

2014-15  
73<sup>rd</sup> ANNUAL REPORT

INNOVATIVE THINKING  
INSPIRING EXCELLENCE



**Supreme<sup>®</sup>**  
People who know plastics best

**THE SUPREME INDUSTRIES LIMITED**



## *Innovative Thinking. Inspiring Excellence*

Leadership is more than just about market dominance.

It's about understanding the needs of customers with innovative thinking, pioneering new products, and inspiring to achieve excellence.

At the Supreme Group, success is a never-ending process. We live up to our ambitions as the leading player in the Indian plastics industry by catalyzing our growth through dynamic initiatives like developing breakthrough products, replacing traditional material with superior options, creating zero defect products, installing the world's finest technologies and capitalizing on path-breaking opportunities.

Over the years, our plastic products have become an integral part of every household and every industry. With a network of plants, offices & web of distribution network spread across the country, Supreme has also ensured timely delivery of products and faster after-sales-services to customers.

We are spearheading a movement by making things better, improving lives, contributing to society, as a socially responsible corporate citizen and preserving the environment through caring and proactive practices.

Today, our every action, each thought resonates with the pervasive synthesis of thinking something innovative and inspiring excellence.

We are inspired to inspire all those who aim for excellence.

## Performance Highlights

(₹ in Lacs)

	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
Market Capitalization	43649.15	64399.93	48337.93	64262.89	143260.90	229918.63	283206.41	428144.07	663778.91	857748.94
Polymers Processed (MT)	118115	130547	139239	172746	191704	224673	245700	281452	285539.00	303812.00
Sales	113067.09	132963.00	149882.45	180900.03	217159.45	266553.08	318461.92	374607.92	434333.45	469137.57
Less: Excise Duty	14860.69	16796.94	18860.35	15707.16	16585.69	22979.68	29532.17	38795.70	43850.53	47238.68
Net Sales	98206.40	116166.06	131022.10	165192.87	200573.76	243573.40	288929.75	335812.22	390482.92	421898.89
Other Income	466.61	666.76	893.91	904.53	1621.55	4294.66	4917.25	4884.38	6751.44	4246.07
Total Income	98673.01	116832.82	131916.01	166097.40	202195.31	247868.06	293847.00	340696.60	397234.36	426144.96
Operating Profit	10193.24	13629.66	15272.04	24698.97	30556.28	36709.23	48281.54	53939.82	59902.51	67264.71
Interest	2696.04	3300.57	3897.92	5456.03	3302.71	4250.19	5479.67	5234.61	7614.04	5794.97
Gross Profit	7497.20	10329.09	11374.12	19242.94	27253.57	32459.04	42801.87	48705.21	52288.48	61469.74
Depreciation	4134.10	4024.59	3951.04	5251.74	5292.03	6284.52	7246.28	8170.67	10153.94	13895.05
Profit Before Tax & Exceptional Items	3363.10	6304.50	7423.08	13991.20	21961.54	26174.52	35555.59	40534.54	42134.53	47574.69
Tax & Exceptional Items	656.08	-1291.36	-2310.88	-4251.24	-7489.00	-8773.42	-11504.00	-13299.35	-13997.90	-16004.00
Profit after Tax	4019.18	5013.14	5112.20	9739.96	14472.54	17401.10	24051.59	27235.19	28136.64	31570.69
Prior Years Adjustments	-23.37	2.22	-1.37	-1.35	10.48	95.90	0	-0.20	0	0.00
Net Profit	3995.81	5015.36	5110.83	9738.61	14483.02	17497.00	24051.59	27234.99	28136.64	31570.69
Paid up Equity Capital (Face Value of ₹2)	1381.08	2762.17	2762.17	2540.54	2540.54	2540.54	2540.54	2540.54	2540.54	2540.54
Reserves and Surplus*	18352.36	19576.27	22004.49	25990.94	35136.56	46278.92	61472.49	77580.97	93828.40	109814.35
Shareholders' Funds	19733.44	22338.44	24766.66	28531.48	37677.10	48819.46	64013.03	80121.51	96368.94	112354.89
Net Loan	23465.38	32058.18	44051.94	41044.05	37777.67	50166.60	34351.95	45396.49	45188.05	21930.71
Long Term Loans	12909.06	19975.37	28954.15	29141.93	18570.26	27486.87	20225.72	29273.84	34998.41	29699.03
Deferred Tax Liability (Net)	4283.20	4733.20	5228.09	6428.09	6984.39	7953.80	8325.83	9065.18	11675.13	8950.81
Capital Employed**	36925.70	47047.01	58948.90	64101.50	63231.75	84260.13	92564.58	118460.53	143042.48	151004.73
Net Fixed Assets***	32367.14	33356.68	46113.78	54024.26	56118.37	74027.37	73804.86	102645.43	108666.00	103250.13
Earning Per Equity Share (₹)	5.79	3.63	3.70	7.67	11.40	13.77	18.93	21.44	22.15	24.85
Cash Earning Per Equity Share (₹)	11.81	6.54	6.56	11.80	15.56	18.65	24.64	27.87	30.14	35.79
Book Value (₹)	28.58	16.17	17.93	22.46	29.66	38.43	50.39	63.07	75.87	88.45
Dividend (%)	100.00	75.00	80.00	120.00	180.00	215.00	300.00	375.00	400.00	450.00
ROACE (%)****	12.11	19.37	19.27	27.83	38.09	39.80	44.69	41.46	35.58	34.78
PBIT / Average Capital Employed										
ROANW (%)	19.86	23.83	21.71	36.55	43.72	40.24	42.63	37.79	31.88	30.25
(PAT / Average Net Worth)										
Debt : Equity (Long Term Debt / Total Net worth)	0.65	0.89	1.17	1.02	0.49	0.50	0.29	0.36	0.36	0.26
Debt: Equity (Total Debt / Total Net Worth)	1.20	1.46	1.80	1.46	1.03	1.05	0.54	0.58	0.47	0.20

\* excluding revaluation reserves

\*\* Shareholders' funds + Long Term Loans + Deferred Tax Liability

\*\*\* excluding revaluation & Capital work in Progress

\*\*\*\* ROACE=PBIT (Interest is excluding interest on working capital loans & unsecured loans)/Avg. Capital employed



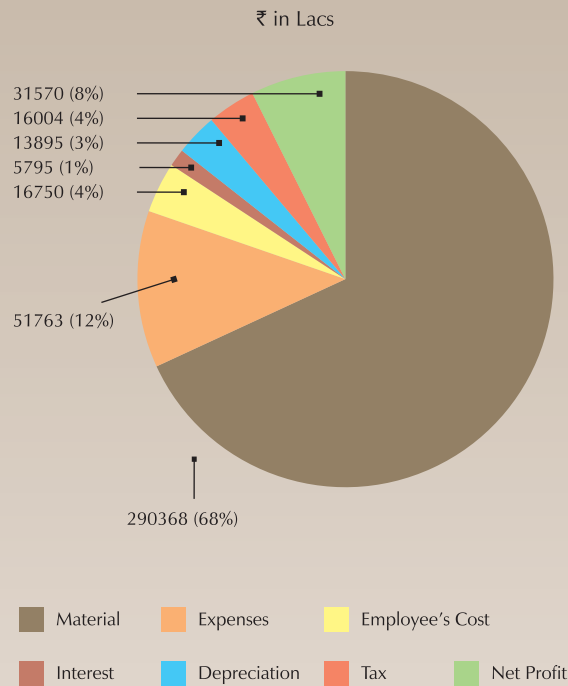


Shri M.P.Taparia, Managing Director, receiving "Life Time Achievement Award" conferred upon him by Plast India Foundation during 9<sup>th</sup> International Plastic Exhibition & Conference held in February, 2015.

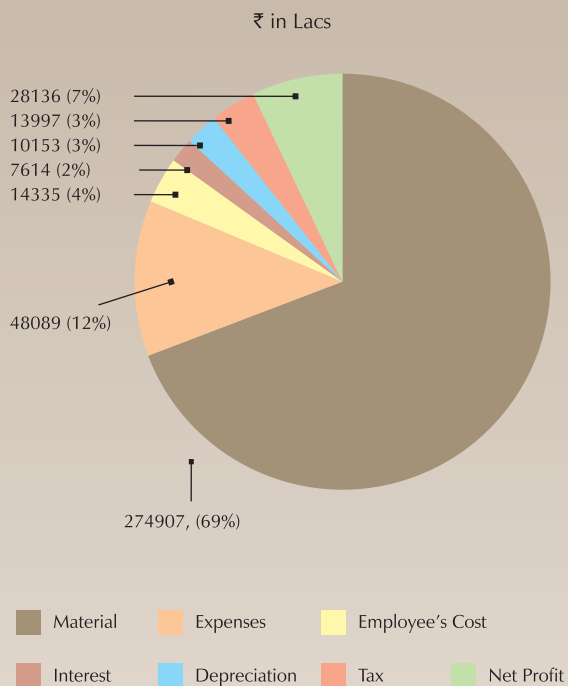


Dun & Bradstreet Corporate Awards 2015- Top Spot under the category "Plastic & Plastic Products" consecutively for the third year in a row.

