Non- Executive Director	Independent Director	Total Strength
1	3	4

None of the Directors have any inter-se relation among themselves and any employees of the Company.

Directors are appointed or re-appointed with the approval of the shareholders and shall remain in office in accordance with the retirement policy laid down by the Board from time-to-time. All the Non-executive Directors (except Independent Directors) are liable to retire by rotation unless otherwise specifically approved by the shareholders.

## **Profile of Directors:**

The brief profiles of Directors are given below:

### **Mr. R Ramakrishnan**

R. Ramakrishnan is a Graduate in Commerce and holds a Master degree in Economics.

He joined Indian Express Group of Newspapers in 1965 and rose to become the Chief Executive. He was appointed as Sheriff of Madras in 1974-75. He was elected in Rajya Sabha as a member

of Indian Parliament in 1980 and was member of several Parliamentary Committees including prestigious COPU (Committee of Public Undertakings, Joint Select committee of Chit Funds). He was a member of Press Council of India, Coffee Board of India for two years each. He was appointed to Rajaji Institute of Public Affairs and Administration of Governing Council Member by the President of India. He was Chairman of Sir C.P.Ramaswamy Aiyar Educational Trust and Madras Race Club. He is currently committee member of Madras Race Club and Bangalore Turf Club.

### **Mr. Aravind Subramanian**

Mr. Aravind Subramanian is an Advocate by profession. He is also holds Masters in Public Administration and is a Post Graduate Diploma holder in Personnel Management and Industrial Relations from the Madras School of Social Works.

He completed Law in the year 1986 and enrolled in 1987. His areas of specialization to name a few include, Company Law, FIBP approvals, Project Financing, Contracts, General Law, Banking Law, Arbitration, Constitutional Law, Criminal Law, etc.

He has an experience of nearly 26 years at the Bar Council. He is also a member in the Editorial Committee of TNLJ Notes a leading Law journal in Tamilnadu.

### **Ms. J. Kotteswari**

Ms. J. Kotteswari is a Chartered Accountant and she has over 20 years of experience in Project Cost Management, Banking, Management Information Systems, Internal Audit, Review of Capex and Consolidation of financials, Treasury, and Cost control. She has also handled Manufacturing accounts in factory, Marketing finance and Corporate finance and M&A activities. Prior to joining our Group Ms. J. Kotteswari was working as Vice President Finance and Accounts at MACHidambaram Group.

Ms. J. Kotteswari is the Chief Financial Officer of M/s. Shriram Industrial Holdings Limited, our Group Company since January 2013 and a key member of the management team.

### **Mr. K U Sivadas**

K U Sivadas is a Mechanical Engineer and also holds an MBA degree from the University of Madras. He is having 40 years of rich experience in various fields like, Erection, Construction, Manufacturing, Project and Marketing Management. He was working for 18 years with Binny Ltd., Chennai and worked for 2 years with Suhail & Soud Bahwan Group, Muscut and then worked for M/s. Thermopack Engineers Pvt. Ltd., Chennai, for 5 years.

## **Meetings :**

The Board generally meets 4 times during the year. Additional meetings are held as and when required. The Directors are also given an option of attending the board meeting through video conferencing. During the financial year 2014-15, the Board of Directors duly met 8 times and the dates on which the meetings were held are May 19, 2014, August 13, 2014, September 22, 2014, October 17, 2014, November 14, 2014 December 05, 2014, February 02, 2015 and March 31, 2015. The last Annual General Meeting (AGM) was held on September 22, 2014. The attendance record of the Directors at the Board Meetings during the year ended on March 31, 2015, and at the last AGM is as under:-

# CORPORATE GOVERNANCE REPORT

Name of Director	No of Board Meetings		Attendance at AGM held on September 22, 2014
	Held	Attended	
Mr. R. Ramakrishnan	8	7	Yes
Mr. K U. Sivadas	8	8	Yes
Mr. Aravind Subramaniam	8	8	Yes
Mr. G Natarajan*	8	0	No
Ms. J. Kotteswari**	8	1	-

\* Mr. G Natarajan was resigned from the board on March 31, 2015.

\*\* Ms. J. Kotteswari\*\* was appointed as a director on March 31, 2015.

The composition of the Board and the number of other directorships held by each of the Directors is given in the table below:

Name of Director	Position	Relationship with other Directors	Directorships held as on March 31, 2015	**Member in Committees - Position held	
				Chairman	Member
Mr. R. Ramakrishnan	Independent Director	None	17	2	2
Mr. K U. Sivadas	Independent Director	None	17	-	-
Mr. Aravind Subramaniam	Independent Director	None	-	-	-
Ms. J. Kotteswari	Non-Executive Director	None	10	-	-

\*Includes Directorship in the Companies incorporated under the Companies Act, 1956/2013.

\*\*Only membership in Audit Committee and Stakeholders Relationship Committee are considered.

None of the Directors is a Director in more than 10 Public Limited Companies or acts as an Independent Director in more than 7 Listed Companies. Further, none of the Director acts as a member of more than 10 committees or acts as a chairman of more than 5 committees across all Public Limited Companies in which he/she is a Director.

The Independent Directors have confirmed that they satisfy the 'criteria of independence' as stipulated in the Clause 49 of the Listing Agreement.

## Separate Meeting of Independent Directors:

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and under Clause 49 of the Listing Agreement, a separate meeting of the Independent Directors of the Company was held on February 26, 2015 to review the performance of the Company. Further one more meeting was held on February 26, 2015 to review the performance of the Non-independent Directors and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and it's Committees which is necessary to effectively and reasonably perform and discharge their duties.

## Familiarization Programme for Independent Directors:

The Board members of Ennore Coke Limited (Independent and Non-Independent) are afforded every opportunity to familiarize themselves with the Company, its management and its operations and above all the Industry perspective & issues. They are made to interact with senior management personnel and are given all the documents sought by them for enabling a good understanding of the Company, its various operations and the industry of which it is a part. In addition to the above, the Company

has a web based information portal which is available to all Directors. This has sections on Company matters; Laws & Regulations; Company's quarterly progress on various operating units and projects under construction, etc.

The Company will impart Familiarisation Programmes for new Independent Directors inducted on the Board of the Company. The Familiarisation Programme of the Company will provide information relating to the Company, Coal industry, business model of the Company, geographies in which Company operates, etc. The programme also intends to improve awareness of the Independent Directors on their roles, rights, responsibilities towards the Company. Further, the Familiarisation Programme should also provide information relating to the financial performance of the Company and budget and control process of the Company. The Chief Executive Officer or such other authorised officer(s) of the Company shall lead the Familiarisation Programme on aspects relating to business / industry. The Chief Executive Officer or such other authorised officer(s) of the Company may participate in the programme for providing inputs on financial performance of the Company and budget, control process, etc.

Familiarization Programme for Independent Directors is posted on the website of the Company [www.ennorecoke.com/investors/Familiarization program for Independent Director](http://www.ennorecoke.com/investors/Familiarization%20program%20for%20Independent%20Director).

## Evaluation of the Board's Performance:

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such

# CORPORATE GOVERNANCE REPORT

as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgement, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors were carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

## Code of Conduct:

The Board of Directors has laid down a Code of Conduct for Business and Ethics (the Code) for all the Board members and all the employees in the management grade of the Company. The Code covers amongst other things the Company's commitment to honest & ethical personal conduct, fair competition, corporate social responsibility, sustainable environment, health & safety, transparency and compliance of laws & regulations etc. The Code of Conduct is posted on the website of the Company [www.ennorecoke.com](http://www.ennorecoke.com).

All the Board members and senior management personnel have confirmed compliance with the code. A declaration to that effect signed by the Chief Executive Officer is attached and forms part of the Annual Report of the Company.

## Prevention of Insider Trading Code:

As per SEBI (Prohibition of Insider Trading) Regulation, 1992, the Company has adopted a Code of Conduct for Prohibition of Insider Trading. All the Directors, employees at Senior Management and other employees occupies the position as an officer or an employee of the company or holds a position involving a professional or business relationship between himself and the company whether temporary or permanent and who may reasonably be expected to have an access to unpublished price sensitive information are governed by this code.

The trading window is closed during the time of declaration of results and occurrence of any material events as per the code. The Company has appointed Mr. M Saravanan, Company Secretary as Compliance Officer, who is responsible for setting forth procedures and implementation of the code for trading in Company's securities. During the year under review there has been due compliance with the said code.

## Whistle Blower Policy:

The Company believes in the conduct of its affairs and that of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. Towards this end, the Company has formulated the personnel policies that should govern the actions of the Company, its constituents and their employees. Any actual or potential violation of the policy, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations of the policy cannot be undermined.

All Employees of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company.

All Protected Disclosures should be addressed to the Chairman of the Audit Committee of the Company. The contact details of the Chairman of the Audit Committee are as under:

## The Chairman

### Audit Committee

#### Ennore Coke Limited

1<sup>st</sup> Floor, "Sigappi Achi Building"

18/3, Rukmani Lakshmi pathi Road

Egmore, Chennai 600 008

Protected Disclosures should preferably be reported in writing so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English, Hindi or in the regional language of the place of employment of the Whistle Blower.

The Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Whistle Blower. The Chairman of the Audit Committee shall detach the covering letter and discuss the Protected Disclosure with Members of the Audit Committee and if deemed fit, forward the Protected Disclosure for investigation.

The Whistle Blower Policy is posted on the website of the Company [www.ennorecoke.com](http://www.ennorecoke.com).

## Committees of the Board:

The Board is responsible for constituting, reconstituting, appointing the Committee Members and also defining its Charters.

The Chairman of the Committee or Members in consultation with the Company Secretary, determine the frequency and duration of the Committee Meetings. Normally, the Audit Committee and the Stakeholders' Relationship Committee meets a minimum of four times a year and the remaining committees meet as and when the need arises and minutes of the proceedings of all the meetings are ratified by the Board.

## 1. Audit Committee

The audit committee comprised of the following directors for the year ended 31<sup>st</sup> March 2015:

1. Mr. R. Ramakrishnan- Chairman
2. Mr. K.U. Sivasdas - Member
3. Mr. M Aravind Subramaniam- Member

Quorum: The quorum of the meeting of the committee shall be either two members or one third of the total number of members of the Audit Committee whichever is higher.

## Powers and Roles of audit committee

### The regulations governing the committee are:

1. The Committee should have a minimum of three directors. Two-thirds of the members of audit committee shall be independent directors. All of them shall be non-executive directors who are financially literate and at least one director shall have financial and accounting knowledge.



# CORPORATE GOVERNANCE REPORT

2. The Committee shall meet periodically, as it deems fit, and in any case, have at least four meetings in a financial year of the Company and not more than four months shall elapse between two such meetings.
3. The quorum of the meeting of the committee shall be either two members or one third of the total number of members of the audit committee whichever is higher provided that at least two independent directors shall be present in the meeting
4. The Committee shall invite such executives, as it considers appropriate (and particularly the head of the finance function), but at times it may also meet without the presence of any executives of the company.
5. All regulations pertaining to the meetings of the committees of the board as contained in the Articles of Association of the company in so far as they are not repugnant to the content and meeting of the provisions contained herein, shall mutatis-mutandis, apply to the meetings of this committee.
6. The minutes of the committee meetings shall be placed before the board and shall be noted by the directors.  
The Company Secretary shall act as the Secretary to the Committee.

## **Powers of the Audit Committee.**

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

## **Role of Committee**

1. Oversight of company's financial reporting process and 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 removal of the statutory auditor, fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  1. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
  2. Changes, if any, in accounting policies and practices and reasons for the same.
  3. Major accounting entries involving estimates based on the exercise of judgment by management.
  4. Significant adjustments made in the financial statements arising out of audit findings.
  5. Compliance with listing and other legal requirements relating to financial statements
  6. Disclosure of any related party transactions
  7. Qualifications in the draft audit report.

5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
8. 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.
9. Discussion with internal auditors any significant findings and follow up there on.
10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
11. 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.
12. 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.
13. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
14. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
15. The recommendations of the audit committee on financial management including the audit report shall be binding on the board. In case the board does not accept the recommendations of the committee it shall record the reasons therefore and communicate such reasons to the shareholders.

## **Review of information by Audit Committee**

The Audit Committee shall mandatorily review the following information:

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

# CORPORATE GOVERNANCE REPORT

## Terms of Reference

The function of the Audit Committee includes the following :

- i. Oversight of the company's financial reporting process and the disclosure of its financial statements are correct , sufficient and credible.
- ii. Recommending the appointment and removal of external auditor, fixation of audit fee and approval for payment for any other services
- iii. Reviewing with management the annual financial statements before submission to then Board focusing primarily on
  - Any changes in accounting policies and practices
  - Major Accounting entries based on the exercise of judgment by the management.
  - Qualifications in the draft audit report
  - Significant adjustments arising out of audit
  - The going concern assumption
  - Compliance with accounting standards
  - Compliance with stock exchange and legal requirements concerning financial statements
  - Any related party transactions i.e., transaction of the company of material nature , with promoters or the management , their subsidiaries or relatives etc that may have potential conflict with the interest of the company at large.
- iv. Reviewing with the management, performance of statutory and internal auditors , the adequacy of internal control systems.
- v. Reviewing the adequacy of internal audit function, 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.
- vi. Discussions with the internal auditors on any significant findings and follow up thereon.
- vii. Reviewing the findings of any internal investigation 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,
- viii. Discussions with external auditors before the audit commences regarding nature and scope of the audit as well as to have post audit discussion to ascertain any area of concern.
- ix. Reviewing the company's financial and risk management policies.
- x. To look into the reasons for substantial defaults, if any, in the payment to shareholders (in case of non payment of declared dividends) and creditors.
- xi. To discuss with the auditors periodically about the internal control systems, the scope of audit including the observations of the auditors and review the half yearly and annual financial statements before submission to the Board.
- xii. To ensure compliance of internal control systems.

Members	No. of Meetings held	No. of Meetings Attended
Mr. R Ramakrishnan – Chairman	6	6
Mr. K U Sivadas – Member	6	6
Mr. M Aravind Subramaniam – Member	6	6

Mr. M Saravanan, Company Secretary is the Secretary of the Audit Committee.

Mr. R Ramakrishnan, Chairman of the Audit Committee was present at the last Annual General Meeting to answer the shareholders queries.

## 2. Stakeholders' Relationship Committee

During the year under review, the nomenclature of the Share Transfer and Investor Grievance Committee was changed to "Stakeholders' Relationship Committee", in line with the provisions of Section 178 of the Companies Act, 2013 w.e.f. November 14, 2014. This Committee is responsible for the satisfactory redressal of investors' complaints and recommends measures for overall improvement in the quality of investor services.

