



## COSMO FERRITES LIMITED

(Govt. of India Recognised Export House)

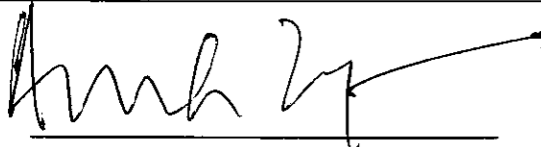

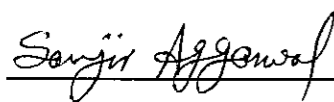
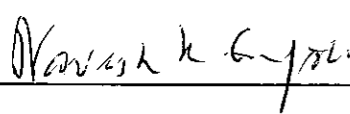
CIN : L27106HP1985PLC006378

H.O.: 517, 5th Floor, DLF Tower-A, Jasola District Centre, New Delhi-110025 (India)

Ph.: +91-11-49398800, Fax: +91-11-49398888

E-mail : sales@cosmoferrites.com Website : www.cosmoferrites.com

### FORM A

1.	Name of the Company	Cosmo Ferrites limited
2.	Annual Financial statement for the year ended	31 <sup>st</sup> March, 2015
3.	Type of Audit observation	Un-qualified Report
4.	Frequency of observation	NIL
5.	To be signed by- <ul style="list-style-type: none"><li>• Mr. Ambrish Jaipuria- Executive Director &amp; CEO</li><li>• Mr. Ramesh Choudhary- Chief Financial Officer</li><li>• Auditor of the Company- B.K. Shroff &amp; Co., Chartered Accountants</li><li>• Mr. Naresh Kumar Gupta - Audit Committee Chairman</li></ul>	   





## COSMO FERRITES LIMITED

Regd. Off: P.O. Jabli, Distt. Solan, H.P. – 173 209

CIN- L27106HP1985PLC006378

Tel: 01792-277231-32/35/36 Fax: 01792-277234

e-mail: investorservices@cosmoferrites.com,

Website: www.cosmoferrites.com

### NOTICE

**Notice** is hereby given that the Twenty – Ninth Annual General Meeting of the members of Cosmo Ferrites Limited will be held at its Registered Office at Jabli, Dist., Solan (HP)-173209 on Tuesday, September 8, 2015 at 3:30 P.M to transact the following business:

#### ORDINARY BUSINESS

1. To receive, consider and adopt the audited Profit & Loss Account for the year ended March 31, 2015, and the Balance Sheet as at that date and the report of the Board of Directors and the Auditors of the Company thereon.
2. To appoint a Director in place of Mr. Ashok Jaipuria (DIN 00214707) who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. M/s B.K. Shroff & Co., Chartered Accountants, retiring Auditors, are eligible for reappointment and offers themselves for re-appointment.

#### SPECIAL BUSINESS

4. To appoint Dr. Ramakant Dwivedi (DIN: 06922891) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as **Ordinary Resolution**:-

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Dr. Ramakant Dwivedi (DIN: 06922891), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a period upto November 03, 2019, not liable to retire by rotation hereinafter in accordance with the provision of Companies Act, 2013."

5. To appoint Mr. Janardhan Pralhadrao Gupta (DIN: 07029205) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as **Ordinary Resolution**:-

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Janardhan Pralhadrao Gupta (DIN: 07029205), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a period upto November 03, 2019, not liable to retire by rotation hereinafter in accordance with the provision of Companies Act, 2013."

6. To approve the remuneration of Cost Auditors for the Financial Year ending March 31, 2016 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as **Ordinary Resolution**:-

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Ravi Sahni & Co., Cost Accountants (Firm Registration Number 100193) appointed as the Cost Auditors of the Company by the Board for audit of the cost accounting records of the Company for the financial year ending March 31<sup>st</sup>, 2016, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting;



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

7. To re-appoint Mr. Ambrish Jaipuria (DIN: 00214687) as an Executive Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:-

**"RESOLVED THAT** in accordance with the provisions of Section 196, 197 and 203 read with Schedule V and all 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), the Company hereby accords its approval for the re-appointment of Mr. Ambrish Jaipuria (DIN: 00214687) as Executive Director of the Company, for a period of 5 (five) years w.e.f. April 01, 2015 on the terms and condition including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (the term Board shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and condition of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Ambrish Jaipuria, subject to the same not exceeding the limits specified under Section I of Part II of Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

**"RESOLVED FURTHER THAT** in the event of absence or inadequacy of net profits in any financial year, the Company do pay to Mr. Ambrish Jaipuria remuneration by way of salary, perquisites and allowances not exceeding the ceiling limit specified under Section II of Part II of Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things, to sign all such documents, papers and writings and take all such steps as may be necessary, proper or expedient to give effect to the above resolution."

New Delhi  
26 May, 2015

By order of the Board of Directors  
Cosmo Ferrites Limited

Head Office:

517, 5<sup>th</sup> Floor, DLF Tower-A  
Jasola District Centre,  
New Delhi- 110025  
CIN:- L27106HP1985PLC006378  
e-mail:- investorservices@cosmoferrites.com

Neha Pawar  
Company Secretary  
Membership No. A31773

**NOTES:**

1. As a measure of economy, copies of Annual Report shall not be distributed at the Meeting, therefore members are requested to bring their own copy at the Meeting.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ANOTHER PERSON AS HIS PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF. PROXY SHALL NOT BE ENTITLED TO SPEAK AT THE MEETING. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ENCLOSED AND IF INTENDED TO BE USED, IT SHOULD BE DULY COMPLETED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.
3. Proxies submitted on behalf of companies, societies, etc. must be supported by an appropriate resolution/ authority, as applicable. A person shall not act as a Proxy for more than 50 members and holding in the aggregate not more than ten percent of the total voting share capital of the Company. However, a single person may act as a proxy for a member holding more than ten percent of the total voting share capital of the Company provided that such person shall not act as a proxy for any other person.
4. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Businesses to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
5. Relevant documents referred to in the proposed resolutions are available for inspection at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and Public holidays up to the date of the Annual General Meeting.
6. **Voting through electronic means**
  - (a) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Clause 35B of the Listing Agreement, the Company is pleased to provide its member the facility to exercise their right to vote on Resolutions proposed to be considered at the forthcoming Annual General Meeting by electronic means and the business may be transacted through e-voting platform provided by Central Depository Services (India) Limited (CDSL).
  - (b) That the facility for voting, through Ballot Paper shall also be made available at the Meeting & Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting through Ballot Paper.
  - (c) That the Members who have cast their vote by remote e-voting prior to the Meeting may also attend the meeting but shall not be entitled to cast their vote again. The instructions for electronic voting are attached separately with the notice of Annual General Meeting.
7. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. The Register of Members and share Transfer Books of the Company will be closed from Wednesday, September 02, 2015 to Tuesday, September 08, 2015 (Both days inclusive).
9. 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.
10. Members, who are holding shares in identical order of names in more than one folio, are requested to write to the Company enclosing their share certificates to consolidate their holdings in one folio.
11. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
12. The Members are also requested to notify any change in their addresses immediately to the Company's Share Registrar and Transfer Agents **M/s. Alankit Assignments Limited, Alankit House, 2E/21, Jhandewalan Extension, New Delhi 110 055.**
13. Members / Proxy holders are requested to produce at the entrance of the Meeting hall the enclosed admission slip duly completed and signed.
14. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
15. Consequent upon the introduction of Section 72 of the Companies Act, 2013, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their

requests in Form SH 13 (which will be made available on request) to the Registrar and Transfer Agents, M/s Alankit Assignments Limited.

16. Pursuant to the requirements of the Listing agreement of Stock Exchanges, on Corporate Governance, the information about the Directors proposed to be appointed/ re-appointed is given in the Annexure to the Corporate Governance Report.
17. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agent.

**Important Communication to Members**

Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.

**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

The following Statement sets out all material facts relating to Special Business mentioned in the accompanying Notice:

**ITEM NO. 4 and 5**

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Dr. Ramakant Dwivedi and Mr. Janardhan Pralhadrao Gupta as an Additional Director of the Company with effect from November 04, 2014.

In terms of the provisions of Section 161(1) of the Act, Dr. Ramakant Dwivedi and Mr. Janardhan Pralhadrao Gupta would hold office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Dr. Ramakant Dwivedi and Mr. Janardhan Pralhadrao Gupta for the office of Director of the Company.

Dr. Ramakant Dwivedi and Mr. Janardhan Pralhadrao Gupta are not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given their consent to act as a Director.

Section 149 of the Act inter alia stipulates the criteria of independence to be adopted to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Dr. Ramakant Dwivedi and Mr. Janardhan Pralhadrao Gupta that they meet the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Dr. Ramakant Dwivedi and Mr. Janardhan Pralhadrao Gupta fulfills the conditions for their appointment as an Independent Director as specified in the Act and the Listing Agreement. Dr. Ramakant Dwivedi and Mr. Janardhan Pralhadrao Gupta are independent of the management.

In compliance with provision of Section 149 read with Schedule IV of the Act, the appointment of Dr. Ramakant Dwivedi and Mr. Janardhan Pralhadrao Gupta as Non- Executive Independent Directors is now being placed before the member in AGM for their approval. They will not be liable to retire by rotation.

Brief resume of Dr. Ramakant Dwivedi and Mr. Janardhan Pralhadrao Gupta, nature of their expertise in specific areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Keeping in view their vast expertise and knowledge, it will be in the interest of the Company that Dr. Ramakant Dwivedi and Mr. Janardhan Pralhadrao Gupta be appointed as an Independent Directors.

Copy of the draft letter for respective appointment of Dr. Ramakant Dwivedi and Mr. Janardhan Pralhadrao Gupta as an Independent Director setting out the terms and conditions and other relevant documents are available for inspection by members at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and Public holidays up to the date of the Annual General Meeting and is also available on the website of the Company at [www.cosmoferrites.com](http://www.cosmoferrites.com)

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges. Save and except Dr. Ramakant Dwivedi and Mr. Janardhan Pralhadrao Gupta, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.4 and 5 respectively of the Notice.

The Board commends the Ordinary Resolution set out at Item No.4 & 5 of the Notice for approval by the shareholders.

**ITEM No. 6**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016 as per the following detail. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be determined by the shareholders of the Company.



Name of the Cost Auditor	Industry	Audit fees (' in lakhs)
Mr. Ravi Sahni	Electricals or Electronic Machinery	1.25 lakhs

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for the remuneration payable to the Cost Auditors for the financial year ending March 31, 2016.

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

The Board commends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the shareholders.

#### ITEM No.7

The term of Mr. Ambrish Jaipuria as Executive Director, expired on March 31<sup>st</sup>, 2015. The Board of Directors in its meeting held on May 26<sup>th</sup>, 2015 subject to the approval of the shareholders and on the recommendation of the Nomination & Remuneration Committee re-appointed Mr. Ambrish Jaipuria for further period of five (5) years, effective from April 01, 2015 on the following terms and condition:

- a) **Salary** : As may be fixed by the Board from time to time but not exceeding a sum of Rs. 32,00,000/- (Rupees Thirtytwo lacs) per annum.
- b) **Performance Bonus**- over and above the salary as per following Schedule-
  - (i) EBIDTA upto Rs. 6 crores - 3% of EBIDTA
  - (ii) EBIDTA 6 crores and above but upto 8 crores - 4% of EBIDTA
  - (iii) EBIDTA more than 8 crores - 5% of EBIDTA
- c) **Perquisites & Allowances**-
  - House Rent allowance @ 60% of the basic salary per month.
  - Medical allowance/ Re-imbursement: One month's basic salary or such allowance/ re-imbursement as decided by the Board from time to time.
  - Leave travel concession/allowance: One month's basic salary or as decided by the Board from time to time.
  - Club fees: Fees payable subject to maximum of two clubs or as decided by the Board from time to time.
  - Provision for driver/ driver's salary allowance: As per rules of the Company
- d) **Other Benefits**-
  - Earned/ Privilege leave: as per rules of the Company.
  - Company's contribution to provident fund and superannuation fund: As per rules of the Company.
  - Gratuity: As per rules of the Company.
  - Encashment of Leave: As per rules of the Company.
  - Company's car and telephone: Use of Company's car and telephone at the residence for official purposes, as per rules of the Company.
- e) **Other Terms**:
  - A. **Minimum Remuneration**: In the event of absence or inadequacy of net profits in any financial year, the Company do pay to Mr. Ambrish Jaipuria, Executive Director remuneration by way to salary, perquisites and allowance not exceeding the ceiling limit specified under section II of part II of Schedule V to the Companies Act, 2013 or any statutory modification thereof.
  - B. **Reimbursement of expenses in connection with Company's business**: Mr. Ambrish Jaipuria, Executive Director shall also be entitled for the reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/amenities and other privileges, as from time to time, be available to other senior executives of the Company.

The Board of Directors may in its absolute discretion and from time to time, will fix the salary payable to the Executive Director and may vary the perquisites payable to the Executive Director.

The above remuneration is within the ceiling laid down in section 196 and 197 read with Schedule V to the Companies Act, 2013 as modified by the circulars issued by the Company Law Board/ Ministry of Corporate Affairs from time to time.

Mr. Ambrish Jaipuria satisfies all the conditions set out in Part-I of Schedule V of the Act as also conditions set out under sub-section (3) of section 196 of the Act for being eligible for their re-appointment. They are not disqualified from being appointed as Directors in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Ambrish Jaipuria under section 190 of the Act.

Brief resume of Mr. Ambrish Jaipuria, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships amongst directors inter-se as stipulated under Clause 49 of Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Mr. Ashok Jaipuria & Mr. Ambrish Jaipuria are interested in the resolutions set out respectively at Item No. 7 of the Notice, which pertains to re-appointment of Mr. Ambrish Jaipuria and remuneration payable to him.

The relatives of Mr. Ambrish Jaipuria may be deemed to be interested in the resolutions set out at Item Nos. 7 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Ordinary Resolutions set out at Item No. 7 of the Notice for approval by the shareholders.

**New Delhi**  
**26 May, 2015**  
Head Office:  
517, 5<sup>th</sup> Floor, DLF Tower-A  
Jasola District Centre,  
New Delhi- 110025  
CIN:- L27106HP1985PLC006378  
e-mail:- investorservices@cosmoferrites.com

**By order of the Board of Directors**  
**Cosmo Ferrites Limited**

**Neha Pawar**  
**Company Secretary**  
**Membership No. A31773**



**The instructions for members for voting electronically are as under:-**

- (i) The remote e-voting facility begins on Saturday, 5<sup>th</sup> September, 2015 from 10:00 a.m. (IST) and ends on Monday, 7<sup>th</sup> September, 2015 at 05:00 p.m. During the e-voting period, shareholders of the Company holding shares either in physical form or dematerialized form, as on the cut off date i.e. 1<sup>st</sup> September, 2015, may cast their vote electronically. The remote e-voting facility shall be disabled by CDSL for voting thereafter
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on "Shareholders" tab.
- (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 code / captcha code 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. (Applicable for the Members holding shares in demat form and in physical form)
- (ix) Now, fill up the following details in the appropriate boxes:

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 the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence number is printed on Attendance Slip.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DÓB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (x) After entering these details appropriately, click on "SUBMIT" tab.
- (xi) 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.
- (xii) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this notice.
- (xiii) Click on the relevant EVSN of "Cosmo Ferrites Limited" on which you choose to vote

- (xiv) 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.
- (xv) Click on the “**Resolutions File Link**” if you wish to view the entire Resolutions.
- (xvi) 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.
- (xvii) Once you “**CONFIRM**” your vote on the resolution, you will not be allowed to modify your vote.
- (xviii) You can also take print out of the voting done by you by clicking on “**Click here to print**” option on the Voting Page.
- (xix) If Demat account holder has forgotten the changed password then enter the User ID and image verification code/captcha code and click on **Forgot Password** & enter the details as prompted by the system.
- (xx) **Note for Institutional Shareholders :**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.  
The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 1<sup>st</sup> September, 2015 may follow the same instructions as mentioned above for e-Voting.
- (xxii) The voting rights of shareholders shall be in proportion to their share of the paid up equity share capital of the Company as on cut-off date of 1<sup>st</sup> September, 2015
- (xxiii) The Board of Directors of the Company at their meeting held on held on 12<sup>th</sup> August, 2015 has appointed Mr. Sandeep Mittal, Practicing Chartered Accountant (FCA No. 501404) as the Scrutinizer to scrutinize the e-voting process in fair and transparent manner whose e-mail is [sandeepmittal79@gmail.com](mailto:sandeepmittal79@gmail.com).
- (xxiv) The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website **[www.cosmoferrites.com](http://www.cosmoferrites.com)** and on the website of CDSL and simultaneously communicated to the Stock Exchanges
- (xxv) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)









**ATTENDANCE SLIP**

**COSMO FERRITES LIMITED**

Regd. Off: P.O. Jabli, Distt. Solan, H.P. – 173 209

CIN- L27106HP1985PLC006378

Tel: 01792-277231-32/35/36 Fax: 01792-277234

e-mail: investorservices@cosmoferrites.com, Website: www.cosmoferrites.com

[Large empty rectangular box for stamping or recording attendance details.]