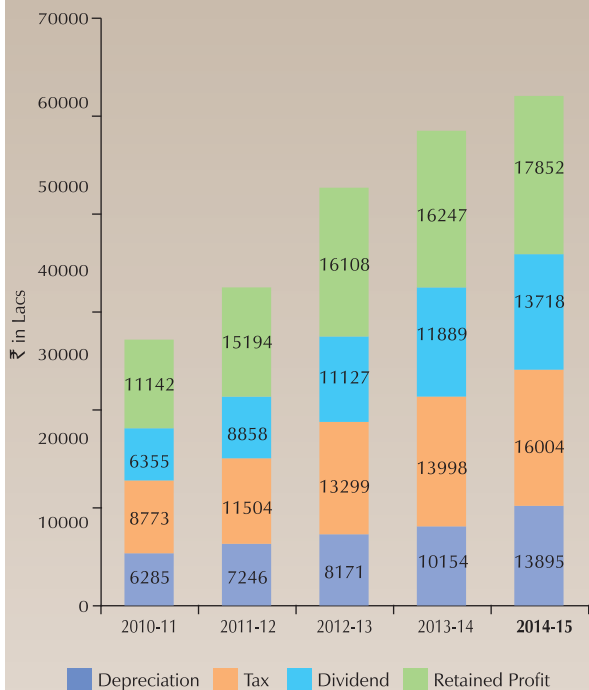
Distribution of Revenue 2014-15



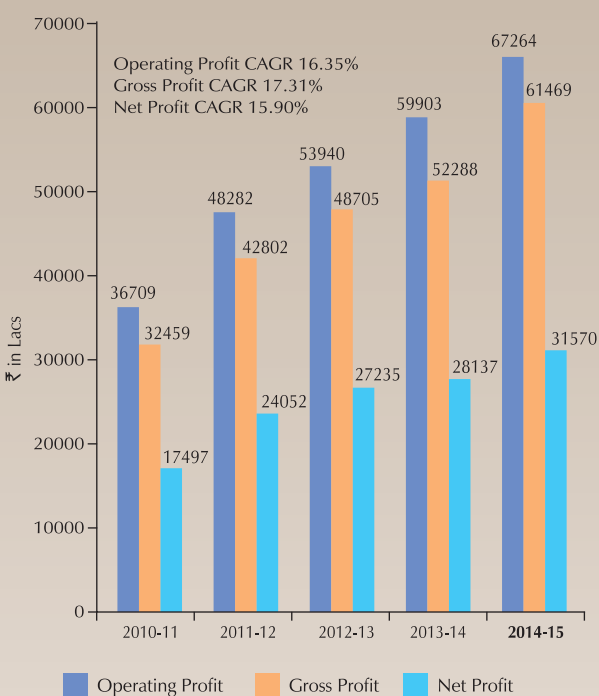
Distribution of Revenue 2013-14



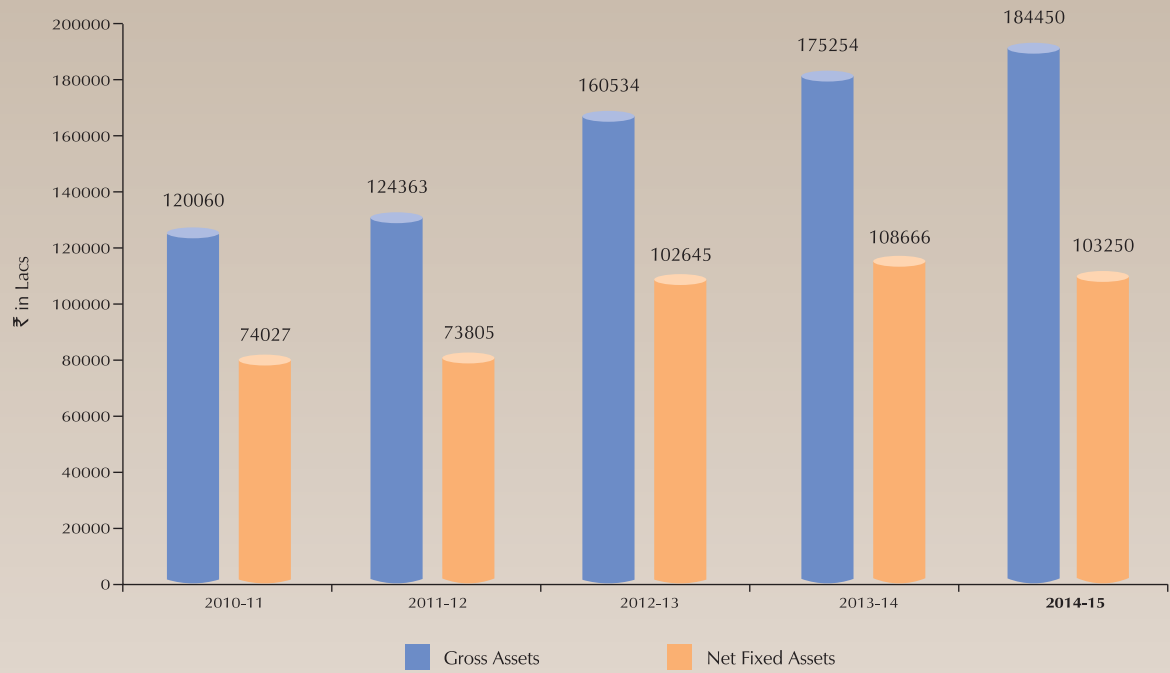
Distribution of Profit



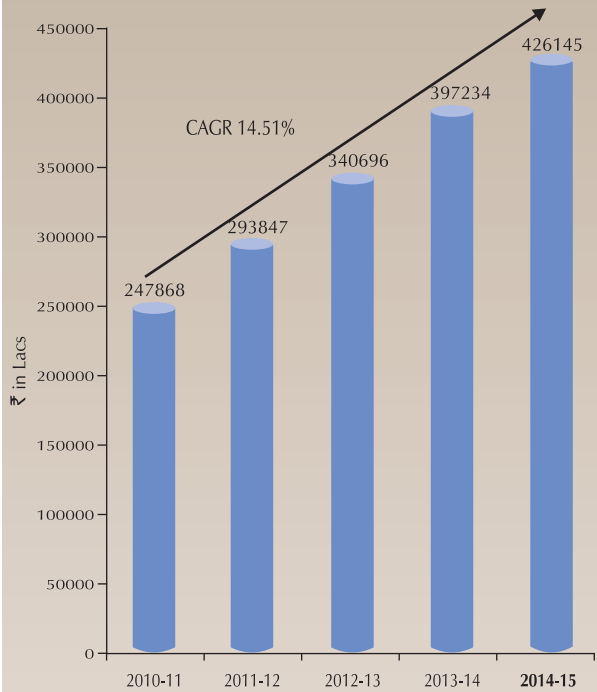
Operating, Gross And Net Profits



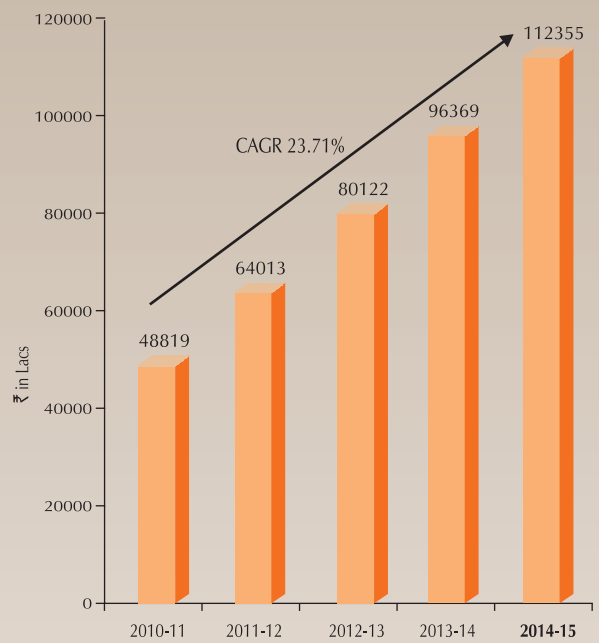
### Gross And Net Fixed Assets



### Income



### Shareholders' Funds



## Company Information

### BOARD OF DIRECTORS

B. L. Taparia, Chairman  
M. P. Taparia, Managing Director  
S. J. Taparia, Executive Director  
V. K. Taparia, Executive Director  
B. V. Bhargava, Director  
H. S. Parikh, Director  
N. N. Khandwala, Director  
Y. P. Trivedi, Director  
R. Kannan, Director  
R. M. Pandia, Director  
Smt. Rashna Khan, Director

### BANKERS

Central Bank of India  
Axis Bank Ltd.  
BNP Paribas  
ICICI Bank Ltd.  
IDBI Bank Ltd.  
Standard Chartered Bank  
State Bank of India

### AUDITORS

M/S. CHHOGMAL & CO.,  
Chartered Accountants

### REGISTERED OFFICE

612, Raheja Chambers,  
Nariman Point, Mumbai 400 021.  
Tele: 022-2285 1656 Fax: 022-2285 1657  
Website: <http://www.supreme.co.in>  
Email: [investor@supreme.co.in](mailto:investor@supreme.co.in)  
CIN: L35920MH1942PLC003554

### CORPORATE OFFICE

1161 & 1162 Solitaire Corporate Park,  
167, Guru Hargovindji Marg,  
Andheri Ghatkopar Link Road, Andheri (E), Mumbai 400 093  
Tele: 022-4043 0000 Fax: 022-4043 0099  
Website: <http://www.supreme.co.in>  
Email: [supreme@supreme.co.in](mailto:supreme@supreme.co.in)

### WORKS

1. Derabassi (Punjab)
2. Durgapur (West Bengal)
3. Gadegaon (Maharashtra)
4. Guwahati (Assam)
5. Halol - Unit I (Gujarat)
6. Halol - Unit II (Gujarat)
7. Halol - Unit III (Gujarat)
8. Halol - Unit IV (Gujarat)
9. Hosur Unit I (Tamil Nadu)
10. Hosur Unit II (Tamil Nadu)
11. Jalgaon - Unit I (Maharashtra)
12. Jalgaon - Unit II (Maharashtra)
13. Kanhe (Maharashtra)
14. Kanpur (Uttar Pradesh)
15. Kharagpur (West Bengal)
16. Khopoli (Maharashtra)
17. Khushkheda (Rajasthan)
18. Malanpur - Unit I (Madhya Pradesh)
19. Malanpur - Unit II (Madhya Pradesh)
20. Malanpur - Unit III (Madhya Pradesh)
21. Noida (Uttar Pradesh)
22. Puducherry (Union Territory)
23. Silvassa (Union Territory)
24. Sriperumbudur (Tamil Nadu)
25. Urse (Maharashtra)

### OFFICES

- |              |              |               |
|--------------|--------------|---------------|
| 1. Ahmedabad | 5. Hyderabad | 9. Mumbai     |
| 2. Bangalore | 6. Indore    | 10. New Delhi |
| 3. Chennai   | 7. Kanpur    | 11. Pune      |
| 4. Cochin    | 8. Kolkata   |               |

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## Notice

NOTICE is hereby given that the Seventy Third Annual General Meeting of the Company will be held at Walchand Hirachand Hall, Indian Merchants' Chamber, Near Churchgate Station, 76, Veer Nariman Road, Mumbai - 400020, on Wednesday the 16th September, 2015 at 4.00 p.m. to transact with or without modification(s), as may be permissible, the following business :-

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report and the Audited Statement of Accounts together with Auditors' Report thereon for the financial year ended 30th June, 2015.
2. To declare final dividend on Equity Shares for the Financial year ended 30th June, 2015 and to confirm the payment of Interim Dividend on Equity Shares by the Board of Directors of the Company.
3. To appoint a Director in place of Shri V. K. Taparia (Director Identification No. 00112567), who retires by rotation and being eligible, offers himself for reappointment.
4. To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT M/S. CHHOGMAL & CO., Chartered Accountants, Mumbai (Firm Registration No. : 101826W), the retiring Auditors of the Company, be and are hereby re-appointed as the Auditors of the Company to hold office from conclusion of this meeting until the conclusion of the next Annual General Meeting on a remuneration to be decided by the Board of Directors.

FURTHER RESOLVED THAT the appointment of the Branch Auditors for the financial year 2015-2016 for any of the Branch(es) of the Company, be made at such remuneration as the Board of Directors may decide in consultation with the Statutory Auditors of the Company and the respective Branch Auditor(s) who may be so appointed."

### SPECIAL BUSINESS:

5. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:  
"RESOLVED THAT pursuant to Section 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, Shri Rajeev M. Pandia (Director Identification No. 00021730), who was appointed as an Additional Director of the Company with effect from 17th September, 2014 under Section 161 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years commencing from 16th September, 2015."
6. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:  
"RESOLVED THAT pursuant to Section 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act

2013, Shri Ramanathan Kannan (Director Identification No. 00380328), who was appointed as an Additional Director of the Company with effect from 17th September, 2014 under Section 161 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years commencing from 16th September, 2015."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED that pursuant to recommendation of Nomination and Remuneration Committee and approval of the Board of Directors and in accordance with the provisions of Sections 196, 197, 198, 203, and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the rules made there under (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013 and Article 96 of Article of Association of the Company, approval of the members of the Company be and is hereby accorded to the continuation of Shri M. P. Taparia, (Director Identification No. 00112461), as Managing Director, upto 6th January, 2019, on the same terms and condition including remuneration as passed by the Members of the Company at the 71st Annual General Meeting held on 17th September, 2013.

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED that pursuant to recommendation of Nomination and Remuneration Committee and approval of the Board of Directors and in accordance with the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the rules made there under (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013 and Article 96 of Article of Association of the Company, approval of the members of the Company be and is hereby accorded to the continuation of Shri S. J. Taparia (Director Identification No. 00112513), as Executive Director, upto 6th January 2019, on the same terms and condition including remuneration as passed by the Members of the Company at the 71st Annual General Meeting held on 17th September, 2013.

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT subject to the relevant laws, rules and regulations as applicable from time to time subject to receipt of such consents, sanctions and permissions as may be required, approval of the Members of the Company be and is hereby accorded for acquiring and holding Equity shares of Company, by Foreign Institutional Investors (FII) /Registered Foreign Portfolio Investors (RFPIs) up to an aggregate limit of 30% of the paid up equity shares capital of the Company or individually upto such limit as may be permitted by applicable laws, rules and regulations from time to time.



RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to execute all such agreements, documents, Instruments and writings, to settle, questions, difficulties or doubts that may arise with regard the said matter as it may in its sole and absolute discretion deem appropriate and to do all such acts, deeds, matters and things as may be required to give effect to this resolutions.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to delegate all or any of its powers herein conferred to any Committee of the Board of Directors of the Company or any one or more of the Directors of the Company, for giving effect to this resolution."

10. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including statutory modification or re-enactment thereof for the time being in force, M/s. Kishore Bhatia & Associates, Cost Accountants (Firm Registration No. 00294), being the Cost Auditors appointed by the Board of Directors of the Company, to conduct the cost audit for the financial year ending 31st March, 2016 to the extent applicable, be paid the remuneration (apart from service tax including cess as applicable and reimbursement of actual travel and out of pocket expenses) as may be fixed by the Board of Directors."

#### NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. Proxies, in order to be effective, must be received at the registered office of the Company, duly completed and signed, not less than forty-eight hours before the commencement of the meeting. A proxy form is sent herewith. Proxies submitted on behalf of the Companies, Societies etc., must be supported by appropriate resolution / authority, as applicable.
3. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Special Business at Item No. 5 to 10 of the above Notice is annexed hereto.
4. Register of Members and the Share transfer books of the Company will remain closed from Thursday, 10th September, 2015 to Wednesday, 16th September, 2015 (both days inclusive).
5. The Dividend, if declared, will be payable to those Equity Shareholders whose names stand on the Register of Members as at the close of business on 16th September,

2015 and in respect of shares held in the electronic form, the dividend will be payable to the beneficial owners as at the close of business on Wednesday, the 9th September, 2015 as per details furnished by the Depositories for this purpose.

6. Pursuant to provisions of Section 205 A and 205 C of the Companies Act, 1956, dividends which remain unpaid or unclaimed for a period of 7 years, will be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Shareholders who have not encashed the dividend warrant(s) so far for the financial year ended 30th June, 2008 or any subsequent financial years, are requested to make their claims to the Company at its Registered Office. It may be noted that once the unclaimed dividend is transferred, on the expiry of seven years, to the Investor Education and Protection Fund, as stated here-in, no claim shall lie in respect thereof.
7. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be printed on their dividend warrants as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such members for deletion of/change in such bank details. Members may, therefore, give instructions regarding bank accounts in which they wish to receive dividend, directly to their Depository Participants.
8. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to M/s. Bigshare Services Pvt. Ltd., for doing the needful.
9. Members are requested to notify change in address, if any, immediately to M/s. Bigshare Services Pvt. Ltd., quoting their folio numbers.
10. In terms of circulars issued by Securities and Exchange Board of India (SEBI), it is now mandatory to furnish a copy of PAN card to the Company or its RTA in the following cases viz. Transfer of shares, Deletion of name, Transmission of shares and Transposition of shares. Shareholders are requested to furnish copy of PAN card for all the above mentioned transactions.
11. Details under Clause 49 of the Listing Agreement with the Stock Exchanges in respect of the Directors seeking appointment / re-appointment / continuation at the Annual General Meeting, forms part of the notice. The Directors have furnished the requisite declarations for their appointment / re-appointment.
12. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address as soon as possible. The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Shareholders / Depositories for depositing of dividends.
13. Electronic copy of the Annual Report will be sent to the members whose email IDs are registered with the Company / Depository Participant(s).
14. Members may also note that Notice of the 73rd Annual General Meeting and Annual Report 2014-15 will also be available on the Company's website [www.supreme.co.in](http://www.supreme.co.in)

for being downloaded. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days till the date of the meeting. Even after registering e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id : investor@supreme.co.in

## VOTING THROUGH ELECTRONIC MEANS

In compliance with provisions of Section 108 of the Companies Act, 2013 and with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015, read with of Clause-35B of the Listing Agreements, the Company is pleased to provide Members facility to exercise their votes through 'remote e-voting (e-voting from a place other than venue of the AGM) and Ballot Form for all the resolutions detailed in the Notice of the 73rd Annual General Meeting scheduled to be held on Wednesday 16th September, 2015 at 4.00 p.m. The Company has engaged the services of CDSL, as the authorized agency to provide the e-voting as per instructions below:

In terms of Clause-35B of the Listing Agreement, in order to enable to its members, who do not have access to remote e-voting facility to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, a Ballot Form is sent herewith. Instructions for Ballot form are given at the back of said form.

The voting right of Shareholders shall be in proportion to their share in the paid up equity capital of the Company as on 9th September, 2015 (cut-off date)

The facility for voting through ballot paper (Poll) shall be made available at the AGM and the Members attending the meeting who have not cast their vote by remote e-voting or by Ballot Form shall be able to exercise their right at the meeting through Ballot paper.

The Members who have casted their vote by remote e-voting or by Ballot Form prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

Kindly note that members can opt for only one form of voting i.e. either by Ballot Forms or through remote e-voting. If members are opting for remote e-voting then they should not vote by Ballot Forms and vice-versa.

However, in case of Members casting their vote both by Ballot Form and remote e-voting, then voting done through remote e-voting shall prevail and voting done by Physical Ballot shall be treated as invalid.

The Company has appointed M/s. V. Laxman & Company, Company Secretaries as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM (including voting through Ballot form) in fair and transparent manner.

In case a Member desirous of obtaining a duplicate Ballot Forms, he may send an e-mail to investor@supreme.co.in. A member desiring to exercise vote by Ballot Form shall complete the Ballot Form with assent (for) or dissent (against) and send it to Shri V. Laxman, Scrutinizer C/o. The Supreme Industries Limited, 612,

Raheja Chambers, Nariman Point, Mumbai - 400021, so as to reach him on or before 15th September, 2015, by 5.00 p.m. Any Ballot form received after the said date shall be treated as if the reply from the members has not been received.