The Stakeholders' Relationship Committee comprised of the following directors for the year ended 31<sup>st</sup> March 2015:

1. Mr. R. Ramakrishnan Chairman
2. Mr. K U Sivadas Member
3. Mr. M Aravind Subramaniam Member

The Company Secretary is the Compliance Officer.

Quorum: The quorum of the meeting of the committee shall be either two members or one third of the total number of members of the committee whichever is higher.

## Terms of reference:

1. Investor relations and redressal of shareholders grievances in general and relating to non receipt of dividends, interest, non- receipt of Balance Sheet etc.
2. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.
3. The Committee also looks into the letters / complaints received from the shareholders / investors / stock exchanges / SEBI and then review the same with the Registrar. These letters / complaints are replied immediately / redressed to the satisfaction of the shareholders. The committee reviews periodically the action taken by the company and the Share Transfer Agents in this regard. The pendency report if any, and the time taken to redress the complaints are also reviewed by the Committee.

## Stakeholders' Relationship Committee attendance during the financial year 2014-15

During the year, Seven Stake holders' Relationship Committee meetings were held on May 19, 2014, August 9, 2014, August 13, 2014, September 9, 2014, October 17, 2014 November 14, 2014, December 5, 2014, December 26, 2014 and February 14, 2015

Members	No. of Meetings held	No. of Meetings Attended
Mr. R Ramakrishnan	9	7
Mr. M Aravind Subramaniam	9	8
Mr. K U Sivadas	9	9

Mr. M Saravanan, Company Secretary is designated as the "Compliance Officer" who oversees the redressal of the investors' grievances.

# CORPORATE GOVERNANCE REPORT

## Complaints received and redressed during the year 2014-2015

S.No.	Nature of Complaints	Number of Complaints pending
1	Regarding annual report	NIL
2	Revalidation of dividend warrant	
3	Issue of duplicate share certificate	
4	Issue of duplicate dividend warrant	
5	Procedure for transmission	
6	General queries	
7	Non receipt of dividend	
8	Correction in share certificate	
9	Change of address	
10	Unclaimed dividend	
	Correction in dividend cheque	
	TOTAL	

SEBI vide Circular Ref:CIR/OIAE/2/2011 dated June 3, 2011 informed the company that they had commenced processing of investor complaints in a web based complaints redress system "SCORES". Under this system, all complaints pertaining to companies are electronically sent through SCORES and the companies are required to view the complaints pending against them and submit Action Taken Report (ATRs) along with supporting documents electronically in SCORES.

All the requests and complaints received from the shareholders were attended to within the stipulated time and nothing was pending for disposal at the end of the year. Mr. M. Saravanan, company secretary is the compliance officer of the company. For any clarification / complaint the shareholders may contact Mr. M. Saravanan, company secretary at the registered office of the company.

### 3. Nomination and Remuneration Committee:

During the year under review, the nomenclature of the Remuneration and Compensation Committee was changed to "Nomination and Remuneration Committee" in line with the provisions of Section 178 of the Companies Act, 2013 w.e.f. May 19, 2014.

The Nomination and Remuneration Committee comprised of the following directors for the year ended 31<sup>st</sup> March 2015:

- Mr. R. Ramakrishnan, Chairman
- Mr. K U Sivadas, Member
- Mr. M. Aravind Subramaniam, Member

Quorum: The quorum of the meeting of the committee shall be either two members or one third of the total number of members of the committee whichever is higher.

During the year, one Nomination and Remuneration Committee meeting was held on March 31, 2015.

Members	No. of Meetings held	No. of Meetings Attended
Mr. R Ramakrishnan	1	1
Mr. M Aravind Subramaniam	1	1
Mr. K U Sivadas	1	1

Mr. M Saravanan, Company Secretary is the Secretary of the Nomination and Remuneration Committee.

### Terms of reference:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity; and
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

### Remuneration Policy:

The Policy inter alia provides for the following:

- attract, recruit, and retain good and exceptional talent;
- list down the criteria for determining the qualifications, positive attributes, and independence of the directors of the Company;
- ensure that the remuneration of the directors, key managerial personnel and other employees is performance driven, motivates them, recognises their merits and achievements and promotes excellence in their performance;
- motivate such personnel to align their individual interests with the interests of the Company, and further the interests of its stakeholders;
- ensure a transparent nomination process for directors with the diversity of thought, experience, knowledge, perspective and gender in the Board; and
- fulfill the Company's objectives and goals, including in relation to good corporate governance, transparency, and sustained long-term value creation for its stakeholders.

### Details of Remuneration paid to the all the Directors during the financial year 2014-2015

The Non-executive directors do not draw any remuneration from the company except sitting fees for attending the meetings of the board and the committees

### Details of Sitting Fees paid to Non-Executive Directors during the financial year 2014-2015

Name	Sitting fees paid for Board and Committee Meetings (₹)	
	Board	Committee
R. Ramakrishnan	1,05,000	1,40,000
M. Aravind Subramaniam	1,20,000	1,50,000
K U Sivadas	1,20,000	1,60,000

There were no pecuniary relationships or transactions of the non-executive directors vis-à-vis the company during the Financial Year ended 31<sup>st</sup> March, 2015.

# CORPORATE GOVERNANCE REPORT

## Details of shares held by the Directors as on March 31, 2015

None of the directors of the Company hold any shares in the company.

## 4. Risk Management Committee:

The revised Clause 49 mandates constitution of the Risk Management Committee. The Committee is required to laydown the procedures to inform to the Board about the risk assessment and minimization procedures and the Board shall be responsible for framing, implementing and monitoring the risk management plan of the Company.

The Committee reviews the risk trend, exposure and potential impact analysis carried out by the management. It was specifically confirmed to the Committee by the CEO and the CFO that the mitigation plans are finalised and up to date, owners are identified and the progress of mitigation actions are monitored. The Risk Management Committee shall meet periodically, as it deems fit.

The Risk Management Committee comprises of the following members:

1. Mr. R. Ramakrishnan - Member
2. Mr. K U Sivasdas - Member
3. Mr. M Natarajan Member

## Roles and Responsibilities of Risk Management Committee:

1. Learn about the actual risks and the control deficiencies in the organization.
2. Help the board define the risk appetite of the organization.
3. Exercise oversight of management's responsibilities, and review the risk profile of the organization to ensure that risk is not higher than the risk appetite determined by the board.
4. Monitor the effectiveness of risk management functions throughout the organization. Ensure that infrastructure, resources and systems are in place for risk management and are adequate to maintain a satisfactory level of risk management discipline.
5. Monitor the independence of risk management functions throughout the organization.
6. Review the strategies, policies, frameworks, models and procedures that lead to the identification, measurement, reporting and mitigation of material risks.
7. Review issues raised by Internal Audit that impact the risk management framework.
8. Ensure that the risk awareness culture is pervasive throughout the organization.
9. Fulfill its statutory, fiduciary and regulatory responsibilities.
10. Recommend to the Board and then formally announce, implement and maintain a sound system of risk oversight, management and internal control which
  - identifies, assesses, manages and monitors risk; and
  - allows investors and other stakeholders to be informed of material changes to the Company's risk profile
11. Recommend to the Board and then formally announce clear standards of ethical behaviour required of directors, employees and contractors and encourage observance of those standards.

12. In discharging its responsibilities, the Committee is to develop and seek Board approval for a range of specific duties that it is to carry out. Such duties will vary depending on the Company's circumstances, the Committee's responsibilities and, in particular, the roles of the Board and other committees, such as audit and governance, and health, safety, environment and quality.

## Duties of Risk Management Committee:

1. Assessment of the Company's risk profile and key areas of risk in particular
2. Recommending to the Board and adopting risk assessment and rating procedures.
3. Examining and determining the sufficiency of the Company's internal processes for reporting on and managing key risk areas.
4. Assessing and recommending to the Board acceptable levels of risk.
5. Development and implementation of a risk management framework and internal control system.
6. On an annual basis, agreeing with the Audit Committee which aspects of the internal audit are non-financial aspects to be monitored by the Committee.
7. In relation to the non-financial aspects of the internal audit:
  - monitoring the progress of the Company's auditors against the audit plan;
  - reviewing all relevant representation letters signed by management;
  - discussing the results of the internal audit with the Company's auditors;
  - inquiring if there have been any significant disagreements between management and the Company's auditors; and
  - monitoring management's response to the Company's auditors' recommendations that are adopted.
8. Initiating and monitoring special investigations in to areas of corporate risk and break-downs in internal control.
9. Reviewing the nature and level of insurance coverage.

## 5. Investment / Borrowing Committee

The Investment/ Borrowing Committee comprises of the following members:

1. Mr. R. Ramakrishnan - Chairman
2. Mr. K U Sivasdas - Member
3. Mr. M Aravind Subramanian - Member

Quorum: The quorum of the meeting of the committee shall be either two members or one third of the total number of members of the committee whichever is higher.



# CORPORATE GOVERNANCE REPORT

## ANNUAL GENERAL MEETINGS AND EXTRAORDINARY GENERAL MEETING

The details of the Annual General Meetings / Extraordinary General Meeting held in the last three years are as follows:

Annual General Meetings of the Company:

For the year	Venue	Day and Date	Time
2011-2012	Sri Krishna Gana Sabha, Mini Hall, 20, Maharajapuram Santhanam Road, T. Nagar, Chennai – 600 017	Wednesday - September 26, 2012	10.15 AM
2012-2013	Sri Krishna Gana Sabha, Mini Hall, 20, Maharajapuram Santhanam Road, T. Nagar, Chennai – 600 017	Friday - September 20, 2013	10.15 AM
2013-2014	Sri Krishna Gana Sabha, Mini Hall, 20, Maharajapuram Santhanam Road, T. Nagar, Chennai – 600 017	Monday - September 22, 2014	10.15 AM

### Details of Special Resolution passed during the last three Annual General Meeting

Date of AGM	Whether any Special Resolution was passed	Particulars
September 22, 2014	Yes	<ul style="list-style-type: none"> <li>• Ratification of RPT with Haldia Coke &amp; Chemicals Pvt Ltd for the period from April to July 2014</li> <li>• Ratification of RPT with the fellow subsidiaries for the period from April to July 2014</li> <li>• Approval of Related party transactions to be entered with Haldia Coke and Chemicals Pvt Ltd</li> <li>• Approval of Related party transactions to be entered with fellow subsidiaries</li> <li>• Approval to invest, issue loan, guarantee and provide security to fellow subsidiaries for an amount not exceeding Rs. 500 Crores</li> </ul>

### Postal Ballot during current year (FY 2014-15):

(A) The details of Special resolutions passed through postal ballot are given below:

Sl. No.	Subject matter of the resolution	Date of the Notice	Date of Shareholder approval
1	Special Resolution under Section 180(1)(a) and other applicable provisions, if any of the Companies Act 2013, empowering the Board to assign the Receivables of the Company for an amount of ₹ 218,89,35,433 in favour of M/s. Haldia Coke and Chemicals Private Limited.	October 17, 2014	December 3, 2014
2	Special Resolution under Section 188 and other applicable provisions, if any of the Companies Act, 2013, seeking approval of the Shareholders for assigning the Receivables of the Company to M/s. Haldia Coke and Chemicals Private Limited for an amount not exceeding ₹ 218,89,35,433.	October 17, 2014	December 3, 2014
3	Special Resolution under Section 14 and all other applicable provisions of the Companies Act, 2013, seeking approval of the Shareholders, the regulations in Sl. No. 1 to 109 in substitution, and to the entire exclusion, of the regulations contained in Sl. No. 1 to 200 contained in the existing Articles of Association of the Company.	October 17, 2014	December 3, 2014

## CORPORATE GOVERNANCE REPORT

(B) Details of Voting Pattern of Postal Ballot were as follows:

Item No 1

Particulars	Total No. of Valid Votes	Votes Assenting the Resolution	% of Votes Cast	Votes Dissenting the Resolution	% of Votes Cast
Votes cast through physical Postal Ballots	28	17	60.71	11	39.29
Votes cast through Electronic Mode	6	10009444	100	NIL	0.00

The special resolution was carried with the requisite majority.

Item No 2

Particulars	Total No. of Valid Votes	Votes Assenting the Resolution	% of Votes Cast	Votes Dissenting the Resolution	% of Votes Cast
Votes cast through physical Postal Ballots	28	17	60.71	11	39.29
Votes cast through Electronic Mode	5	575444	100	NIL	0.00

The special resolution was carried with the requisite majority.

Item No 3

Particulars	Total No. of Valid Votes	Votes Assenting the Resolution	% of Votes Cast	Votes Dissenting the Resolution	% of Votes Cast
Votes cast through physical Postal Ballots	28	17	60.71	11	39.29
Votes cast through Electronic Mode	6	10009444	100	NIL	0.00

The special resolution was carried with the requisite majority.

**Voting Pattern and Procedure for Postal Ballot:**

- The Board of Directors of the Company, vide a circular resolution dated 17<sup>th</sup> October 2014, had appointed Ms. B. Chandra as the Scrutinizer for conducting the postal ballot voting process.
- The Company had completed the dispatch of the Postal Ballot Notice dated 17<sup>th</sup> October 2014, together with the Explanatory Statement on 31<sup>st</sup> October, 2014, along with forms and postage prepaid business reply envelopes to all the shareholders whose name(s) appeared on the Register of Members/list of beneficiaries as on 24<sup>th</sup> October, 2014.
- The voting under the postal ballot was kept open from 1<sup>st</sup> November, 2014 to 1<sup>st</sup> December, 2014 (either physically or through electronic mode)
- Particulars of postal ballot forms received from the Members using the electronic platform of CDSL were entered in a register separately maintained for the purpose.
- The postal ballot forms were kept under his safe custody in sealed and tamper proof ballot boxes before commencing the scrutiny of such postal ballot forms.

- All postal ballot forms received/receivable up to the close of working hours on 1<sup>st</sup> December, 2014 the last date and time fixed by the Company for receipt of the forms, had been considered for his scrutiny.
- Envelopes containing postal ballot forms received after close of business hours on 1<sup>st</sup> December, 2014 had not been considered for his scrutiny.
- On 2<sup>nd</sup> December, 2014, Mr. M. Saravanan, Company Secretary announced the following results of the postal ballot as per the Scrutinizer's Report:

**Disclosures:**

**Related party Transactions:**

- There were no materially significant related party transactions, with Directors / Promoters / Management or their relatives or subsidiaries that had potential conflict with the interests of the Company at large. Suitable disclosures as required as required by the Accounting Standards (AS 18) has been made in the Annual Report.
- Periodical disclosures from Senior Management relating to all material financial and commercial transactions, where they had or were deemed to have had personal

# CORPORATE GOVERNANCE REPORT

interest, that might have had a potential conflict with the interest of the Company at large will be reviewed by the Audit Committee and the Board.