I certify that I am a member / proxy / authorised representative for the member of the Company. I/We hereby record my/our presence at the 29th Annual General Meeting of the members of Cosmo Ferrites Limited at its Registered Office at Jabli, Dist., Solan (HP)-173209 on Tuesday, September 8, 2015 at 3:30 P.M. or any adjournment thereof. Further, please register / update my / our under mentioned E-mail ID for sending all future Company's correspondence: E-mail ID:.....

\_\_\_\_\_  
SIGNATURE OF THE SHAREHOLDER(S)

\_\_\_\_\_  
SIGNATURE OF PROXY / AUTHORISED REPRESENTATIVE

Notes :

- Members/Proxy holders are requested to bring this slip with them when they come to the Meeting and hand it over at the entrance of the Meeting Hall duly signed.
- Person attending the Meeting is requested to bring this Attendance Slip and Annual Report with him/her. Duplicate Attendance Slip and Annual Report will not be issued at the Annual General Meeting.

**PROXY FORM  
FORM No. MGT-11**

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

Name of the member(s): \_\_\_\_\_  
 Registered Address: \_\_\_\_\_  
 Email ID: \_\_\_\_\_ Folio No. / DP ID/Client ID \_\_\_\_\_

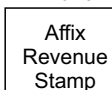
I/We, being the member(s) of.....shares of Cosmo Ferrites Limited, hereby appoint

- .....r/o.....having email id.....,signature.....or failing him
  - .....r/o.....having email id.....,signature.....or failing him
  - .....r/o.....having email id.....,signature.....or failing him
- as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual General Meeting of the Company, to be held at Registered Office at Jabli, Dist., Solan (HP)-173209 on Tuesday, September 8, 2015 at 3:30 P.M or any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Description	For	Against
1.	Consider and adopt the audited Profit & Loss Account for the year ended March 31, 2015, and the Balance Sheet as at that date and the Report of the Board of Directors and the Auditors of the Company thereon		
2.	Re-appointment of Mr. Ashok Jaipuria who retires by rotation		
3.	Appointment of the Auditors and fixing their remuneration		
4.	Appointment of Dr. Ramakant Dwivedi as an Independent Director		
5.	Appointment of Mr. Janardhan Pralhadrao Gupta as an Independent Director		
6.	Approval of the remuneration of Cost Auditors		
7.	Reappointment of Mr. Ambrish Jaipuria as an Executive Director		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Signature of Shareholder(s) \_\_\_\_\_ Signature of Proxy holder(s) \_\_\_\_\_



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.
- It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box, if you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Please complete all details including details of member(s) in above box before submission.
- For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 29<sup>th</sup> Annual General Meeting.





**COSMO FERRITES LIMITED**  
**Annual Report 2014-15**

## BOARD OF DIRECTORS

Mr. Ashok Jaipuria  
Mr. Ambrish Jaipuria  
Mr. Shreekant Somany  
Mr. Rakesh Nangia  
Mr. N. K. Gupta  
Mr. A. K. Jain  
Ms. Jyoti Dixit  
Dr. Ramakant Dwivedi  
Mr. Janardhan Gupta

Chairman  
Executive Director & CEO  
Non – Executive Director  
Non – Executive Director  
Non – Executive Director  
Non – Executive Director  
Non – Executive Director  
Non – Executive Director  
Non – Executive Director

## COMPANY SECRETARY

Ms. Neha Pawar

## REGISTERED OFFICE

P.O. Jabli, Distt. Solan  
H.P. – 173 209  
Ph. : 01792-277231-32/35/36  
Fax : 01792-277234  
E-mail : plant@cosmoferrites.com

## AUDITORS

B. K. Shroff & Co.

## BANKERS

State Bank of India

## CORPORATE OFFICE

517, 5<sup>th</sup> Floor, DLF Tower – A  
Jasola District Centre, New Delhi – 110 025 (India)  
Ph. : +91 – 11- 49398800  
Fax : +91 – 11- 49398888  
E- mail : sales@cosmoferrites.com

## SALES OFFICE

517, 5<sup>th</sup> Floor, DLF Tower – A  
Jasola District Centre, New Delhi – 110 025 (India)  
Ph. : +91 – 11- 49398800  
Fax : +91 – 11- 49398888  
E- mail : sales@cosmoferrites.com

## MFG. PLANT

P.O. Jabli, Distt. Solan  
H.P. – 173 209  
Ph. : 01792-277231-32/35/36  
Fax : 01792-277234  
E-mail : sales@cosmoferrites.com

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**DIRECTORS' REPORT**

**THE MEMBERS  
COSMO FERRITES LTD.**

The Directors have pleasure in presenting the Annual Report on the business and operations of the company along with Audited Balance Sheet and Profit & Loss A/c for the year ended **31<sup>st</sup> March 2015**.

	(Rs. in Lacs)	
FINANCIAL RESULT	2014-15	2013-14
Sales	5676	5981
Other Income	115	171
Profit/(Loss) before depreciation & tax	124	558
Depreciation	361	398
Exceptional Item	-	50
Profit/(Loss) before Tax	(237)	110
Provision for current Tax	-	26
Provision for earlier Year	2	1
Profit/(Loss) after current Tax	(239)	83
Provision for deferred tax	-	4
Profit/(Loss) after deferred tax	71	79
Add:-Mat Credit Entitlement	-	26
	(168)	105
Add:		
Balance brought forward	233	322
Less:-Transfer to Preference Share Capital	-	-
Redemption Reserve	-	-
Add:- Transfer from General Reserve	-	-
Profit/(Loss) available for appropriation	233	425
Provision for arrears of Dividend on Cumulative Redeemable Preference Shares	-	-
Proposed Dividend on Cumulative Redeemable Preference Shares	-	2
Corporate Tax on Dividend	-	-
Balance carried to Balance Sheet	233	423
	<b>233</b>	<b>423</b>

**2. DIVIDEND**

In view of the no profitability during this year, the Directors are unable to recommend any dividend on the equity shares for the year ended March 31, 2015.

**3. REVIEW OF OPERATIONS**

- On year to year basis sales Revenue decreased to Rs 5409 Lacs for the year ending 31<sup>st</sup> March 2015 as compared to Rs. 5677 Lacs for previous year.
- Net loss for the year is Rs. 168 lacs as compared to Net Profits of Rs. 105 lacs in the previous year.

**4. RESEARCH & DEVELOPMENT**

Continuous efforts on R & D and Development activities

are being made to expand the domestic and export markets.

**5. CORPORATE GOVERNANCE**

A Management Discussion and Analysis Report is annexed and form part of this report.

A separate report on Corporate Governance along with Auditors certificate on compliance of conditions of Corporate Governance as stipulated in clause 49 of the listing agreement with the Stock Exchange forms part on this report.

**6. EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as Annexure A to this Report.

**7. DIRECTORS**

(a) Chairman

Mr. Ashok Jaipuria, is the Non Executive-Chairman of the Company.

(b) Reappointment

Mr. Ashok Jaipuria, Chairman retire by rotation and being eligible offer himself for reappointment at the ensuing Annual General Meeting.

The tenure of Mr. Ambrish Jaipuria, Executive Director & CEO expired on 31<sup>st</sup> March 2015 and subject to the approval of shareholders he seeks re-appointment for a period of 5 years w.e.f. April 01, 2015.

(c) Status of Directors

Mr. Anil Kumar Jain is Non-Independent and Non-Executive Director of the Company. Mr. Shreekant Somany, Mr. Rakesh Nangia, Mr. Naresh Kumar Gupta and Ms. Jyoti Dixit are the Independent Directors of the Company.

(d) Additional Directors

Mr. Janardhan Pralhadrao Gupta and Dr. Ramakant Dwivedi, who were appointed as Additional Directors of the Company and subject to the approval of shareholders be reconfirmed as Independent Directors of the Company for a tenure of five (5) years.

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

**8. KEY MANAGERIAL PERSONNEL'S**

Mr. Ambrish Jaipuria, Executive Director & CEO and Mr. Ramesh Chand, Chief Financial Officer and Ms. Neha Pawar, Company Secretary are the Key Managerial



Personnel of the Company in accordance with the provisions of Section 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

#### 9. BOARD EVALUATION

In terms of the provisions of Companies Act, 2013 read with the Rules issued thereunder and Clause 49 of the Listing Agreement, the Board of Directors on recommendation of the Nomination and Remuneration Committee, have evaluated the effectiveness of the Board/Director(s) for the year.

#### 10. MEETINGS

During the year four (4) Board Meetings and four (4) Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under Companies Act, 2013.

#### 11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

#### 12. DEPOSITS

The Company has not accepted deposit from the public within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

#### 13. VIGIL MECHANISM / WHISTLE BLOWER POLICY

In terms of the requirement of Clause 49 of the Listing Agreement the Company has formulated a whistle blower policy to deal with instances of fraud and mismanagement, if any.

#### 14. REMUNERATION POLICY

In accordance with Section 178 and other applicable provisions if any, of the Companies Act, 2013 read with the Rules issued thereunder and Clause 49 of the Listing Agreement, the Board of Directors has formulated the Remuneration Policy of your Company on the recommendations of the Nomination and Remuneration Committee. The details are outlined in the Corporate Governance Report.

#### 15. RELATED PARTY TRANSACTIONS

During the year, the Company has entered into transactions with related parties as defined under Section 2(76) of the Companies Act, 2013 which were in the ordinary course of business and on arm's length basis and in accordance with the provisions of the Companies Act, 2013, Rules issued thereunder and Clause 49 of the

Listing Agreement. During the year, there were no transactions with related parties which qualify as material transactions under the Listing Agreement.

The details of the related party transactions as required under Accounting Standard -18 are set out in Note 32 to the financial statements forming part of this Annual Report.

The Disclosure required in Form AOC-2 pursuant to Section 134 (3)(h) read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is NIL.

#### 16. RISK MANAGEMENT

Pursuant to the requirement of Clause 49 of the Listing Agreement, the Company has constituted a Risk and Operations Management Committee.

There are no risks which in the opinion of the Board threaten the existence of your Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis which forms part of this Report

#### 17. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of section 134 (3) (c) of the Companies Act, 2013, your Directors state that:

- (i) In the preparation of the annual accounts, applicable accounting standards have been followed along with proper explanation relating to material departures.
- (ii) Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates are made so as to give a true and fair view of the state of affairs of the Company as of 31st March, 2015 and of the profits of the Company for the year ended on that date.
- (iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The annual accounts of the Company have been prepared on a going concern basis.
- (v) Proper Internal Financial Controls were in place and that the Financial Controls were adequate and were operating effectively.
- (vi) Systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

#### 18. AUDITORS

##### Statutory Audit:

M/s. B.K. Shroff & Co., Chartered Accountants, retire as auditors of the Company at the ensuing Annual General



Meeting and seek re-appointment at the ensuing Annual General Meeting of the Company. The Company has received a letter from B.K. Shroff & Co., Chartered Accountants, expressing their willingness to be reappointed as statutory auditors of the Company and further confirmed that their reappointment, if made, will be in compliance with provisions of Section 141(3)(g) of the Companies Act, 2013. The Board has proposed to appoint B.K. Shroff & Co., Chartered Accountants, as statutory auditors of the Company from the conclusion of the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting.

**Secretarial Audit:**

Pursuant to the Provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Managerial Personnel) Rules, 2014, the Company has appointed "M/s DMK Associates", a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company.

The Report of the Secretarial Audit is annexed herewith as "Annexure B." The Secretarial Auditors' remarks are self explanatory and do not require further comments from the Company.

**Cost Auditor:**

As per the requirement of Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company has been carrying out audit of cost records of the Company every year.

The Board of Directors, on the recommendation of Audit Committee, has appointed M/s Ravi Sahni & Co., Cost Accountants, as Cost Auditor to audit the cost accounts of the Company for the Financial Year 2015-16 at a remuneration of Rs. 1,25,000/- plus service tax as applicable and reimbursement of out of pocket expenses. As required under the Companies Act, 2013, a resolution seeking members' approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting.

**19. AUDITORS' REMARKS**

The Auditors' remarks on the annual accounts are self explanatory and do not require further comments from the Company.

**20. CHANGE IN NATURE OF BUSINESS, IF ANY**

No change in the nature of the business of the Company done during the year.

**21. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY**

There are no material changes and commitments which have occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report that may affect the financial position of the Company.

**22. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

**23. PREVENTION OF SEXUAL HARRASMENT**

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints. During the year under review, no complaints were reported to the Board.

**24. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

Particulars of the Employees pursuant to section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as Annexure D to this Report.

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is also enclosed as Annexure D to this Report.

None of the employees covered under Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is a relative of any Director of the Company and holds (by himself or along with his spouse and dependent children) more than two percent of the Equity Shares of the Company.

**25. APPRECIATION**

Your Directors wish to place on record their appreciation of continued support extended by the dealers, distributors, suppliers, investors, bankers, financial institutions. Your Directors also express their appreciation for the committed services by the employees of the Company.

For and on behalf of the Board

**Ashok Jaipuria**  
Chairman

New Delhi  
26<sup>th</sup> May, 2015



**Annexure - A**

FORM NO. MGT.9  
**EXTRACT OF ANNUAL RETURN**  
 as on the financial year ended on 31<sup>st</sup> March ,2015  
 [Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

CIN	L27106HP1985PLC006378
Registration Date	24/07/1985
Name of the Company	Cosmo Ferrites Limited
Category / Sub-Category of the Company	Company having Share Capital
Address of the Registered office and contact details	517, DLF Tower A, Jasola Distt. Centre, New Delhi – 110025, Ph: 011- 49494949
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Alankit Assignments Limited,2E/21, Jhandewalan Extn. New Delhi- 110055 Ph: 011- 42541953

**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	Soft Ferrites Part (Components)	3689	100%

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

S.NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

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

i) Category-wise Share Holding



Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>1) Indian</b>									
Individuals/Hindu Undivided Family	195000	NIL	195000	1.62	195000	NIL	195000	1.62	0.00
Central Government/ State Government(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.00
Bodies Corporate	7442500	NIL	7442500	61.87	7442500	NIL	7442500	61.87	0.00
Financial Institutions/ Banks	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.00
Any Others(Specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.00
<b>Sub Total(A)(1)</b>	<b>7637500</b>	<b>NIL</b>	<b>7637500</b>	<b>63.49</b>	<b>7637500</b>	<b>NIL</b>	<b>7637500</b>	<b>63.49</b>	<b>0.00</b>
<b>2) Foreign</b>									
Individuals (Non-Residents Individuals/ Foreign Individuals)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.00
Bodies Corporate	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.00
Institutions	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.00
Qualified Foreign Investor	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.00
Any Others(Specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.00
<b>Sub Total (A)(2)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>0.00</b>
<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>7637500</b>	<b>NIL</b>	<b>7637500</b>	<b>63.49</b>	<b>7637500</b>	<b>NIL</b>	<b>7637500</b>	<b>63.49</b>	<b>0.00</b>
<b>B. Public shareholding</b>									
<b>1) Institutions</b>									
Mutual Funds/ UTI	NIL	7100	7100	0.06	NIL	7100	7100	0.06	0.00
Financial Institutions/ Banks	NIL	300	300	0.00	NIL	300	300	0.00	0.00
Central Government/ State Government(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.00
Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.00
Insurance Companies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.00
Foreign Institutional Investors	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.00
Foreign Venture Capital Investors	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.00
Qualified Foreign Investor	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.00
Any Other (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.00
<b>Sub-Total (B)(1)</b>	<b>NIL</b>	<b>7400</b>	<b>7400</b>	<b>0.06</b>	<b>NIL</b>	<b>7400</b>	<b>7400</b>	<b>0.06</b>	<b>0.00</b>
<b>2) Non-institutions</b>									
Bodies Corporate	795002	3900	798902	6.64	683803	3900	687703	5.72	0.92
<b>Individuals</b>									
i. Individual shareholders holding nominal share capital up to Rs 1 lakh	1762875	366001	2128876	17.70	1639557	355901	1995458	16.59	1.11



Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	1450172	NIL	1450172	12.06	1696364	NIL	1696364	14.10	-2.04
Qualified Foreign Investor	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
Any Other (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
Non Resident Indian	6750	400	7150	0.06	5175	400	0.05	6.74	0.01
<b>Sub-Total (B)(2)</b>	<b>4014799</b>	<b>370301</b>	<b>4385100</b>	<b>36.45</b>	<b>4024899</b>	<b>360201</b>	<b>4385100</b>	<b>36.45</b>	0.00
<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>4014799</b>	<b>377701</b>	<b>4392500</b>	<b>36.51</b>	<b>4024899</b>	<b>367601</b>	<b>4392500</b>	<b>36.51</b>	0.00
<b>TOTAL (A)+(B)</b>	<b>11652299</b>	<b>377701</b>	<b>12030000</b>	<b>100.00</b>	<b>11662399</b>	<b>367601</b>	<b>12030000</b>	<b>100.00</b>	0.00
<b>C. Shares held by Custodians and against which Depository Receipts have been issued</b>									
Promoter and Promoter Group	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.00
Public	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.00
<b>Sub-Total (C)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	0.00
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>11652299</b>	<b>377701</b>	<b>12030000</b>	<b>100.00</b>	<b>11662399</b>	<b>367601</b>	<b>12030000</b>	<b>100.00</b>	0.00

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the Year			Shareholding at the end of the Year			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged/encumbered to total Shares	No. of Shares	% of total shares of the Company	% of Shares Pledged/encumbered to total Shares	
1	Aanchal Jaipuria	55500	0.461	NIL	55500	0.461	NIL	NIL
2	Abha Jaipuria	7500	0.062	NIL	7500	0.062	NIL	NIL
3	Ambrish Jaipuria	52100	0.433	NIL	52100	0.433	NIL	NIL
4	Ashok Jaipuria	79900	0.664	NIL	79900	0.664	NIL	NIL
5	Andheri Properties & Finance Ltd.	3756375	31.225	5.82	3756375	31.225	5.82	NIL
6	Pravasi Enterprises Ltd.	50	0.000	NIL	50	0.000	NIL	NIL
7(a)	Sunrise Manufacturing Company Ltd.	575	0.005	NIL	575	0.005	NIL	NIL
7(b)	Sunrise Manufacturing Company Ltd. (C/o Gayatri & Annapurna)	500	0.004	NIL	500	0.004	NIL	NIL
8	Super Sadiq Enterprises Pvt. Ltd.	3685000	30.632	NIL	3685000	30.632	NIL	NIL



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

Sl. No.		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 beginning of the year	No Changes during the year.			
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer bonus/sweat equity etc):	No Changes during the year.			
	At the End of the year	No Changes during the year.			

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Devyani Enterprises Private Limited	200000	1.663	200000	1.663
2	S Sathya	152049	1.264	0	0.00
3	VSL Securities Private Limited	131466	1.093	100000	0.831
4	Jinesh Chand Jain	86403	0.718	86403	0.718
5	Jinesh Chand Jain	75483	0.627	75483	0.627
6	Bharati Bharat Dattani	60940	0.507	88827	0.738
7	Pratyush Mittal	60396	0.502	0	0.00
8	Bharat Jamnadas Dattani	58253	0.484	92025	0.765
9	Bharat Jamnadas	56650	0.471	76845	0.639
10	Integrated Financial Services Ltd.	54000	0.449	36205	0.301

(v) Shareholding of Directors and Key Managerial Personnel:

Sl.	Shareholding of each of the Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Date	Increase/ (decrease)	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
<b>1</b>	<b>Mr. Ashok Jaipuria</b>							
	At the beginning of the year	79900	0.461				79900	0.461
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g.allotment /transfer/ bonus/ sweat equity etc):	-	-	-	-	-	-	-
	At the End of the year	79900	0.461				79900	0.461
<b>2</b>	<b>Mr. Anil Kumar Jain</b>							
	At the beginning of the year	472	0.004	01.04.2014	-	-	462	0.004
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/ bonus/ sweat equity etc):			09.06.2014	-10	Gift		
	At the End of the year	462	0.0038				462	0.0038



Sl.	Shareholding of each of the Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Date	Increase/(decrease)	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
<b>3</b>	<b>Mr. Amrish Jaipuria</b>							
	At the beginning of the year	52100	0.433				52100	0.433
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g.allotment/transfer/bonus /sweat equity etc):							
	At the End of the year	52100	0.433				52100	0.00
<b>4</b>	<b>Mr. Shreekant Somany</b>							
	At the beginning of the year	0	0.00				0	0.00
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus /sweat equity etc):							
	At the End of the year	0	0.00				0	0.00
<b>5</b>	<b>Mr. Naresh Kumar Gupta</b>							
	At the beginning of the year	0	0.00				0	0.00
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus /sweat equity etc):							
	At the End of the year	0	0.00				0	0.00
<b>6</b>	<b>Mr. Rakesh Nangia</b>							
	At the beginning of the year	0	0.00				0	0.00
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus /sweat equity etc):							
	At the End of the year	0	0.00				0	0.00
<b>7</b>	<b>Ms. Jyoti Dixit</b>							
	At the beginning of the year	0	0.00				0	0.00
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus /sweat equity etc):							
	At the End of the year	0	0.00				0	0.00





Sl.	Shareholding of each of the Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Date	Increase/(decrease)	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
<b>8</b>	<b>Dr. Ramakant Dwivedi</b>							
	At the beginning of the year	0	0.00				0	0.00
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus /sweat equity etc):							
	At the End of the year	0	0.00				0	0.00
<b>9</b>	<b>Mr. Janardhan Pralhadr Rao Gupta</b>							
	At the beginning of the year	0	0.00				0	0.00
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus /sweat equity etc):							
	At the End of the year	0	0.00				0	0.00
<b>10</b>	<b>Mr. Ramesh Chand</b>							
	At the beginning of the year	1000	0.008				1000	0.008
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus /sweat equity etc):							
	At the End of the year	1000	0.008				1000	0.008
<b>11</b>	<b>Ms. Neha Pawar</b>							
	At the beginning of the year	0	0.00				0	0.00
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus /sweat equity etc):							
	At the End of the year	0	0.00				0	0.00



**V. INDEBTEDNESS**

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

(Rs in lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the Financial Year</b>				
i) Principal Amount	1761.90	-	2.85	1764.75
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>1761.90</b>	<b>-</b>	<b>2.85</b>	<b>1764.75</b>
<b>Change in Indebtedness during the Financial Year</b>				
• Addition	1843.29	-	-	1843.29
• Reduction	(1160.98)	-	-	(1160.98)
<b>Net Change</b>	<b>682.31</b>	<b>-</b>	<b>-</b>	<b>682.31</b>
<b>Indebtedness at the end of the Financial Year</b>				
i) Principal Amount	2444.21	-	2.85	2447.06
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>2444.21</b>	<b>-</b>	<b>2.85</b>	<b>2447.06</b>

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

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

(Rs. in lacs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	
		WTD	
		Mr. Ambrish Jaipuria	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	21.00	1.65
2.	Stock Option	10.50	Nil
3.	Sweat Equity	Nil	Nil
4.	Commission - as % of profit - others, specify...	Nil	Nil
5.	Others, please specify	Nil	Nil
	<b>Total (A)</b>	<b>33.15</b>	
	<b>Ceiling as per the Act</b>	Rs 84 lacs being the amount permissible under Section II Part II of Schedule V of Companies Act, 2013.	



**B. Remuneration to other directors:**

**(1) Independent Directors**

(Rs. in lakhs)

Name of Director	Fee for attending Board/ Committee meetings	Commission	Others	Total
Mr. Shreekant Somany	0.33	-	-	0.33
Mr. Rakesh Nangia	0.35	-	-	0.35
Mr. N.K. Gupta	0.69	-	-	0.69
Ms. Jyoti Dixit	0.35	-	-	0.35
Dr. Ramakant Dwivedi	0.20	-	-	0.20
Mr. Janardhan Pralhadrao Gupta	0.10	-	-	0.10
<b>Total (1)</b>				<b>2.02</b>

**(2) Non Executive Directors**

Mr. Ashok Jaipuria**	NIL	-	-	NIL
Mr. Anil Jain	0.71	-	-	0.71
<b>Total (2)</b>				<b>0.71</b>
<b>Total (B)= (1) + (2)</b>				<b>2.73</b>
<b>Ceiling as per the Act</b>	As per the section 197 sitting fee of Rs 1 lac per meeting is allowed.			

\*The above mentioned Directors only receive Sitting Fees and have no other pecuniary relationship with the Company.  
\*\*Mr. Ashok Jaipuria opted not to take any sitting fees for attending any meeting of the Board of Directors and Committee thereof.

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

(Rs. in lakhs.)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel CEO, CFO & Company Secretary
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	9.88 Nil 8.09
2.	Stock Option	Nil
3.	Sweat Equity	Nil
4.	Commission - as % of profit - others, specify...	Nil
5.	Others, please specify	Nil
	<b>Total*</b>	<b>17.97</b>

\* Figures have been rounded off.

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES (Under Companies Act, 2013)**

No penalties/punishment/compounding of offences were levied under the Companies Act, 2013.



**Annexure B**  
**Form No. MR-3**  
**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 of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
**M/s COSMO FERRITES LIMITED**  
**P.O. Jabli, Distt Solan, Jabli**  
**Himachal Pradesh- 173209**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Cosmo Ferrites Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2015 (Audit Period) 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 along with Annexure 1 attached to this report:-

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 March 31, 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; **(Not applicable to the Company during the Audit Period)**
- (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(FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings(ECB); **(No fresh FDI, ODI and ECB was taken by the company during the Audit Period)**
- (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; **(Not applicable to the Company during the Audit Period)**
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit Period)**
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable as the Company is not registered as Registrar to an issue and Share Transfer Agent during the Audit Period)**
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **(Not applicable to the Company during the Audit Period)**
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period)**
- (vi) OTHER LAWS SPECIFICALLY APPLICABLE TO THE COMPANY AS IDENTIFIED BY THE MANAGEMENT**
- a. The Factories Act, 1948 and rules made thereunder,
  - b. The Payment of Wages Act, 1936 and rules made thereunder,
  - c. Minimum Wages Act, 1948 and the rules made thereunder,
  - d. Employees' State Insurance Act, 1948 and rules made thereunder,
  - e. The Employees Provident Fund and Miscellaneous Provisions Act, 1952 and the rules made thereunder,
  - f. Payment of Bonus Act, 1965 and rules made thereunder,
  - g. The Payment of Gratuity Act, 1972 and rules made thereunder,



- h. The Contract Labour (Regulation and Abolition) Act, 1970 and rules made thereunder,
- i. The Apprentice Act, 1961
- j. The Industrial Dispute Act, 1947 and rules made thereunder,
- k. The Equal Remuneration Act, 1976 and rules made thereunder,
- l. Trade Union Act, 1926 and rules made thereunder,
- m. The Employees Compensation Act, 1923 and rules made thereunder,
- n. Maternity Benefit Act, 1961 and rules made thereunder,
- o. The Air (Prevention and Control of Pollution) Act, 1981 and rules made thereunder,
- p. The Water (Prevention and Control of Pollution) Act, 1974 and rules made thereunder,
- q. Hazardous Waste (Management and Handling) Rules, 1989 and Amendment Rules, 2003
- r. Legal Metrology Act, 2009
- s. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India. **(Not applicable to the Company during the Audit Period)**
- ii. The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited ;

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

Based on the information received and records maintained, we further report that

- 1. The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive, Women 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 of at least seven days was given to all directors to schedule the Board Meetings along with agenda and detailed notes on agenda 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.

- 3. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

Based on the compliance mechanism established by the company and on the basis of the Compliance Certificate (s) issued by Mr. Ambrish Jaipuria, CEO, and Mr. Ramesh Chand, CFO of the Company and taken on record by the Board of Directors at their meeting (s),

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

**We further report that** during the audit period the company has not incurred any specific event / action that can have major bearing on the company's affairs in pursuance of above referred laws, rules, regulations; guidelines, standards etc. except as follows:

- (a) Special resolution under section 14 of the Companies Act, 2013 was passed by the members at its Annual General Meeting dated 22.09.2014 for adoption of new set of Articles of Association to align the same with Companies Act, 2013.
- (b) Special resolution under section 180(1)(a) of the Companies Act, 2013 was passed by the members at its Annual General Meeting dated 22.09.2014 for creation of charges, mortgages & hypothecations in addition to existing charges etc. in favour of Banks / FIs for an amount not exceeding Rs.75 Crores, together with interests etc.
- (c) Special resolution under section 180(1)(c) of the Companies Act, 2013 was passed by the members at its Annual General Meeting dated 22.09.2014 for borrowing from time to time not exceeding Rs.75 Crores
- (d) Ordinary resolution under section 181 of the Companies Act, 2013 was passed by the members at its Annual General Meeting dated 22.09.2014 for authorising board to make contribution not exceeding 5% of average net profit of three immediately preceding financial years or Rs.10 Lacs, whichever is higher to any bonafide and charitable funds etc.

For **DMK ASSOCIATES**  
**Company Secretaries**  
**(MONIKA KOHLI)**  
**FCS, LL.B,**  
**PARTNER**  
 FCS 5480  
 C P 4936

Date : 26.05.2015  
 Place : New Delhi



To,

The Members,  
M/s COSMO FERRITIES LIMITED  
P.O. Jabli, Distt Solan, Jabli  
Himachal Pradesh- 173209

**Sub: Our Secretarial Audit for the Financial Year ended March 31, 2015  
of even date is to be read with along with this letter.**

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

For **DMK ASSOCIATES**  
**Company Secretaries**

**(MONIKA KOHLI)**  
**FCS, LL.B, PARTNER**  
FCS 5480C P 4936

Date : 26.05.2015

Place : New Delhi

:



**Annexure - C**

**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 (ACCOUNT) RULES, 2014**

**A. CONSERVATION OF ENERGY**

**(i) Steps taken/Impact on Conservation of Energy:**

Improvement in energy efficiency is a continuous process at Cosmo and conservation of energy is given a very high priority in all our plants and offices.

**The energy costs saving measures carried out by the company during the year are listed below:**

- Decided not to run N2 plant, Attriators and Ball Mills in peak load hours.
- Frequency Drive provided on Erich Mixer.
- Minimized diesel consumption by taking peak load exemption from HPSEB.
- Switching off lights and fans to save consumption of electricity when not required

**(ii) Steps taken by the Company for utilizing alternate sources of energy.**

The Company is also in the process of evaluation of other sources of energy such as wind energy and solar energy. All the manufacturing units will continue to put in effort to reduce specific energy consumption.

**(iii) Capital investment on energy conservation equipments during the year: 21.81 Lacs.**

**B. TECHNOLOGY ABSORPTION**

**(i) Efforts made towards technology absorption :**

The Company's technology is developed in house,

which has helped in improving efficiency and developing new products.

**(ii) The benefits derived like product improvement, cost reduction, product development, import substitution**

Growth in business

**(iii) In case of imported technology (Imported during the last 3 years reckoned from the beginning of the financial year)**

- (a) Details of Technology Imported
- (b) Year of Import
- (c) Whether the technology been fully absorbed
- (d) If not fully absorbed, areas where this has not taken place, and reasons thereof

**N.A. (The Company has not imported any technology)**

**(iv) Expenditure incurred on Research and Development**

	<u>Rs. lacs.(approx)</u>
(a) Capital	4.69
(b) Recurring	<u>149.92</u>
(c) Total	<u>154.61</u>
(d) Total R & D expenditure	2.86%

as percentage of net sales

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Company's foreign exchange earnings were Rs. 3016 Lacs (Previous Year Rs. 2781 Lacs). The total foreign exchange utilized during the year amounted to Rs. 2047 Lacs (Previous Year Rs. 1364 Lacs). Details of foreign Exchange earned and utilized during the year are given in Notes to Accounts.



**Annexure - D**

Statement containing the particulars of employees in accordance with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

1. List of employees of the Company employed throughout the financial year 2014-15 and were paid remuneration not less than 60 lakhs per annum :

Sl. No.	Employee Name	Age	Qualification	Designation / Nature of Duties	Date of Employment	Remuneration Received	Experience (in years)	Last Employment	Designation
	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

2. Employees employed for the part of the year and were paid remuneration during the financial year 2014-15 at a rate which in aggregate was not less than 5 lakhs per month :

Sl. No.	Employee Name	Age	Qualification	Designation/ Nature of Duties	Date of Employment	Remuneration Received	Experience (in years)	Last Employment	Designation
	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.