The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of "Ballot Paper" for all those Members, who are present at the AGM, but have not cast their votes by availing remote e-voting facility.

The Scrutinizer shall after the conclusion of voting at AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting, in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days from the conclusion of the AGM, a consolidated Scrutinizer's Report of total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

The result declared along with the report of the Scrutinizer shall be placed on the website of the Company www.supreme.co.in and on the website of CDSL, immediately after the declaration of result by the Chairman or a person authorized by him in writing. The result shall also be immediately forwarded to the Stock Exchanges.

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

### In case of members receiving e-mail:

- (i) The voting period begins on 13th September, 2015 (9:00 a.m.) and ends on 15th September, 2015 (5:00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 9th September, 2015, may cast their vote electronically. The e-voting module 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) Log on to the e-voting website www.evotingindia.com
- (iv) Click on Shareholders
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com 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:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

	<b>For Members holding shares in Demat Form and Physical Form</b>
	<ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Ballot Form/mail) in the PAN field.</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. E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<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>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for The Supreme Industries Limited on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

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

(xix) **Note for Non - Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login 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.

(xx) 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).

**In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xix) above to cast vote.
- (B) The voting period begins on 13th September, 2015 (9:00 a.m.) and ends on 15th September, 2015 (5:00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 9th September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) 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).

The Notice of AGM is placed on website of the Company viz. [www.supreme.co.in](http://www.supreme.co.in) and also on the website of CDSL viz. [www.cdslindia.com](http://www.cdslindia.com).

By order of the Board

**R. J. Saboo**

AVP (Corporate Affairs) &  
Company Secretary

**Registered Office**

612, Raheja Chambers,  
Nariman Point, Mumbai 400 021

Dated : 24th July, 2015



## Explanatory Statement under Section 102(1) of the Companies Act, 2013.

### Item No. 5

Shri Rajeev M. Pandia (Director Identification No. 00021730) had been appointed as a Additional Director of the Company on 17th September, 2014 in accordance with the provisions of Section 161 of Companies Act, 2013. Shri Rajeev M. Pandia shall hold office up to the date of forthcoming Annual General Meeting.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, Shri Rajeev M. Pandia, is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation.

As required under Section 160 of the above Act, notice has been received from a member of the Company with the requisite deposit proposing candidature of the said Director for the office of Independent Director of the Company.

The Board of Directors considers that Shri Rajeev M. Pandia has the requisite qualification and expertise that will be of immense benefit to the Company. The Board opines that he fulfils the conditions specified in the Companies Act, 2013 and Rules made there under for his appointment as an Independent Director of the Company.

Copy of the draft letter of appointment setting out the terms and conditions will be available for inspection, without any fee, by the members at the registered office of the Company during normal business hours on any working day.

A brief profile of Shri Rajeev M. Pandia and names of the Companies in which he is a Director is given in the Corporate Governance, which forms part of the Annual Report.

Shri Rajeev M. Pandia holds Nil Equity Shares of ₹ 2/- (F.V.) each in the Company.

Except Shri Rajeev M. Pandia, no other Director or Key Managerial Personnel (or their relatives) are concerned or interested in the resolution. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Your Directors recommend the appointment of Shri Rajeev M. Pandia as an Independent Director of the Company for a term of five consecutive years commencing from 16th September, 2015.

### Item No. 6

Shri Ramanathan Kannan (Director Identification No. 00380328) had been appointed as a Additional Director of the Company on 17th September, 2014, in accordance with the provisions of Section 161 of Companies Act, 2013. Shri Ramanathan Kannan shall hold office up to the date of forthcoming Annual General Meeting.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013 and Rules made there under, Shri Ramanathan Kannan is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation.

As required under Section 160 of the above Act, notice has been received from a member of the Company with the requisite deposit proposing candidature of the said Director for the office of Independent Director of the Company.

The Board of Directors considers that Shri Ramanathan Kannan has the requisite qualification and expertise that will be of immense benefit to the Company. The Board opines that he fulfils the conditions specified in the Companies Act, 2013 and Rules made there under for his appointment as an Independent Director of the Company.

Copy of the draft letter of appointment setting out the terms and conditions will be available for inspection, without any fee, by the members at the registered office of the Company during normal business hours on any working day.

A brief profile of Shri Ramanathan Kannan and names of the Companies in which he is a Director is given in the Corporate Governance, which forms part of the Annual Report.

Shri Ramanathan Kannan holds 7110 Equity Shares of ₹ 2/- (F.V.) each in the Company.

Except Shri Ramanathan Kannan, no other Director or Key Managerial Personnel (or their relatives) are concerned or interested in the resolution. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Your Directors recommend the appointment of Shri Ramanathan Kannan as an Independent Director of the Company for a term of five consecutive years commencing from 16th September, 2015.

### Item No. 7

Shri M. P. Taparia (Director Identification No. 00112461), was appointed as Managing Director by Members at the Annual General Meeting (AGM) held on 17th September, 2013, for a period of 5 years w.e.f 7th January, 2014. However Section 196(3) read with Schedule V of the Companies Act, 2013 which has come into effect from 1st April 2014, inter alia, provides that no Company shall appoint or continue the employment of a person who has attained age of 70 years as Managing Director, Whole time Director or Manager unless it is approved by the Members by passing Special Resolution.

In view thereof and in compliance with Section 196 (3), it is proposed to continue Shri M. P. Taparia as Managing Director who has attained the age of 70 years upto 6th January, 2019, on the same terms and conditions including remuneration as were approved by the Members at the AGM held on 17th September, 2013.

Shri M. P. Taparia has been at the helm of the management and administration of the Company under the overall supervision, control and direction of the Board of Directors. Ever since his stewardship the Company has made tremendous strides as reflected by the present prosperous position of the Company.

A brief profile of Shri M. P. Taparia and names of the Companies in which he is a Director is given in the Corporate Governance, which forms part of the Annual Report.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

Shri M. P. Taparia, is himself interested in the Resolution. Shri B. L. Taparia, Chairman, of the Company, is also interested being his Brother. None of the other Directors are concerned and / or interested in the Resolution.



The Directors commend the Special Resolution for your approval.

#### **Item No. 8**

Shri S. J. Taparia (Director Identification No. 00112513), was appointed as Executive Director by Members at the Annual General Meeting held on 17th September, 2013, for a period of 5 years from 7th January, 2014.

However Section 196(3) read with Schedule V of the Companies Act, 2013 which has come into effect from 1st April 2014, inter alia, provides that no Company shall appoint or continue the employment of a person who has attained age of 70 years as Managing Director, Whole time Director or Manager unless it is approved by the Members by passing Special Resolution.

In view thereof and as Shri. S. J. Taparia will be attaining the age of 70 years on 7th August, 2015, it is proposed to continue Shri. S. J. Taparia as Executive Director, upto 6th January 2019 on the same terms and conditions including remuneration as were approved by the Members at the AGM held on 17th September 2013.

Shri S. J. Taparia has rich and varied experience in the Industry and has been involved in the operations of the Company over a long period of time. It would be in the interest of the Company to continue the employment of Shri S. J. Taparia as Executive Director.

A brief profile of Shri S. J. Taparia and names of the Companies in which he is a Director is given in the Corporate Governance, which forms part of the Annual Report.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

Shri S. J. Taparia, is himself interested in the Resolution.

None of the other Directors are concerned and / or interested in the Resolution.

The Directors commend the same for your approval.

#### **Item No. 9**

As per the extant Regulations, total Foreign Direct Investment (FDI) in the Equity share capital of the Company by Foreign Institutional Investors (FIIs) / Registered Foreign Portfolio Investors (RFPIs) is allowed up to 24 % paid-up Share Capital of the Company .

Now as per the Regulations this limit can be increased to the sectoral cap / statutory ceiling, as applicable, by the Resolution

passed by the Board of Directors and by passing a special resolution by the members of the Company.

Present holding by Foreign Institutional Investors (FIIs) / Registered Foreign Portfolio Investors (RFPIs) in the Equity share capital of the Company as on 24th July, 2015 is 21.72%. To make more space for FIIs and RFPIs to invest in the Equity Share capital of the Company, your Board of Directors deems it desirable to increase present limit of Share holding from present 24% up to 30% of the paid - up Equity Share capital of the Company and take approval of Reserve Bank of India (RBI) to increase the current cap for Foreign Institutional Investors (FIIs) / Registered Foreign Portfolio Investors (RFPIs).

Increase participation by Foreign Institutional Investors (FIIs) / Registered Foreign Portfolio Investors (RFPIs) in the equity shares of the Company is considered to be in the interest of the Company and your Board recommends the Special Resolutions for consideration by the Members.

None of Directors of your Company are in any way concerned or interested in the resolutions.

#### **Item No. 10**

A proposal for appointment of Cost Auditors for the financial year 2015-16 was recommended by the Audit Committee to the Board. It is proposed to appoint M/s. Kishore Bhatia & Associates, Cost Accountants, (Firm Registration No. 00294) as Cost Auditors. M/s. Kishore Bhatia & Associates, have confirmed their availability for appointment as Cost Auditors.

As per the Companies Act, 2013 and applicable Rules, the Appointment and remuneration payable to the Cost Auditors is to be ratified by the shareholders. Hence this resolution is put for the consideration of the shareholders.

None of the Directors and Key Managerial Personnel (or their relatives) are interested in the said resolution.

Your Directors recommend the resolution for your approval.

By order of the Board

**R. J. Saboo**

AVP (Corporate Affairs) &  
Company Secretary

#### **Registered Office**

612, Raheja Chambers,  
Nariman Point,  
Mumbai 400 021

Dated : 24th July, 2015

## Directors' Report

The Directors have great pleasure in presenting the 73rd Annual Report together with the Audited Financial Statements for the financial year ended 30th June, 2015.

### FINANCIAL RESULTS

	(₹ in lacs)	
	Current Year	Previous Year
Total Income (net)	426144.95	397234.36
Profit before interest, depreciation and tax	67264.71	59902.51
Interest and financial charges	5794.98	7614.04
Depreciation, Amortization and Impairment	13895.05	10153.95
<b>Profit Before Tax</b>	<b>47574.68</b>	<b>42134.53</b>
Provision for Current Tax	17767.22	11387.94
Deferred Tax	(1763.22)	2609.95
Net Profit available for Appropriation	31570.68	28136.63
<b>Appropriation:</b>		
Interim Dividend	2540.54	2540.54
Proposed (final) Dividend	8891.88	7621.61
Tax on Dividend	1777.85	1727.05
Transferred to General Reserve	17852.45	16247.43
	<b>31570.68</b>	<b>28136.63</b>

### DIVIDEND

	₹	₹
(i) Dividend on 12,70,26,870 Equity Shares of ₹ 2/- each @ 450% i.e. ₹ 9/- per share (Previous year on 12,70,26,870 Equity Shares of ₹ 2/- each @ 400% i.e. ₹ 8/- per share)		
(a) Interim Dividend @ 100% i.e. ₹ 2/- per share (already paid in January 2015)	2540.54	
(b) Final Dividend recommended @ 350% i.e. ₹ 7/- per share	8891.88	11432.42
(ii) Corporate Dividend Tax as applicable (including ₹ 507.96 Lacs paid on Interim Dividend)		2285.81
		13718.23

### OVERVIEW OF THE FINANCIAL PERFORMANCE

The financial performance highlights for the year ended 30th June, 2015, are as follows -

- The Company sold 3,01,930 MT of Plastic goods and achieved net product turnover of ₹ 3,918.47 crores during the current year against sales of 2,75,463 MT and net product turnover of ₹ 3,672.74 crores in the previous year achieving volume & product value growth of about 10% and 7% respectively.
- Total Income and Operating Profit for the year (excluding construction business) amounted to ₹ 4,115.36 crores and ₹ 570.77 crores, as compared to ₹ 3,901.70 crores and ₹ 552.86 crores, for the previous year, recording an increase of 5 % and 3 % respectively.
- Company has sold 81,831 sq.ft saleable area at an aggregate consideration of ₹139.31 crores during the year under review.
- The Profit before Tax and Profit after Tax, for the year amounted to ₹ 475.75 crores and ₹ 315.71 crores, as compared to ₹ 421.35 Crores and ₹ 281.37 Crores, for the previous year, recording an increase of 13 % and 12 % respectively.

### FINANCIAL YEAR

Pursuant to the Section 2(41) of the Companies Act, 2013, the Company shall be adopting April-March as its Financial Year

from 2015-16 instead of July-June which was followed hitherto. Consequently the current financial year shall be for a period of Nine months only from 1st July, 2015 to 31st March, 2016.

### MANAGEMENT DISCUSSIONS AND ANALYSIS

The Management's Discussion and Analysis forms an integral part of this report and gives detail of the overview, industry structure and developments, different product groups of the Company, operational performance of its various business segments.

### CREDIT RATING

**The Company's financial discipline and prudence is reflected in strong credit rating ascribed by CRISIL.**

Total Bank Loan Facilities Rated	₹ 10478 Million (Enhanced from ₹ 10153 Million)
Long-Term Rating	CRISIL AA/Stable
Short-Term Rating	CRISIL A1+ (Reaffirmed)

CRISIL has upgraded its rating on the Long Term Bank Facilities to "CRISIL AA Stable" from "CRISIL AA- Positive". The rating for Company's Short Term Banking facilities and programme has been reaffirmed at "CRISIL A1+".

### FIXED DEPOSITS

In accordance with the terms and conditions governing the Fixed Deposit Scheme, the Company has exercised the option

to repay on 1st April, 2014, all the Fixed Deposits with accrued interest as at the end of 31st March 2014. Accordingly, the Company is not having any Fixed Deposit as on 30th June, 2015 except 46 deposits amounting to ₹ 6.35 lakhs which remained unclaimed as on 30th June, 2015.

#### **DIRECTORS' RESPONSIBILITY STATEMENT:**

The Board of Directors acknowledge the responsibility for ensuing compliances with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 in the preparation of annual accounts for the year ended on 30th June, 2015 and state that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed and there is no material departures from the same;
- b. the Directors have selected such accounting policies and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 30th June, 2015 and of the profit of the Company for the year ended on that date ;
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors have prepared the annual accounts on a going concern basis;
- e. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

#### **CORPORATE GOVERNANCE**

The Company has taken the requisite steps to comply with the recommendations concerning Corporate Governance.

A separate statement on Corporate Governance together with a certificate from the auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under clause 49 of the listing agreement forms part of this Annual Report.