- Transactions with the related parties have been disclosed in Note 34 to the Financial Statements in the Annual Report.

## Policy on Related party Transactions:

The Company has also formulated a policy for determining the Material RPT and the details of such policies for dealing with RPT and the Related Party Transactions are disseminated in the website of the Company ([www.ennorecoke.com](http://www.ennorecoke.com)).

## Disclosure of Accounting Treatment:

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to Companies(Accounting Standards) Rules, 2006 (as amended) and the relevant provision of the Companies Act, 1956 read with General Circular 8/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

## Details of Compliance etc.,:

- No penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- The Company has in place a mechanism to inform the Board members about the Risk assessment and mitigation plans and periodical reviews to ensure that the critical risks are controlled by the executive management.
- There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company which has potential conflict with the interests of the Company at large.
- The Independent Directors have confirmed that they meet the criteria of 'Independence' as stipulated under Clause 49 of the Listing Agreement.

## Risk Management

The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. The Audit Committee/the Board periodically discusses the significant business risks identified by the management and the mitigation process being taken up. A note on risk identification and mitigation is included in the Management Discussion and Analysis, annexed to the Directors' Report.

## Compliance with Corporate Governance Norms

The Company has complied with the mandatory requirements of the Code of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges. The Company has submitted the compliance report in the prescribed format to the stock exchanges for all the quarters including the quarter ended 31<sup>st</sup> March 2015. The Statutory Auditors have certified that the Company has complied with the conditions of corporate governance as stipulated in Clause 49 of the listing agreements with the Stock Exchanges. The said certificate is annexed to the this Report.

## Means of Communication

- The unaudited quarterly results of the company are published in leading newspapers such as Trinity Mirrors(English) and Makkal Kural (Tamil).
- The company's website address is: [www.ennorecoke.com](http://www.ennorecoke.com). The website contains basic information about the company and such other details as required under the listing agreement. The company ensures periodical updation of its website. The company has designated the email-id [complianceofficer@ennorecoke.com](mailto:complianceofficer@ennorecoke.com) in order to enable the shareholders to register their grievances.
- Pursuant to the listing agreement, all data related to quarterly financial results, shareholding pattern, etc., are filed in BSE Listing centre within the time frame prescribed in this regard.
- No presentations have been made to institutional investors or to analysts.

## CEO/CFO Certification

The Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) have certified to the Board in accordance with Clause 49 of the Listing Agreement Pertaining to CEO/CFO certification for the financial year ended March 31, 2015.

## Management Discussion and Analysis

A Management Discussion and Analysis forms part of the Directors Report.

For and on behalf of the Board

**Ennore Coke Limited**

Place: Chennai	R. Ramakrishnan	K.U. Sivadas
Date: 22.05.2015	Director	Director
	DIN 00809342	DIN 00498594

## CORPORATE GOVERNANCE REPORT

## GENERAL SHAREHOLDER INFORMATION

**Registered Office**

1<sup>st</sup> Floor, Sigappi Achi Building, 18/3, Rukmini Lakshmipathi Road, Egmore, Chennai 600008.

Corporate Identity Number : L65921TN1985PLC070358

**Annual General Meeting**

Day	Monday
Date	September 28, 2015
Time	11.00 A.M.
Venue	Kamakoti Hall, Sri Krishna Gana Sabha 20, Maharajapuram Santhanam Road, T. Nagar, Chennai – 600 017

**Tentative Financial Calender**

Financial reporting for the 01 <sup>st</sup> Quarter ending 30 <sup>th</sup> June 2015	On or before 14 <sup>th</sup> August 2015
Financial reporting for the 02 <sup>nd</sup> Quarter ending 30 <sup>th</sup> September 2015	On or before 14 <sup>th</sup> November 2015
Financial reporting for the 03 <sup>rd</sup> Quarter ending 31 <sup>st</sup> December 2015	On or before 14 <sup>th</sup> February 2016
Financial reporting for the year ending 31 <sup>st</sup> March 2016	On or before 30 <sup>th</sup> May 2016

**Financial Year**

The Financial year of the Company is 01<sup>st</sup> April – 31<sup>st</sup> March.

**Book Closure**

Tuesday, September 22, 2015 to Monday, September 28, 2015  
(both days inclusive)

**Listing of Shares**

Name of the Stock Exchange	Bombay Stock Exchange Limited, Mumbai (BSE)
Scrip Code	512369
ISIN allotted by Depositories (Company ID Number)	INE755H01016

(Note: Annual Listing fees for the year 2015-16 were duly paid to the above stock exchanges)

**Market Price Data**

High and Low during each month from 01 April, 2014 to 31 March, 2015:

Month and Year	The Bombay Stock Exchange Limited	
	Month's High Price ₹	Month's Low Price ₹
APR 2014	13.02	10.25
MAY 2014	13.86	8.50
JUN 2014	20.24	14.55
JUL 2014	29.65	20.60
AUG 2014	27.45	15.70
SEP 2014	18.45	12.65
OCT 2014	13.90	9.03
NOV 2014	18.64	9.01
DEC 2014	21.70	17.00
JAN 2015	20.00	13.00
FEB 2015	16.24	13.05
MAR 2015	15.79	8.91

**Registrar and Share Transfer Agents**

Cameo Corporate Services Limited are the Registrar and Share Transfer Agents of the company, to whom communications regarding share transfer and dematerialization requests must be addressed. All matters connected with share transfer, transmission, is handled by the share transfer agent. Share transfers are processed within 15 days of lodgement. A Practising Company Secretary certifies on a quarterly basis the timely dematerialization of shares of the company.

**Cameo Corporate Services Ltd**

Contact Person: Mr. Narasimhan

Subramaniam Building

#1, Club House Road,

Chennai 600002.

Ph:044-2846 0084/0395

Fax:044-2846 0129

Email: cameo@cameoindia.com

www.cameoindia.com

SEBI Registration Number: INR000003753

# CORPORATE GOVERNANCE REPORT

## Shareholding Pattern as on 31st March 2015

Particulars	Number of Share holders	Shares held in Physical form	Shares held in dematerialised form	Total Number of shares held	% of capital
Promoter and Promoter Group					
Bodies Corporate	3	0	10583508	10583508	68.28
Directors & their relatives	-			-	
Public Shareholding	-				
I. Institutions					
Mutual Funds/UTI	-	-	-	-	
Financial Institutions/Banks	-	-	-	-	
Insurance Companies	-	-	-	-	
Foreign Institutional Investors	-	-	-	-	
II. Non Institutions					
Bodies Corporate	89	12000	1468537	1480537	9.55
Individuals	2758	-	3154784	3154784	20.35
Non Resident Indians	28	-	166389	166389	1.07
Others	109	-	114782	114782	0.74
<b>Total</b>	<b>2987</b>	<b>12000</b>	<b>15488000</b>	<b>15500000</b>	<b>100.00</b>

## Distribution of Shareholding as on 31st March 2015

Number of Equity Shares held	Number of Share holders	% of Share holders	Number of Shares	% of Capital
Upto 500	2373	79.4442	296130	1.9105
501-1000	241	8.0682	198754	1.2822
1001-2000	139	4.6534	219030	1.413
2001-3000	63	2.1091	158626	1.0233
3001-4000	34	1.1382	123596	0.7973
4001-5000	25	0.8369	118478	0.7643
5001-10000	45	1.5065	337949	2.1803
10001 and above	67	2.243	14047437	90.6286
<b>Total</b>	<b>2987</b>	<b>100</b>	<b>15500000</b>	<b>100</b>

## Distribution of Holdings - NSDL & CDSL & Physical Record Date:31-March-2015

### Shareholding Summary as on 31<sup>st</sup> March 2015

Category	No. of Holders	Total Positions	% of Holdings
NSDL	1824	4708936	30.38
CDSL	1123	10776731	69.53
PHYSICAL	40	14333	0.09
<b>TOTAL</b>	<b>2987</b>	<b>15500000</b>	<b>100.00</b>

The Company's Equity Shares are regularly traded on BSE Limited .

## CORPORATE GOVERNANCE REPORT

**Dematerialisation of Shares**

The shares of the Company are compulsorily traded in dematerialized form. The code number allotted by National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd., (CDSL) to Ennore Coke Limited is ISIN INE755H01016.

**Reconciliation of Share Capital Audit**

A quarterly audit was conducted by a Practising company secretary, reconciling the issued and listed capital of the company with the aggregate of the number of shares held by investors in physical form and in the depositories and the said certificates were submitted to the stock exchanges within the prescribed time limit. As on 31<sup>st</sup> March 2015 there was no difference between the issued and listed capital and the aggregate of shares held by investors in both physical form and in electronic form with the depositories. 15,485,667 equity shares representing 99.91 % of the paid up equity capital have been dematerialized as on 31st March 2015.

**Information to Shareholders**

A brief resume of the director reappointed together with the nature of his experience and details of the other directorships held by him is annexed to the Notice convening the Annual General Meeting.

**Plant Locations**

Village: Alichak, Post: Khanjanchak, Haldia, Dist: Purba Medinipur, West Bengal 721602

**Address for Investor Correspondence**

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address, or any other query relating to shares, please write to:

**M/s. Cameo Corporate Services Limited**

Subramaniam Building

#1, Club House Road, Chennai 600002

Tel : 044 - 28460390

Fax : 044-28460129

E-mail: [cameosys@cameoindia.com](mailto:cameosys@cameoindia.com)

Website: [www.cameoindia.com](http://www.cameoindia.com)

**Mr. M Saravanan**

Company Secretary and Compliance Officer

Ennore Coke Limited

Sigappi Achi Building, 1st Floor,

18/3 Rukmini Lakshmipathi Road, Egmore,

Chennai 600008, Tamilnadu, India

Tel: + 91 44 40406363/73

Fax: +91 44 42699766

Email: [complianceofficer@ennorecoke.com](mailto:complianceofficer@ennorecoke.com)

Website: [www.ennorecoke.com](http://www.ennorecoke.com)

**Online Information**

Shareholders are requested to visit [www.ennorecoke.com](http://www.ennorecoke.com), the website of the Company for online information about the Company. The financial results of the Company are posted on the website of the Company and are periodically updated with all developments. Besides this the shareholders have the facility to write any query at the e-mail id of the Compliance officer at [complianceofficer@ennorecoke.com](mailto:complianceofficer@ennorecoke.com) and the Company shall act on the same within the reasonable time on receipt of such query.

For and on behalf of the Board

**Ennore Coke Limited**

Place: Chennai

Date: 22.05.2015

R. Ramakrishnan

Director

DIN 00809342

K.U. Sivadas

Director

DIN 00498594

## DECLARATION BY CHIEF EXECUTIVE OFFICER ON CODE OF CONDUCT UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To

The Members

Ennore Coke Limited

I, M Natarajan, Chief Executive Officer of Ennore Coke Limited, hereby declare that all the members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Clause 49 (I) (D) (ii) of the Listing Agreement entered into with the Stock Exchanges, for the year ended March 31, 2015.

Place: Chennai

Date: 20.05.2015

M Natarajan

Chief Executive Officer

# CORPORATE GOVERNANCE REPORT

## CERTIFICATION BY CHIEF EXECUTIVE OFFICER and CHIEF FINANCIAL OFFICER TO THE BOARD

1. We have reviewed the financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
  - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b) these statements together present a true and fair view of the state of affairs of the company and are in compliance with existing accounting standards, applicable laws and regulations.
2. 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.
3. We accept overall responsibility for establishing and maintaining internal control for financial reporting. This is monitored by the internal audit function, which encompasses the examination and evaluation of the adequacy and effectiveness, of internal control. The internal auditor works with all levels of management and statutory auditors and reports significant issues to the audit committee of the Board. The auditors and audit committee are appraised of any corrective action taken with regard to significant deficiencies in the design or operation of internal controls.
4. We indicate to the auditors and to the audit committee:
  - a) Significant changes in internal control over financial reporting during the year;
  - b) Significant changes in accounting policies during the year; and that the same have been disclosed in the notes to the financial statements; and
  - c) Instances of significant fraud of which we have become aware of and which involve management or other employees having significant role in the company's internal control system and financial reporting. However, during the year there was no such instance.

Place : Chennai  
Date : 20.05.2015

Chief Executive Officer  
M Natarajan

Chief Financial Officer  
A Ganesh

## AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT(S)

To  
The Members  
Ennore Coke Limited  
Chennai

We have examined the compliance of conditions of Corporate Governance by Ennore Coke Limited, for the year ended on March 31, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the 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 or effectiveness with which the management has conducted the affairs of the Company.

**For Sreedhar, Suresh & Rajagopalan**  
Chartered Accountants  
Firm Registration No.003957S

Place : Chennai  
Date : 22.05.2015

**S. Subramaniam**  
Partner  
Membership No. 025433



# INDEPENDENT AUDITOR'S REPORT

To the Members of **ENNORE COKE LIMITED**

## **Report on the Financial Statements**

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

## **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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 in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

## **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 Loss 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.

## **Emphasis of Matter**

We draw attention of the shareholders for the followings:

- a) Note No 14 of Notes to Financial Statements relating to transfer of the leasehold land.
- b) Note No 16c of Notes to Financial Statements regarding non reversal of deferred tax asset.
- c) Note No 31 of Notes to Financial Statements regarding non-availability of confirmation of balances relating to certain Loans and Advances, Trade Payables, and Deposits.
- d) Note No 47 of Notes to Financial Statements regarding VAT payment.
- e) Note No 48 (ii) of Notes to Financial Statements regarding change in accounting policy on inventory of stores and consumables.
- f) Note No 48 (iii) of Notes to Financial Statements regarding change in accounting policy on finance charges on letters of credit.
- g) Note No 48 (iv) of Notes to Financial Statements regarding non-recognition of interest income.

Our opinion is not qualified in respect of matters mentioned above.

## **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, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

# INDEPENDENT AUDITOR'S REPORT

- e. On the basis of written representations received from the directors as on March 31, 2015, 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 Section 164 (2) of the Act 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) Rules, 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 (**Refer Note 8 and Note 49 to the Notes to financial statements**);
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material

foreseeable losses, if any, on long-term contracts including derivative contracts

- iii. The Company is not required to transfer any amount to the Investor Education and Protection Fund.

**For Sreedhar, Suresh & Rajagopalan**

Chartered Accountants

Firm Registration No.003957S

**S. Subramaniam**

**Partner**

Place : Chennai

Date : 22.05.2015

Membership No. 025433

## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF ENNORE COKE LIMITED, ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (i)
- The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (ii)
- The verification of inventory has been conducted at reasonable intervals by the management by an independent technical agency.
  - The procedures of physical verification of inventory lying at multi locations followed by the management are reasonable considering the size of the Company and the nature of its business.
  - The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.