**Annexure - D**  
(THIS REPORT FORMS PART OF DIRECTORS' REPORT)

DISCLOSURE IN DIRECTORS' REPORT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL), RULES, 2014

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the Financial Year.

Name of the Director	Ratio
1. Mr. Ambrish Jaipuria	<b>19.31</b>
<b>Note:</b> For this purpose, Sitting Fees paid to the Directors have not been considered as remuneration.	

2. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the Financial Year.

Name	Designation	% increase
Mr. Ambrish Jaipuria	Executive Director & CEO	9.32%
Mr. Ramesh Chand	Chief Financial Officer	10.90%
Ms. Neha Pawar	Company Secretary	4.50%

3. Percentage increase in the median remuneration of all employees in the Financial Year 2014-15: 5.71%

4. Number of Permanent employees on the rolls of Company as on 31<sup>st</sup> March, 2015: 279

5. Explanation on the relationship between average increase in remuneration and company performance:

The increase in average remuneration of all employees in the financial year 2014-15 as compared to the financial year 2013-14 was 8.07%. The increase was granted based on the employees' performances in the financial year 2013-14. During the financial year 2014-15, market conditions had deteriorated adversely impacting the financial performance of the Company.

Company offers market competitive compensation to its employees.

6. Comparison of the remuneration of the Key Managerial Personnel against the performance of your Company :

The remuneration paid to KMPs increased by around 9.66% in 2014 -15 compared to 2013-14, The increase was granted based on the employees' performances in the financial year 2013-14. During the financial year 2014-15, market conditions had deteriorated adversely impacting the financial performance of the Company.

7. The details of Share Price and Market Capitalization :

Particulars	As on March 31, 2015	As on March 31, 2014	Increase / (Decrease) %
Price Earning Ratio	8	6.68	*
Market Capitalization (Rs. in Cr.)	13.23	6.91	91.5%

\* Not computable in view of net loss in the financial year 2014-15

**Comparison of share price at the time of first public offer and market price of the share of March 31, 2015**

Market Price as on March 31, 2015	11
Price at the time of initial public offer	10
% increase of Market Price over the price at the time of initial public offer	10%

**Note:** Closing Share Price on BSE has been used for the above tables.



**8. Average percentage increase made in salary of employees other than the Managerial Personnel in the last Financial Year and its comparison with the percentage 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 for Employees other than Managerial Personnel and for Managerial Personnel is 8.00% and 9.32% respectively.

**9. Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company:**

The increase in remuneration of each Key Managerial Personnel is given against item 2. The increase was granted based on the Key Managerial Personnel performances in the financial year 2013-14. During the financial year 2014-15, market conditions had deteriorated adversely impacting the financial performance of the Company.

**10. The Key parameters for any variable component of remuneration availed by the Directors:**

Mr. Ambrish Jaipuria whole time Director is not paid any variable remuneration.

**11. The ratio of remuneration of the highest paid director to that of employees who are not directors but receive remuneration in excess of the highest paid director during the year:**

This is not applicable to the Company as during the year there is no employee who is not director and receives remuneration in excess of highest paid director.

**12. Affirmation that the remuneration is as per the Remuneration Policy of the Company**

It is confirmed that the remuneration paid to the Directors, Key Managerial Personnels and Senior Management is as per the Remuneration Policy of the Company

**General Note :**

1. Calculation of Market Capitalization, price to earnings and other details are based on stock price on Bombay Stock Exchange of India Limited on relevant dates.
2. Managerial Personnel includes Whole-time Director.



## **MANAGEMENT DISCUSSION & ANALYSIS REPORT**

### **Industry Structure & Developments:**

The Company is in the business of manufacturing soft ferrites cores. Major applications of ferrites are inverter transformers, Domestic Lighting, Energy Meter, Mobile Charger, SMPS, Transformer Manufacturers current transformers, pulse transformers, line filters, choke, noise suppressors etc. The industry is witnessing a decent growth rate and it is expected to grow at a similar rate in the near future as well, in both Domestic and Exports industry. The rapid urbanization and increase in usage of products using soft ferrites has given this industry a big fillip to the soft ferrites industry in the recent years.

### **Opportunities & threats:**

The continuous shift of manufacturing facilities from high cost locations like US & European countries to low cost countries like India & China has provided a lucrative opportunity to the manufacturers in these countries.

However, unlike hard ferrite, soft ferrite is more complicated both in terms of manufacturing process and characteristic requirements. Further the continuous technological advancements pose a threat to the companies unable to cope with these changes.

### **Segment Wise or Product Wise Performance**

The Company deals in only one product i.e. Soft Ferrites Core

### **Outlook**

The outlook for the industry and the company looks bright and new markets in the global arena are being developed by the company. The Company is also focusing on cost cutting and increased productivity to enhance its competitiveness.

### **Risks & Concerns**

The management cautions readers that the risks outlined below are not exhaustive and are for information purposes only. Investors are requested to exercise their own judgment in assessing various risks associated with the company.

#### **The Competition Risk**

Ferrites industry is capital intensive industry. In a free market environment, new capacities are created depending upon demand supply situation and return on investment. Industry is cyclical in nature and at times there is over supply situation leading to decline in operating margins.

We are mitigating the above risk by increasing our exports presence, developing niche products, exploring new markets and new customers. The domestic market caters to the lower end segment of the ferrites market and poses no threat to the company. The company has a good image with local customers.

#### **Customer Attrition Risk**

All customers are sensitive to quality, delivery and price.

The above risk is mitigated by developing value added niche products, customer schedule adherence and improved quality standards. This enables us to built long term relationship with various customers by providing them good value proposition.

#### **Raw Material Price Risk**

Raw material price have a significant impact on operating margins since scope for increase in selling prices has reduced.

Since, raw materials prices are increasing continuously, especially Ferric Oxide, the company is in the process of removing lower realization products and customers, increasing sales realization and exploring new markets where realizations are high.

#### **People Risk Management**

High Quality human resources are vital to the success of our business. People are valuable assets of the company.

The company has been working towards providing challenging high growth environment for its employees. The company follows good HR practices, which include various schemes for employee welfare and motivation.

The company has strong appraisal system. It has successfully worked its compensation policy to team and individual performances. The company provides good opportunity to deserving candidates. The company believes in growth of its managers to leaders and has structured training programs to that effect.

With excellent performance track record as well as best HR practices we are able to attract and retain people for growth of our business.

#### **Security Risk Management**

Operations could be disrupted due to natural, political and economic disturbances.

Running a business exposes the company to a number of risks.

The company has taken adequate insurance cover on its insurable interests. These include:

1. Fire Risk
2. Marine risk
3. Burglary risk
4. Group Personal Accident Policy
5. Other Miscellaneous Policies.



The company has also taken steps to strengthen IT security system as well as physical security system at all our locations.

**Foreign Exchange Risk**

The Company is exposed to foreign exchange risk mainly due to imported raw materials and finished products.

Since we are a net foreign exchange earner on an over all basis it may be stated that there is an exposure to the risk of Indian rupee appreciating against other foreign currencies.

**Operational & Financial performance**

The details of the financial performance are appearing in the financial statements appearing separately. The highlights of the same are also mentioned in the Directors' Report.

**Internal Control Systems & their adequacy**

The Statutory Auditors assess the adequacy of internal control every quarter and report to the Board of Directors accordingly. The Company has adequate internal control procedures

commensurate with size of the company and nature of its business.

**Human Resources /Industrial Relations front**

Human resource is considered as vital strength of the company. There was unity of purpose among all level of employees i.e. to continuously strive for the improvement in work practices & productivity.

**Cautionary statement**

Certain statements in the Management Discussion & Analysis describing the company's views about the Industry's expectations/ predictions objectives etc. may be forward looking within the applicable laws and regulations. Actual results may differ materially from those expressed in the statements. Company's operations may be affected with the demand and supply situations, input prices and their availability, changes in Government regulations, tax laws and other factors such as industrial relations and economic developments etc. Investors should bear the above, in mind.



**CORPORATE GOVERNANCE REPORT**

Corporate governance implies the method or measures taken to govern the Company in such a manner so as to ensure more accountability of Board of Directors towards the Shareholders and other stakeholders. It have been drawn up defining the role of Board of Directors, establishing director’s accountability to the Shareholders, investors and interest group setting out guidelines for more effective and new quality of performance, changing the face of relation between the board and executive officers. Your Company is committed to adopting the best global practices of Corporate Governance. The philosophy of Corporate Governance as manifested in the Company’s functioning is to achieve business excellence by enhancing long-term shareholder’s value and interest of its entire shareholders.

The Board of Directors of the company have developed and adopted Corporate Governance guidelines in addition to the compliance imposed by the Listing agreement. The Board ensures that the company has necessary regulatory mechanism so that timely and accurate disclosure of information regarding the financial situation, performance, ownership and

governance of the company is disclosed.

The Company’s compliance of Corporate Governance guidelines of the listing agreement is as follows:

**A. COMPOSITION OF THE BOARD AND RECORD OF OTHER DIRECTORSHIPS HELD**

The Board of Directors of the company comprises of an optimum combination of Executive and Non-executive Directors headed by a Non-executive Chairman. The present strength of Board of Directors is nine (9), out of which one (1) is Executive Directors, two (2) are Non-Independent Non-Executive Directors and six (6) are Independent Non-Executive Directors. Therefore, more than half of the Board comprises of Independent Directors. The Independent Directors do not have any pecuniary relationship or transactions with the company, promoters, and management, which may affect their judgment in any manner.

The structure of the Board and record of other directorships and Committee Memberships and Chairmanships as on 31<sup>st</sup> March, 2015 is as under:

Name	Executive / Non Executive/ Independent	No. of other Directorships Held		No. of Chairmanships / Memberships of Other Board Level Committees	
		Public Ltd.	Pvt. Ltd.	Membership	Chairmanship
Mr. Ashok Jaipuria	Non-executive – Chairman(Promoter)	2	-	1	-
Mr. Shreekant Somany	Non-executive, Independent	5	1	-	-
Mr. Rakesh Nangia	Non-executive, Independent	-	3	-	-
Mr. N. K. Gupta	Non-executive, Independent	1	2	-	-
Mr. Amrish Jaipuria	Executive	-	2	-	-
Mr. A. K. Jain	Non-executive	2	1	2	1
Mr. Rama Kant Dwivedi	Non-executive, Independent	-	-	-	-
Ms. Jyoti Dixit	Non-executive, Independent	-	-	-	-
Mr. Janardhan Pralhadrao Gupta	Non-executive, Independent	-	-	-	-

**NOTE:**

- (i) The Directorship held by Directors as mention above; do not include alternate Directorship, Directorship of Foreign Companies, Section 8 companies.
- (ii) As per clause 49, Membership(s) / Chairmanship(s) of any of the Audit Committee and Stakeholder Relationship Committee have been considered.
- (iii) None of the Directors is a member of more than 10 Board-level committees of public Companies in which they are Directors, nor is a Chairman of more than 5 such committees.



**B. BOARD MEETINGS:**

**1. SCHEDULING AND SELECTION OF AGENDA FOR BOARD MEETINGS**

The months for holding the Board Meetings in the ensuing year are usually decided in advance and mostly the Board Meetings are held at 302, "BAANI" , Corporate One Building, Jasola District Centre, New Delhi- 110 025 . The Company Secretary drafts the agenda for each meeting, along with explanatory notes, and is distributed in advance to the Directors. The Board meets at least once in a quarter to review the quarterly results and other items on the agenda.

**2. BOARD MEETING HELD DURING THE F.Y 2014-15 AND ATTENDANCE OF DIRECTORS**

The Board met four times during the financial year from 1<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2015 on May 06, 2014, August 07, 2014, November 04, 2014 and February 12, 2015. The maximum time gap between any two meetings was not more than four months. The following table gives the attendance record of the Board Meetings.

DIRECTOR	No. of meetings Held	No. of meetings Attended
MR. ASHOK JAIPURIA	4	4
MR. SHREEKANT SOMANY	4	3
MR. N.K.GUPTA	4	4
MR. RAKESH NANGIA	4	1
MR. AMBRISH JAIPURIA	4	4
MR. A.K. JAIN	4	4
DR. RAMAKANT DWIVEDI*	2	1
MS. JYOTI DIXIT**	3	3
MR. JANARDHAN PRALHADRAO GUPTA*	2	1

\*Appointed as an Additional Director w.e.f. 04 November, 2014.

\*\*Appointed as an Independent Director w.e.f. 22 September, 2014

**3. ATTENDANCE AT AGM**

Following Directors attended the AGM held on 22<sup>nd</sup> September, 2014, at Company's registered office at PO-Jabli, Dist-Solan, H.P. – 173 209

Mr. A. K. Jain

**4. DISCLOSURE REGARDING APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS**

Mr. Ashok Jaipuria, Director of the Company is liable to retire by rotation and being eligible offers himself for reappointment at the ensuing Annual General Meeting.

Tenure of Mr. Ambrish Jaipuria, Executive Director of the Company expired on 31<sup>st</sup> March, 2015. Board at its meeting held on 26<sup>th</sup> May, 2015 re-appointed Mr. Ambrish Jaipuria subject to the approval of shareholders as an Executive Directors for a period of five years w.e.f. 1<sup>st</sup> April, 2015.

Mr. Ambrish Jaipuria seeks the approval of the shareholders in the ensuing Annual General Meeting.

Pursuant to the requirements of the Listing agreement of Stock Exchanges, on Corporate Governance, the information about the Directors proposed to be appointed / re-appointed is given in Annexure I to this Report.

**5. AVAILABILITY OF INFORMATION TO THE BOARD**

The Board has unfettered and complete access to any information within the company and to any employee of the company. Necessary information as mentioned in Clause 49 of the Listing Agreement has been regularly placed before the Board for its consideration.

**C. FAMILIARISATION PROGRAMME FOR DIRECTORS**

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the Compliance required from him under the Companies Act, 2013, Clause 49 of the Listing Agreement and other relevant regulations and affirmation taken with respect to the same. The Chairman also has one to one discussion with the newly appointed Director to familiarize him with the Company's operations. Further the Company has put in place a system to familiarize the Independent Directors about the Company, its products, business and the on-going events relating to the Company.

**D. BOARD LEVEL COMMITTEES**

In accordance with the Listing Agreement with the Stock Exchanges on Corporate Governance, the following committees were in operation:

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

**1. AUDIT COMMITTEE**

**> Terms of reference**

The Audit Committee acts as a link between the Statutory and the Internal Auditors and Board of Directors. The purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting process, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's Statutory and



Internal Audit Activities. Majority of the members are Non-executive Directors and each member has rich experience in financial sector. The Committee is governed by a charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and clause 49 of the Listing Agreement.

➤ **COMPOSITION OF THE AUDIT COMMITTEE**

The committee consists of the following six members and every member of the Committee possesses a strong financial management and accounting background.

Chairman : Mr. Rakesh Nangia,  
 Members : Mr. A.K. Jain,  
                   Mr. N.K. Gupta,  
                   Mr. Janardan Gupta  
                   Dr. Rama Kant Dwivedi  
                   Mr. Ambrish Jaipuria

➤ **MEETINGS AND ATTENDANCE DURING THE YEAR**

The Audit Committee met four times during the financial year from 1<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2015 on May 06, 2014, August 07, 2014, November 04, 2014 and February 12, 2015. The meeting preceded the adoption of quarterly audited results by the Board of Directors. The Company published audited quarterly results in compliance with clause 41 of the listing agreement. The following table gives the attendance record of the audit committee.

Name of the Audit Committee Members	No. of Audit Committee Meetings	
	Held during the tenure of Directors	Attended
Mr. Rakesh Nangia	4	1
Mr. N. K. Gupta	4	4
Mr. A. K. Jain	4	4
Mr. Janardan Gupta	1	-
Mr. Ambrish Jaipuria	1	1
Dr. Rama Kant Dwivedi	1	1

**2. STAKEHOLDER RELATIONSHIP COMMITTEE (SRC)**

➤ **Terms of reference**

It was constituted specifically to review compliance of rules and regulations, to redress shareholder's grievance and to provide suggestions and further in pursuant to section 178(5) of Companies Act, 2013, the earlier Share Transfer and Investor Grievance Committee was reconstituted to be called as **STAKEHOLDERS RELATIONSHIP COMMITTEE**. To expedite the process of share transfers the Board has delegated the power of share transfer to Alankit

Assignments Limited viz. Registrar and Share Transfer Agents who will attended to the share transfer formalities at least once in a fortnight.