#### **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING / OUTGO**

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo required to be given pursuant to Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as **Annexure - I** to this report.

#### **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

The prescribed particulars of Employees required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial

Personnel) Rules, 2014 is annexed herewith as **Annexure- II** to this Report.

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors Report for the year ended 30th June, 2015 is given in the separate Annexure of this Report.

The Annual Report excluding the aforesaid Annexure is being sent to the Members of the Company in line with the provision of Section 136 of the Companies Act, 2013. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company. The aforesaid Annexure is also available for inspection by Members at the Registered Office of the Company, 21 days before the 73rd Annual General Meeting and up to the date of the ensuing Annual General Meeting during the business hours on working days.

#### **CONSOLIDATED FINANCIAL STATEMENT**

The consolidated financial statements of the company & its subsidiary & associate which form part of Annual Report have been prepared in accordance with section 129(3) of the Companies Act, 2013. Further, a statement containing the salient features of the Financial Statement of Subsidiary Company & Associate Company in the prescribed format AOC-1 is annexed herewith as **Annexure - III** to this Report. The statement also provides the details of performance and financial position of the Subsidiary Company & Associate Company.

In accordance with Section 136 of the Companies Act, 2013 the Audited Financial Statements, including the consolidated financial statements & related information of the Company & Audited Accounts of its Subsidiary Company are available on the website **www.supreme.co.in**. These documents will also be available for inspection during business hours at the Registered office of the company. Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office of the company.

Additional details regarding performance of the Associate Company & Subsidiary Company have been mentioned in the succeeding paragraphs.

#### **ASSOCIATE COMPANY - SUPREME PETROCHEM LIMITED (SPL)**

The Board of Directors of Supreme Petrochem Ltd (SPL) - promoted jointly by your Company and the R Raheja Group has recommended a dividend of ₹ 1.50 per Equity Share of ₹ 10 each for the year ended June 30, 2015. Net revenues and net profit for the year were ₹ 2652.54 crores and ₹ 35.70 crores, respectively.

#### **SUBSIDIARY COMPANY**

The Supreme Industries Overseas FZE, Sharjah, UAE, a wholly owned subsidiary, has its' principal activity to promote globally Plastics piping Systems, has completed nine year of successful operation recording net profit of AED 202779/- during the year 2014-15 up from AED 131551/- of previous year.

During the year 2014-15 exports of Plastics piping division has grown by 3.86 % in value terms amounting to US\$ 5.12 Million

& 7.39 % in volume terms weighing 2894 MT. During the year 2014-15 company secured twenty eight projects order from Sri-Lanka, Maldives, UAE & entered into new territory of Iraq & Malawi while adding ten new customers into its fold. Currently products are exported to twenty one countries covering GCC, Iraq, Africa, Australia, UK, Germany & Indian sub-continent.

During the year July 2015 - March 2016 Company has ambitious plan to achieve growth of 25% by increasing the client base as well expanding the geographical reach.

Company will continue exhibit the products in various international exhibitions to spread the brand name & in turn improve the export volume.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Shri Ramanathan Kannan and Shri Rajeev M. Pandia have been appointed as an Additional Independent Directors of the Company, with effect from 17th September 2014 under Section 161 of the Companies Act, 2013 & pursuant to the provisions of Article 94 of the Articles of Association of the Company. Shri R. Kannan and Shri Rajeev M. Pandia will hold office up to the date of the forthcoming Annual General Meeting and being eligible, offer themselves for appointment as Independent Directors of the Company.

In terms of Section 149,152, Schedule IV & other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors can hold office for a term of up to five (5) consecutive years on the Board of Directors of your Company and are not liable to retire by rotation. Accordingly, it is proposed to appoint Shri Ramanathan Kannan & Shri Rajeev M. Pandia- Directors of your company for a term of 5 (five) consecutive years commencing from 16th September, 2015.

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

In accordance with the provisions of the Companies Act, 2013, none of the Independent Directors are liable to retire by rotation.

The Members approval is sought under Section 196(3) of the Companies Act, 2013, for continuation of Shri M. P. Taparia as Managing Director and Shri S. J. Taparia as Executive Director upto 6th January, 2019. The continuation is on the same terms and conditions including remuneration as approved by the Members at the Annual General Meeting held on 17th September, 2013.

Shri V. K. Taparia Executive Director of the Company retires by rotation at the forthcoming Annual General Meeting in accordance with provisions of the Companies Act, 2013 and the Articles of Association of the Company and being eligible, offers himself for re-appointment.

## **KEY MANAGERIAL PERSONNEL**

Shri M P Taparia, Managing Director, Shri P C Somani, Chief Financial Officer and Shri R J Saboo, AVP (Corporate Affairs) & Company Secretary were appointed as Key Managerial Personnel of your Company, in accordance with the provisions of Section 203 of the Companies Act 2013.

## **DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES**

### **a. Board Meetings :**

The Board of Directors met 5 times during the financial year ended 30th June 2015 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. The details thereof are given in the Corporate Governance Report.

### **b. Board Performance Evaluation :**

- (i) The Company has devised criteria for performance evaluation of Independent Directors, Board/Committees, and other individual Directors which includes criteria for performance evaluation of Non Executive Directors and Executive Directors. Performance evaluation has been carried out as per the Nomination & Remuneration Policy.

At the meeting of the Board all the relevant factors that are material for evaluating the performance of individual Directors, the Board/ Committees were discussed in detail. A structured questionnaire each for evaluation was prepared and recommended to the Board by Nomination & Remuneration Committee for doing the required evaluation after taking into consideration the input received from the Directors covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, execution and performance of specific duties, obligations and governance etc.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, qualifications, knowledge, skills and experience in the respective fields, honesty, integrity, ethical behavior and leadership, Independence of judgment, safeguarding the interest of the Company, attending the meetings regularly, understanding the business, regulatory, competitive and social environment, understanding strategic issues and challenges, bringing outside information and perspective to Board for deliberations, ability to identify the cost benefits and implications of Board decisions etc.

The performance evaluation of the independent Directors was also carried by the entire Board. The performance evaluation of the Chairman, Managing Director & Executive Directors were carried out by the independent Directors at its separate meetings held on 24th April 2015 & 20th June 2015. The Directors expressed their satisfaction with the evaluation process.

- (ii) The Board has, on the recommendation, of the Nomination & Remuneration Committee, framed a Nomination & Remuneration policy and Policy on fixation of criteria for selection & appointment of Directors & Senior Management Personnel. The Nomination & Remuneration Policy and Policy on fixation of criteria for selection & appointment of Directors & Senior Management Personnel are annexed herewith as **Annexure IV (A) & Annexure IV (B)** to this Report.

## **AUDITORS**

M/s Chhogmal & Co, Chartered Accountants (Firm Registration Number: 101826W), the Statutory Auditors of the Company, hold office till the conclusion of the ensuing Annual General



Meeting and are eligible for re-appointment. The Company has received a certificate from them to the effect that their appointment, if made, would be within the prescribed limit under section 139(1) of the Companies Act, 2013.

#### **AUDITORS' REPORT**

Note on financial statement referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation or adverse remark.

#### **SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED 30th JUNE 2015**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, The Board has appointed M/s V. Laxmans & Co., Company Secretaries (C.P No. 744), to conduct Secretarial Audit for the financial year 2014-15.

Secretarial Audit Report issued by M/s V. Laxman & Co., Company Secretaries in Form MR-3 for the financial year 2014-15 forms part to this report **Annexure V**. The said report does not contain any observation or qualification requiring explanation or adverse remark.

#### **MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY**

There are no material changes or commitments occurring after 30th June, 2015, which may affect the financial position of the Company or may require disclosure.

#### **INTERNAL FINANCIAL CONTROLS**

The company has in place Internal Financial Control system, commensurate with size & complexity of its operations to ensure proper recording of financial and operational information & compliance of various internal controls & other regulatory & statutory compliances. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

Internal Auditors' comprising of professional Chartered Accountants monitors & evaluate the efficacy of Internal Financial Control system in the company, its compliance with operating system, accounting procedures & policies at all the locations of the company. Based on their report of Internal Audit function, corrective action in the respective area are undertaken & controls are strengthened. Significant audit observations & corrective action suggested are presented to the Audit Committee.

#### **PARTICULAR OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES**

During the financial year 2014-2015, your company has entered into transactions with related parties as defined under Section 2(76) of the Companies Act, 2013, read with Companies (Specification of Definitions Details) Rules, 2014 which were in the ordinary course of business & on arms' length basis & in accordance with the provisions of the Companies Act, 2013, Rules issued thereunder & clause 49 of the Listing Agreement. During the financial year 2014-2015, 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 44 to the standalone financial statements forming part of this Annual Report.

The Form AOC-2 pursuant to section 134 (3) (h) of the Companies Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out as **Annexure VI** to this Report.

The Policy on Related Party Transactions as approved by the Board is also uploaded on the Company's website at the Link : [www.supreme.co.in](http://www.supreme.co.in)

#### **PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES**

The company has not given any loans, directly or indirectly or guarantees or provided any security or made any investments covered under section 186 of the Companies Act, 2013.

#### **VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES**

A "Vigil Mechanism Policy" for Directors and employees of the Company is constituted, to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc.

#### **RISK MANAGEMENT POLICY**

Your Company has an elaborated risk Management procedure and adopted systematic approach to mitigate risk associated with accomplishment of objectives, operations, revenues and regulations. Your Company believes that this would ensure mitigating steps proactively and help achieve stated objectives. The entity's objectives can be viewed in the context of four categories Strategic, Operations, Reporting and Compliance. We consider activities at all levels of the organisation, viz Enterprise level, Division level, Business unit level and Subsidiary level, in Risk Management framework. The Risk Management process of the Company focuses on three elements, viz. (1) Risk Assessment; (2) Risk Management; (3) Risk Monitoring.

A Risk Management Committee is constituted which has been entrusted with the responsibility to assist the Board in (a) Overseeing and approving the Company's enterprise wide risk management framework; and (b) Overseeing that all the risk that the organisation faces.

The key risks and mitigating actions are also placed before the Audit Committee of the Company. Significant audit observations and follow up actions thereon are reported to the Audit Committee. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems.

#### **CORPORATE SOCIAL RESPONSIBILITY POLICY**

The brief outline of the Corporate Social Responsibility (CSR) Policy of the company and the initiatives undertaken by the company on CSR activities during the year are set out in Annexure of this Report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules 2014. (**Annexure VII**)

The policy is available on the website in the link:[http://www.supreme.co.in/images/pdf/Corporate-Social-Responsibility-\(CSR\)-Policy.pdf](http://www.supreme.co.in/images/pdf/Corporate-Social-Responsibility-(CSR)-Policy.pdf)

### OTHER DISCLOSURES

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

### EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as **Annexure -VIII**

### GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (sweat equity shares) to employees of the Company under ESOS .
4. Neither the Managing Director nor the Whole Time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company operations in future.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### ACKNOWLEDGEMENT

The Board of Directors wishes to express its gratitude and record its sincere appreciation for the commitment and dedicated efforts put in by all the employees. Your Directors take this opportunity to express their grateful appreciation for the encouragement, co-operation and support received by the Company from the local authorities, bankers, customers, suppliers and business associates. The directors are thankful to the esteemed shareholders for their continued support and the confidence reposed in the Company and its management.

For and on behalf of the Board of Directors

**B. L. Taparia**  
Chairman

Place: Mumbai

Date: 24th July, 2015

CIN L35920MH1942PLC003554

TEL No. 022-22851656/1159/60

Fax No. 022-22851657

E-mail: [investor@supreme.co.in](mailto:investor@supreme.co.in)

website: [www.supreme.co.in](http://www.supreme.co.in)

## Annexure to the Directors' Report

### Information as required under Rule 8(3) of the Companies (Accounts) Rules, 2014

#### 1. CONSERVATION OF ENERGY

The Company is continuously putting its efforts to improve Energy Management by way of monitoring energy related parameters on regular basis.

The Company is committed to transform energy conservation into a strategic business goal fully along with the technological sustainable development of Energy Management System. It is putting best endeavour to reduce energy consumption in all its operations and activities.

To achieve above objectives the following steps are being undertaken by the Company:-

- 1 Continuously monitoring the energy parameters such as maximum demand, power factor, load factor, TOD tariff utilization on regular basis .
- 2 Continuously replacing the inefficient equipment's with latest energy efficient technology & up gradation of equipment's continually.
- 3 Increasing the awareness of energy saving within the organization to avoid the wastage of energy.
- 4 To enhance utilization of Renewable Energy Resources.
- 5 Achieving the power factor near to unity in all plants by the effective reactive energy management.
- 6 To reduce the Green House Emission by improving energy efficiency at all plants.
- 7 Conducting Power Quality Audit at several locations.
- 8 Reduction of Fuel consumption of boiler by efficient maintenance thereof.
- 9 Exploring the feasibility of utilization of Solar Power at Plant locations wherever possible.

During the year Noida & Khushkheda plants are certified for ISO-50001 Energy Management System.

- Modify the mould and dies to improve the cycle time to get higher production from the same machine.
- To modify the process parameters to improve the quality.
- Expenditure on R & D: Not significant.

#### B. TECHNOLOGY ABSORPTION

- The Company has renewed its agreement with M/s. Wavin Overseas B.V., Netherlands for its Plastic Piping Division.
- The Company has taken technical knowhow for manufacture of Cross Laminated films and products from MR. Ole-Bendt Rasmussen, Switzerland and the technology is fully absorbed. The exclusive rights granted to the company to manufacture and sell XF products in entire South Asia has now been extended to the whole world.
- The company's collaborator has developed Cross line Bonded Film and Cross Plastics Film, which are next generation Film having superior properties. The exclusive rights granted to the Company to manufacture and sell products developed from new technologies in India and SAARC countries have now been extended to include entire South Asia has now been extended to the whole world (excluding the Rights of existing licenses).
- The company has entered into technical license agreement with Lomold of South Africa to receive and absorb its technology for production of various Glass Fiber Composite Products and to begin with the initiation of the project for Composite Plastic Pallets.
- The company has also entered into Technical License Agreement with Kumi Kasai Co of Japan for Auto Components manufacturing for Honda Motors.

#### 2. TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION

##### A. RESEARCH & DEVELOPMENT(R&D)

- Ongoing study in the following areas to reduce cost of conservation and improve the quality.
- Evaluation of the alternative materials or additives to reduce the cost of raw material.
- Improving the output / input ratio to gain maximum finished products from per kg. raw material.