(iii)

**In respect of Loan given:-**

- The Company has granted unsecured loan to ONE party covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act"). The maximum amount involved during the year is ₹ 11,72,390/- and the year-end balance of such loans ₹ Nil.
  - In respect of the regularity on the repayment of principal and interest of the above unsecured loans, we are unable to comment as to whether the repayment of principal amount and the payment of interest is as stipulated, as no terms of repayment have been stipulated.
  - Reporting on whether the above unsecured loans are overdue does not arise, as no terms of repayment have been stipulated.
- (iv) In our opinion, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services.
- (v) The Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Accordingly, the provisions of clause 4(v) of the Order are not applicable.
- (vi) *The Central Government has prescribed maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 in respect of Company's products effective June 2014. However the Company has not maintained the cost records prescribed.*
- (vii)
- Undisputed statutory dues towards Income tax, Sales Tax (VAT), Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues have been regularly deposited with the appropriate authorities and there have been delays in remittance in few cases.  
Undisputed amounts payable in respect thereof, which were outstanding, at the year-end for a period of more than six months from the date they became payable are as follows:

Name of the Statute	Nature of dues	Amount (₹)	Period to which it relates	Due date	Date of payment
Odisha VAT Act	CST	78,90,069	up to June, 2013	Various	-
	VAT	1,14,86,178	up to June, 2014	Various	-
Gujarat VAT Act	VAT	83,82,425	up to September, 2014	Various	On 2 <sup>nd</sup> , 6 <sup>th</sup> & 30 <sup>th</sup> April 2015

- There are dues in respect of income tax, and service tax, that have not been deposited with the appropriate authorities on account of dispute as mentioned below:-

Name of the Statute	Nature of dues	Amount (₹)	Period to which it relates	Forum where dispute is pending
Income Tax Act	Income tax	23,84,17,370	AY 2011-12	CIT (A)
		4,27,78,240	AY 2012-13	CIT (A)
Service Tax Act	Service Tax	99,61,269	AY 2009-10 to AY 2012-13	CESTAT

# ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

- (c) According to the information and explanations given to us the company is not required to transfer any amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under.
- (viii) In our opinion, the Company's accumulated losses are not less than 50% of its net worth as at the end of the financial year. Further the Company has incurred cash losses amounting to ₹ 41,38,70,257/- in the current year and ₹ 20,44,85,389/- in the immediately preceding financial year
- (ix) In our opinion and according to the information and explanations given to us, in the following instances, the Company have defaulted in repayment of dues to banks during the year

Name of the Bank	Due on	Amount due	Paid on	Amount	Delay in days
Union Bank of India	30-Jun-14	50,00,000	05-Aug-14	50,00,000	36
	30-Sep-14	50,00,000	27-Nov-14	50,00,000	58
	31-Dec-14	50,00,000	16-Feb-15	50,00,000	47
State Bank of Hyderabad	30-Jun-14	50,00,000	23-Jul-14	50,00,000	23
	30-Sep-14	50,00,000	10-Nov-14	50,00,000	41
Indian Overseas Bank	30-Jun-14	45,25,000	11-Jul-14	45,25,000	11
	30-Sep-14	45,25,000	14-Aug-14	16,00,000	-
			28-Oct-14	29,25,000	28
	31-Dec-14	45,50,000	28-Oct-14	16,00,000	-
			21-Jan-15	29,50,000	21
State Bank of India	30-Jun-14	1,00,00,000	25-Aug-14	1,00,00,000	56
	30-Sep-14	1,00,00,000	05-Dec-14	50,00,000	66
			16-Dec-14	50,00,000	77
	31-Dec-14	1,00,00,000	08-Jan-15	50,00,000	8
			29-Jan-15	50,00,000	29

Further the company does not have any dues to financial institution or debenture holders during the year.

- (x) In our opinion and according to the information given to us , the terms and conditions on which the Company has given guarantees for loans taken by related parties for a sum of ₹ 2,14,18,08,000/- from banks, are not prima facie prejudicial to the interest of the Company.
- (xi) In our opinion, the Company has not availed new term loans outstanding during the year. Accordingly the provisions of clause 4(xi) of the Order are not applicable.
- (xii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

**For Sreedhar, Suresh & Rajagopalan**

Chartered Accountants

Firm Registration No.003957S

**S. Subramaniam**

Partner

Place : Chennai

Date : 22.05.2015

Membership No. 025433

## BALANCE SHEET

Balance Sheet as at 31 March 2015

Amount in ₹

PARTICULARS	Note No.	March 31, 2015	March 31, 2014
<b>I. EQUITY AND LIABILITIES</b>			
(1) Shareholder's Funds			
(a) Share Capital	4	1 15 50 00 000	1 15 50 00 000
(b) Reserves and Surplus	5	(94 27 27 839)	(40 51 36 309)
(c) Money received against share warrants			
<b>(2) Share application money pending allotment</b>			
<b>(3) Non-Current Liabilities</b>			
(a) Long-term borrowings	6	1 05 05 02 488	1 10 83 96 709
(b) Deferred tax liabilities (Net)	7	-	-
(c) Other Long term liabilities	8	22 52 23 331	70 18 57 776
(d) Long term provisions	9	29 59 069	1 86 50 369
<b>(4) Current Liabilities</b>			
(a) Short-term borrowings	10	1 11 59 54 961	1 70 76 91 673
(b) Trade payables	11	1 16 80 38 151	3 52 81 63 119
(c) Other current liabilities	12	4 98 11 673	56 58 39 039
(d) Short-term provisions	13	54 201	58 60 646
		<b>3 82 48 16 035</b>	<b>8 38 63 23 022</b>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets		76 92 80 885	86 61 21 427
(ii) Intangible assets	14	7 19 167	5 50 150
(iii) Capital work-in-progress		4 07 42 237	1 24 20 002
(iv) Intangible assets under development			
(b) Non-current investments	15	-	-
(c) Deferred tax assets (net)	16	12 09 00 437	11 39 47 669
(d) Long term loans and advances	17	6 46 06 592	7 49 96 771
(e) Other non-current assets	18	1 48 63 979	2 10 76 88 232
<b>(2) Current assets</b>			
(a) Current investments	15	-	-
(b) Inventories	19	65 60 93 606	1 66 51 34 397
(c) Trade receivables	20	1 77 25 02 086	3 20 84 14 880
(d) Cash and cash equivalents	21	23 63 21 701	21 37 17 733
(e) Short-term loans and advances	22	57 04 047	49 15 814
(f) Other current assets	23	14 30 81 298	11 84 15 947
		<b>3 82 48 16 035</b>	<b>8 38 63 23 022</b>
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	1 to 50		
<b>NOTES TO FINANCIAL STATEMENTS</b>			

As per our report attached

For Sreedhar, Suresh & Rajagopalan  
Chartered Accountants

Firm Registration No : 003957S

S.Subramaniam  
Partner

Membership No: 025433

For and on behalf of the Board

R. Ramakrishnan  
Director  
DIN : 00809342K.U. Sivadas  
Director  
DIN: 00498594Place : Chennai  
Date : 22.05.2015A Ganesh  
Chief Financial OfficerM Saravanan  
Company Secretary

# STATEMENT OF PROFIT AND LOSS

## Statement of Profit and Loss for the year ended 31 March 2015

Amount in ₹

PARTICULARS	Note	March 31, 2015	March 31, 2014
Revenue from operations (Gross)	24	345 21 88 886	468 89 44 964
Less: Excise Duty		4 08 59 316	7 10 48 823
I. Revenue from operations (Net)		341 13 29 570	461 78 96 141
II. Other Income	25	51 59 39 948	39 18 73 500
<b>III. Total Revenue (I +II)</b>		<b>392 72 69 518</b>	<b>500 97 69 641</b>
IV. Expenses:			
Cost of materials consumed	26	81 49 58 120	95 49 55 698
Purchase of Stock-in-Trade		203 79 18 669	395 62 85 057
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		70 44 16 067	(68 18 46 578)
Employee benefit expense	27	5 50 68 388	4 27 25 239
Financial costs	28	15 31 46 613	15 92 29 112
Depreciation and amortization expense	14	12 95 35 039	14 90 72 251
Other expenses	29	57 49 79 599	78 18 83 161
<b>Total Expenses</b>		<b>447 00 22 495</b>	<b>536 23 03 940</b>
V. Profit before exceptional and extraordinary items and tax		(54 27 52 977)	(35 25 34 299)
VI. Exceptional Items			
- Prior Period Expenses	30	6 52 319	1 13 410
VII. Profit before extraordinary items and tax (V - VI)		(54 34 05 296)	(35 26 47 709)
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		(54 34 05 296)	(35 26 47 709)
X. Tax expense:			
(1) Current tax		-	9 09 931
(2) Income Tax - Earlier Years	32	-	-
(3) Deferred tax		(69 52 768)	76 71 599
<b>XI. Profit/ (Loss) for the period from continuing operations</b>		<b>(53 64 52 528)</b>	<b>(36 12 29 239)</b>
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discounting operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
<b>XV. Profit/(Loss) for the period (XI + XIV)</b>		<b>(53 64 52 528)</b>	<b>(36 12 29 239)</b>
XVI. Earning per equity share:			
(1) Basic		(34.61)	(23.31)
(2) Diluted		(34.61)	(23.31)
<b>SIGNIFICANT ACCOUNTING POLICIES</b>			
<b>NOTES TO FINANCIAL STATEMENTS</b>	1 to 50		

As per our report attached

For Sreedhar, Suresh & Rajagopalan  
 Chartered Accountants  
 Firm Registration No : 003957S

S.Subramaniam  
 Partner  
 Membership No: 025433

Place : Chennai  
 Date : 22.05.2015

For and on behalf of the Board

R. Ramakrishnan  
 Director  
 DIN : 00809342

K.U. Sivadas  
 Director  
 DIN: 00498594

A Ganesh  
 Chief Financial Officer

M Saravanan  
 Company Secretary

## CASH FLOW STATEMENT

## Cash flow statement for the year ended 31 March 2015

Amount in ₹

PARTICULARS	March 31, 2015	March 31, 2014
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax from continuing operations	(54 34 05 296)	(35 26 47 709)
Profit before tax from discontinuing operations		
Profit before tax	<b>(54 34 05 296)</b>	<b>(35 26 47 709)</b>
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/ Amortisation	12 95 35 039	14 90 72 251
Interest Expense	15 31 46 613	15 92 29 112
Loss on Sale of Asset	2 80 834	-
Provision for Gratuity and Leave encashment	19 29 332	(4 00 140)
Deposit Written off	38 879	-
Sundry Balances Written off/ Back (Net)	(47 99 34 527)	(21 63 41 116)
Bad Debts	26 24 94 793	19 77 58 806
Advances Written off	35 39 261	3 26 00 558
Interest Income	(2 64 61 284)	(17 48 55 199)
<b>Operating Profit before working capital changes</b>	<b>(49 88 36 356)</b>	<b>(20 55 83 437)</b>
Movements in working capital:		
Increase/ (Decrease) in Trade Payables	(236 01 02 087)	1 25 88 72 424
Increase/ (Decrease) in Long Term Provisions	(1 21 79 881)	5 99 810
Increase/ (Decrease) in Short Term Provisions	( 58 06 445)	6 65 648
Increase/ (Decrease) in Other Current Liabilities	(39 75 16 925)	(29 24 35 166)
Increase/ (Decrease) in Other Long term Liabilities	(11 22 84 479)	(12 91 91 402)
Decrease/ (Increase) in Trade Receivables	1 17 41 92 628	(8 71 78 086)
Decrease/ (Increase) in Inventories	1 00 90 40 791	(104 70 29 182)
Decrease/ (Increase) in Long Term Loans & Advances	68 85 179	91 53 188
Decrease/ (Increase) in Short Term Loans & Advances	( 17 68 876)	17 89 460
Decrease/ (Increase) in Other Current Assets	(2 73 84 612)	5 41 68 184
Decrease/ (Increase) in Other non-Current Assets	2 09 27 27 628	12 98 51 733
<b>Cash Generated from/ (used in) operations</b>	<b>86 69 66 565</b>	<b>(30 63 16 826)</b>
Direct Taxes Paid (Net of Refunds)	( 54 40 751)	(3 73 51 775)
<b>Net Cash Flow From / (Used in) operating Activities</b> <b>A</b>	<b>86 15 25 814</b>	<b>(34 36 68 601)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets including intangible assets and CWIP	(6 29 50 585)	(3 05 26 308)
Proceeds from sale of fixed assets	3 45 000	-
Margin Money Deposit	(214 01 736)	30 55 95 846
Interest Received	2 64 61 284	17 48 55 199
<b>Net Cash Flow From / (Used in) Investing Activities</b> <b>B</b>	<b>(5 75 46 037)</b>	<b>44 99 24 737</b>



# CASH FLOW STATEMENT

Amount in ₹

PARTICULARS	March 31, 2015	March 31, 2014
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/ (Repayments) from Share Capital	-	100 00 00 000
Proceeds/ (Repayments) from Long-term borrowings	(5 78 94 221)	(17 16 00 280)
Proceeds/ (Repayments) from short-term borrowings	(59 17 36 712)	(81 15 22 479)
Interest Paid	(15 31 46 613)	(15 92 29 112)
<b>Net Cash Flow From/ (Used in) Financing Activities</b>	<b>C</b>	<b>(14 23 51 871)</b>
<b>Net Increase/ (decrease) in cash and cash equivalents</b>	<b>(A+B+C)</b>	
Cash and Cash equivalents at the beginning of the year	12 02 231	(3 60 95 735)
Cash and Cash equivalents at the end of the year	6 13 592	3 67 09 327
	<b>18 15 823</b>	<b>6 13 592</b>
<b>NOTE:</b>		
Cash and Cash equivalents as per Balance Sheet	23 63 21 701	21 37 17 733
Less: Margin Money treated as investment	23 45 05 878	21 31 04 141
Cash and Cash equivalents as per Cash Flow Statement	<b>18 15 823</b>	<b>6 13 592</b>

This is the Cash Flow statement referred to in our report.

**For Sreedhar, Suresh & Rajagopalan**  
**Chartered Accountants**  
 Firm Registration No : 003957S

**S.Subramaniam**  
**Partner**  
 Membership No: 025433

Place : Chennai  
 Date : 22.05.2015

For and on behalf of the Board

**R. Ramakrishnan**  
**Director**  
 DIN : 00809342

**K.U. Sivadas**  
**Director**  
 DIN: 00498594

**A Ganesh**  
**Chief Financial Officer**

**M Saravanan**  
**Company Secretary**

# NOTES TO THE ACCOUNTS

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

### 1. General information

- a) The financial statements have been prepared and presented as per the provisions of Schedule III of the Companies Act, 2013.
- b) All amounts in the financial statements are presented in rupees, except as otherwise stated.