Terms of reference of the Stakeholder Relationship Committee are as per the guidelines set out in the listing agreements with the Stock Exchanges that inter-alia include looking into the investors complaints on transfer of shares, non receipt of declared dividends etc and redressal thereof.

➤ **COMPOSITION OF SRC**

The Stakeholders Relationship Committee is headed by an Independent Director and presently consisted of the following members

Chairman : Mr. N.K. Gupta,  
 Members : Mr. Ashok Jaipuria  
                   Mr. Rakesh Nangia  
                   Mr. Ambrish Jaipuria

➤ **MEETING AND ATTENDANCE DURING THE YEAR**

The Committee met four times during the financial year from 1<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2015 on May 06, 2014, August 07, 2014, November 04, 2014 and February 12, 2015. The following table gives the attendance record of the Stakeholder Relationship Committee.

Name of the Director	No. of Meetings	
	Held during the tenure of Directors	Attended
Mr. N.K. Gupta	4	4
Mr. Rakesh Nangia	4	1
Mr. Ambrish Jaipuria	4	4
Mr. Ashok Jaipuria	2	2

➤ **COMPLIANCE OFFICER**

The Compliance Officer for this committee, at present, is Ms. Neha Pawar, Company Secretary.

➤ **COMPLAINTS RECEIVED / RESOLVED**

The details of complaints received and disposed off during the year has been detailed in Shareholders Information Annexed to this report.

➤ **PENDING SHARE TRANSFER**

There are no pending share transfers as on 31/03/2015.

**3. NOMINATION AND REMUNERATION COMMITTEE**

➤ **TERMS OF REFERENCE**

This Committee shall identify the persons, who are qualified to become Directors of the Company /



who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also shall carry out evaluation of every director's performance. Committee shall also formulate the criteria for determining qualifications, positive attributes, independent of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees

> **COMPOSITION**

In compliance with Section 178(1) of the Companies Act, 2013, Remuneration Committee is being reconstituted as Nomination and Remuneration Committee and is headed by an Independent Director and consists of the following members:

- Chairman : Mr. Shreekant Somany
- Members : Mr. A.K. Jain
- Mr. Rakesh Nangia
- Dr. Ramakant Dwivedi
- Mr. Ambrish Jaipuria

> **MEETING AND ATTENDANCE DURING THE YEAR**

The Committee met three times during the financial year from 1<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2015 on August 07, 2014, November 04, 2014 and March 12, 2015. The following table gives the attendance record of the Stakeholder Relationship Committee.

Name of the Director	No. of Meetings	
	Held during the tenure of Directors	Attended
Mr. Shreekant Somany	3	2
Mr. A.K. Jain	3	3
Mr. Rakesh Nangia	3	2
Mr. Ramakant Dwivedi	1	1
Mr. Ambrish Jaipuria	1	1

> **COMPLIANCE OFFICER**

The Compliance Officer for this committee, at present, is Ms. Neha Pawar, Company Secretary.

> **REMUNERATION POLICY**

**Remuneration to Non-Executive Directors**

The Non-Executive Directors are paid remuneration by way of Sitting Fees. The Non-Executive Directors

are paid sitting fees for each meeting of the Board or Committee of Directors attended by them. The total amount of sitting fees paid during the Financial Year 2014-15 was 2.73 lacs. The Non- Executive Independent Directors do not have any material pecuniary relationship or transactions with the Company.

**Remuneration to Executive Directors**

The appointment and remuneration of Whole-time Director is governed by the recommendation of the Nomination and Remuneration Committee, resolutions passed by the Board of Directors and shareholders of the Company. The remuneration package of Whole-time Director comprises of salary, perquisites, allowances, and contributions to Provident and other Retirement Benefit Funds as approved by the shareholders at the General Meetings.

The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent.

**Remuneration Paid to Directors**

Following tables gives the details of remuneration paid to directors, during the year from April 01, 2014 to March 31, 2015:

**Remuneration to Non- Executive Directors**

S. No.	Name of Director	Sitting Fees
1	Mr. Ashok Jaipuria*	Nil
2	Mr. Anil Jain	71000
3	Mr. Shreekant Somany	33000
4	Mr. Naresh Kumar Gupta	69000
5	Mr. Rakesh Nangia	35000
6	Ms. Jyoti Dixit	35000
7	Dr. Ramakant Dwivedi	20000
8	Mr. Janardhan Pralhadrao Gupta	10000

\*Mr. Ashok Jaipuria opted not to take any sitting fees for attending any meeting of the Board of Directors and Committee thereof.

**Remuneration to Executive Director**

Mr. Ambrish Jaipuria, C.E.O & Executive Director was paid following remuneration during the year 2014-15:





Particulars of Remuneration	Amount ( In Rs.)
Basic Salary	21,00,000
HRA	10,50,000
LTA	Nil
Perquisites	Nil
Provident & other funds	2,52,000
Superannuation	99,996
Medical Expenses (Actual)	1,40,156
Vehicle Expenses (Conveyance)	Nil
Total :	<b>36,42,152</b>
Performance linked incentives	Nil
Service contracts, notice period, severance fees	6 month notice period on either side with no severance fees defined
Stock Option details	Nil

**SHAREHOLDING OF DIRECTORS (EXECUTIVE & NON EXECUTIVE)**

**Executive Director**

Name of the Director	No. of shares held
Mr. Ambrish Jaipuria	52,100

**NON EXECUTIVE DIRECTOR**

Mr. Ashok Jaipuria	79,900
Mr. Shreekant Somany	-
Mr. Rakesh Nangia	-
Mr. N. K. Gupta	-
Mr. A. K. Jain	462
Ms. Jyoti Dixit	-
Mr. Janardhan Pralhadrao Gupta	-
Dr. Rama Kant Dwivedi	-

**E. INDEPENDENT DIRECTORS:**

The Company has complied with the definition of Independence as per Clause 49 of the Listing Agreement and according to the Provisions of section 149(6) Companies Act, 2013. The company has also obtained declarations from all the Independent Directors pursuant to section 149 (7) of the Companies Act, 2013.

**a) Training of Independent Directors**

Whenever new Non-Executive and Independent Directors are inducted in the Board they are introduced to our Company's culture and they are also introduced to our organization structure, our business, constitution, board procedures, etc.

The appointment letters of Independent Directors has been placed on the Company's website at

[www.cosmoferrites.com](http://www.cosmoferrites.com) under

[http://www.cosmoferrites.com/Downloads/AnnualReport/b56fb537-eb66-4b9d-9a47-94297b98fa0f\\_LOA.pdf](http://www.cosmoferrites.com/Downloads/AnnualReport/b56fb537-eb66-4b9d-9a47-94297b98fa0f_LOA.pdf)

**b) Performance Evaluation of non-executive and Independent Directors**

The Board evaluates the performance of Non-Executive and Independent Directors every year.

All the Non-Executive and Independent Directors are having wide experience in the field of business, industry and administration.

Their presence on the Board is advantageous and fruitful in taking business decisions.

**c) Separate Meeting of the Independent Directors**

The Independent Directors held a Meeting on 12th March, 2015, without the attendance of Non-Independent Directors and members of Management. Majority of the Independent Directors were present at the meeting. The following issues were discussed in detail:

- i) Reviewed the performance of non-independent directors and the Board as a whole;
- ii) Reviewed the performance of the Chairperson of the Company taking in to account the views of Executive Directors and Non Executive Directors;
- iii) Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**F. ANNUAL GENERAL MEETING**

The date, time, venue of the next Annual General Meeting and the next Book Closure date will be as per the Notice calling the Annual General Meeting.

**G. DATES AND VENUE OF PREVIOUS THREE ANNUAL GENERAL MEETINGS.**

Financial Year	Place	Date	Special Resolution Passed
2011-12	Jabli, Dist Solan (H.P.), 173209	17.09.2012	Special Resolutions were Passed
2012-13	Jabli, Dist Solan (H.P.), 173209	27.09.2013	No Special Resolutions were Passed
2013-14	Jabli, Dist Solan (H.P.), 173209	22.09.2014	Special Resolutions were Passed

No resolution was passed through Postal Ballot during the Financial Year 2014-15.



## H. AFFIRMATIONS AND DISCLOSURES:

### 1. Compliance with Mandatory requirements of clause 49 of the Listing Agreement

The Company has complied with all the applicable mandatory requirements of clause 49 of the Listing Agreement.

### 2. Related Party Transactions: All transactions entered into with Related Parties as defined under Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements. A statement in summary form of transactions with related parties in the ordinary course of business and arm's length basis is periodically placed before the Audit Committee for approval.

None of the transactions with related parties were in conflict with the interest of the Company. All the transactions are in the normal course of business and have no potential conflict with the interest of the Company at large and carried out on an arm's length basis or fair value.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website weblink of which is provided as below:

<http://www.cosmoferrites.com/Downloads/AnnualReport/0dbca631-17ac-4d55-9ac3-353c1063a41c.Final.Policy.RPT.CFR.pdf>

### 3. The Company has complied with the requirements of stock exchanges or SEBI on matters related to Capital Markets, as applicable. No penalty was levied by these authorities in last three years.

### 4. Code of Conduct: The Company has adopted a Code of Conduct for the members of the Board of Directors and the senior management of the Company. The Code of Conduct is displayed on the website of the Company. All the directors and the senior management personnel have affirmed compliance with the code for the financial year ended

31<sup>st</sup> March 2015. A declaration to this effect, signed by the Chief Executive Officer is annexed to this report.

### 5. Whistleblower Policy: In accordance with requirement of Companies Act as well as Listing Agreement a vigil mechanism has been adopted by the board of directors and accordingly a whistle blower policy has been formulated with a view to provide a mechanism for employees of the company to approach Internal Auditor or Chairman of the Audit Committee of the Company to report any grievance. No personnel of the Company has been denied access to the Audit committee. A link to such policy is also provided in the website of the company.

### 6. The necessary certificate, pursuant to clause 49(IX) of the listing agreement is annexed to this report.

### 7. The Company Secretary has a key role to play in ensuring the Board procedures and statutory compliances are properly followed. A certificate from the Company Secretary indicating the compliance of Companies Act, 2013 and Listing Agreement has been annexed to this report.

### 8. Management Discussion and Analysis Report - The Management Discussion and Analysis has been discussed in detail separately in this Annual Report.

### 9. Compliance Certificate: Certificate from Auditors confirming compliance with conditions of corporate governance as stipulated in clause 49 of the listing agreement, is annexed to this report.

### 10. Other disclosures as required under clause 49 has been given at relevant places in the Annual Report.

## I INFORMATION TO SHAREHOLDERS

### 1. REGISTERED AND CORPORATE OFFICE

#### Registered Office

P.O. Jabli, District Solan,  
Himachal Pradesh- 173 209  
Phone: 01792-277231-32/35/36  
Fax: 01792-277234

#### Head Office

517, 5<sup>th</sup> floor, DLF Tower-A,  
Jasola District Centre,  
New Delhi-110025  
Phone: + 91 11 49398800  
Fax: + 91 11 49398801



**2. FINANCIAL CALENDAR**

The following is the tentative schedule for approval of financial results:

Financial reporting for the quarter ending June 30 , 2015	August 2015
Financial reporting for the quarter ending September 30, 2015	November 2015
Financial reporting for the quarter ending December 31, 2015	February 2016
Financial reporting for the quarter ending March 31, 2016	May 2016

**3. WEBSITE**

The address of the company's website is [www.cosmoferrites.com](http://www.cosmoferrites.com)

**4. LISTING ON STOCK EXCHANGES**

Company's shares are currently listed on the Bombay Stock Exchanges Ltd. (Stock Code 523100).

**7. INTERNATIONAL SECURITIES IDENTIFICATION NUMBER (ISIN)**

ISIN is a unique identification number of traded scrip. This number has to be quoted in each transaction relating to the dematerialized equity shares of the company. The ISIN number of the shares of Cosmo Ferrites Ltd. is INE 124B01018.

**8. ANNUAL LISTING FEE**

Annual Listing Fee for the year 2014-15 has been paid to Bombay Stock Exchange. There are no arrears of listing fees with the Bombay Stock Exchange Limited till date.

**9. DEMAT**

Your Company's equity shares can be traded on the Stock Exchanges only in dematerialized form with effect from 20<sup>th</sup> June, 2000. To trade in dematerialized form, investors are required to open a Demat account with Depository participant of their choice. Equity shares of your Company are available for trading in the depository systems, of both the Depositories viz. The National Securities Depositories Limited (NSDL) and the Central Depositories Service (India) Limited (CDSL).

96.93% (i.e. 11661199 Equity Shares) of equity share capital (120,30,000 equity shares) has been dematerialized as on 31<sup>st</sup> March, 2015.

**10. SHARE TRANSFER SYSTEM**

To expedite the process of share transfers the Board has delegated the power of share transfer to Alankit Assignments Limited viz. Registrar and Share Transfer Agents who will attend to the share transfer formalities at least once in a fortnight. Share transfer in physical form and other communication regarding share certificate, change of address, etc may be addressed at:

**M/s Alankit Assignments Limited,**

2E/21, Alankit House,  
Jhandewalan Extension, New Delhi 110 055  
Ph: +91 11 42541234 Fax: +9111 42541967  
Contact Person: Mr. R.S. Maurya

**11. ADDRESS FOR CORRESPONDENCE:**

i. Investors' Correspondence may be addressed to the Following:

**Compliance Officer**  
**Cosmo Ferrites Limited,**  
517, DLF Tower-A,  
Jasola District Centre  
New Delhi-110025  
e-mail:investorservices@cosmoferrites.com  
Fax: 91-1792-277234

ii. Queries Relating to Financial Statement of the company may be addressed to the following:

Mr. L.D. Sharma  
Senior Manager (Finance & Accounts)  
**Cosmo Ferrites Limited,**  
P.O. Jabli, Dist. Solan,  
Himachal Pradesh-173209  
e-mail: lakshmid\_s@cosmoferrites.com  
Fax: 91-1792-277234

**12. INVESTOR COMMUNICATION**

The Company publishes quarterly audited results in Financial Express and Himachal Dastak (Hindi). The information relating to the company results is also available on other major financial and capital market related websites.

The Company ensures that its Financial Results are sent to the concerned Stock Exchanges immediately after the same has been considered and taken on record by the Board of Directors. The Company also ensures that these Results are promptly and prominently displayed on the Company's website [www.cosmoferrites.com](http://www.cosmoferrites.com)

**13. DISCLOSURE ON LEGAL PROCEEDINGS**

There is no pending case relating to any disputes with shareholders, in which the company has been made a party.

**14. OUTSTANDING STOCK OPTION**

There are no outstanding warrants or convertible instruments or stock options to employees as on March 31, 2015.

**15. ANALYSIS OF SHAREHOLDERS' COMPLAINTS RECEIVED DURING 2014-15**

The Company generally clears the investors' complaints within a period of 7 days from the date of receipt. All the complaints received during the year have been replied.

There were nil complaint received and replied/disposed off during the year 2014-15



## 16. SHARE PERFORMANCE CHART

Stock price on the Bombay Stock Exchange on the closing date of month of financial year 2014-15:

Month	Share Price(Rs.)	High (Rs.)	Low (Rs.)	No. of Shares traded
April 2014	7.25	7.56	5.34	62,565
May 2014	10.68	10.68	7	1,03,061
June 2014	13.24	13.33	9.50	1,26,066
July 2014	11.60	14.56	10.31	64,414
Aug. 2014	10.14	11.60	8.65	33,825
Sept. 2014	11.25	13.49	9	61,800
Oct. 2014	13.11	13.75	10.83	78,055
Nov. 2014	12.10	14.85	11.37	78,903
Dec. 2014	13.25	13.81	11.37	28,063
Jan. 2015	12.53	15.88	10.73	1,77,858
Feb. 2015	11.19	13.50	9.80	72,113
March 2015	11	13.22	9.53	1,11,661
<b>TOTAL</b>				<b>9,98,384</b>

## 18. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2015

Following tables give the data on shareholding according to types of shareholders and class of shareholders.