#### 3. FOREIGN EXCHANGE EARNINGS AND OUTGO

Total foreign exchange earned and used	₹ In lacs
Foreign Exchange Earned	8228.88
Foreign Exchange Used	137487.48

For and on behalf of the Board of Directors

**B. L. Taparia**  
Chairman

Place: Mumbai  
Date: 24th July, 2015

**ANNEXURE - II**

**Particulars of employees pursuant to Section 134(3)(q) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Sr. No.	Requirement under Rule 5(1)	Details
1.	Ratio of the remuneration of Managing Director & Executive Director to the median remuneration of the Company for the Financial Year	Shri M. P. Taparia, Managing Director :356 Shri S. J. Taparia, Executive Director :354 Shri V. K. Taparia, Executive Director :353
2.	Percentage increase in remuneration of Managing Director, each Executive Director, Chief Financial Officer, & Company Secretary (Salary of 2015-16 v/s Salary of 2014-15).	Shri M. P. Taparia, Managing Director :18.15% Shri S. J. Taparia, Executive Director :17.37% Shri V. K. Taparia, Executive Director :18.23% Shri P. C. Somani, CFO :23.65% Shri R. J. Saboo, Company Secretary :14.00%
3.	Percentage increase in the median remuneration of employees in the financial year (2014-15 v/s 2015-16)	Median Increase : 14.22%
4.	Number of Employees as on 30th June, 2015 on rolls of Company	4305
5.	Explanation on the relationship between average increase in remuneration and company performance	The increase in remuneration is based on the company's performance and also includes various other factors like individual performance, experience, skill sets academic background, industry trend, economic situation & future growth prospects etc. All these factors are considered appropriately for revision of remuneration.
6.	Comparison of the remuneration of the Key Managerial Personnel ("KMP") (Individually and totally) against the performance of the Company.	Operating profit of the Company has increased by 13.13% as compared to previous year. Profit before Tax and after tax has increased by 12.91% & 12.20% respectively.
7.	* Average percentile increase made in the salaries of employees other than the managerial personnel in last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:  * Justification for variation in the average percentile increase between Non Managerial employees and Managerial employees	Others : Average increase was 12.64% .  The increase in the managerial remuneration was based on the recommendation of the Nomination & Remuneration committee as per the Industry benchmarks.
8.	Key parameters for any variable component of remuneration availed by the Directors.	Commission: 1% of the net profits per year as approved by the members at the AGM held on 17th September 2013
9.	Ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but received remuneration in excess of the highest paid Director during the year.	Not Applicable.
10.	Affirmation that the remuneration is as per the remuneration policy of the Company	Remuneration is as per the Nomination and Remuneration Policy of the Company.
11.	Variations in the market capitalization.	The market capitalization (at NSE) as on 30th June, 2015 was ₹ 8577.49 Crs. as against ₹ 6637.79 Crs. as on 30th June, 2014, showing an increase of 29.22%.
12.	Price earnings ratio as at the closing of 30th June, 2015 and 30th June, 2014	Price Earnings ratio of the Company was ₹ 27.17 as at 30th June, 2015 and was ₹ 23.59 as at 30th June, 2014.
13.	Percentage increase or decrease in the market quotations of the shares of the Company	The closing price of the Company's Equity Shares on the NSE and BSE as of 30th June, 2015 was ₹ 675.25 and ₹ 674.25 respectively.

**Note:-** Managing Director & Executive Directors are whole-time Directors & other Directors are non -Executive Directors, who are paid only sitting fees for attending the Board & Committees thereof. Hence ratio provided are only for Managing Director & Whole-time Directors.

For and on behalf of the Board of Directors

**B. L. Taparia**  
Chairman

Place: Mumbai  
Date: 24th July, 2015



## Annexure to the Directors' Report

### FORM AOC-I

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

#### Statement containing salient features of the financial statement of subsidiaries / associate companies

##### Part A Subsidiaries

(₹ in lacs)

Sr. No.	Name of the Subsidiary Company	Reporting Currency	Exchange Rate as on 30.06.15	Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) Before Tax	Provision For Tax	Profit (Loss)	Proposed Dividend	% of holding
1	The Supreme Industries Overseas (FZE)	AED	17.31	18.88	71.35	134.53	134.53	NIL	298.01	34.33	NIL	34.33	NIL	100

##### Part B Associates

Statement pursuant to Section 129 (3) of the Companies Act, 2013, related to Associate Companies

(₹ in lacs)

Sr. No.	Name of Associates	Latest Audited Balance Sheet Date	Shares of Associates			Description of how there is significant influence	Reason why the associate is not consolidated	Net worth attributable to shareholding as per latest audited Balance Sheet	Profit / Loss for the year	
			Nos.	Amount of investment in Associates	Extend of Holding %				Considered in Consolidation	Not considered in Consolidation
1	Supreme Petrochem Ltd.	30th June, 2015	28936400	3337.50	29.99	There is significant influence due to (%) of share capital	N.A.	11286.90	1064.59	—

For and on behalf of the Board of Directors

**B. L. Taparia**  
Chairman

Place: Mumbai  
Date: 24th July, 2015

## Annexure to the Directors' Report

### NOMINATION AND REMUNERATION POLICY

#### I. PREAMBLE

Pursuant to Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board of Directors of every listed Company shall constitute the Nomination and Remuneration Committee. The Company already constituted Remuneration Committee comprising of three non-executive Independent Directors as required under Listing Agreement. In order to align with the provisions of the Companies Act, 2013 and the amended Listing Agreement from time to time, the Board on 21st July, 2014 changed the nomenclature of the "Remuneration Committee" as "Nomination and Remuneration Committee" and reconstituted the Committee with three non-executive Independent Directors and one Non-Executive Director as Member of the Committee.

This Committee and the Policy is formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement.

#### II. OBJECTIVE

The Key Objectives of the Committee would be:

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation.
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

#### III. DEFINITIONS

- **"Board"** means Board of Directors of the Company.
- **"Company"** means "The Supreme Industries Limited."
- **"Employees' Stock Option"** means the option given to the directors, officers or employees of a company or of its holding company or subsidiary company or companies, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the company at a future date at a pre-determined price.
- **"Independent Director"** means a director referred to in Section 149 (6) of the Companies Act, 2013.
- **"Key Managerial Personnel"** (KMP) means
  - Chief Executive Officer or the Managing Director or the Manager,
  - Chief Financial Officer,
  - Company Secretary and
  - Such other officer as may be prescribed.
- **"Nomination and Remuneration Committee"** shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement.

- **"Policy or This Policy"** means, "Nomination and Remuneration Policy."
- **"Remuneration"** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.
- **"Senior Management"** means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the executive directors, including all the functional heads.

#### IV. INTERPRETATION

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013, Listing Agreement and/or any other SEBI Regulation(s) as amended from time to time.

#### V. GUIDING PRINCIPLES

The Policy ensures that

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

#### VI. ROLE OF THE COMMITTEE

The role of the Committee inter alia will be the following:

- To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- Formulate criteria for evaluation of Independent Directors and the Board.
- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of every Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To devise a policy on Board diversity.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

## VII. MEMBERSHIP

- a) The Committee shall comprise at least three (3) Directors, all of whom shall be non-executive Directors and at least half shall be Independent.
- b) The Board shall reconstitute the Committee as and when required to comply with the provisions of the Companies Act, 2013 and applicable statutory requirement.
- c) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- d) Membership of the Committee shall be disclosed in the Annual Report.
- e) Term of the Committee shall be continued unless terminated by the Board of Directors.

## VIII. CHAIRMAN

- a) Chairman of the Committee shall be an Independent Director.
- b) Chairperson of the Company may be appointed as a member of the Committee but shall not Chair the Committee.
- c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d) Chairman of the Nomination and Remuneration Committee could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

## IX. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

## X. COMMITTEE MEMBERS' INTERESTS.

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

## XI. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

## XII. VOTING

- a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

## XIII. APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

### • Appointment criteria and qualifications:

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

2. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
3. The Company shall not appoint or continue the employment of any person as Managing Director/ Whole-time Director / Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

### • Term / Tenure:

1. Managing Director/Whole-time Director / Manager (Managerial Person):
  - The Company shall appoint or re-appoint any person as its Managerial Person for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
2. Independent Director:
  - An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
  - No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on 1st October, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of 5 years only.
  - At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

### • Evaluation:

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management at regular interval (yearly).

### • Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or

under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.

- **Retirement:**

The Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

#### **XIV. PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSON, KMP AND SENIOR MANAGEMENT**

- **General:**

1. The remuneration / compensation / commission etc. to Managerial Person, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
2. The remuneration and commission to be paid to Managerial Person shall be as per the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.
3. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managerial Person.
4. Where any insurance is taken by the Company on behalf of its Managerial Person, KMP and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

- **Remuneration to Managerial Person, KMP and Senior Management:**

1. Fixed pay:  
Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

2. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

3. Provisions for excess remuneration:

If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

- **Remuneration to Non-Executive / Independent Director:**

1. Remuneration / Commission:

The remuneration / commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.

2. Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

3. Limit of Remuneration /Commission:

Remuneration /Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

4. Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

#### **XV. MINUTES OF COMMITTEE MEETING**

Proceedings of all meetings must be minuted and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting. Minutes of the Committee meeting will be tabled at the subsequent Board and Committee meeting.

#### **XVI. DEVIATIONS FROM THIS POLICY**

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

For and on behalf of the Board of Directors

**B. L. Taparia**  
Chairman

Place: Mumbai  
Date: 24th July, 2015



## Annexure to the Directors' Report

### CRITERIA FOR : 1. SELECTION OF DIRECTORS AND 2. SENIOR MANAGEMENT PERSONNEL

The Clause 49 of Listing Agreement with the Stock Exchanges requires the Nomination and Remuneration Committee to consider and lay down criteria for identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

#### CRITERIA FOR SELECTION OF DIRECTORS

The Nomination and Remuneration Committee shall consider the following for identifying and recommending persons for appointment as Directors on the Board of the Company:

1. The candidate's qualifications, knowledge, skills and experience in his/her respective field.
2. His/her reputation of honesty, integrity, ethical behavior and leadership.
3. Achievements in industry, business, profession and / or social work.
4. Possesses appropriate skills, experience and knowledge in one or more fields such as finance, law, management, sales, marketing, administration, research, corporate governance and such other areas that are relevant to the Company's business.
5. Whether the candidate is free from any disqualification provided under Section 164 of the Companies Act, 2013.
6. Whether the candidate meets the conditions of being independent as stipulated under Companies Act, 2013 and Listing Agreement with the Stock Exchanges in case of appointment as Independent Director.

#### CRITERIA FOR SELECTION OF SENIOR MANAGEMENT PERSONNEL

The term Senior Management Personnel shall have the same meaning as provided in the explanation under Section 178 of the Companies Act, 2013.

The Committee shall before making any recommendation to the Board for appointment considers the following:

- 1) The candidate's qualifications and experience in the field / area for which he/she is being considered.
- 2) Candidate's reputation of honesty, integrity and ethical behavior in past assignments.
- 3) Leadership skills, decision making skills, effective communication, ability to build team, foster team spirit and ability to work sincerely with dedication.
- 4) Past record in goal setting, developing strategy, devising a tactical road map and in motivating team members to overcome challenges and meet set goals.

For and on behalf of the Board of Directors

**B. L. Taparia**  
Chairman

Place: Mumbai  
Date: 24th July, 2015

## Annexure to the Directors' Report

FORM NO. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 30TH JUNE, 2015

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

To,  
The Members  
**THE SUPREME INDUSTRIES LIMITED**  
612 Raheja Chambers,  
Nariman Point,  
Mumbai - 400 021

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **The Supreme Industries 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 30th June, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 30th June, 2015 according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 [**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 to the Company during the audit period**];
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 [**Not applicable to the Company during the audit period**]; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 [**Not applicable to the Company during the audit period**];
- (vi) For Other laws applicable to the Company, we have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company.

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 BSE Limited and National Stock Exchange of India Limited.

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

**We further report that**

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

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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 :

- (i) passed a special resolution in terms of Section 180(1)(c) of the Act according its consent to the Board of Directors of the Company to borrow to the extent of ₹ 1000 crores; and
- (ii) passed a special resolution in terms of Section 180(1)(a) of the Act according its consent to the Board of Directors of the Company to mortgage or hypothecate or create charge on its movable and immovable properties/assets comprised in the undertakings or on the undertakings of the Company as security in favour of Financial Institutions, Banks, Trustees and other lenders.

For and on behalf of  
**V. Laxman & Co.,**  
Company Secretaries

**(V. Laxman)**  
FCS No. 1513  
C P No. : 744

Place: Mumbai  
Date: 23rd July, 2015

This Report is to be read with our letter of even date which is attached as Annexure 'V(A)' and forms an integral part of this Report.

## ANNEXURE 'V(A)'

To,  
The Members  
**THE SUPREME INDUSTRIES LIMITED**  
612 Raheja Chambers,  
Nariman Point,  
Mumbai - 400 021

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

1. Maintenance of secretarial records 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. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed proved a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account 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 management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For and on behalf of  
**V. Laxman & Co.,**  
*Company Secretaries*

**(V. Laxman)**  
FCS No. 1513  
C P No. : 744

Place: Mumbai  
Date: 23rd July, 2015



## Annexure to the Directors' Report

### FORM NO. AOC-2

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

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

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

(a) Name(s) of the related party and nature of relationship	(b) Nature of contracts / arrangements / transactions	(c) Duration of contracts / arrangements / transactions	(d) Salient terms of the contracts or arrangements or transactions including the value, if any	(e) justification for entering in to such contracts or arrangements or transactions	(f) date(s) of approval by the Board	(g) Amount paid as advances, if any:	(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188
Not Applicable							

#### 2. Details of contracts or arrangements or transactions at arm's length basis:

(a) Name(s) of the related party and nature of relationship	(b) Nature of contracts / arrangements / transactions	(c) Duration of contracts / arrangements / transactions	(d) Salient terms of the contracts or arrangements or transactions including the value, if any
Supreme Industries Overseas (FZE)	Sale of goods including compensation for rendering of services	On-going	In normal course of business & in line with Market Parameters. Sale of goods ₹ 1.19 crores. Rendering of services ₹ 1.31 crores.
Supreme Petrochem Ltd.	Purchase/Sale of goods or materials & provision of any services in connection with the sale or purchase of goods or materials including storage thereof.	On-going	In normal course of business & in line with Market Parameters. Purchase of goods ₹ 19.21 crores. Sale of goods ₹ 3.49 crores.
M/S Devrat Impex (P) Ltd	Sales of Plastic Piping System	On-going	In normal course of business & in line with Market Parameters. Amount ₹ 30.64 crores.
Mrs. Neelam Periwal	Service for Sale of Plastic Piping System	On-going	In normal course of business & in line with Market Parameters. Amount ₹ 3.35 lacs.