### 2. Company overview

Ennore Coke Limited ('the Company') is an entity whose equity shares are listed in the Bombay Stock Exchange Limited (BSE). The Company is engaged in the activity of manufacturing and trading of Metallurgical Coke. The installed capacity of Non-Recovery coke oven Plant at Haldia, West Bengal is 130,000 TPA. The Company commenced the commercial production of Metallurgical Coke during 2009-2010. In the month of August 2011, the company commissioned a Co-Generation power plant of 12MW capacity at Haldia. The Company shares were acquired by Haldia Coke and Chemicals Private Limited in 2010-11 and presently its shareholding is 60.86%. Consequent to the above Ennore Coke Limited is a subsidiary company of Haldia Coke and Chemicals Private Limited.

### 3. Significant accounting policies

#### a) Basis of preparation of financial statements

The financial statements are prepared in accordance with Generally Accepted Accounting Principles ("GAAP") applicable in India. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and other provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The management evaluates all recently issued or revised accounting standards on an on-going basis.

#### b) Use of estimates

The preparation of the financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures of contingent liabilities as at the date of the financial statements and reported amounts of revenue and expenses for the year. The key estimates made by the Company in preparing these financial statements comprise provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes and the useful lives of assets. Actual results could differ from those estimates.

#### c) Fixed assets

Fixed assets are stated at acquisition cost less accumulated depreciation and impairment losses, if any. Cost of acquisition is inclusive of duties, taxes, freight and other directly attributable costs incurred to bring the assets to its working condition for the intended use and are net of cenvat credits as applicable.

Cost of fixed assets not ready for their intended use as at the balance sheet date are disclosed as capital work-in-progress.

#### d) Depreciation

Depreciation on fixed assets is calculated on Straight Line method over the useful life of asset as specified in Schedule II to the Companies Act, 2013.

Depreciation on assets costing individually ₹ 5,000 or below is calculated on Straight Line method over the useful life of asset as specified in Schedule II to the Companies Act, 2013 without considering any residual value.

Depreciation for assets purchased / sold is calculated proportionately from the quarter in which the asset is purchased or sold.

Lease hold land premium paid is amortised over the lease period on straight line basis and grouped under the head "Depreciation".

#### e) Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of leased term are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the term of the lease.

#### f) Revenue recognition

Revenues comprise of income from sale of manufactured, traded goods and power.

Revenue from sale of manufactured and traded goods is recognized at the point of despatch of goods to customers which generally coincides with the transfer of risks and rewards of ownership of goods. Sales are net of returns, trade discounts and allowances. Sales exclude excise duty and sales tax.

Revenue from sale of power is recognised on the basis of actual power sold and billed less rebate as per the terms of power purchase agreement entered into with the West Bengal State Electricity Distribution Company Limited.

Income from interest on deposits is recognised on time proportion basis taking into account the amount outstanding and the applicable rate of interest.

#### g) Inventories

Raw Materials and Stores & Consumables are valued at lower of cost and Net realisable value.

Finished Goods are valued at lower of cost and net realisable value. Cost includes all direct costs and applicable overheads.

Net realizable value is the estimated selling price in the ordinary course of business less any applicable selling expenses. Cost is determined on weighted average basis.

Inventories in process are valued at raw material cost plus estimated cost of conversion upto the stage of completion.

Variation, if any, detected on physical verification of stocks and obsolete and slow moving stocks are adjusted in the books of account appropriately.

# NOTES TO THE ACCOUNTS

## h) Foreign currency transactions

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date.

In case of items, which are covered by forward exchange contracts, the difference between the year - end rate and the rate on the date of the contract is accounted for as income/expense over the life of the contract. Profit or loss on cancellation of forward contracts is recognised as income/ expense in the Statement of Profit and Loss of the year, in which they are cancelled.

Exchange difference arising on foreign exchange transactions during the year are recognized in the Statement of profit and loss of the year.

## i) Employee benefits

Employee benefits provided by the Company include contributions to Provident fund, Gratuity benefits and Compensated absences.

### Defined Contribution Plan - Provident Fund

Employees are entitled to receive benefits under the provident fund, which is a defined contribution plan, in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952. Both, the employee and the employer make monthly contributions to the plan at a predetermined rate (presently at 12%) of the employees' basic salary. The Company has no further obligations under the plan beyond its monthly contributions.

### Defined Benefit Plan - Gratuity

Employees in India are entitled to benefits under the Payment of Gratuity Act, 1972, a defined benefit retirement plan covering eligible employees of the Company. The Plan provides a lump-sum payment to eligible employees at retirement or on termination of employment. The gratuity benefit conferred by the Company on its employees is equal to or greater than the statutory minimum. The year-end gratuity liability is determined based on actuarial valuation performed by an independent actuary using the Projected Unit Credit Method.

### Leave encashment

Liability in respect of leave encashment becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of leave encashment becoming due or expected to be availed more than one year after the Balance Sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the Projected Unit Credit Method.

## j) Income taxes

Provision for tax for the year comprises current income tax and deferred tax.

## Current Tax

Provision for current income tax is made based on the estimated tax liability in accordance with the relevant tax rates and tax laws. Current income tax is payable on taxable profits, which differ from profit or loss in the financial statements. Current income tax is computed based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

## Deferred Tax

Deferred taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.

## k) Borrowing cost

Borrowing Costs that are attributable to the acquisition and constructions of qualifying assets are capitalised as a part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs of the year are charged to revenue in the period in which they are incurred.

## l) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. In determining Earnings per Share, the Company considers the net profit after tax and includes the post-tax effect of any extra-ordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

## m) Provisions, contingent liabilities and contingent assets

The Company creates a provision when there is present obligation as a result of 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

# NOTES TO THE ACCOUNTS

obligation or a present obligation that may, but probably will not, require an outflow of resources. Where 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. Contingent assets are neither recognized nor disclosed in the financial statements.

## n) Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. Recoverable amount is the higher of the asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

## o) Segment Reporting

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

### Identification of Segments

The Company's Operating Businesses are organized and managed separately according to the nature of products manufactured/traded, with each segment representing a strategic business unit that offers different products to different markets.

### Allocation of Revenue and Costs

Direct revenues and direct expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

Common allocable costs are allocated to each segment according to sales of each segment to total sales of the Company.

Revenue and expenses, which relate to the enterprise as a whole and are not allocable to any of the segments on a reasonable basis, are generally included under "unallocated corporate expenses/Income"

## 4. SHARE CAPITAL

Particulars	March 31, 2015	March 31, 2014
<b>Authorised</b>		
1 60 00 000 (Previous year 1 60 00 000) Equity Shares of ₹ 10/- each	16 00 00 000	16 00 00 000
10 00 00 000 (Previous year 10 00 00 000) Cumulative Redeemable Preference Shares of ₹ 10/- each	100 00 00 000	100 00 00 000
	<b>116 00 00 000</b>	<b>116 00 00 000</b>
<b>Issued, Subscribed and Fully Paid-up</b>		
<b>Equity Share Capital</b>		
1 55 00 000 (Previous year 1 55 00 000) Equity Shares of ₹ 10/- each	15 50 00 000	15 50 00 000
<b>Cumulative Redeemable Preference Shares</b>		
10 00 00 000 (Previous year 10 00 00 000) Cumulative Redeemable Preference shares of ₹ 10/- each	100 00 00 000	100 00 00 000
<b>Total</b>	<b>115 50 00 000</b>	<b>115 50 00 000</b>

## A) RECONCILIATION OF THE SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE REPORTING PERIOD

### Equity Shares

Particulars	March 31, 2015	March 31, 2014
At the beginning of the period	1 55 00 000	1 55 00 000
Issued during the period	-	-
<b>Outstanding at the end of the period</b>	<b>1 55 00 000</b>	<b>1 55 00 000</b>

# NOTES TO THE ACCOUNTS

## Cumulative Redeemable Preference Shares

Particulars	March 31, 2015	March 31, 2014
At the beginning of the period	10 00 00 000	-
Issued during the period	-	10 00 00 000
<b>Outstanding at the end of the period</b>	<b>10 00 00 000</b>	<b>10 00 00 000</b>

### A) TERMS/RIGHTS ATTACHED TO EQUITY SHARES

The company is presently having one class of equity shares having a par value of ₹ 10/- per share. Every Equity shareholder is entitled to one vote per share.

In the event of winding up of the company, the Equity Shareholders will be entitled to receive the assets of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.

### B) TERMS/RIGHTS ATTACHED TO PREFERENCE SHARES

- (i) The cumulative redeemable preference shareholders are entitled to a cumulative preference dividend of higher of
  - equal to 10% per annum and
  - the sum of
    - equivalent dividend calculated on equity assuming that the CRPS had been used instead to subscribe to equity shares of the Company on the date of their issue based on price, calculated under Issue of Capital and Disclosure Requirements (ICDR) and
    - the difference between the trailing 6 week Volume-Weighted Average Market Price (VWAP) of the shares of the Company as on the date of issue and allotment of the CRPS and as on the date of redemption. (The above will be adjusted for reorganisation of capital events).
- The dividend of minimum 10% is payable every year, and the additional dividend, if any on redemption calculated as above.
- (ii) The above cumulative redeemable preference shares have free transferability and are unlisted.
- (iii) The cumulative redeemable preference shareholders have voting rights only in respect of those resolutions which directly affect the rights attached to the cumulative redeemable preference shares.
- (iv) The above cumulative redeemable preference shares are redeemable not later than ten years from the date of issue i.e. December 18, 2013. However, the preference shareholders have an option for early redemption:
  - When there is a change in control of the company or
  - When there is any fresh issuance of securities by the company or
  - after 5 years in minimum tranches of ₹ 10 Crores and in multiple of ₹ 10 Crores.
- (v) Until such redemption, the cumulative redeemable preference shareholders will have preference over the equity shareholders in the assets of the company, in the event of winding up.

### C) EMPLOYEES STOCK OPTION SCHEME

In the Annual General Meeting held on September 15, 2008, the Company had obtained the assent of the shareholders to issue Employee Stock Option Scheme (ESOS) to the extent of 5% of the paid up Share capital. However, the approval from BSE is yet to be obtained and the Company proposes to make the scheme operative upon getting the approval from BSE. The Board of Directors in their meeting held on 31<sup>st</sup> March 2015 have cancelled the above ESOS and the scheme is no more operative.

### E) DETAILS OF SHAREHOLDING MORE THAN 5% SHARES IN THE COMPANY AND SHARES HELD BY THE HOLDING COMPANY

Particulars	March 31, 2015		March 31, 2014	
	NO OF SHARES	% OF HOLDING	NO OF SHARES	% OF HOLDING
<b>Equity Shares of ₹ 10/- each</b>				
Haldia Coke and Chemicals Private Limited	94 34 000	60.86%	94 34 000	60.86%
Premier Energy and Infrastructure Limited	10 09 508	6.51%	Nil	Nil
<b>Cumulative Redeemable Preference shares of ₹ 10/- each</b>				
Haldia Coke and Chemicals Private Limited	10 00 00 000	100.00%	10 00 00 000	100.00%

### F) SHARES RESERVED FOR ISSUE UNDER OPTIONS AND CONTRACTS - NIL

### G) SHARES CONVERTIBLE INTO SECURITIES - NIL

### H) CALLS UNPAID - NIL

## NOTES TO THE ACCOUNTS

## 5. RESERVES AND SURPLUS

Particulars	March 31, 2015	March 31, 2014
Capital Reserve	6 54 85 898	6 54 85 898
Securities Premium Account	12 63 49 737	12 63 49 737
Profit and Loss account		
Opening Balance	(59 69 71 944)	(23 57 42 705)
Add: Adjustment of additional depreciation arising on account of transitional provision as per Note 7(b) of Schedule II relating to assets whose useful life has become NIL.	(11 39 002)	-
Profit / (Loss) for the year	(53 64 52 528)	(36 12 29 239)
Closing Balance	(113 45 63 474)	(59 69 71 944)
<b>Total</b>	<b>(94 27 27 839)</b>	<b>(40 51 36 309)</b>

## 6. LONG TERM BORROWINGS

Particulars	March 31, 2015	March 31, 2014
<b>Secured</b>		
<b>Term Loan</b>		
- From Banks(Note 6.A to 6.C)	-	-
<b>Unsecured</b>		
Loans and advances from related parties	1 05 05 02 488	1 10 83 96 709
<b>Total</b>	<b>1 05 05 02 488</b>	<b>1 10 83 96 709</b>

6. A) Term Loans with State Bank of India, State Bank of Hyderabad, Union Bank of India and Indian Overseas Bank (collectively consortium banks) are secured by charges –
- First charge on entire fixed assets of the company, both present and future, at the Alichak, Haldia on paripassu basis between consortium banks.
  - Extension of First charge on entire current assets of the company, both present and future, on paripassu basis between consortium banks.
  - Unconditional irrevocable personal guarantee for total borrowings given by Mr. Ganesan Natarajan, erstwhile whole time Director (up to 31-Jul-13) and
  - Corporate guarantee for total borrowings given by Haldia Coke and Chemicals Private Limited, the holding company.
  - The term loans have been fully settled as on 31<sup>st</sup> March 2015.
6. B) Additional Security by way of pledge of 46 50 000 equity shares of ₹ 10/- each of the company, held by its Holding company M/s Haldia Coke and Chemicals Private Limited in favour of State Bank of India, Kolkata towards extension of banking facilities.
6. C) Disclosure in respect of continuing default, period of repayment and applicable interest rate is as follows: NIL

## 7. DEFERRED TAX LIABILITY (NET)

Particulars	March 31, 2015	March 31, 2014
Difference between book value and tax written down value of fixed assets	-	-
Disallowances under Income Tax Act, 1961	-	-
<b>Deferred Tax Liability (Net)</b>	<b>-</b>	<b>-</b>

## 8. OTHER LONG TERM LIABILITIES

Particulars	March 31, 2015	March 31, 2014
Trade Payables	19 25 57 434	67 44 74 805
Dues to Micro, Small and Medium Enterprises*	-	-
Other Payables – Claims	2 97 85 397	2 73 82 971
Other Payables – Retention Money	28 80 500	-
<b>Total</b>	<b>22 52 23 331</b>	<b>70 18 57 776</b>

\* Based on the information available with the management, there are no amounts due to Micro, Small and Medium Enterprises, which has been relied upon by the auditors.