### Distribution of the shareholdings according to type of shareholders

Particulars	March 31, 2015		March 31, 2014	
	Number of Shares	% Holding	Number of shares	% Holding
Promoters	7637500	63.49	7637500	63.49
Person acting in concert	Nil	Nil	Nil	Nil
Institutional Investors	7400	0.06	7400	0.06
Others	4385100	36.45	4385100	36.54
Total	12030000	100	12030000	100.00

### Distribution of shareholding according to the number of shares held on March 31, 2014

S. No.	No. of equity shares held	As on 31 <sup>st</sup> March, 2015				As on 31 <sup>st</sup> March, 2014			
		No. of shareholders	% of Total holders	No. of Shares	% of share capital	No. of shareholders	% of Total holders	No. of Shares	% of share capital
1	Upto 5000	4467	85.03	737264	6.12	4624	84.32	772586	6.42
2	5001 to 20000	536	10.19	587357	4.88	608	11.09	672509	5.59
3	20001 to 30000	70	1.33	179441	1.49	66	1.21	168580	1.40
4	30001 to 40000	30	0.58	109792	0.92	32	0.58	116795	0.97
5	40001 to 50000	35	0.67	161573	1.34	37	0.66	170514	1.42
6	50001 to 100000	49	0.95	364882	3.04	50	0.92	365378	3.04
7	100001 and Above	66	1.25	9889691	82.21	67	1.22	9763638	81.16
	Total	5253	100		100	5484	100.00	12030000	100.00

## 18. UNCLAIMED DIVIDENDS

No Unpaid Dividends were due to be transferred to the Investor Education and Protection Fund established by the Central Government under Section 205C of the Companies Act, 1956, pursuant to section 205A of the companies Act, 1956.



**ANNEXURE:**

**PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT ON CORPORATE GOVERNANCE, FOLLOWING INFORMATION IS FURNISHED ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED / RE-APPOINTED.**

**Director's Profile**

Name of the Director	Ashok Jaipuria	Ambrish Jaipuria	Dr. Rama Kant Dwivedi	Mr. Janardhan Pralhadrao Gupta
Date of Birth	11 <sup>th</sup> September, 1953	23 <sup>rd</sup> December, 1978	9 <sup>th</sup> January, 1942	12 <sup>th</sup> December, 1952
Qualification	Degree holder in Associate of Arts in Business Administration and Diploma Holder in Marketing Sciences	Commerce Graduate in Business Administration from Ohio State University, USA	MBA (University of Delhi), Ph.D. (Management)	Commerce Graduate from University of Rajasthan
Nature of Expertise	Mr. Ashok Jaipuria has over three decades of experience in General Management Functions.	Mr. Ambrish Jaipuria has over ten years of experience in Finance and Accounts and General Management functions.	Dr. Ramakant Dwivedi has about 40 years of experience in techno-commercial, academic and administrative in large and reputed organizations.	Mr. Janardhan Pralhadrao Gupta has over three decades of experience in the field of Accounts, Finance, Secretarial, Purchase, Logistics, new Projects, HR, Legal and various Commercial functions.
Date of Appointment	24 <sup>th</sup> July, 1985	29 <sup>th</sup> January, 2004	4 <sup>th</sup> November, 2014	4 <sup>th</sup> November, 2014
Name of other Companies in which he/she holds Directorship	1. Cosmo Films Limited 2. HSIL	1. Modern Montessori International (India) Private Limited 2. Alisha Torrent Closures (India) Pvt. Ltd.	NIL	NIL
Name of the Committees of the Other Companies of which he holds Membership/ Chairmanship	1. HSIL- Audit Committee	NIL	NIL	NIL
Shareholding in the Co.	79,900 Equity Shares	52,100 Equity Shares	NIL	NIL

Note: Only Audit & Stakeholders Relationship Committee have been considered



**CERTIFICATE CLAUSE 49 (IX) OF THE LISTING AGREEMENT**

We, the undersigned hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
  - 1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - 2. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) 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.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify such deficiencies.
- (d) We have indicated to the auditors and the Audit committee
  - 1. Significant changes in internal control over financial reporting during the year;
  - 2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - 3. Instance of significant fraud, if any, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**AMBRISH JAIPURIA**  
C.E.O & EXECUTIVE DIRECTOR

**RAMESH CHAND**  
CHIEF FINANCIAL OFFICER

Place: New Delhi  
Date: 26<sup>th</sup> May, 2015

**CERTIFICATE FROM THE COMPLIANCE OFFICER/COMPANY SECRETARY**

I, Neha Pawar, Compliance officer confirm that the Company has:

- (i) Maintained all the statutory registers required under the Companies Act, 2013 ('the Act') and the Rules made there under.
- (ii) Filed all the forms and returns and furnished all the necessary particulars to the Registrar of Companies and/or Authorities as required by the Act.
- (iii) Issued all notices required to be given for convening of Board Meeting and General meeting, within the time limit prescribed by law.
- (iv) Conducted the Board Meetings and annual General Meeting as per the Act.
- (v) Complied with all the requirements relating to the minutes of the proceedings of the meetings of the Directors and the Shareholders.
- (vi) Made due disclosure required under the Act including those required in pursuance of the disclosures made by the Directors.
- (vii) Obtained all necessary approvals of Directors, Shareholders, Central Government and other Authorities as per the requirements.
- (viii) Paid dividend amounts to the Shareholders and unpaid dividend amounts, if applicable, have been transferred to the General Revenue Account of the Central Government or Investor Education and Protections Fund within the time limit prescribed.
- (ix) Complied with the requirements of the Listing Agreement entered into with the Stock Exchange in India.
- (x) The Company has also complied with other statutory requirements under the Companies Act, 2013 and other related statutes in force.

The certificate is given by the undersigned according to the best of her knowledge and belief, knowing fully well that on the faith and strength of what is stated above; full reliance will be placed on it by the Shareholders of the Company.

**Neha Pawar**  
Company Secretary

PLACE: New Delhi  
DATE: 26<sup>th</sup> May, 2015



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**ANNUAL DECLARATION OF COMPLIANCE OF CODE OF CONDUCT BY CEO**

To,  
The Board of Directors  
Cosmo Ferrites Limited  
517, 5<sup>th</sup> floor,  
DLF tower A, Jasola,  
New Delhi – 110 025

1. The Code of Conduct has been laid down for all the Board members and senior management and other employees of the Company.
2. The Code of Conduct is posted on website of the Company.
3. The Board members and senior management personnel have affirmed compliance with the code of conduct for the year 2014-2015

New Delhi  
26<sup>th</sup> May, 2015

**Amrish Jaipuria**  
Chief Executive Officer





**AUDITOR'S CERTIFICATE**

We have examined the compliance of conditions of Corporate Governance by Cosmo Ferrites Limited for the year ended on 31<sup>st</sup> March 2015 as stipulated in clause 49 of the listing agreement of the said company with stock exchange(s).

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.

Place: New Delhi  
Date : 26<sup>th</sup> May, 2015

For **B.K.SHROFF & CO.**  
Chartered Accountants  
Firm Registration No: 302166E

**Sanjiv Aggarwal**  
Partner  
Membership No. 85128



## AUDITORS' REPORT

To The Members of  
Cosmo Ferrites Limited

### Report on the Financial Statements

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

### Management's responsibility for the Financial Statements

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

### Auditor's responsibility

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 there under.

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

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

statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its loss and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory requirements

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 Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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



- f) In our opinion, the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls are adequate.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 19 to the 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 – Refer Note 36 to the financial statements;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For B.K.Shroff & Co.  
Chartered Accountants  
Firm Reg. No. : 302166E

**Sanjiv Aggarwal**  
Partner  
Membership Number : 85128

Place: New Delhi  
Date : 26<sup>th</sup> May, 2015

**ANNEXURE REFERRED TO IN PARAGRAPH (1) UNDER THE HEADING OF REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE**

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the fixed assets have been physically verified by the management according to a regular program, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies with respect to book records were noticed on such verification.
- (ii) (a) Physical verification of inventory (except material in transit) has been conducted by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- (c) The company is maintaining proper records of inventory. Discrepancies noticed on verification of inventory as compared to book records were not material.
- (iii) The company has not granted any loans, secured or unsecured to companies firms or other parties covered in the register maintained under section 189 of the Act and as such clauses (iii) (a) and (b) of the order are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system.
- (v) According to the information and explanation given to us, the Company has not accepted any deposit from the public. Accordingly, the provisions of clause (v) of the order are not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the company pursuant to the order made by the Central Government for the maintenance of cost records under section 148(1) of the Act, and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of such accounts and records.
- (vii) (a) The company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value



- added tax, cess and any other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect thereof were outstanding as at 31st March, 2015 for a period of more than six months from the date they became payable.
- (b) According to the records of the company, there are no dues of income-tax or sales tax or wealth-tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.
- (c) No amount was required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made there under.
- (viii) There are no accumulated losses of the company as at 31st March. The company has not incurred any cash loss during the financial year and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.
- (x) In our opinion, the company has not given guarantee for loans taken by others from banks or financial institutions.
- (xi) In our opinion, the term loans have been applied for the purposes for which they were obtained.
- (xii) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For B.K.Shroff & Co.  
Chartered Accountants  
Firm Reg. No. : 302166E

Place : New Delhi  
Date : 26<sup>th</sup> May, 2015

Sanjiv Agarwal  
Partner  
Membership No. 85128



**BALANCE SHEET**  
As at 31st March, 2015

Particulars	Note No.	As at 31.03.2015		As at 31.03.2014	
		Rs. Lacs		Rs. Lacs	
<b>EQUITY AND LIABILITIES</b>					
<b>SHAREHOLDERS' FUNDS</b>					
Share Capital	2	1,403.00		1,303.00	
Reserves & Surplus	3	910.23	2,313.23	1,101.28	2,404.28
<b>NON-CURRENT LIABILITIES</b>					
Long-Term Borrowings	4	396.96		376.00	
Deferred Tax Liabilities (Net)	5	418.54		500.48	
Other Long Term Liabilities	6	3.05		3.05	
Long Term Provisions	7	120.83	939.38	87.73	967.26
<b>CURRENT LIABILITIES</b>					
Short-Term Borrowings	8	1,915.89		1,186.82	
Trade Payables	9	662.56		542.03	
Other Current Liabilities	10	467.98		594.64	
Short Term Provisions	11	19.57	3,066.00	46.06	2,369.55
			6,318.61		5,741.09
<b>ASSETS</b>					
<b>NON CURRENT ASSETS</b>					
Fixed Assets					
Tangible Assets	12	3,484.30		3,286.96	
Capital work in progress		594.49		164.84	
Long-Term Loans & Advances	13	47.81	4,126.60	57.93	3,509.73
<b>CURRENT ASSETS</b>					
Inventories	14	806.85		808.46	
Trade Receivables	15	745.48		725.95	
Cash & Cash Equivalents	16	284.38		182.44	
Short Term Loans & Advances	17	103.57		107.90	
Other Current Assets	18	251.73	2,192.01	406.61	2,231.36
			6,318.61		5,741.09

See accompanying notes to the financial statements

As per our report of even date annexed

For B.K. SHROFF & CO.,  
Chartered Accountants  
Firm Registration No.: 302166E  
Sanjiv Aggarwal  
Partner  
Membership No.: 85128

Place : New Delhi  
Dated: 26 May, 2015

Neha Pawar  
Company  
Secretary

Ramesh Chand  
Chief Financial  
Officer

L. D. Sharma  
Sr. Manager  
(Finance &  
Accounts)

Ashok Jaipuria  
Chairman  
DIN  
00214707

Ambrish Jaipuria  
Director  
DIN  
00214687



**PROFIT & LOSS STATEMENT**  
For the year ended 31st March, 2015

Particulars	Note No.	For the period from 01.04.2014 to 31.03.2015 Rs. Lacs	For the period from 01.04.2013 to 31.03.2014 Rs. Lacs
Revenue from Operations	21	5,409.25	5,677.07
Other Income	22	114.08	171.40
<b>Total Revenue</b>		<b>5,523.33</b>	<b>5,848.47</b>
Expenses			
Cost of Materials Consumed	23	1,574.27	1,563.32
Purchases of Stock in Trade	24	0.06	1.98
Changes in Inventories of Finished Goods, Work in Progress and Stock in trade	25	(125.00)	60.38
Employee Benefits Expense	26	1,188.02	998.65
Finance Costs	27	274.24	271.52
Depreciation and Amortisation Expense	28	361.13	397.74
Other Expenses	29	2,487.95	2,394.51
<b>Total Expenses</b>		<b>5,760.67</b>	<b>5,688.10</b>
Profit/(Loss) before Tax & exceptional items		(237.34)	160.37
Exceptional items	30	-	50.00
Profit/(Loss) before Tax		(237.34)	110.37
Tax Expense			
Current Tax		-	26.46
Deferred Tax		(70.85)	4.09
Earlier Year's Tax		1.48	0.85
		(167.97)	78.97
Mat Credit Entitlement		-	25.96
Profit/(Loss) after Tax		(167.97)	104.93
Earnings per Equity Share Basic and Diluted	31	(1.40)	0.86

See accompanying notes to the financial statements

As per our report of even date annexed

For B.K. SHROFF & CO.,  
Chartered Accountants  
Firm Registration No.: 302166E  
Sanjiv Aggarwal  
Partner  
Membership No.: 85128

Place : New Delhi  
Dated: 26 May, 2015

Neha Pawar  
Company  
Secretary

Ramesh Chand  
Chief Financial  
Officer

L. D. Sharma  
Sr. Manager  
(Finance &  
Accounts)

Ashok Jaipuria  
Chairman  
DIN  
00214707

Ambrish Jaipuria  
Director  
DIN  
00214687



**CASH FLOW STATEMENT**  
For the year ended 31st March, 2015

Particulars	For the Period from 01.04.2014 to 31.03.2015 Rs. Lacs	For the Period from 01.04.2013 to 31.03.2014 Rs. Lacs
<b>A. Cash Flow from Operating Activities</b>		
Net Profit/(Loss) before tax	(237.34)	110.37
Adjustments for :		
Depreciation	361.13	397.74
Dividend	-	(3.81)
Interest paid	213.16	214.87
(Profit)/Loss on sale of fixed assets	17.22	-
(Profit)/Loss on sale of investments	-	(99.10)
<b>Operating profit before working capital changes</b>	<u>354.17</u>	<u>620.07</u>
Adjustment for :		
Trade & Other receivables	129.93	(238.86)
Inventories	1.61	38.88
Trade payables & other liabilities	98.43	26.84
<b>Cash generated from operations</b>	584.14	446.93
Interest paid	(213.16)	(214.87)
Direct Taxes paid	(8.35)	(22.21)
<b>Net cash from operating activities</b>	<u>362.63</u>	<u>209.85</u>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of fixed assets	(1,055.53)	(217.87)
Sale of fixed assets	16.02	0.01
Sale of investments	-	277.86
Dividend received	-	3.81
<b>Net Cash Flow from Investing Activities</b>	<u>(1039.51)</u>	<u>63.81</u>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from issue of preference shares	100.00	100.00
Repayments of long term borrowings	(48.55)	(270.69)
Proceeds from buyer's credit	657.16	(52.19)
Increase in bank borrowings	71.91	(15.16)
Dividend paid	(1.70)	-
<b>Cash flow from financing activities</b>	<u>778.82</u>	<u>(238.04)</u>
Net increase in cash and cash equivalents	101.94	35.62
Cash and Cash equivalents (Opening Balance)	182.44	146.82
Cash and Cash equivalents (Closing Balance)	284.38	182.44

NOTE: Figures in parentheses represent cash outflow

See accompanying notes to the financial statements

As per our report of even date annexed

For B.K. SHROFF & CO.,

Chartered Accountants

Firm Registration No.: 302166E

Sanjiv Aggarwal

Partner

Membership No.: 85128

Place : New Delhi  
Dated: 26 May, 2015

Neha Pawar  
Company  
Secretary

Ramesh Chand  
Chief Financial  
Officer

L. D. Sharma  
Sr. Manager  
(Finance &  
Accounts)

Ashok Jaipuria  
Chairman  
DIN  
00214707

Ambrish Jaipuria  
Director  
DIN  
00214687



## ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

### 1. Significant accounting policies

#### a) Method of Accounting

- i) The accounts of the company are prepared under the historical cost convention using the accrual method of accounting unless otherwise stated hereinafter.
- ii) Accounting policies are consistent with generally accepted accounting principles.