Note:-Appropriate approvals have been taken for related party transactions. No Advances have been paid or received against the transactions mentioned above.

For and on behalf of the Board of Directors

**B. L. Taparia**  
Chairman

Place: Mumbai  
Date: 24th July, 2015

## Annexure to the Directors' Report

### CORPORATE SOCIAL RESPONSIBILITY

#### 1 Brief outline of the company's CSR Policy:

The Board of Directors' at its meeting held on 21st July, 2014 approved the CSR Policy of your company pursuant to the provisions of section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

#### 2 The Composition of the CSR Committee is as under -

Name of the Member	Nature of Directorship
Shri N. N. Khandwala (Chairman)	Independent Director
Shri B. L. Taparia	Non-Executive Chairman
Shri M. P. Taparia	Managing Director

#### 3 Focus Areas

Advancement of Public Charitable objects and trusts and fulfillment of its Corporate Social Responsibility obligation laid down under the Companies Act, 2013.

The Company has identified few focus areas of engagement which are as under:

1. Benefits to the under privileged
2. Education
3. Sanitation
4. Healthcare
5. Preservation of environment including watersheds, forests and wildlife.

#### 4. Various activities under taken by the company.

##### I) Village Health Improvement Mission :

This Mission which began in the year 2010-11 on a modest scale has now gained appreciable momentum over the past five years.

The health centre's base camp at Dhadgaon, District - Nandurbar (Maharashtra State) along with its mobile unit provides medical facilities to the people of 28 villages. The number of beneficiaries has steadily risen to a present figure of around 25000 persons, primarily hailing from these villages.

The mobile service was rendered to 5055 patients reflecting an increase of 19% over the previous year. This included medical checkups, first aid, medication, vaccination etc. besides helping patients for hospitalization at town and district levels.

The other synchronous activities like Health checkups and a health awareness programs at "Ashramshalas" and "Aaganwadis" were also conducted. The total nos of male & female students who participated in these programs was 1611 as compared to 1319 in previous year, an increase of 22% over the last year.

The Company will continue to bolster this program aggressively during next financial year as well.

- 1) **Social awareness initiatives** - The focus and emphasis was given on creating awareness for "Addiction & Superstition free" society. Apart from regular camps such camps were also held during annual "Yatra Mohotsav" where large number of people gathers for celebration.
- 2) **Village sanitation program at village Gadegaon** - Four Ladies toilet blocks built at village Gadegaon in Jamner Taluka are being used extensively by the villagers. The Company has succeeded in establishing a mechanism by virtue of which Grampanchayat of Gadegaon is taking sole responsibility for the maintenance, operation and cleanliness of the facility. The periodic checks of the toilet blocks are carried out by the Company and independent agencies for auditing and ensuring its upkeep and desired utility. This has resulted in Zero open defecation in the village.
- 3) **Future Plan** - The Company is exploring the possibility for the following initiatives at Nandurbar District (M.S.)
  - a) Setting up of an Agri Equipment Bank - The agricultural equipment for ploughing, de-weeding, pesticide spraying etc. can be made available to the needy and poor farmers at a very nominal charges.
  - b) Facility for Soil testing.
  - c) A demonstration unit to showcase - Composting, Vermi-composting techniques.
  - d) In the next financial year, company proposes to undertake rural sanitation program in selected villages of Tal - Jamner, Dist.- Jalgaon in association with the State Government, local bodies & public for which discussions are on.

4) **Other Activities -**

Company continues to provide safe drinking water to Gadegaon Village through its own pipe line.

Company actively participated in organizing awareness program throughout the year in areas of Health, Safety, Environment, disaster management, water conservation, forestation etc. Such camps were held at the villages in the neighborhood of Gadegaon.

Company's ambulance facility is made available to villagers in case of emergency.

**II) Energy Conservation -**

- a) Participated in "Vasundhara award" instituted by Government of Maharashtra Pollution Control Board (MPCB) for the year 2015.
- b) The Gadegaon factory complex is a "Zero-Effluent & Zero- Sewage Discharge" campus. All the Sewage/effluent water is treated & reused for landscape & Gardening purpose.

**III) Grant/ contribution for Educational and Healthcare facilities**

The Company generously contribute towards various philanthropic activities particularly for education grant to students in need and to various Institutions / Trusts carrying out exemplary work in the field of education, healthcare and benefits of underprivileged in rural India.

**5. Average Net Profit of the company for last 3 financial years:-**

₹ 394.08 crores

**6. Prescribed CSR expenditure:**

₹ 7.88 crores (2% of the average net profit of last three financial years)

**7. Manner in which amount spent in the financial year:-**

During the previous year, Company has spent a sum of ₹ 3.69 crores including donations to several registered trusts apart from direct spending and providing company's goods at special prices to Philanthropic NGOs and Trusts. These Trusts are providing education, vocational training at a very low cost and grants for medical help & education.

Company has initiated a project to improve Sanitation facilities in Jaswantgarh village in Rajasthan. Plan to have toilet block in each of the village house is underway. A sum of rupees 42.91 lacs have been spent till 30th June, 2015 out of the planned expenditure of about ₹ 100 lacs. Further Company wants to undertake programs for the improvement of educational & sanitation facilities in village schools near to its plant at Durgapur, Puducherry and Malanpur apart from Gadegaon. Company remains committed to contribute for various philanthropic causes particularly in the field of education, healthcare and benefits of underprivileged.

The Company has set up a trust namely "Supreme Foundation" during the year. Supreme shall be contributing to the corpus of Supreme Foundation who would initiate various projects under its CSR programme. Your Company has taken steps in the right direction and going forward is committed to fulfill its Corporate Social Responsibility.

The Company would also undertake other need based initiatives in compliance with Schedule VII to the Act.

As a responsible Corporate Citizen, the company has evolved a CSR policy and is pursuing the CSR activities in letter and spirit.

For and on behalf of the Board of Directors

**B. L. Taparia**  
Chairman

Place: Mumbai

Date: 24th July, 2015

## Annexure to the Directors' Report

### FORM NO. MGT-9

#### EXTRACT OF ANNUAL RETURN

As on the financial year ended on 30th June, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS:

I	CIN:-	L35920MH1942PLC003554
II	Registration Date	17/02/1942
III	Name of the Company	The Supreme Industries Limited
IV	Category / Sub-Category of the Company	Manufacturing
V	Address of the Registered Office and contacts details	612, Raheja Chambers, Nariman Point, Mumbai - 400 021
VI	Whether listed Company	Yes
VII	Name, Address and Contact details of Registrar and Transfer Agent,	M/s Bigshare Services Private Ltd E -2/3, Ansa Industrial Estate, Saki Vihar, Saki Naka Andheri (East), Mumbai- 400 072

#### 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	Plastic Products	222	92.88

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

[No. of Companies for which information is being filled]-

Sr. No	NAME AND ADDRESS OF THE COMPANY	CIN / GLN	HOLDING / SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1	Supreme Petrochem Limited. 612, Raheja Chambers Nariman point, Mumbai-400 021.	L23200MH1989PLC054633	Associate Company	29.99	Section 2(6)
2	The Supreme Industries Overseas (FZE) Reg. no 01-01-03490 Q-1-08-47/B, SAIF Zone, P.O Box 9158, Sharjah, United Arab Emirates.	—	Subsidiary	100	Section 2(87)



#### IV. SHAREHOLDING 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: 01/07/2014				No. of Shares held at the end of the year: 30/06/2015			
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %
<b>A.</b>	<b>Promoters</b>								
<b>(1)</b>	<b>Indian</b>								
(a)	Individual / HUF	3235590	0	3235590	2.55	3235590	0	3235590	2.55
(b)	Central / State Government(s)	0	0	0	0.00	0	0	0	0.00
(c)	Bodies Corporate	59867155	0	59867155	47.13	59897155	0	59897155	47.15
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00
(e)	Any Others (Specify)								
(f)	Trusts	17260	0	17260	0.01	17260	0	17260	0.01
	<b>Sub Total (A)(1) :</b>	<b>63120005</b>	<b>0</b>	<b>63120005</b>	<b>49.69</b>	<b>63150005</b>	<b>0</b>	<b>63150005</b>	<b>49.71</b>
<b>(2)</b>	<b>Foreign</b>								
(a)	NRI-Individual	0	0	0	0.00	0	0	0	0.00
(b)	Other- Individuals	0	0	0	0.00	0	0	0	0.00
(c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00
(d)	Banks/FI	0	0	0	0.00	0	0	0	0.00
(e)	Any Others (Specify)	0	0	0	0.00	0	0	0	0.00
	<b>Sub Total (A)(2) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
	<b>Total holding for promoters (A)=(A)(1) + (A)(2)</b>	<b>63120005</b>	<b>0</b>	<b>63120005</b>	<b>49.69</b>	<b>63150005</b>	<b>0</b>	<b>63150005</b>	<b>49.71</b>
<b>B.</b>	<b>Public Shareholding</b>								
<b>1</b>	<b>Institutions</b>								
(a)	Group Companies								
(i)	Foreign Financial Institutions / Banks	500	0	500	0.00	500	0	500	0.00
(b)	Mutual Funds	7061512	0	7061512	5.56	7769996	0	7769996	6.12
(c)	Financial Institutions / Banks	22071	2765	24836	0.02	190278	2765	193043	0.15
(d)	Central / State Government(s)	0	0	0	0.00	0	0	0	0.00
(e)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00
(f)	Insurance Companies	0	0	0	0.00	0	0	0	0.00
(g)	FII's	26440506	1500	26442006	20.82	28292334	1500	28293834	22.27
(h)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00
(i)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00
(j)	Any Others (Specify)								
(i)	Foreign Company	0	0	0	0.00	109123	0	109123	0.09
	<b>Sub Total (B)(1) :</b>	<b>33524589</b>	<b>4265</b>	<b>33528854</b>	<b>26.40</b>	<b>36362231</b>	<b>4265</b>	<b>36366496</b>	<b>28.63</b>
<b>2</b>	<b>Non-Institutions</b>								
(a)	Bodies Corporate	6160077	20485	6180562	4.87	4691058	18635	4709693	3.71
(b)	Individual								
(i)	Individual shareholders holding nominal share capital up to Rs 1 lakh	16078433	2645645	18724078	14.74	15128155	2384855	17513010	13.79

Category of Shareholder	No. of Shares held at the beginning of the year: 01/07/2014				No. of Shares held at the end of the year: 30/06/2015			
	Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	4745762	0	4745762	3.74	4652590	0	4652590	3.66
(c) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00
(d) Any Others (Specify)								
(i) Trusts	27958	0	27958	0.01	10880	0	10880	0.01
(ii) Clearing Member	107459	0	107459	0.08	36852	0	36852	0.03
(iii) Non Resident Indians (NRI)	411712	141110	552822	0.44	406994	140980	547974	0.43
(iv) Overseas Bodies Corporates	0	39370	39370	0.03	0	39370	39370	0.03
<b>Sub Total (B)(2) :</b>	<b>27531401</b>	<b>2846610</b>	<b>30378011</b>	<b>23.91</b>	<b>24926529</b>	<b>2583840</b>	<b>27510369</b>	<b>21.66</b>
<b>Total Public Shareholding (B)=(B)(1) + (B)(2)</b>	<b>61055990</b>	<b>2850875</b>	<b>63906865</b>	<b>50.31</b>	<b>61288760</b>	<b>2588105</b>	<b>63876865</b>	<b>50.29</b>
C. Shares Held By Custodians For GDRS & ADRS	0	0	0	0.00	0	0	0	0.00
<b>Grand Total (A) + (B) + (C)</b>	<b>124175995</b>	<b>2850875</b>	<b>127026870</b>	<b>100.00</b>	<b>124438765</b>	<b>2588105</b>	<b>127026870</b>	<b>100.00</b>

(ii) Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		Number of Shares	% Shares of the Company	% of Shares Pledged/encumbered to total shares	Number of Shares	% Shares of the Company	% of Shares Pledged/encumbered to total shares	
1	Venktesh Investment And Trading Company Private Limited	19693081	15.50	0.00	19693081	15.50	0.00	0.00
2	Jovial Investment And Trading Company Private Limited	19912082	15.68	0.00	19912082	15.68	0.00	0.00
3	Boon Investment And Trading Company Private Limited	20206592	15.91	0.00	20206592	15.91	0.00	0.00
4	Shivratan Jeetmal Taparia	703816	0.55	0.00	703816	0.55	0.00	0.00
5	Mahaveerprasad S. Taparia	749186	0.59	0.00	749186	0.59	0.00	0.00
6	Vijaykumar Bajranglal Taparia	344890	0.27	0.00	344890	0.27	0.00	0.00
7	Bajranglal Surajmal Taparia	367398	0.29	0.00	367398	0.29	0.00	0.00
8	Vivek Kumar Taparia	262230	0.21	0.00	262230	0.21	0.00	0.00
9	Kamleshdevi M Taparia	347830	0.27	0.00	347830	0.27	0.00	0.00
10	Kusumdevi S Taparia	98690	0.08	0.00	98690	0.08	0.00	0.00
11	Priyankadevi Taparia	141500	0.11	0.00	141500	0.11	0.00	0.00
12	Viren Vivek Taparia	200050	0.16	0.00	200050	0.16	0.00	0.00
13	Anika Vivekkumar Taparia	20000	0.02	0.00	20000	0.02	0.00	0.00
14	Suraj Packaging Private Limited	6300	0.01	0.00	6300	0.01	0.00	0.00
15	Platinum Plastic And Industries Private Limited	49100	0.04	0.00	49100	0.04	0.00	0.00
16	Balkrishna Prabhu Charitable Trust	17260	0.01	0.00	17260	0.01	0.00	0.00
17	Space Age Chemplast Pvt Ltd	0	0.00	0.00	30000	0.02	0.00	0.02
	<b>Total</b>	<b>63120005</b>	<b>49.69</b>	<b>0.00</b>	<b>63150005</b>	<b>49.71</b>	<b>0.00</b>	<b>0.02</b>

**(iii) Changes in Promoters Shareholding (please specify if there is no change)**

Sr. No.		Share holding at the beginning of the year		Cumulative Shareholding during the year	
		Number of Shares	% of total shares of the company	Number of Shares	% of total shares of the company
	At the beginning of the year	63120005	49.69		
	Date wise increase /decrease in Promoters shareholding during the year specifying reasons for increase/decrease (allotment / transfer /bonus /sweat equity etc):	30000*	0.02	63150005	49.71
	At the end of the year	63150005	49.71	63150005	49.71

\* on 20.02.2015 Space Age Chemplast Private Limited is added in the Promoters Group.