# NOTES TO THE ACCOUNTS

## 9. LONG TERM PROVISIONS

Particulars	March 31, 2015	March 31, 2014
Provision for Taxation	-	1 66 21 405
Provision for Employee Benefits	29 59 069	20 28 964
<b>Total</b>	<b>29 59 069</b>	<b>1 86 50 369</b>

## 10. SHORT TERM BORROWINGS

Particulars	March 31, 2015	March 31, 2014
<b>Secured</b>		
<b>Loans Repayable on Demand</b>		
- from Banks - Cash Credit (Note 10.A to 10.C)	70 37 30 890	36 57 76 233
- from Banks - Others	-	27 01 18 892
<b>Unsecured</b>		
Loans and advances from Related Parties	37 85 65 679	103 59 63 646
Others		
- Factoring Due	3 36 58 392	3 58 32 902
<b>Total</b>	<b>111 59 54 961</b>	<b>170 76 91 673</b>

10. A) Working Capital facilities including Cash Credit facilities with State Bank of India, State Bank of Hyderabad, Union Bank of India and Indian Overseas Bank (collectively consortium banks) are secured by charges –

- First charge on entire current assets of the company, both present and future, on paripassu basis between consortium banks.
- Extension of first charge on entire fixed assets of the company, both present and future, at the Alichak, Haldia on paripassu basis between consortium banks.
- Unconditional irrevocable personal guarantee for total borrowings given by Mr. Ganesan Natarajan, erstwhile whole time Director (upto 31-Jul-13) and
- Corporate guarantee for total borrowings given by Haldia Coke and Chemicals Private Limited, the holding company.

10. B) Additional Security by way of pledge of 46 50 000 equity shares of ₹10/- each of the company, held by its Holding company M/s Haldia Coke and Chemicals Private Limited in favour of State Bank of India, Kolkata towards extension of banking facilities.

10. C) Disclosure in respect of default and applicable interest rate is as follows:

Particulars	Default in repayment of overdrawn amount #	Default in repayment of interest #	Applicable rate of interest
State Bank of Hyderabad	20 25 73 769	18 91 012	15.70%
Union Bank of India	Nil	19 86 830	15.75%
State Bank of India	Nil	48 21 858	16.00%

# The above default in repayment of the amount and Interest are less than 30 days as on the balance sheet date.

## 11. TRADE PAYABLES

Particulars	March 31, 2015	March 31, 2014
Due to Related Parties	28 14 27 569	188 14 09 489
Dues to Micro, Small and Medium Enterprises*	-	-
Others	88 66 10 582	164 67 53 630
<b>Total</b>	<b>116 80 38 151</b>	<b>352 81 63 119</b>

\* Based on the information available with the management, there are no amounts due to Micro, Small and Medium Enterprises, which has been relied upon by the auditors.



## NOTES TO THE ACCOUNTS

## 12. OTHER CURRENT LIABILITIES

Particulars	March 31, 2015	March 31, 2014
Current maturities of long term debt	-	9 76 19 144
Interest accrued and due on borrowings	-	13 57 816
Advance received from customers	23 91 578	36 34 10 657
Others		
- Expenses payable	1 07 63 165	88 65 409
- Rates & Taxes	3 42 26 865	8 62 20 226
- Due to Employees	-	50 594
- Payable towards purchase of fixed assets	24 30 065	83 15 193
<b>Total</b>	<b>4 98 11 673</b>	<b>56 58 39 039</b>

## 13. SHORT TERM PROVISIONS

Particulars	March 31, 2015	March 31, 2014
Provision for Employee Benefits	54 201	77 170
Provision for Lease Rent	-	57 83 476
<b>Total</b>	<b>54 201</b>	<b>58 60 646</b>

# NOTES TO THE ACCOUNTS

## 14. FIXED ASSETS

		Gross Block - At Cost			Depreciation / Amortization					Net Block		
	Description	As at April 1, 2014	Additions	Disposal	As at March 31, 2015	Up to April 1, 2014	For the year	Transfer to Opening Reserve	On disposal / Adjustment	Up to March 31, 2015	As at March 31, 2015	As at March 31, 2014
<u>TANGIBLE</u>	Leasehold land #	2 46 37 289	-	-	2 46 37 289	14 49 250	2 89 850	-	-	17 39 100	2 28 98189	2 31 88 039
	Leasehold improvements	15 58 528	-	-	15 58 528	8 55 832	1 32 467	-	-	9 88 299	5 70 229	7 02 696
	Building	5 10 18 161	3 28 58 527	-	8 38 76 688	1 41 45 285	44 38 172	-	-	1 85 83 457	6 52 93 231	3 68 72 876
	Plant and machinery	137 46 62 031	9 10 118	-	137 55 72 149	57 83 83 955	12 11 95 924	-	-	69 95 79 879	67 59 92 270	79 62 78 076
	Furniture and fixtures	21 85 859	8 200	-	21 94 059	13 62 969	1 28 965	(9 045)	-	14 82 889	7 11 170	8 22 890
	Office equipment	83 81 027	1 77 029	-	85 58 056	42 24 165	23 35 672	9 95 091	-	75 54 928	10 03 128	41 56 862
	Computer and accessories	43 88 085	3 34 476	-	47 22 561	31 21 417	4 60 593	1 39 521	-	37 21 531	10 01 030	12 66 668
	Vehicles	70 56 521	-	15 20 219	55 36 302	42 23 201	3 95 848	-	8 94 385	37 24 664	18 11 638	28 33 320
	Total	147 38 87 501	3 42 88 350	15 20 219	150 66 55 632	60 77 66 074	12 93 77 491	11 25 567	8 94 385	73 73 74 747	76 92 80 885	86 61 21 427
	<u>INTANGIBLE</u>											
Software(other than internally generated)		7 91 997	3 40 000	-	11 31 997	2 41 847	1 57 548	13 435	-	4 12 830	7 19 167	5 50 150
	Total	7 91 997	3 40 000	-	11 31 997	2 41 847	1 57 548	13 435	-	4 12 830	7 19 167	5 50 150
	Capital work-in-progress	1 24 20 002	2 83 22 235	-	4 07 42 237	-	-	-	-	-	4 07 42 237	1 24 20 002
	Grand Total	148 70 99 500	6 29 50 585	15 20 219	154 85 29 866	60 80 07 921	12 95 35 039	11 39 002	8 94 385	73 77 87 577	81 07 42 289	87 90 91 579
	Previous year	145 65 73 192	3 26 41 515	21 15 207	148 70 99 500	45 89 35 670	14 90 72 251	-	-	60 80 07 921	87 90 91 579	99 76 37 524

# Gross block of the Company includes Leasehold land of Rs. 2 46 37 289/- registered in the name of erstwhile company Ennore Power and Coke Private Limited (EPCPL). During January 2009, the Company has invested in 100% of shares of EPCPL and further entered into a scheme of amalgamation of EPCPL from the appointed date of April 01, 2008 duly approved by the shareholders of both the companies, consortium banks and the Hon'ble High Court of Madras. Under the scheme, the Company shall be entitled to apply for the necessary approvals from concerned authorities to own and operate the undertakings of EPCPL. The Company has filed an application for title change, subsequent to the amalgamation, with Haldia Development Authority (HDA) which is pending approval.

## NOTES TO THE ACCOUNTS

## 15. CURRENT AND NON-CURRENT INVESTMENTS

Particulars	March 31, 2015	March 31, 2014
<b>15. A. NON-CURRENT INVESTMENTS</b>	-	-
<b>15. B. CURRENT INVESTMENTS</b>	-	-

## 16 a. DEFERRED TAX ASSET (NET)

Particulars	March 31, 2015	March 31, 2014
Difference between book value and tax written down value of fixed assets	(3 58 64 575)	(4 24 90 386)
Disallowances under Income Tax Act, 1961	10 42 832	7 15 875
Carry forward of Depreciation / Business losses under Income Tax Act, 1961	15 57 22 180	15 57 22 180
<b>Deferred Tax Asset (Net)</b>	<b>12 09 00 437</b>	<b>11 39 47 669</b>

- 16 b. Deferred tax asset on the losses incurred during the year has not been recognised, as the future taxable income will not be sufficient against which the deferred tax asset can be realised.
- 16 c. Deferred tax asset of ₹ 15 57 22 180/- on account of carried forward business losses and depreciation as per the Income Tax Act is continued to be carried forward and no adjustment for the reversal has been considered during the year, as the management is of the opinion that the company's taxable income in the ensuing financial years would be adequate enough to absorb the same

## 17. LONG-TERM LOANS AND ADVANCES

Particulars	March 31, 2015	March 31, 2014
<b>Unsecured, considered good</b>		
Loans and advance to related party #	5 77 99 594	5 20 39 594
Rental advance	7 97 610	7 88 645
Others		
- for trade	31 42 933	31 42 933
- to employees	-	35 00 000
- advance for capital goods	28 66 455	1 55 25 599
<b>Total</b>	<b>6 46 06 592</b>	<b>7 49 96 771</b>

# includes dues from Companies where Directors are Interested ₹ NIL (Previous year - ₹ 11 72 390)

## 18. OTHER NON-CURRENT ASSETS

Particulars	March 31, 2015	March 31, 2014
Long term trade receivables (Unsecured, considered good)	-	2 09 43 59 955
Security Deposits	32 86 873	32 58 364
Balances with Government Authorities	1 15 77 106	1 00 69 913
<b>Total</b>	<b>1 48 63 979</b>	<b>2 10 76 88 232</b>

# NOTES TO THE ACCOUNTS

## 19. INVENTORIES

Valued at Lower of Cost and Net Realisable Value

Particulars	March 31, 2015	March 31, 2014
Raw Materials *	28 71 95 576	59 38 52 088
Stock-in-Trade #	-	66 36 11 947
Finished Goods	36 68 66 242	40 76 70 362
Stores Consumables	20 31 788	-
Work-in-progress	-	-
<b>Total</b>	<b>65 60 93 606</b>	<b>1 66 51 34 397</b>

\* Includes Materials-in-transit of ₹ Nil/- (Previous year - ₹ 26 09 98 964/-)

# Includes Materials-in-transit of ₹ Nil/- (Previous year - ₹ 26 14 40 000/-)

## 20. TRADE RECEIVABLES

Particulars	March 31, 2015	March 31, 2014
<b>Unsecured, considered good</b>		
- Outstanding for a period exceeding six months from the date they are due for payment *	47 45 75 039	96 83 58 064
- Other receivables@	129 79 27 047	224 00 56 816
<b>Total #</b>	<b>177 25 02 086</b>	<b>320 84 14 880</b>

\* Includes dues from Related party ₹ 47 45 75 039/- (Previous year – ₹ 80 82 26 291/-)

@ Includes dues from Related Party ₹ 47 13 45 077/- (Previous year – ₹ 219 56 84 798/-)

# Includes dues from Companies where Directors are Interested ₹ 39 93 76 464/- (Previous year – ₹ 182 07 20 597/-)

## 21. CASH AND CASH EQUIVALENTS

Particulars	March 31, 2015	March 31, 2014
Cash-in-Hand	41 424	36 872
Balance with Banks		
- On Current Account	17 74 399	5 76 720
- Margin Money	23 45 05 878	21 31 04 141
<b>Total</b>	<b>23 63 21 701</b>	<b>21 37 17 733</b>

## 22. SHORT TERM LOANS AND ADVANCES

Particulars	March 31, 2015	March 31, 2014
<b>Unsecured, considered good</b>		
Loans and advances to related party	-	11 72 390
Others		
- to employees	2 18 184	74 092
- to suppliers	54 85 863	36 69 332
<b>Total</b>	<b>57 04 047</b>	<b>49 15 814</b>

## NOTES TO THE ACCOUNTS

## 23. OTHER CURRENT ASSETS

Particulars	March 31, 2015	March 31, 2014
Deposits/ Balances with Government Authorities	13 40 89 589	11 13 87 884
Other Current Assets		
- Non-operating Income accrued but not due	73 98 659	52 61 795
- Expenses paid in advance	15 93 050	17 66 268
<b>Total</b>	<b>14 30 81 298</b>	<b>11 84 15 947</b>

## 24. REVENUE FROM OPERATIONS

Particulars	2014-15	2013-14
Sale of products (net of returns)		
- Coal	75 12 24 057	102 72 32 913
- Coke	267 48 09 239	362 63 91 342
Sale of power Less rebate	2 52 37 398	3 29 08 909
Other Operating Revenue	9 18 192	24 11 800
<b>Total</b>	<b>345 21 88 886</b>	<b>468 89 44 964</b>

## 25. OTHER INCOME

Particulars	2014-15	2013-14
Interest Income	2 64 61 284	17 48 55 199
Other Non-Operating Income		
Insurance Claim Received	49 711	-
Sundry Balances written back	48 36 45 477	21 63 41 116
Provisions no longer required written back	57 83 476	6 28 326
Others	-	48 859
<b>Total</b>	<b>51 59 39 948</b>	<b>39 18 73 500</b>

## 26. COST OF MATERIALS CONSUMED/ PURCHASE OF TRADED GOODS/ CHANGES IN FINISHED GOODS AND STOCK-IN-TRADE

Particulars	2014-15	2013-14
<b>Raw Material – Coal</b>		
Opening Stock	59 38 52 088	22 86 69 481
Add: Purchases	50 83 01 608	132 01 38 305
Less: Closing Stock	28 71 95 576	59 38 52 088
<b>Cost of Materials Consumed</b>	<b>81 49 58 120</b>	<b>95 49 55 698</b>
<b>Traded Goods</b>		
Purchases of Coal	8 39 32 143	153 46 72 496
Purchase of Coke	195 39 86 526	244 85 34 292
Less: Trade Discount	-	2 69 21 731
<b>Purchase of Traded Goods</b>	<b>203 79 18 669</b>	<b>395 62 85 057</b>

# NOTES TO THE ACCOUNTS

Particulars	2014-15	2013-14
<b>(Increase)/ Decrease in Finished Goods</b>		
Opening Stock	40 76 70 362	38 94 35 731
Less: Closing Stock	36 68 66 242	40 76 70 362
<b>(Increase)/ Decrease in Finished Goods</b>	<b>4 08 04 120</b>	<b>(1 82 34 631)</b>
<b>(Increase)/ Decrease in Traded Goods</b>		
Opening Stock	66 36 11 947	-
Less: Closing Stock	-	66 36 11 947
<b>(Increase)/ Decrease in Traded Goods</b>	<b>66 36 11 947</b>	<b>(66 36 11 947)</b>
<b>Net Changes [(Increase)/ Decrease] in inventories of finished goods and Stock-in-Trade</b>	<b>70 44 16 067</b>	<b>(68 18 46 578)</b>

## 27. EMPLOYEE BENEFIT EXPENSES

Particulars	2014-15	2013-14
Salary, Gratuity and Leave Encashment	5 05 15 032	3 94 33 206
Staff welfare	11 55 719	10 43 458
Contribution to Provident fund and other funds	30 46 383	20 11 714
Administrative charges of Provident fund and other funds	3 51 254	2 36 861
<b>Total</b>	<b>5 50 68 388</b>	<b>4 27 25 239</b>