#### b) Fixed Assets

Fixed Assets are stated at cost of acquisition, inclusive of inward freight, duties, taxes and incidental expenses related to acquisition and is net of modvat/cenvat wherever applicable. In respect of projects involving construction, related pre-operational expenses are capitalised and form part of the value of the assets capitalised. As per practice and on the basis of technical evaluation/ report, expenses incurred on trial runs/know-how development / relocation / modernisation / debottlenecking / relining / revamping of plant and machinery are capitalised. Fixed assets taken on lease are not reflected in the accounts and the lease rent is charged to profit & loss account as and when accrued.

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the greater of the net selling price and value in use.

#### c) Inventories

Inventories are valued at cost or net realisable value, whichever is lower. Cost is determined on first in first out (FIFO) basis.

#### d) Foreign currency transactions

All foreign currency liabilities relating to acquisition of fixed assets are restated at the rates ruling at the year end and exchange differences arising on such transactions are adjusted in the cost of assets.

Other foreign currency assets and liabilities outstanding at the close of the year are valued at year end exchange rates. The fluctuations are reflected under the appropriate revenue head.

#### e) Depreciation

Depreciation is calculated on fixed assets on straight line method in accordance with Schedule II of Companies Act, 2013. Except for machine in press section. In press section the life of the asset has been considered as 8 year instead of 25 years on technical evaluation.

Depreciation on amount of additions made to fixed assets on account of foreign exchange fluctuation is provided for over the residual life of the fixed assets.

#### f) Research & Development

Revenue expenditure on research and development is charged against the profit of the year in which it is incurred. Capital expenditure on research and development is shown as an addition to fixed assets.

#### g) Retirement benefits

##### i) Short Term Employee Benefits

All employee benefits payable only within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages etc. and the expected cost of bonus, exgratia, and incentives are recognized in the year during which the employee renders the related service.

##### ii) Post Employment Benefits

- a) State provident fund scheme is a defined contribution plan. The contribution paid /payable under the scheme is recognized in the profit & loss account during the year during which the employee renders the related service
- b) The company has a separate super annuation fund in respect of certain categories of employees. Contributions paid /payable during the year are recognized in the profit & loss account
- c) The employee gratuity fund scheme managed by a trust is a defined benefit plan. The present value of obligation under such defined benefit plan is determined based on actuarial valuation under the project unit credit method which recognizes each year of service as giving rise to additional unit of employee benefits entitlement each unit separately to build up the final obligation.





The obligation is measured at the present value of future cash flow. The discount rates used for determining the present value of the obligation under defined benefit plans is based on the market yields on government securities as at balance sheet date, having maturity years approximated to the returns of related obligations.

Actuarial gains and lesser are recognized immediately in the profit & loss account.

In case of funded plans the fair value of the planned assets is reduced from the gross obligation under the defined benefit plans to recognize the obligation on net basis.

- d) Other long term employee's benefits including leave encashment are recognized in the same manner as defined benefit plans.

**h) Borrowing costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset. Other borrowing costs are recognised as an expense in the year in which they are incurred. Capitalisation of borrowing costs ceases when substantially all activities necessary to prepare the qualifying asset for its intended use or sale are complete.

**i) Excise & Other Duties**

Excise duty in respect of finished goods lying in factory premises and custom duty on goods lying in customs bonded warehouse are provided and included in the valuation of inventory. Modvat benefit is accounted for by reducing the purchase cost of the materials/ fixed assets.

**j) Claims and benefits**

Claims receivable and export benefits are accounted on accrual basis to the extent considered receivable.

**k) Revenue recognition**

Export sales are accounted on the basis of the date of bill of lading / airway bill. Other sales are accounted

for ex-factory on dispatch. Sales are net of returns, excise duty and include export incentives/benefits.

**l) Income from Investments/Deposits**

Income is credited to revenue in the year in which it accrues. Income is stated in full with the tax thereon being accounted for under Income tax deducted at source.

**m) Taxation**

Provision for taxation is based on assessable profits of the company as determined under Income Tax Act, 1961.

Deferred taxation is provided using the liability method in respect of taxation effect arising from all material timing difference between accounting and tax treatment of income and expenditure which are expected with reasonable probability to crystallize in the foreseeable future.

Deferred tax benefits are recognized in the financial statements only to the extent of any deferred tax liability or when such benefits are reasonably expected to be realizable in the near future.

**n) Earnings per share**

Basic earning per share is calculated by dividing the net profit for the year attributable to equity shareholders (after deducting the redeemable preference share dividend) by the weighted average number of equity shares outstanding during the year.

Diluted earning per share is calculated by dividing the net profits attributable to equity shareholders (after deducting dividend on redeemable preference shares) by the weighted average number of equity shares outstanding during the year (adjusted for the effects of dilutive options).

**o) Contingent Liabilities**

Contingent Liabilities as defined in Accounting Standard-29 are disclosed by way of notes to accounts. Provision is made if it becomes probable that an outflow of future economic benefit will be required for an item previously dealt with as a contingent liability.



2 SHARE CAPITAL

(a) Authorised

Particulars	No. of Shares		Amount (Rs. Lacs)	
	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
<b>Equity Shares of Rs. 10 each</b>				
At the beginning of the year	1,50,00,000	1,50,00,000	1,500.00	1,500.00
Add: Additions during the year	-	-	-	-
Less: Reduction during the year	-	-	-	-
At the end of the year	<u>1,50,00,000</u>	<u>1,50,00,000</u>	<u>1,500.00</u>	<u>1,500.00</u>
<b>Preference Shares of Rs. 100 each</b>				
At the beginning of the year	8,00,000	8,00,000	800.00	800.00
Add: Additions during the year	-	-	-	-
Less: Reduction during the year	-	-	-	-
At the end of the year	8,00,000	8,00,000	800.00	800.00
Total			<u>2,300.00</u>	<u>2,300.00</u>

(b) Issued, Subscribed and Paid up

Particulars	No. of Shares		Amount (Rs. Lacs)	
	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
<b>Equity Shares of Rs. 10 each fully paid up</b>				
At the beginning of the year	1,20,30,000	1,20,30,000	1,203.00	1,203.00
Add: Additions during the year	-	-	-	-
Less: Reduction during the year	-	-	-	-
At the end of the year	<u>1,20,30,000</u>	<u>1,20,30,000</u>	<u>1,203.00</u>	<u>1,203.00</u>
<b>Preference Shares of Rs. 100 each fully paid up</b>				
At the beginning of the year	100,000	-	100.00	-
Add: Additions during the year	100,000	100,000	100.00	100.00
Less: Reduction during the year	-	-	-	-
At the end of the year	200,000	100,000	200.00	100.00
Total			<u>1,403.00</u>	<u>1,303.00</u>

Notes:-

The above preference shares are non convertible, cumulative and redeemable at end of 10 years from the date of allotment i.e. 29.01.2014 and 22.08.2014 or earlier at the option of the company. Dividend @ 10% is payable on these shares.

Details of shares in the company held by each shareholder holding more than 5% of shares is as under:

Name of the Shareholder	No. of Shares		% of Holding	
	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
Andheri Properties & Finance Ltd	37,56,375	37,56,375	31.23	31.23
Super Sadiq Enterprises Pvt. Ltd.	36,85,000	36,85,000	30.63	30.63



**3. RESERVE & SURPLUS**

Particulars	Amount (Rs. Lacs)	
	As at 31.03.2015	As at 31.03.2014
<b>Capital Reserve</b>		
At the beginning of the year	51.88	51.88
Add: Additions during the year	-	-
Less: Reduction during the year	-	-
At the end of the year	<u>51.88</u>	<u>51.88</u>
<b>Preference Share Capital Redemption Reserve</b>		
At the beginning of the year	625.42	625.42
Add: Additions during the year	-	-
Less: Reduction during the year	-	-
At the end of the year	<u>625.42</u>	<u>625.42</u>
<b>Surplus</b>		
At the beginning of the year	423.98	321.03
Add: Profit/(Loss) for the year	(167.97)	104.93
	256.01	425.96
Less: Adjustment on account of depreciation (net of differed asset of Rs. 11.09 lacs)	23.08	-
	232.93	425.96
Less: Proposed dividend of preference share	-	1.70
Corporate tax on dividend	-	0.28
	-	1.98
At the end of the year	<u>232.93</u>	<u>423.98</u>
Total	<u>910.23</u>	<u>1,101.28</u>

**4. LONG TERM BORROWINGS (Secured)**

Particulars	Amount (Rs. Lacs)	
	As at 31.03.2015	As at 31.03.2014
From Banks		
Term Loan *	396.96	376.00
Total	<u>396.96</u>	<u>376.00</u>

\* Rupee Term Loans are secured by first equitable mortgage of immovable assets both present and future and hypothecation of moveable assets (save and except book debts) charged to rank pari-passu inter se and subject to prior charges created in favour of the company's for working capital loans and assets exclusively charged. Corporate loan is further secured by pledge of shares of promoters.

The above loans are repayable as follows:

Particulars	Amount (Rs. Lacs)	
	As at 31.03.2015	As at 31.03.2014
Payable after 1 year	184.00	128.00
Payable after 2 years	182.96	128.00
Payable after 3 years	30.00	120.00
Total	<u>396.96</u>	<u>376.00</u>



5. DEFERRED TAX LIABILITIES (NET)

Particulars	Amount (Rs. Lacs)	
	As at 31.03.2015	As at 31.03.2014
<b>Deferred Tax liability</b>		
Fixed Assets	652.64	646.38
<b>Total</b>	<b>652.64</b>	<b>646.38</b>
<b>Deferred Tax Assets</b>		
Carry forward loss	170.19	96.47
43B items	57.51	43.15
Provision for doubtful debts	6.40	6.28
<b>Total</b>	<b>234.10</b>	<b>145.90</b>
<b>Net Deferred Tax Liability</b>	<b>418.54</b>	<b>500.48</b>

Deferred tax asset in respect of long term loss of Rs. 370.21 lacs (previous period Rs. 370.21 lacs) has not been recognised in view of uncertainty of its realisation.

Deferred tax asset of Rs. 11.09 lacs (previous period Nil) has been adjusted against opening balance of retained earnings

6. OTHER LONG TERM LIABILITIES

Particulars	Amount (Rs. Lacs)	
	As at 31.03.2015	As at 31.03.2014
Security Deposits	3.05	3.05
<b>Total</b>	<b>3.05</b>	<b>3.05</b>

7. LONG TERM PROVISIONS

Particulars	Amount (Rs. Lacs)	
	As at 31.03.2015	As at 31.03.2014
Provisions for Employee Benefits	120.83	87.73
<b>Total</b>	<b>120.83</b>	<b>87.73</b>

8. SHORT TERM BORROWINGS

Particulars	Amount (Rs. Lacs)	
	As at 31.03.2015	As at 31.03.2014
Secured		
Loans repayable on Demand		
From Banks *	907.27	835.36
Other Loans & Advances		
Foreign Currency Buyers Credit *	1,005.77	348.61
<b>Sub Total</b>	<b>1,913.04</b>	<b>1183.97</b>
Unsecured		
Deposits	2.85	2.85
<b>Total</b>	<b>1,915.89</b>	<b>1,186.82</b>

\* Secured by hypothecation of inventories and book debts and further secured by way of second charge on fixed assets both present and future.



Buyers credit includes liabilities of Rs. 698.15 lacs (previous period Rs. 64.81 lacs) in respect of capital goods.

**9. TRADE PAYABLES**

There are no amounts due or payable towards principal and interest to suppliers covered under Micro, Small and Medium Enterprises Development Act, 2006.

Includes liabilities of Rs. 154.43 lacs (previous year 90.02 lacs) in respect of capital goods.

Amount payable to related party Rs. 26.50 lacs (previous year Rs.11.99 lacs).

**10. OTHER CURRENT LIABILITIES**

Particulars	Amount (Rs. Lacs)	
	As at 31.03.2015	As at 31.03.2014
Current Maturities of Long Term Debts	134.21	203.72
Advance from Customers	93.71	157.35
Other Payables	240.06	233.57
<b>Total</b>	<b>467.98</b>	<b>594.64</b>

There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as on 31.03.2015.

Amount payable to related party Rs. 3.68 lacs (previous period Nil).

**11. SHORT TERM PROVISIONS**

Particulars	Amount (Rs. Lacs)	
	As at 31.03.2015	As at 31.03.2014
Provisions for Income Tax	-	26.46
Provisions for Employee Benefits	19.57	17.62
Proposed dividend on preference shares	-	1.70
Corporate tax on dividend	-	0.28
<b>Total</b>	<b>19.57</b>	<b>46.06</b>

**12 TANGIBLE ASSETS**

Particulars	Amount (Rs. Lacs)										
	Gross Block				Depreciation					Net Block	
	As at 1.04.2014	Additions	Sales/ Adjust- ments	Total	Upto 31.03.2014	For the year	Prior Period Adjust- ments	Sales *Adjust- ments	Total	As at 31.03.2015	As at 31.03.2014
Land	19.39	-	-	19.39	-	-	-	-	-	19.39	19.39
Buildings	521.66	-	-	521.66	278.18	15.34	-	-	293.52	228.14	243.48
Plant & Machinery	7,994.35	620.63	501.08	8,113.90	5,151.94	311.97	33.17	467.84	5,029.24	3,084.66	2,842.41
Furniture & Fixtures	139.32	3.25	-	142.57	41.29	13.45	0.35	-	55.09	87.48	98.03
Vehicles	143.80	2.00	-	145.80	60.15	20.37	0.65	-	81.17	64.63	83.65
<b>Total</b>	<b>8,818.52</b>	<b>625.88</b>	<b>501.08</b>	<b>8,943.32</b>	<b>5,531.56</b>	<b>361.13</b>	<b>34.17</b>	<b>467.84</b>	<b>5,459.02</b>	<b>3,484.30</b>	<b>3,286.96</b>
Previous year	8,710.52	108.24	0.24	8,818.52	5,134.05	397.74	-	0.23	5,531.56	3,286.96	

Addition to plant and machinery include exchange fluctuation Rs. 4.66 lacs (previous period Rs. 7.64 lacs)



**13. LONG TERM LOANS & ADVANCES**

(Unsecured-considered good)

Particulars	Amount (Rs. Lacs)	
	As at 31.03.2015	As at 31.03.2014
Security Deposits to Related Parties	7.38	7.38
Security Deposits to Others	33.05	43.17
Loans & Advances to Related Parties	7.38	7.38
<b>Total</b>	<b>47.81</b>	<b>57.93</b>

**14. INVENTORIES**

(As taken, valued and certified by the management)

Particulars	Amount (Rs. Lacs)	
	As at 31.03.2015	As at 31.03.2014
Raw Materials	72.76	199.91
Work in progress	468.63	367.53
Finished Goods *	103.26	79.36
Stores & Spares	162.20	161.66
<b>Total</b>	<b>806.85</b>	<b>808.46</b>

\* includes goods in transit Rs. 34.87 lacs (previous year Rs. 26.43 lacs).

**15. TRADE RECEIVABLES**

(Unsecured-considered good unless otherwise stated)

Particulars	Amount (Rs. Lacs)	
	As at 31.03.2015	As at 31.03.2014
Exceeding Six Months		
Considered good	57.67	60.31
Considered doubtful	19.37	19.37
	77.04	79.68
Less : Provision for doubtful debts	19.37	19.37
	57.67	60.31
Others	687.81	665.64
<b>Total</b>	<b>745.48</b>	<b>725.95</b>

**16. CASH & CASH EQUIVALENTS**

Particulars	Amount (Rs. Lacs)	
	As at 31.03.2015	As at 31.03.2014
Fixed deposits with banks		
Held as margin/security	274.17	174.75
Balances with banks in current accounts	8.48	5.22
Cash on hand	1.73	2.47
<b>Total</b>	<b>284.38</b>	<b>182.44</b>

Bank Deposits with more than 12 months maturity Rs. 1.46 lacs (previous year Rs. 1.46 lacs).