**(iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning (01.07.2014)/End of the year(30.06.2015)	% of Total Shares of the Company				Number of Shares	Percentage of total shares of the company
1	Nalanda India Fund Limited	8,176,502	6.44	01.07.2014	0	Nil movement during the year		
		8,176,502	6.44	30.06.2015			8,176,502	6.44
2	Cartica Capital Ltd	0	0.00	01.07.2014				
				14.11.2014	2427425	Transfer	2,427,425	1.91
				23.01.2015	131824	Transfer	2,559,249	2.01
				06.03.2015	25315	Transfer	2,584,564	2.03
				13.03.2015	9753	Transfer	2,594,317	2.04
				10.04.2015	380000	Transfer	2,974,317	2.34
				24.04.2015	204839	Transfer	3,179,156	2.50
				08.05.2015	14700	Transfer	3,193,856	2.51
				15.05.2015	325000	Transfer	3,518,856	2.77
		3,518,856	2.77	30.06.2015			3,518,856	2.77
3	HSBC Bank (Mauritius) Limited A/c Jwalamukhi Investment Holdings	3,138,469	2.27	01.07.2014				
				04.07.2014	-87000	Transfer	3,051,469	2.40
				10.10.2014	-96000	Transfer	2,955,469	2.33
				17.10.2014	-138164	Transfer	2,817,305	2.22
				24.10.2014	-258958	Transfer	2,558,347	2.01
				31.10.2014	-27365	Transfer	2,530,982	1.99
				07.11.2014	-103557	Transfer	2,427,425	1.91
				14.11.2014	-2427425	Transfer	0	0.00
		0	0.00	30.06.2015			0	0.00
4	HDFC Trustee Co Ltd- HDFC Multiple Yield Fund- Plan 2005	2,497,400	1.97	01.07.2014				
				20.03.2015	-7300	Transfer	2,490,100	1.96
		2,490,100	1.96	30.06.2015			2,490,100	1.96
5	JPMorgan Emerging Markets Investment Trust Plc	1,351,280	1.06	01.07.2014				
				08.08.2014	78610	Transfer	1,429,890	1.13
				15.08.2014	50000	Transfer	1,479,890	1.17
		1,479,890	1.17	30.06.2015			1,479,890	1.17
6	GMO Emerging Domestic Opportunities Fund	1,163,757	0.92	01.07.2014				
				04.07.2014	125500	Transfer	1,289,257	1.01
				22.08.2014	-33938	Transfer	1,255,319	0.99
				29.08.2014	-51480	Transfer	1,203,839	0.95
				05.09.2014	-120000	Transfer	1,083,839	0.85
				24.10.2014	224828	Transfer	1,308,667	1.03
				20.02.2015	-26600	Transfer	1,282,067	1.01
				27.02.2015	-305685	Transfer	976,382	0.77
				24.04.2015	-18400	Transfer	957,982	0.75
				01.05.2015	-32500	Transfer	925,482	0.73
		925,482	0.73	30.06.2015			925,482	0.73

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning (01.07.2014)/End of the year(30.06.2015)	% of Total Shares of the Company				Number of Shares	Percentage of total shares of the company
7	Matthews India Fund	1,895,000	1.49	01.07.2014	0	Nil movement during the year		
		1,895,000	1.49	30.06.2015			1,895,000	1.49
8	Mayank Jashwantlal Shah	1,157,500	0.91	01.07.2014				
				04.07.2014	-15131	Transfer	1,142,369	0.90
				11.07.2014	-5248	Transfer	1,137,121	0.90
				18.07.2014	-2121	Transfer	1,135,000	0.89
				05.09.2014	-4716	Transfer	1,130,284	0.89
				09.09.2014	-127284	Transfer	1,003,000	0.79
				12.09.2014	-116969	Transfer	886,031	0.70
				17.09.2014	-215404	Transfer	670,627	0.53
				19.09.2014	-478	Transfer	670,149	0.53
				27.02.2015	-2570	Transfer	667,579	0.53
				06.03.2015	-32222	Transfer	635,357	0.50
				13.03.2015	-6000	Transfer	629,357	0.50
				20.03.2015	-781	Transfer	628,576	0.49
		628,576	0.49	30.06.2015			628,576	0.49
9	Amrit Petroleums Pvt Ltd	1,160,060	0.91	01.07.2014				
				12.09.2014	-125000	Transfer	1,035,060	0.81
				17.09.2014	-40500	Transfer	994,560	0.78
				30.09.2014	-60000	Transfer	934,560	0.74
				10.10.2014	-506593	Transfer	427,967	0.34
				10.04.2015	-427967	Transfer	0	0.00
		0	0.00	30.06.2015			0	0.00
10	Matthews Asia Small Companies Fund	1,049,223	0.83	01.07.2014				
				22.08.2014	30581	Transfer	1,079,804	0.85
				19.09.2014	-7034	Transfer	1,072,770	0.84
				30.09.2014	-48134	Transfer	1,024,636	0.81
				31.12.2014	-34750	Transfer	989,886	0.78
				02.01.2015	-4300	Transfer	985,586	0.78
				09.01.2015	-56542	Transfer	929,044	0.73
				16.01.2015	-15002	Transfer	914,042	0.72
11	Saif Advisors Mauritius Limited A/C Saif India Iv Fii Holdings Limited	914,042	0.72	30.06.2015	0	Transfer	914,042	0.72
		917,582	0.72	01.07.2014	0	Nil movement during the year		
12	J P Morgan Funds	917,582	0.72	30.06.2015			917,582	0.72
		635,603	0.50	01.07.2014				
				25.07.2014	46196	Transfer	681,799	0.54
				01.08.2014	52604	Transfer	734,403	0.58
				17.04.2015	38920	Transfer	773,323	0.61
				24.04.2015	41610	Transfer	814,933	0.64
				08.05.2015	57067	Transfer	872,000	0.69
				15.05.2015	27733	Transfer	899,733	0.71
				22.05.2015	2894	Transfer	902,627	0.71
				29.05.2015	20648	Transfer	923,275	0.73
				05.06.2015	21568	Transfer	944,843	0.74
		944,843	0.74	30.06.2015			944,843	0.74
13	SBI Emerging Businesses Fund	590,000	0.46	01.07.2014				
				10.10.2014	110000	Transfer	700,000	0.55
				14.11.2014	146500	Transfer	846,500	0.67
				21.11.2014	53500	Transfer	900,000	0.71
		900,000	0.71	30.06.2015			900,000	0.71



(V) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.07.2014)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1)	<b>Shri B.L. Taparia, Chairman</b>				
	At the beginning of the year	367398	0.29	367398	0.29
	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	367398	0.29	367398	0.29
2)	<b>Shri M.P. Taparia, Managing Director</b>				
	At the beginning of the year	749186	0.59	749186	0.59
	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	749186	0.59	749186	0.59
3)	<b>Shri S.J. Taparia, Executive Director</b>				
	At the beginning of the year	703816	0.55	703816	0.55
	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	703816	0.55	703816	0.55
4)	<b>Shri V.K. Taparia, Executive Director</b>				
	At the beginning of the year	344890	0.27	344890	0.27
	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	344890	0.27	344890	0.27
5)	<b>Shri B.V. Bhargava, Director</b>				
	At the beginning of the year	17500	0.01	17500	0.013
	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	17500	0.01	17500	0.01
6)	<b>Shri Y.P. Trivedi, Director</b>				
	At the beginning of the year	20010	0.02	20010	0.02
	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	20010	0.02	20010	0.02
7)	<b>Shri N.N. Khandwala, Director</b>				
	At the beginning of the year	260750	0.20	260750	0.20
	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	260750	0.20	260750	0.20
8)	<b>Shri H.S. Parikh, Director</b>				
	At the beginning of the year	125300	0.10	125300	0.10
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/ bonus/ sweat equity etc):	30470 (Transfer)	–	155570	0.12
	At the End of the year	155770	0.12	155770	0.12
9)	<b>Shri Rajeev M. Pandia, Director</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	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	NIL	NIL	NIL	NIL

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.07.2014)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
10)	<b>Shri Ramanathan Kannan, Director</b>				
	At the beginning of the year	7110	0.00	7110	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	7110	0.00	7110	0.00
11)	<b>Smt. Rashna Khan, Director</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	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	NIL	NIL	NIL	NIL
12)	<b>Shri P. C. Somani, Chief Financial Officer</b>				
	At the beginning of the year	4000	0.00	4000	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	4000	0.00	4000	0.00
13)	<b>Shri R. J. Saboo, AVP (Corporate Affairs) &amp; Company Secretary</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	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	NIL	NIL	NIL	NIL

## V. INDEBTENESS

	Secured Loans	Unsecured Loans	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>			
i) Principal Amount	36999.29	10265.00	47264.29
ii) Interest due but not paid	Nil	Nil	Nil
iii) Interest accrued but not due	192.50	34.59	227.09
<b>Total (i+ii+iii)</b>	<b>37191.79</b>	<b>10299.59</b>	<b>47491.38</b>
<b>Change in Indebtedness during the financial year</b>			
• Addition	10000.00		10000.00
• Reduction	17507.52	471.59	17979.11
<b>Net Change</b>	<b>(7507.52)</b>	<b>(471.59)</b>	<b>(7979.11)</b>
<b>Indebtedness at the end of the financial year</b>			
i) Principal Amount	29491.77	9793.41	39285.18
ii) Interest due but not paid	Nil	Nil	Nil
iii) Interest accrued but not due	14.69	25.87	40.56
<b>Total (i+ii+iii)</b>	<b>29506.46</b>	<b>9819.28</b>	<b>39325.74</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ In Lacs)

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager			Total Amount
		Shri M. P. Taparia	Shri S. J. Taparia	Shri V. K. Taparia	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	174.91	170.63	167.97	513.51
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.32	0.32	0.32	0.96
	(c) Profits in lieu of salary under section 17(3) Income-tax Act				
2.	Stock Option	NA	NA	NA	NA
3.	Sweat Equity	NA	NA	NA	NA
4.	Commission	495.76	495.76	495.76	1487.28
	– As % of profit				
	– others, specify...				
5.	Others, please specify				
	<b>Total (A)</b>	<b>670.99</b>	<b>666.71</b>	<b>664.05</b>	<b>2001.75</b>
	Ceiling as per the Act				4957.64

**B. Remuneration to other directors:**

(₹ In Lacs)

Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Shri B. V. Bhargava	Shri Y. P. Trivedi	Shri N. N. Khandwala	Smt. Rashna Khan	Shri Ramanathan Kannan	Shri Rajeev M. Pandia	
1.	Independent Directors • Fee for attending board committee meetings • Commission • Others, please specify	6.50	8.00	8.80	6.20	4.00	4.00	37.50
	<b>Total(1)</b>	<b>6.50</b>	<b>8.00</b>	<b>8.80</b>	<b>6.20</b>	<b>4.00</b>	<b>4.00</b>	<b>37.50</b>
		<b>Shri H. S. Parikh</b>	<b>Shri B. L. Taparia</b>					
2.	Other Non-Executive Directors • Fee for attending board Committee meetings • Commission • Others, please specify	6.20	4.20					10.60
	<b>Total(2)</b>	<b>6.20</b>	<b>4.20</b>					<b>10.60</b>
	<b>Total(B)=(1+2)</b>	<b>12.70</b>	<b>12.20</b>	<b>8.80</b>	<b>6.20</b>	<b>4.00</b>	<b>4.00</b>	<b>47.90</b>
	Total Managerial Remuneration	NA						
	Overall Ceiling as per the Act	NA						

**C. Remuneration To Key Managerial Personnel Other Than MD / Manager / WTD**

(₹ In Lacs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		41.04	82.49	123.53
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		0.10	0.32	0.42
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option		NIL	NIL	NIL
3.	Sweat Equity		NIL	NIL	NIL
4.	Commission – as % of profit – others, specify...		NA	NA	NA
5.	Others, please specify		–	–	–
	<b>Total</b>		41.14	82.81	123.95

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

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

## Management Discussion and Analysis 2014-15

### 1. OVERVIEW

The World economy was in a slow growth mode during the year under review except in USA. Indian economy shown sign of revival in the past year. GDP growth rates started growing.

Housing segment continues to remain in low growth phase. Government has taken various new initiatives which have resulted in re-starting of several locked infrastructure projects.

Central Government has given big thrust to Swachh Bharat Abhiyan to boost infrastructure, increasing road connectivity affordable houses for all and creation of 100 smart cities in a big way.

Government has also proposed several initiatives for ease of doing business. Government is pursuing introduction of GST and land and labour reforms. These measures initiated by the Government will put our country on higher annual growth path in the years to come. It is likely to create millions of fresh jobs every year. All these initiatives will lead the country to the path of 8% to 10% GDP growth per year. It augurs well for the future business of our Company.

Globally Brent Crude prices are hovering around \$60 per Barrel. It is expected that prices will remain in a narrow band around this level for quite some time.

India is a large energy importer. Crude prices remaining soft will give boost to country's economy. It helps to contain fiscal deficit & current account deficit.

This also keeps inflation in control which may result in lowering of interest rates.

Lowering of interest rates will boost several segment of country's economy resulting in larger scope of growth to your Companies' products.

### 2. INDUSTRY STRUCTURE AND DEVELOPMENT

Polymer consumption in the country has witnessed a growth of 8% between July 2014 to June 2015. In our country the per capita consumption of plastics is 10 kgs. Compared to 50 kg in China. This shows that there is a huge potential to grow business not only for catering to domestic demand but also for catering to global demand of plastics products.

Last year, the Company witnessed tremendous volatility in the Polymer Prices between July 14 to June 15.

PP Homopolymer prices came down from ₹ 109.20 per kg in July 2014 to ₹ 76.27 per kg by February 2015. It went up again to ₹ 100.77 per kg in the middle of May 2015 to come down to ₹ 92.77 per kg in June 2015 with a bearish trend.

Prices of PE have gone down from ₹ 113.92 per kg in July 2014 to ₹ 82.95 per kg by 1st Feb 2015 and went up to ₹ 103.72, by 7th May 2015. Prices have again has gone down to ₹ 98.72 the middle of June 2015 with a bearish trend.

Prices of PVC resin has gone down from ₹ 79.50 per kg during July 2014 to ₹ 58 per kg by middle of December 2014. Prices went up to ₹ 69.50 per kg by 1st June 2015 and again came down to ₹ 65.50 per kg during the month of June 2015 itself.