## 28. FINANCE COSTS

Particulars	2014-15	2013-14
Interest Expenses		
- Term Loans	86 92 103	2 52 38 871
- Cash Credit	6 76 35 409	5 71 14 981
Interest on unsecured advances	-	1 51 21 489
Other Borrowing Costs	7 68 19 101	6 08 43 701
Interest on delay in repayment of Income Tax	-	9 10 069
<b>Total</b>	<b>15 31 46 613</b>	<b>15 92 29 111</b>

## 29. OTHER EXPENSES

Particulars	2014-15	2013-14
<b>Trading and Manufacturing Expenses</b>		
Consumption of Stores & Spare Parts	1 72 93 330	1 44 58 887
Freight and Forwarding Charges	13 84 74 797	29 18 55 386
Contract Services	4 11 10 358	3 01 96 749
Power & Fuel	1 63 75 837	1 68 33 301
Repairs & Maintenance to Machinery	60 43 767	1 76 19 611
Other Manufacturing Expenses	2 18 15 158	2 19 99 172
<b>Sub-Total</b>	<b>24 11 13 247</b>	<b>39 29 63 106</b>

## NOTES TO THE ACCOUNTS

Particulars	2014-15	2013-14
<b>Administrative Expenses</b>		
Rent	30 23 786	36 69 287
Rates & Taxes	1 08 11 452	1 21 11 419
Insurance	51 40 114	50 96 673
Electricity Charges	5 34 635	5 64 334
Advertisement Expenses	3 80 980	9 86 434
Travelling & Conveyance	1 01 07 759	1 18 58 251
Repairs & Maintenance – Machinery	31 98 848	75 68 559
Repairs & Maintenance – Building	-	1 56 154
Printing & Stationery	6 44 519	6 43 799
Postage & Courier	4 01 266	4 09 763
Communication Expenses	13 46 708	13 81 330
Audit Fees	38 79 023	22 11 643
Legal and Professional Charges	1 79 54 615	2 40 57 836
Penalty on non-payment of statutory dues	-	36 000
Commission	3 15 162	-
Bad Debts Written off	26 24 94 793	19 77 58 806
Sundry Balances Written off	37 10 950	6 78 873
Advances Written Off	35 39 261	3 26 00 558
Deposits Written off	38 879	-
Loss on Exchange Fluctuation	18 52 696	8 21 69 840
Other Administrative Expenses	44 90 906	49 60 496
<b>Sub-Total</b>	<b>33 38 66 352</b>	<b>38 89 20 055</b>
<b>Total</b>	<b>57 49 79 599</b>	<b>78 18 83 161</b>

## 30. PRIOR PERIOD EXPENSES

Particulars	2014-15	2013-14
Miscellaneous Expenses	6 52 319	1 13 410
<b>Total</b>	<b>6 52 319</b>	<b>1 13 410</b>

## 31. CONFIRMATION OF BALANCES

The Company has not obtained confirmation of balances in respect of:-

- Loans & Advances amounting to ₹ 6 09 42 527 /-
- Trade Payables amounting to ₹ 10 36 84 384 /-
- Deposits amounting to ₹ 18 78 308 /-

Pending receipt of confirmation and reconciliation of balances, no adjustments have been carried out to the carrying values of the above amounts for the year ended 31 March 2015. In the opinion of the Management, the amounts stated in the Balance Sheet are fully realisable / payable.

## 32. TAXATION

- No provision for Income Tax (Previous year "Nil") has been made for the year under review as there is no taxable income under the normal provisions of the Income Tax Act 1961 Tax as well as under section 115JB of the Income Tax Act, 1961 (Minimum Alternate Tax).
- Income tax assessments up to 31st March 2013 have been completed and additional demands have been raised, disputed and under appeal is ₹ 28 11 95 610/-. The company is confident of winning the appeals and hence no provision is considered necessary for the above amount.
- Provision for Tax – Earlier years

Particulars	2014-15	2013-14
AY 2012-13	-	9 09 931
<b>TOTAL</b>	<b>-</b>	<b>9 09 931</b>



# NOTES TO THE ACCOUNTS

## 33. CONTINGENT LIABILITIES

Particulars	March 31, 2015	March 31, 2014
1. Guarantees issued by the Company on behalf of		
a. Fellow Subsidiaries		
(i) Wellman Coke India Ltd – State Bank of India	151 59 00 000	151 59 00 000
(ii) laeger Minerals Inc, USA – Axis Bank	62 59 08 000	60 09 98 000
b. others	45 63 398	43 46 013
2. Letters of Credit issued by Banks and outstanding	53 19 58 560	40 24 10 400
3. Excise duty payable for export of coke cleared under bond	1 22 04 021	1 22 04 021
4. Claims against the Company not acknowledged as debts	Not Quantifiable	Nil
5. Demand Notice issued for payment of Income Tax - A.Y. 2010-11 and appeal made by the company against the demand	Nil	6 63 47 153
6. Demand Notice issued for payment of Income Tax - A.Y. 2011-12 and appeal made by the company against the demand	23 84 17 370	23 84 17 370
7. Demand Notice issued for payment of Income Tax - A.Y. 2012-13 and appeal made by the company against the demand	4 27 78 240	Nil
8. Demand Notice issued for payment of Service Tax - A.Y. 2009-10 to AY 2012-13 and appeal made by the company with the CESTAT against the demand.	99 61 269	Nil
9. Ad-hoc VAT Payments made to West Bengal VAT authorities disputed and under appeal with the Appellate Tribunal.	7 70 00 000	7 70 00 000
10. Ad-hoc VAT Payments made to Gujarat VAT authorities	Nil	27 04 595
11. Accumulated preference dividend on 10% cumulative redeemable preference shares – pro rata from the date of allotment up to the balance sheet date.	12 84 93 151	2 84 93 151

## 34. COMMITMENTS

Particulars	2014-15	2013-14
Estimated amount of contracts remaining to be executed on capital and not provided for	1 29 79 474	3 94 07 439

## 35. PAYMENT TO AUDITORS (including service tax)

Particulars	2014-15	2013-14
Statutory Audit	23 59 560	16 85 400
Internal Audit	7 86 880	-
Tax Audit	5 89 890	1 96 630
Other Services	1 42 693	3 29 613
<b>Total</b>	<b>38 79 023</b>	<b>22 11 643</b>

# NOTES TO THE ACCOUNTS

## 36. EXPENDITURE IN FOREIGN CURRENCY

Particulars	2014-15	2013-14
Travelling Expenses	4 21 655	4 57 279
Demurrage Charges	2 28 90 599	7 58 37 896
Interest on Claims payable	12 53 622	12 44 316
Freight Charges	1 61 44 414	6 16 50 948
Legal Fees	1 17 64 608	1 45 83 947
Subscription	2 660	-
<b>Total</b>	<b>5 24 77 558</b>	<b>15 37 74 386</b>

## 37. EARNINGS IN FOREIGN CURRENCY

Particulars	2014-15	2013-14
Export of goods on FOB basis	-	1 85 36 839

## 38. VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF:

Particulars	2014-15	2013-14
Raw materials	-	18 90 54 644
Traded goods	-	29 53 74 169
<b>Total</b>	<b>-</b>	<b>48 44 28 813</b>

## 39. VALUE OF RAW MATERIALS (COAL) CONSUMED DURING THE YEAR:

Particulars	2014-15		2013-14	
Imported	-	-	18 90 54 644	20%
Indigenous	81 49 58 120	100%	76 59 01 054	80%
<b>Total</b>	<b>81 49 58 120</b>	<b>100%</b>	<b>95 49 55 698</b>	<b>100%</b>

## 40. OPERATING LEASE

The Company has its office premises under operating lease arrangement which is cancellable at the option of the Company, by providing 3 months prior notice. The Company is incurring lease rent for the leasehold land referred in note14 of Notes to Financial Statements which is a non-cancellable lease, for which AS 19 is not applicable.

## 41. GRATUITY AND OTHER POST EMPLOYMENT BENEFIT PLANS

As per Accounting Standard – 15 revised, “Employee Benefits”, the disclosures as defined in the Accounting Standard are given below:

For determining the gratuity/leave encashment liability of the Company, the following actuarial assumptions were used:

PRINCIPAL ACTUARIAL ASSUMPTIONS	GRATUITY		LEAVE ENCASHMENT	
	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14
Discount Rate per annum	7.80%	9.00%	7.80%	9.00%
Salary escalation rate per annum	6.00%	6.00%	6.00%	6.00%
Attrition rate per annum	2.00%	2.00%	2.00%	2.00%
Expected rate of return on Plan Assets	Unfunded			

# NOTES TO THE ACCOUNTS

## Gratuity and Leave Encashment

Reconciliation of Opening and Closing Balances of Defined Benefit Present Value of obligations (PVO)				
	GRATUITY		LEAVE ENCASHMENT	
	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14
<b>PVO as at the beginning of the period</b>	<b>14 71 825</b>	<b>15 46 712</b>	<b>6 34 309</b>	<b>12 59 139</b>
Interest Cost	1 32 464	1 39 204	57 088	1 13 323
Current service cost	5 86 204	4 56 042	3 29 449	40 438
Past service cost - (non-vested benefits)	-	-	-	-
Past service cost - (vested benefits)	-	-	-	-
Benefits paid	(7 17 404)	-	(3 04 792)	(2 99 577)
Actuarial loss/(gain) on obligation	5 18 717	(6 70 133)	3 05 410	(4 79 014)
<b>PVO as at the end of the period</b>	<b>19 91 806</b>	<b>14 71 825</b>	<b>10 21 464</b>	<b>6 34 309</b>

Actuarial gain / loss recognized				
Actuarial gain / (loss) for the period - Obligation	5 18 717	(6 70 133)	3 05 410	(4 79 014)
Actuarial gain / (loss) for the period- Plan Assets	-	-	-	-
Total (gain) / loss for the period	5 18 717	(6 70 133)	3 05 410	(4 79 014)
<b>Actuarial (gain) / loss recognized in the period</b>	<b>5 18 717</b>	<b>(6 70 133)</b>	<b>3 05 410</b>	<b>(4 79 014)</b>
Unrecognized actuarial (gain) / loss at the end of the year	5 18 717	(6 70 133)	3 05 410	(4 79 014)

Amounts recognized in the Balance Sheet and related analysis				
Present value of the obligation	19 91 806	14 71 825	10 21 464	6 34 309
Fair value of plan assets	-	-	-	-
<b>Liability recognized in the balance sheet</b>	<b>19 91 806</b>	<b>14 71 825</b>	<b>10 21 464</b>	<b>6 34 309</b>

Expenses recognized in the statement of profit and loss:				
Current service cost	5 86 204	4 56 042	3 29 449	1 13 323
Interest Cost	1 32 464	1 39 204	57 088	40 438
Expected return on plan assets	-	-	-	-
Net actuarial (gain)/loss recognized in the year	5 18 717	(6 70 133)	3 05 410	(4 79 014)
Past service cost - non-vested benefits	-	-	-	-
Past service cost - vested benefits	-	-	-	-
<b>Expenses recognized in the statement of profit and loss</b>	<b>12 37 385</b>	<b>(74 887)</b>	<b>6 91 947</b>	<b>(3 25 253)</b>

Movements in the liability recognized in the Balance sheet				
Opening net liability	14 71 825	15 46 712	6 34 309	12 59 139
Expense as above	12 37 385	(74 887)	6 91 947	(3 25 253)
Contribution paid	(7 17 404)	-	(3 04 792)	(2 99 577)
<b>Closing net liability</b>	<b>19 91 806</b>	<b>14 71 825</b>	<b>10 21 464</b>	<b>6 34 309</b>

Amount for the current period				
Present Value of obligation	14 71 825	15 46 712	6 34 309	12 59 139
Plan Assets	-	-	-	-
Surplus (Deficit)	(19 91 806)	(14 71 825)	(10 21 464)	(6 34 309)
Experience adjustments on plan liabilities -(loss)/gain	5 18 717	(6 70 133)	3 05 410	(4 79 014)
Experience adjustments on plan assets -(loss)/gain	-	-	-	-

## NOTES TO THE ACCOUNTS

Name of the Defined Contribution Plan	Amount debited in statement of profit and loss	
	2014-15	2013-14
Contribution to Provident Fund	27 48 130	17 67 627

## 42. EARNINGS PER SHARE

Particulars	2014-15	2013-14
Net Profit/(Loss) after Taxes as per Statement of Profit and Loss attributable to Equity Shareholders (₹)	(53 64 52 528)	(36 12 29 239)
Nominal Value Per Share (₹)	10	10
Weighted Average Number of Equity Shares used as denomination for calculating Earnings per share	1 55 00 000	1 55 00 000
<b>Basic and Diluted Earnings per share (₹)</b>	<b>(34.61)</b>	<b>(23.31)</b>

## 43. RELATED PARTY DISCLOSURES

1. Holding Company	Haldia Coke and Chemicals Private Limited
2. Fellow Subsidiaries	Wellman Coke India Limited Mississippi Minerals Inc., USA (formerly Tiger American Minerals Inc., USA) laeger Minerals Inc., USA (formerly Shriram minerals Inc., USA) Asia Coke Limited Aditya Coke Private Limited Mahala Coke Products Private Limited
3. Associate Enterprise	Shriram EPC Limited
4. Enterprises having ability to exercise control	Premier Energy and Infrastructure Limited EMAS Engineers & Contractors Private Limited Shriram Auto Finance, partnership firm

## 5. Transactions with Related Parties

PARTICULARS	HOLDING COMPANY		FELLOW SUBSIDIARIES		ASSOCIATE ENTERPRISE		ENTERPRISE HAVING ABILITY TO EXERCISE CONTROL	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Sale of Goods	-	-	206 94 06 451	334 78 13 296	-	-	-	-
Purchase of Goods	58 27 96 500	226 39 21 666	89 82 38 828	35 19 34 280	-	-	-	-
Loans Received	295 80 34 043	215 25 29 413	2 87 90 677	47 30 50 621	-	-	-	-
Loans repaid	357 05 65 927	303 97 76 284	33 18 57 792	32 06 29 836	5 78 94 220	6 47 114	-	-
Expense reimbursed by	81 33 458	28 49 41 794	70 17 438	8 74 41 018	5 97 306	8 778	-	-
Expenses reimbursed to	23 09 81 025	50 03 66 343	13 07 82 848	43 40 635	28 79 540	14 17 310	-	-
Interest Paid	-	-	-	1 49 70 089	-	-	-	-
Interest Received	-	-	427	12 77 67 292	-	-	57 60 000	57 60 000
Remuneration	-	-	-	-	-	-	-	13 89 760
Capital - Contract (billing)	-	-	-	-	-	-	-	-
Guarantee Issued (On account of re-instatement)	-	-	-	-	-	-	-	-
			2 49 10 000	5 71 05 000				