**17. SHORT TERM LOANS & ADVANCES**

		Amount (Rs. Lacs)	
(Unsecured-considered good)			
Particulars	As at 31.03.2015	As at 31.03.2014	
Advance Income-tax including tax Deducted at Source)	63.01	82.88	
Other	40.56	25.02	
<b>Total</b>	<b>103.57</b>	<b>107.90</b>	

**18. OTHER CURRENT ASSETS**

		Amount (Rs. Lacs)	
(Unsecured-considered good)			
Particulars	As at 31.03.2015	As at 31.03.2014	
Interest accrued on Loans & Deposits	5.14	4.13	
Balance with Central Excise	9.45	47.15	
MAT Credit Entitlement	29.68	29.68	
Others	207.46	325.65	
<b>Total</b>	<b>251.73</b>	<b>406.61</b>	

**19 CONTINGENT LIABILITIES AND COMMITMENTS**

(to the extent not provided for)

		Amount (Rs. Lacs)	
Particulars	As at 31.03.2015	As at 31.03.2014	
Contingent Liabilities			
a) Claims against the company not acknowledged as debts	20.0017.00		
b) Taxation matters disputed in appeals/rectification against which payments made Rs. 3.72 (previous period Rs. 13.72 lacs)	3.72	23.99	
c) Bank Guarantee	36.13	34.00	
d) Bill discounted with Banks	159.58	292.28	
e) Arrears of dividend on cumulative preference shares and tax thereon Commitments	19.36	-	
a) Estimated amount of contracts remaining to be executed on capital account (net of advances)	169.31	997.84	
b) Letter of credits opened for which the material has not yet been shipped	166.90	448.70	

20. In the opinion of the board the assets other than fixed assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

**21 REVENUE FROM OPERATIONS**

		Amount (Rs. Lacs)	
Particulars	For the period from 01.04.2014 to 31.03.2015	For the period from 01.04.2013 to 31.03.2014	
Gross Sales of Products			
Soft Ferrites Components	5,675.75	5,979.03	
Soft Ferrites Accessories	0.16	2.49	
Total	5,675.91	5,981.52	
Less: Excise Duty	266.66	304.45	
<b>Net Sales of Products</b>	<b>5,409.25</b>	<b>5,677.07</b>	



22. OTHER INCOME

Particulars	Amount (Rs. Lacs)	
	For the period from 01.04.2014 to 31.03.2015	For the period from 01.04.2013 to 31.03.2014
Interest	18.32	16.63
Dividend	-	3.81
Profit on sale of non current investments	-	99.10
Claims Received	6.38	1.48
Miscellaneous Receipts & Income	77.45	10.90
Prior period income	-	0.06
Excess Provisions/Sundry balances written back	11.93	11.40
Exchange Rate Difference (Net)	-	28.02
<b>Total</b>	<b>114.08</b>	<b>171.40</b>

23. COST OF MATERIALS CONSUMED

Particulars	Amount (Rs. Lacs)					
	Inorganic Oxides		Organic Compounds		Total	
	For the period from 01.04.2014 to 31.03.2015	For the period from 01.04.2013 to 31.03.2014	For the period from 01.04.2014 to 31.03.2015	For the period from 01.04.2013 to 31.03.2014	For the period from 01.04.2014 to 31.03.2015	For the period from 01.04.2013 to 31.03.2014
At the beginning of the period	196.99	229.90	2.92	1.94	199.91	231.84
Add: Purchases during the period	1,392.96	1,479.34	54.16	52.05	1,447.12	1,531.39
Less: Consumption during the period	1,519.91	1,512.25	54.36	51.07	1,574.27	1,563.32
At the end of the period	70.04	196.99	2.72	2.92	72.76	199.91

24. PURCHASES OF STOCK IN TRADE

Particulars	Amount (Rs. Lacs)	
	For the period from 01.04.2014 to 31.03.2015	For the period from 01.04.2013 to 31.03.2014
Soft Ferrite Accessories	0.06	1.98
<b>Total</b>	<b>0.06</b>	<b>1.98</b>

25. CHANGES IN INVENTORIES

Particulars	Amount (Rs. Lacs)	
	For the period from 01.04.2014 to 31.03.2015	For the period from 01.04.2013 to 31.03.2014
Closing Stock		
Finished Goods	103.26	79.36
Work in Progress	468.63	367.53
	571.89	446.89
Opening Stock		
Finished Goods	79.36	162.73
Work in Progress	367.53	344.54
	446.89	507.27
<b>(Increase)/Decrease in stocks</b>	<b>(125.00)</b>	<b>60.38</b>





26. EMPLOYEE BENEFITS EXPENSE

Particulars	Amount (Rs. Lacs)	
	For the period from 01.04.2014 to 31.03.2015	For the period from 01.04.2013 to 31.03.2014
Salaries & Wages	1004.60	866.19
Gratuity	41.60	8.74
Contribution to Provident & Other Funds	105.21	88.62
Staff Welfare Expenses	36.61	35.10
<b>Total</b>	<b>1188.02</b>	<b>998.65</b>

Particulars	For the period from 01.04.2014 to 31.03.2015	For the period from 01.04.2013 to 31.03.2014
During the year, the following contribution have been made under defined contribution plans:-		
Employer's Contribution to Provident Fund	62.90	52.38
Employer's Contribution to Superannuation Fund	11.99	10.42
Employer's Contribution to Employees State Insurance	25.82	21.73

Defined Benefit Plans	Gratuity	Leave Benefit	Gratuity	Leave Benefit
i) Assumptions				
Attrition Rate	5%	5%	5%	5%
Salary Rise	5%	5%	7%	7%
ii) Table showing changes in present value of obligations				
Present value of obligation as at beginning of year	141.24	26.52	127.81	25.24
Interest cost	10.58	2.01	11.55	2.27
Current Service Cost	10.99	8.86	9.06	7.34
Benefits Paid	(14.53)	(2.02)	(1.80)	(0.74)
Actuarial (gain)/loss on obligation	24.19	(4.50)	(5.38)	(7.59)
Present value of obligations as at end of year	172.44	30.87	141.24	26.52
iii) Table showing changes in the present value of plan assets				
Fair value of plan assets at the beginning of year	69.69	-	60.01	-
Expected return on plan assets	5.86	-	5.73	-
Contributions	9.89	-	4.21	-
Benefits paid	(15.24)	(2.02)	(0.20)	(0.74)
Actuarial gain / (Loss) on plan assets	(0.15)	-	(0.06)	-
Fair value of plan assets at the end of year	70.05	-	69.69	-
iv) Table showing fair value of plan assets				
Fair value of plan assets at the beginning of year	69.69	-	60.01	-
Actual return on plan assets	5.71	-	5.67	-
Contributions	9.89	-	4.21	-
Benefits paid	(15.24)	(2.02)	(0.20)	(0.74)
Fair value of plan assets at the end of year	70.05	-	69.69	-
Present value of obligation at the end of year	172.44	30.87	141.24	26.52
Funded status	(102.39)	(30.87)	(71.55)	(26.52)
v) Actuarial Gain / Loss recognized				
Actuarial gain / Loss for the year – obligation	(24.16)	4.50	5.38	7.59
Actuarial (gain)/Loss for the year – plan assets	(0.15)	-	(6.00)	-
Total (gain) / Loss for the year	24.31	(4.50)	(5.32)	(7.59)
Actuarial (gain) / Loss recognized in the year	24.31	(4.50)	(5.32)	(7.59)



vi) The amounts to be recognized in the balance sheet and statements of Profit & loss				
Present value of obligations as at the end of year	172.44	30.87	141.24	26.52
Fair value of plan assets as at the end of the year	70.05	-	69.69	-
Funded status	(102.39)	(30.87)	(71.55)	(26.52)
Net Asset / (Liability) recognized in balance sheet	102.39	30.87*	71.55	26.52*

\* This pertains to long term liability worked in respect of deferred leave only. Expected short term liability is of Rs 7.13 lacs (previous year Rs. 7.29 lacs)

vii) Expenses recognized in statement of Profit & Loss				
Current services cost	10.99	8.86	9.06	7.34
Interest cost	10.58	2.01	11.55	2.26
Expected return on plan assets	(5.86)	-	(5.73)	-
Net Actuarial (gain)/Loss recognized in the year	24.31	(4.50)	(5.32)	(7.59)
Expenses recognized in statement of P&L	40.02	6.37*	9.56	2.01*

\* This pertains to long term liability only. Actual payments (under the various heads) incurred over the intervaluation period are not included.

The Estimates of rate of future salary increase takes into account inflation, seniority, promotion and other relevant factors on long term basis. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of liability. The above information is certified by the actuary.

## 27. FINANCE COSTS

Particulars	Amount (Rs. Lacs)	
	For the period from 01.04.2014 to 31.03.2015	For the period from 01.04.2013 to 31.03.2014
Interest Expense	213.16	214.87
Bank and Finance Charges	61.08	56.65
<b>Total</b>	<b>274.24</b>	<b>271.52</b>

## 28. DEPRECIATION & AMORTISATION EXPENSE

Particulars	Amount (Rs. Lacs)	
	For the period from 01.04.2014 to 31.03.2015	For the period from 01.04.2013 to 31.03.2014
Depreciation*	361.13	397.74
<b>Total</b>	<b>361.13</b>	<b>397.74</b>

includes Rs. 4.01 lacs (previous period Nil) pertaining to earlier years.

\* Refer Note 38

## 29. OTHER EXPENSES

Particulars	Amount (Rs. Lacs)	
	For the period from 01.04.2014 to 31.03.2015	For the period from 01.04.2013 to 31.03.2014
Consumption of Stores, Spare and Packing Materials	745.11	740.40
Power & Fuel	806.20	801.17
Rent	37.73	39.18
Repairs to Buildings	4.80	10.20
Repairs to Machinery	222.02	206.95
Insurance	15.31	25.85
Rates & Taxes	6.25	3.13
Travelling & Conveyance	181.08	133.10
Professional & Consultancy Charges	64.80	69.71
Freight & Forwarding	157.00	170.13



Particulars	Amount (Rs. Lacs)	
	For the period from 01.04.2014 to 31.03.2015	For the period from 01.04.2013 to 31.03.2014
Other Selling Expenses	56.88	41.40
Charity & Donation	0.30	0.05
Exchange Rate Difference (Net)	24.51	-
Bad debts/Advances written off	0.99	10.27
Provision for doubtful debts	-	19.37
Claims paid/written off	-	1.22
Loss on sale of fixed assets	17.22	-
Miscellaneous Expenses *	147.40	121.12
Prior period Expenses	0.35	1.26
<b>Total</b>	<b>2,487.95</b>	<b>2,394.51</b>

\*includes payment to auditors

Particulars	Amount (Rs. Lacs)	
	For the period from 01.04.2014 to 31.03.2015	For the period from 01.04.2013 to 31.03.2014
As Statutory Audit Fees	2.85	2.85
As Audit Fees for Quarterly Audited Results	2.55	2.55
As Tax Audit Fees	0.60	0.60
For Certification Work	0.13	0.16
For Reimbursement of Expenses	0.51	0.10
<b>Total</b>	<b>6.64</b>	<b>6.68</b>

30 Exceptional items represents full & final settlement of a claim under litigation.

### 31. EARNING PER SHARE (EPS)

Particulars	Amount (Rs. Lacs)	
	For the period from 01.04.2014 to 31.03.2015	For the period from 01.04.2013 to 31.03.2014
<b>Basic and Diluted Earnings Per Share</b>		
Profit/(Loss) after tax as per profit & loss account (Rs. lacs)	(167.97)	104.93
Less: Proposed dividend on preference shares	-	1.70
Corporate tax on dividend	-	0.28
Sub Total:	A) (167.97)	102.95
No. of equity shares	(B) 12,030,000	12,030,000
Basic and Diluted Earning Per Share (Rs.)	(A/B) (1.40)	0.86

### 32. RELATED PARTY DISCLOSURE:

A Names of related parties and description of relationship

- (i) Key managerial personnel  
Shri Ambrish Jaipuria, Executive Director
- (ii) Enterprises over which key managerial personnel of the company and their relatives have significant influence  
Cosmo Films Ltd.  
Sterling Oxide Ltd.  
Gayatri & Annapurna  
Super Sadiq Enterprises Pvt Ltd.  
Pravasi Enterprises Ltd.



	Enterprises over which key managerial personnel of the company and their relatives have significant influence	Key Management Personnel	Total
Purchase of Goods/ Assets	2.00	-	2.00
	(105.39)	(-)	(105.39)
Remuneration paid	-	36.42	36.42
	(-)	(33.32)	(33.32)
Office Maintenance Charges	3.77	-	3.77
	(2.00)	(-)	(2.00)
Rent Paid	37.47	-	37.47
	(38.93)	(-)	(38.93)
Dividend received	-	-	-
	(3.75)	(-)	(3.75)
Sale of investments	-	-	-
	(277.85)	(-)	(277.85)
Balance outstanding at the end of the period			
a) Due to Sundry Creditors	26.50	-	26.50
	(11.99)	(-)	(11.99)
b) Advance Rent Paid	7.38	-	7.38
	(7.38)	(-)	(7.38)
c) Security Deposit Paid	7.38	-	7.38
	(7.38)	(-)	(7.38)
d) Other Payables	-	5.72	5.72
	(-)	(-)	(-)

Previous period figures are given in bracket.

- 33 It is the management's opinion that since the company is exclusively engaged in the activity of manufacture of soft ferrites and pre-calcined ferrite powder which are governed by the same set of risks and returns the same are considered to constitute a single reportable segment in the context of Accounting Standard on "Segment Reporting" issued by the Institute of Chartered Accountants of India.

34 VALUE OF IMPORTED / INDIGENOUS RAW MATERIALS, STORES & SPARES CONSUMED

Class of Goods	For the period from 01.04.2014 to 31.03.2015		For the period from 01.04.2013 to 31.03.2014	
	Percentage	Amount (Rs. lacs)	Percentage	Amount (Rs. lacs)
<b>Raw Materials</b>				
Imported	71.59	1,127.07	68.28	1,067.50
Indigenous	28.41	447.20	31.72	495.82
	<b>100.00</b>	<b>1,574.27</b>	<b>100.00</b>	<b>1,563.32</b>
<b>Stores &amp; Spares</b>				
Imported	13.69	102.03	18.28	135.36
Indigenous	86.31	643.08	81.72	605.04
	<b>100.00</b>	<b>745.11</b>	<b>100.00</b>	<b>740.40</b>



**35. OTHER INFORMATIONS**

Particulars	Amount (Rs. Lacs)	
	For the period from 01.04.2014 to 31.03.2015	For the period from 01.04.2013 to 31.03.2014
CIF value of Imports		
Raw materials	991.17	1,047.55
Stores & spares	187.31	141.09
Capital goods	777.58	97.43
Expenditure in Foreign Currency		
Travelling	59.97	62.71
Commission, exhibition etc.	31.54	15.04
Earnings in Foreign Currency		
FOB value of exports (including deemed exports Rs. 413.40 lacs, previous period Rs. 669.54 lacs)	3,016.31	2,781.27

**36 FORWARD CONTRACTS**

The company has taken forward cover for hedging the business related exposures due to imports which are not speculative in nature. As, the contracts are specific to a particular liability, the liability has been booked at the contract rate and no further profit / loss is anticipated.

**37** Capital work in progress includes capital advances of Rs. 0.27 lacs (previous period Rs. 61.44 lacs)

**38** Effective 1st April, 2014, the company has revised its estimated useful life of fixed assets, wherever appropriate, on the basis of useful life specified in Schedule II of the Companies Act, 2013. The carrying amount as on 1st April, 2014 is depreciated over the revised remaining useful life. As a result of these changes, the depreciation charged for the period ended 31st March, 2015 is lower by Rs. 53.38 lacs and the effect relating to the period prior to 1st April, 2014 is Rs. 23.08 lacs (net of deferred tax asset of Rs. 11.09 lacs) which has been adjusted against opening balance of retained earnings.

**39** Preoperative expenditure capitalised including under capital work in progress are as under:

Particulars	Amount (Rs Lacs)	
	As at 31.03.2015	As at 31.03.2014
Amount Brought Forward	8.94	-
Add: Salary & Wages	30.85	-
Stores & Spares	14.96	-
Power & Fuel	24.56	-
Finance Cost	13.48	-
Travelling & Conveyance	26.65	8.94
Other Expenses	7.49	-
Total	126.93	8.94
Less: Amount Capitalised	45.15	-
Amount Carried Forward	<b>81.78</b>	<b>8.94</b>

**40** Figures for the previous period have been regrouped / rearranged wherever considered necessary.

As per our report of even date annexed

For B.K. SHROFF & CO.,  
Chartered Accountants  
Firm Registration No.: 302166E  
Sanjiv Aggarwal  
Partner  
Membership No.: 85128

Place : New Delhi  
Dated: 26 May, 2015

Neha Pawar Company Secretary	Ramesh Chand Chief Financial Officer	L. D. Sharma Sr. Manager (Finance & Accounts)	Ashok Jaipuria Chairman DIN 00214707	Ambrish Jaipuria Director DIN 00214687
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