# NOTES TO THE ACCOUNTS

Balance Outstanding at the year end								
PARTICULARS	HOLDING COMPANY		FELLOW SUBSIDIARIES		ASSOCIATE ENTERPRISE		ENTERPRISE HAVING ABILITY TO EXERCISE CONTROL	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Unsecured Loans	37 85 65 679	77 09 42 800	-	26 50 20 846	105 05 02 488	110 83 96 709	-	-
Loans & Advances	-	-	-	11 72 390	-	-	5 77 99 594	5 20 39 594
Sundry Debtors	-	-	94 59 20 116	300 39 11 089	-	-	-	-
Sundry Creditors	-	160 04 10 533	-	-	28 14 27 569	28 09 98 956	-	-
Guarantee Outstanding (given)	-	-	214 18 08 000	211 68 98 000	-	-	-	-

## 6. Details of Material Related Party Transactions

Particulars	Relationship	31-Mar-15	31-Mar-14
<b>TRANSACTIONS DURING THE YEAR</b>			
<b><u>Sale of Goods</u></b>			
Wellman Coke India Limited	Fellow Subsidiary	10 58 40 072	65 13 42 592
Aditya Coke Private Limited	Fellow Subsidiary	196 35 66 379	269 64 70 704
<b><u>Purchase of Goods</u></b>			
Haldia Coke and Chemicals Private Limited	Holding Company	58 27 96 500	226 39 21 666
Wellman Coke India Limited	Fellow Subsidiary	10 86 86 602	27 94 91 656
Aditya Coke Private Limited	Fellow Subsidiary	78 95 52 226	7 24 42 624
<b><u>Loans Received</u></b>			
Haldia Coke and Chemicals Private Limited	Holding Company	295 80 34 043	215 25 29 413
Wellman Coke India Limited	Fellow Subsidiary	90 00 000	13 49 87 361
Aditya Coke Private Limited	Fellow Subsidiary	1 86 17 860	29 89 75 000
Mahala Coke Products Private Limited	Fellow Subsidiary	11 72 817	3 90 88 260
<b><u>Loans Repaid</u></b>			
Haldia Coke and Chemicals Private Limited	Holding Company	357 05 65 927	303 97 76 284
Wellman Coke India Limited	Fellow Subsidiary	20 10 39 159	5 78 36 074
Shriram EPC Limited	Associate Enterprise	5 78 94 220	6 47 114
Aditya Coke Private Limited	Fellow Subsidiary	13 08 18 633	22 27 40 502
Mahala Coke Products Private Limited	Fellow Subsidiary	-	4 00 53 260
<b><u>Expenses Reimbursed by</u></b>			
Haldia Coke and Chemicals Private Limited	Holding Company	81 33 458	28 49 41 794
Wellman Coke India Limited	Fellow Subsidiary	18 28 715	8 20 65 239
Shriram EPC Limited	Associate Enterprise	5 97 306	8 778
Aditya Coke Private Limited	Fellow Subsidiary	51 88 723	53 65 779
Mahala Coke Products Private Limited	Fellow Subsidiary	-	10 000
<b><u>Expenses Reimbursed to</u></b>			
Haldia Coke and Chemicals Private Limited	Holding Company	23 09 81 025	50 03 66 343
Wellman Coke India Limited	Fellow Subsidiary	22 01 827	33 73 073
Shriram EPC Limited	Associate Enterprise	28 79 540	14 17 310
Aditya Coke Private Limited	Fellow Subsidiary	12 85 81 021	9 67 562

## NOTES TO THE ACCOUNTS

Particulars	Relationship	31-Mar-15	31-Mar-14
<b>Interest Paid</b>			
Wellman Coke India Limited	Fellow Subsidiary	-	1 49 70 089
<b>Interest Received</b>			
Wellman Coke India Limited	Fellow Subsidiary	-	12 75 69 902
EMAS Engineers & Contracts Pvt Ltd	Enterprise having ability to exercise control	57 60 000	57 60 000
Mahala Coke and Products Pvt Ltd	Fellow Subsidiary	427	1 97 390
<b>Remuneration</b>			
Ganesan Natarajan	Key Managerial Personnel	-	13 89 760
<b>Guarantees Issued</b>			
laeger Minerals Inc, USA	Fellow Subsidiary	2 49 10 000	5 71 05 000

BALANCES OUTSTANDING AT THE YEAR END			
<b>Unsecured Loans</b>			
Haldia Coke and Chemicals Pvt Ltd	Holding Company	37 85 65 679	77 09 42 800
Wellman Coke India Limited	Fellow Subsidiary	-	19 26 35 036
Shriram EPC Limited	Associate Enterprise	105 05 02 488	110 83 96 709
Aditya Coke Pvt Ltd	Fellow Subsidiary	-	7 23 85 810
<b>Loans &amp; Advances</b>			
EMAS Engineers & Contractors Private Limited	Enterprise having ability to exercise control	5 77 99 594	5 20 39 594
Mahala Coke Products Private Limited	Fellow Subsidiary	-	11 72 390
<b>Sundry Debtors</b>			
Wellman Coke India Limited	Fellow Subsidiary	54 65 43 652	118 31 90 492
Aditya Coke Private Limited	Fellow Subsidiary	39 93 76 464	182 07 20 597
<b>Sundry Creditors</b>			
Haldia Coke and Chemicals Private Limited	Holding Company	-	160 04 10 533
Shriram EPC Limited	Associate Enterprise	28 14 27 569	28 09 98 956
<b>Guarantees Outstanding</b>			
Wellman Coke India Limited	Fellow Subsidiary	151 59 00 000	151 59 00 000
laeger Minerals Inc, USA	Fellow Subsidiary	62 59 08 000	60 09 98 000

## 44.DISCLOSURES UNDER LISTING AGREEMENT

As required by the amendment to Clause 32 of the listing agreement vide SEBI circular no. 2 / 2003 of 10th January, 2003, the following disclosure has been made:

- Loans and advances in the nature of loans to subsidiaries : Nil
- Loans and advances in the nature of loans to associates :

Name of the Company	Maximum Amount due	Outstanding as on 31 March 2015
Mahala Coke Products Private Limited	11 72 390	Nil
EMAS Engineers & Contractors Private Limited	5 77 99 594	5 77 99 594

- Loans and advances in the nature of loans to firms/companies in which directors are interested : Nil
- Investments by Loan in the shares of the Company as on 31 March 2015 : Nil

# NOTES TO THE ACCOUNTS

## 45. SEGMENT REPORTING

The Company is engaged in the business of manufacturing and trading of coke/coal and generation of power, which as per Accounting Standard 17 on "Segment Reporting" are considered to be different reportable business segment.

The Company is operating in India which is considered as a single geographical segment.

PARTICULARS	COKE	POWER	TOTAL
<b>REVENUE</b>			
External Sales	338 60 92 172	2 52 37 398	341 13 29 570
Inter segment Sales	-	-	-
<b>TOTAL REVENUE</b>	<b>338 60 92 172</b>	<b>2 52 37 398</b>	<b>341 13 29 570</b>
<b>RESULTS</b>			
Segment Results	(53 97 93 538)	(2 69 17 608)	(56 67 11 146)
Interest & Finance Charges	-	-	(15 31 46 613)
Unallocated Corporate (Expenses)/ Income	-	-	17 64 52 463
<b>TOTAL PROFIT BEFORE TAX</b>	-	-	(54 34 05 296)
Income Taxes/Deferred tax	-	-	(69 52 768)
<b>TOTAL PROFIT AFTER TAX</b>	-	-	(53 64 52 528)
<b>CAPITAL EMPLOYED</b>			
Segment Assets	239 54 42 535	41 06 18 853	280 60 61 388
Segment Liabilities	(110 82 77 059)	(43 52 003)	(111 26 29 062)
Unallocated Assets/ (Liabilities)	-	-	(148 11 60 165)
<b>TOTAL CAPITAL EMPLOYED</b>	<b>128 71 65 476</b>	<b>40 62 66 850</b>	<b>21 22 72 161</b>
Capital Expenditure	3 46 28 349	-	<b>3 46 28 349</b>
Depreciation and amortization	10 01 67196	2 93 67 843	<b>12 95 35 039</b>
Non-Cash expenditure other than Depreciation and amortization	-	-	-

## 46. ASSIGNMENT OF TRADE RECEIVABLES

Based on the approval given by the shareholders in the EGM dated 2<sup>nd</sup> December 2014, the Company has assigned during the year, certain trade receivables amounting to ₹ 199 20 64 338/- to its Holding Company M/s Haldia Coke & Chemicals Private Limited in partial settlement of the loans availed from them. However, confirmation from the respective parties for the above assignment are available for a sum of ₹ 79 09 73 728/-.

**47.** Based on a legal opinion, an amount of ₹ 7 70 00 000/- paid to West Bengal VAT Authorities in an earlier financial year is being disputed by the Company and is carried over as advance. In the opinion of the management, the amount is fully recoverable and hence no provision is considered necessary for the same.

## 48. CHANGE IN ACCOUNTING POLICIES

- Consequent to the applicability of the Companies Act, 2013 with effect from 1st April 2014, depreciation for the year ended 31 March 2015 has been calculated based on the useful life as specified under Schedule II of the said Act. As a result, the depreciation charge for the year is higher by ₹ 4 39 097/-. Further based on the transitional provision as per Note 7(b) of Schedule II, an additional depreciation amount of ₹ 11 39 002/- has been debited to the opening balance of the retained earnings as on 1st April 2014 where the remaining useful life of the assets are Nil.
- The Company has been hitherto adopting the policy of treating the purchase of Stores and Consumables as expenditure without accounting for their stock materials at the close of the accounting period. However, the Company has changed during the current year, the method of accounting, by recognising in the books the value of such stocks physically available at the stores every month. As a result, the loss for the year is lower by ₹ 20 31 788/- and the inventory is higher by the same amount.
- The Company has been hitherto adopting the policy of accounting the finance charges in respect of letters of credit opened by the company as expenditure. However from the current year, the finance charges are accounted as expenditure on a pro-rata basis corresponding to the tenor of the instrument and the charges relating to the unexpired period is carried over. As a result, the loss for the year is lower by ₹ 5 30 991/- and the current asset is higher by the same amount.



# NOTES TO THE ACCOUNTS

- (iv) The Company has been hitherto recognising interest income on the loans due net of interest paid on loans received from a fellow subsidiary. However from the current year, the Company has not recognised such interest, taking a prudent and conservative view. The interest income (net of interest expense) not recognised amounts to ₹ 11 21 17 180/-. As a result, the loss is overstated and the current asset is understated by the same amount.

## 49. LITIGATION

There are legal cases against the company which have arisen in the ordinary course of business and have been disputed by the Company. The Company has made adequate provision in the books wherever required. The company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the company's results of operations or financial position.

## 50. RE-GROUPING

The figures of previous year including cash flow also have been re-grouped and re-classified wherever considered necessary to conform with the figures in accordance with the requirements applicable for the current year

### As per our report attached

**For Sreedhar, Suresh & Rajagopalan**  
**Chartered Accountants**  
*Firm Registration No : 003957S*

**S.Subramaniam**  
**Partner**  
 Membership No: 025433

**Place : Chennai**  
**Date : 22.05.2015**

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

**R. Ramakrishnan**  
**Director**  
 DIN : 00809342

**K.U. Sivadas**  
**Director**  
 DIN: 00498594

**A Ganesh**  
**Chief Financial Officer**

**M Saravanan**  
**Company Secretary**

# ENNORE COKE LIMITED

CIN: L65921TN1985PLC070358

Registered Office: Sigappi Achi Building, 1<sup>st</sup> Floor,  
18/3 Rukmini Lakshmipathi Road, Egmore, Chennai - 600008  
Ph : 044 - 40406363/73 Website : www.ennorecoke.com

## ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

Registered Folio No. / DP ID/ Client ID	
No. of Shares held	
Name and Address of the Member(s)	
Joint Holder 1	
Joint Holder 2	

I/We hereby record my/our presence at the **THIRTIETH ANNUAL GENERAL MEETING** of the Company to be held on Monday, the 28<sup>th</sup> September 2015 at 11.00 A.M. at Kamakoti Hall, Sri Krishna Gana Sabha, 20, Maharajapuram Santhanam Road, T. Nagar, Chennai-600017

Name of the Shareholder/Proxy  
(in BLOCK letters)

Signature of the Shareholder/Proxy

**Note: please fill up this Attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of Annual Report to the meeting.**

## E-VOTING PARTICULARS

EVSN (Electronic Voting Sequence Number)	USER ID	PASSWORD
150818011	Folio No / Client ID	PAN / Bank Account

**ENNORE COKE LIMITED**

CIN: L65921TN1985PLC070358

Registered Office: Sigappi Achi Building, 1<sup>st</sup> Floor,

18/3 Rukmini Lakshmiopathi Road, Egmore, Chennai - 600008. Ph : 044 - 40406363/73 Website : www.ennorecoke.com

**Form No. MGT 11****PROXY FORM**

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

CIN: L65921TN1985PLC070358

Name of the Company: ENNORE COKE LIMITED

Registered office: Sigappi Achi Building, 1st Floor, 18/3 Rukmini Lakshmiopathi Road, Egmore, Chennai - 600 084.

Name of the member(s)	
Registered address	
E-mail Id	
Folio No / Client Id	
DP ID	

I / We, being the member(s) holding ----- Equity Shares of the above named company, hereby appoint

1. Name----- Address-----  
 Email-Id----- Signature----- or failing him/her
2. Name----- Address-----  
 Email-Id----- Signature----- or failing him/her
3. Name----- Address-----  
 Email-Id----- Signature----- or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **THIRTIETH ANNUAL GENERAL MEETING** of the company, to be held on Monday, 28th September 2015 at 11 a.m. at Kamakoti Hall, Sri Krishna Gana Sabha, 20, Maharajapuram Santhanam Road, T. Nagar, Chennai - 600 017 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No	Resolutions
<b>Ordinary Business</b>	
1.	Adoption of Audited Balance Sheet and Profit and Loss Account of the Company for the year ended 31st March 2015
2.	Appointment of M/s. Sreedhar Suresh & Rajagopalan, Chartered Accountants as a Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the Thirty First Annual General Meeting
<b>Special Business</b>	
3.	Ratification of remuneration to be paid to Mr. M. Kannan, Cost Auditor of the Company
4.	Appointment of Ms. J Kotteswari as Director
5.	Appointment of Mr. K.U. Sivasdas as an Independent Director

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

Signature of Shareholder

Signature of Proxy holder(s)

Please affix  
₹ 1/-  
Revenue  
Stamp

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

## NOTES

[illegible]

## NOTES

[illegible]