Thus, there was tremendous volatility in the Polymer prices during the preceding year. Such price fluctuations have affected the growth in the consumption of Plastics in country's economy. It also has put pressure on operating profit margin.

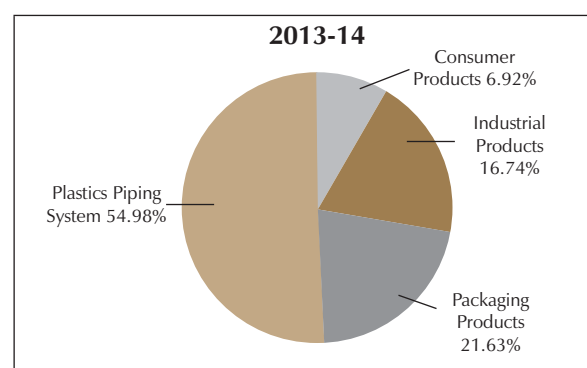
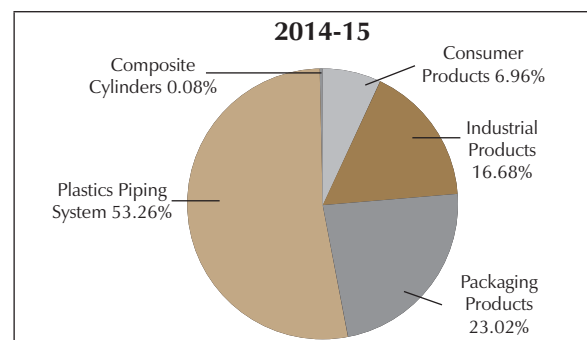
Company believes that in the year 2015-16, the prices of polymers will move in a narrow range. Company also hopes that such fluctuations may not be repeated.

### 3. PRODUCT GROUPS

The product groups of the Company are as follows:

Group	Products
Plastics Piping System	uPVC Pipes, Injection Moulded PVC fittings and handmade fittings, Polypropylene Random Co-polymer pipes and fittings, HDPE Pipe Systems, CPVC Pipes Systems, Inspection Chambers and manholes. Bath fittings, Roto moulded Tanks and Fittings and Solvents
Consumer products	Furniture
Industrial Products	Industrial products, Material handling System and Pallets - Roto moulded crates, garbage bins
Packaging Products	Flexible packaging film products, Protective Packaging Products, Cross Laminated Film products
Composite Products	LPG Gas Cylinders, Composite Pipes and Composite Pallets.

#### PRODUCT GROUP WISE SHARE IN TURNOVER FOR THE LAST TWO YEARS (% OF VALUE)





The net turnover (including other income) of the Company under review was ₹ 4261.45 Crores (including ₹ 161.23 Crores by way of trading in other related products and ₹ 139.32 crores from sale of premises) as against ₹ 3972.34 crores (including ₹ 171.89 crores by way of trading in other related products and ₹ 60.20 crores from sales of premises) of the previous year.

The Company has sold 3,01,930 tons of Plastic products as against 2,75,463 tons in the previous year, reflecting a growth of 9.61% in product turnover by volume.

The Company exported goods worth US \$ 13.30 million as against US \$ 13.58 million in the corresponding previous year.

Profit before interest, depreciation and exceptional items and taxes during the year under review have gone up by ₹ 73.62 crores from ₹ 599.03 crores to ₹ 672.65 crores during the year.

#### **4. COMPANY'S STRENGTH AND GROWTH DRIVERS**

##### **4.1 Manufacturing Sites**

The Company is in the process of setting up two units, viz one at Kharagpur in West Bengal and the other one at Malanpur near Gwalior in Madhya Pradesh. The Company hopes that both units will be in production by September 2015. The Company will then have, 25 manufacturing units spread throughout the country. This enables the Company to reach its products to the market at shortest possible time with least freight cost.

Kharagpur Unit will produce PVC, PE Pipes, Protective Packaging Products and new category of Plastics Furniture and varieties of Roto Moulded products. Due to several local issues, startup of plant at this site has been delayed.

Malanpur Unit is going to produce varieties of Roto moulded products.

##### **4.2 Distribution network**

Your Company is committed to increase its reach by adding more channel partners in several parts of the country. The Company has increased its channel partners from 2257 Nos. as on 30th June 2014 to 2469 Nos. as on 30th June 2015.

Distributors are the strength of the Company. Your Company enjoys good rapport and loyalty from its distributor network. The distributors are working assiduously to distribute Company's products in their respective regions in a very efficient way.

##### **4.3 Growth Drivers**

Your Company has increased the share of its Branded products turnover during the year 2014-15 to 80.70% of total turnover compared to 79.60% in the year 2013-14.

The Company has taken effective measures to increase the product awareness through advertising by way of TV/ Radio, Print media, outdoor i.e. bus panel hoarding, wall painting etc.

Several counterfeit products (specially in XF products and Pipe System) similar to the Company's product are now available in the market. Company has taken several measures to address this menace.

#### **5. OPERATIONAL PERFORMANCE**

##### **5.1 Plastics Piping Systems**

The financial year of the Company started with continuous fall of Crude prices and thereby the resins and Polymer prices came down substantially. The situation remained subdued during first six months of the year where Polymer prices were continuously falling. The prices started recovering during January- March quarter, when business started properly.

The Company's overall sale volume in this segment has crossed Two lakhs ton mark first time in this year. The Company sold 204,264 tons of Plastic Pipe System in the year 2014-15 compared to 187,951 tons of sales in the year 2013-14.

The erratic and lower monsoon throughout large parts of the country brought down the income of the farmers and as a result the irrigation sector was affected.

Unusual rains between February - May'15 damaged standing ready to harvest crop to a great extent and therefore the peak season demand of April - June was badly affected for business. This resulted into low capacity utilization at all the plants in the quarter April-June'15 and erosion of operating margins in Agri Pipe business segment.

The Reality sector was overall in a low growth phase and fillip on Infrastructure projects was also at a lower pace. The new Government at the Centre has put the priority focus on Swatch Bharat Abhiyan, Sanitation and affordable houses to all and 100 smart cities development on all India basis. This resulted into Government program in building toilets at various schools & separately for Girl Child. This saw many corporates spending their CSR amount for this purpose. However, the requirement of Pipe and Fittings in a Toilet vary from place to place and project to project. The projects under JNNURM scheme are also running at slow pace, which may improve now with the thrust given by the Government.

New plant at Kharagpur is ready to commence production during July/Sep-2015. The plant and machinery have reached at the site. The Company expects that the Company may be able to utilize full capacity of this plant in first half of 2016.

At Malanpur, near Gwalior a separate Roto Moulding Plant and new warehouse will be in operation by September'15. It will also have cPVC production capacity stabilized by end of first quarter of the current financial year. The machines are already received in the plant.

Another Roto Moulding facility is being planned at Kharagpur and should be in operation by February'16. The Company also expects to put up Roto Moulding facility at Kanpur plant which would be in operation by March'16. The Company has already launched Overhead Water Tanks of 500 liters to 5000 liters in various capacities. These are well received. With lot of encouragement from market the Company has embarked on larger capacity expansion. The Company also aims to introduce many other varieties of Tanks suitable for underground water storage and also varieties of Septic Tanks. The Company has tied-up the technology for Septic Tanks with a South African Company. This should be a game changer in sanitation market.

The Company is at an advance stage of negotiation for Technology and plant for the production of Double Wall Corrugated HDPE Pipes. The Company aims to commence production in first quarter of 2016. The Company has also acquired a large capacity plant for manufacture of ECO DRAIN pipes up to 800 mm diameter. That may go in production by December'15. The Company has successfully produced Multilayer foam pipe up-to 160mm dia. The Company is also negotiating with many infra projects for installation of 1 meter / 1.2 meter diameter Manholes instead of conventional brick and mortar Manholes, whereby the end user will be able to realize the overall benefits like easy and faster installation, less trench width with higher useful life than the usage of conventional brick and mortar sewerage system. The Company is now geared up to offer large varieties of products to cater the sewerage and drainage segment of the housing requirement.

The Company introduced Silent Pipe System made from PVC for the first time in the country. This system is very much required in High rise buildings, Hospitals and High quality hotels. Company's system was well received in the market.

In Plumbing System, the Company introduced full range of Sch 40 Aqua Gold PVC Plumbing System which can offer a lower cost plumbing solution compared to presently available system.

The Company during the year under review registered an overall volume growth of 7.5% in Plastics Piping System made from different plastic materials. The Company registered a volume growth of 15% in cPVC system sale and a volume growth in sale of HDPE Pipe System by 22.5% within this overall growth of Plastics Pipe System business.

The Company developed a special variety of PE Pipe with co-extrusion of Copper wire for lift irrigation project. The customers were quite pleased with the quality of product. The Company is getting repeat order in this segment.

The Company's manufactured solvent cement - SILBOND- were approved by NSF-14 in both the varieties i.e., PVC and cPVC. The PVC variety was also certified by BIS and hence the products are going in the market with necessary ISI and NSF marking. The Company was encouraged with the response it received from its SILBOND range of Solvents. The Company has further introduced BLUE SEALANT suitable for metal threaded joints. As a result Company now got all the products available in the segment of adhesives, solvents & lubricants required for various Piping Systems. The business looks promising.

The Company introduced 72 nos. of Injection Moulded Pipe fittings during 2014-15. They all have been well received in the market. As a result the sale of moulded fittings increased by 11% in volume terms during the year under review.

The total product portfolio in this segment has now reached to 6500 Nos. which was 6113 Nos. at the beginning of the year & thus adding 387 new products to the range of various Plastic Piping System.

Encouraged by the growth of cPVC products business, the Company introduced Schedule 40 products in the 2½ " to 4" category which can cater to Industrial Segments in a cost effective manner compared to use of pipes made from conventional materials.

The AQUAKRAFT Bath Fittings range introduced by the Company faced initial teething troubles, which have since been fully overcome. The portfolio in Bath Fittings has reached to 51 items. The Company plans to further increase the range during 2015-16 by introducing a large varieties of Plastics Bath fittings along with Chrome Plated Bath fittings.

The Company's business to Export market saw a moderate growth of 3% in US \$ terms. The Company is continuously trying to boost its export business of Piping Systems.

The Division's Value Added Products sale increased to 29.8% against 27.76% of last year. The Company has also added further 128 business Channel partners during the year. The Company has been active on supplies to various infrastructure projects which are funded by World Bank, Asian Development Bank & other international monetary funds to their full satisfaction. However, the demand remains subdued in this segment.

The CPVC Fire Sprinkler Pipes made by the Company have been tested and approved by the UL laboratory USA. The necessary certification as per UL-1821 is expected soon. Several of its brands and designs under this segments are registered.

The Company spent around ₹ 14 crores during the year on branding activities for its Plastics Piping Division through the following tools:

- a TV and FM Radio
- b Print Media through several monthly journals and dailies
- c Participation in Exhibition
- d Holding Architects/Plumbing Contractors/Builders/ Plumbers meet at various locations in the country.
- e Outdoor - Bus Panel, In-shop boards, Hoarding-wall painting
- f Arranging visit of Architects/Customers/Farmers/ Plumbers/Builders to Company's Knowledge Centre at Gadegaon.

## 5.2 Consumer Products

### 5.2.1 Furniture

The Company manufactures furniture at five different locations viz: Puducherry (UT), Durgapur (West Bengal), Lalru (Punjab), Gadegaon (Maharashtra) & Guwahati (Assam) to cater effectively to different regions of the country.

The Turnover of Furniture Business grew by 6% to ₹ 275 Crores this year after being stagnant for last 3 years due to Company's strategy to remain passive player in commodity furniture business. The Company continues to focus on increasing the share of value added products. The overall business in volume terms increased by 3%.

The wide acceptance of some of the premium models such as Cambridge, Web, Texas etc. by customers due to their unique design, strength & contemporary looks has helped in establishing the Company to be a market leader in premium range of furniture products.

The Company's business quantum of Premium Products has improved from ₹ 125.40 Crores. in 2013-14 to ₹ 131.07 Crores. in 2014-15. There was some delay in launching of additional premium products due to late arrival of moulds which has led to lower growth in value.

The Company remains committed to its investment plan to further enhance the range of value added products. The Company plans to introduce 12 new models over next 6 months in the current year which will further broaden the range of value added products. Some of these models will be unique in design and reinforce the premium brand image of supreme furniture.

The favorable raw material availability with better marketing strategy helped the Company to improve OPM of this segment from 9.40% in 2013-14 to 14.75% in the year under review.

The Company is putting up a Green Field Project to manufacture new category of Furniture Products at Kharagpur with an investment of ₹ 30 Crores. This is expected to go in production by January, 2016. The scope for export of these products is good. The Company plans to focus on export of these products in a big way.

The Company started exports of its premium range and shipped its first order of premium Products to South Korea. The Company will continue to explore various markets for export of its Premium Products by participating in various international exhibitions. The Company participated in two international exhibitions in the year under review where the response to its products was encouraging.

The Company continues to expand its reach and has a network of 684 channel partners promoting its products. The Company continues to expand its reach throughout the country. The Company also started promoting sales of its products through e-commerce and will be focusing to boost the sales through e-sites in the current year.

The Company invested in TV ad campaign along with its piping division for further strengthening its Brand. The advertisement campaign has further boosted the brand image of Supreme furniture.

### **5.3 Industrial Products**

#### **5.3.1 Industrial Components**

The year under review started on the back drop of improved sentiments due to formation of stable Government at Centre, giving rise to the hope of demand revival both in Auto and Consumer Durable sectors. Although demand picked up in both Passenger Car and Commercial Vehicle segments, it is far below expectations. There is gradual revival in demand of white goods both in Electronics and Appliances. In anticipation of improving demand in Auto and Consumer Durables, the Division had initially projected growth of 12%. But with the subdued growth in Automotive and Durables like Air Conditioners, Water Coolers, Water Purifiers etc, the Division grew just over 3%

in revenue. While Automotive segment revenue witnessed de-growth of 4%, Electronics and Appliances segment grew over 11%.

Noida and Talegaon Plant's revenue continued to suffer due to two of its major customers' business either got relocated or realigned in Product-Mix affecting the revenue drastically. However, the Company re-doubled its focus to develop new customers and products. These efforts have started yielding positive results in improving revenue and are being continued aggressively. Supplies stabilized for Honda Car for one of its compact SUV model.

Noida plant started manufacturing complete Coolers for one of the reputed customer in this segment. Although, the volumes are still small, Company expects good growth in this product as it opened new avenue for the Company. With continued efforts in developing new Business Mix, Company expects steady growth at Noida plant in future. Talegaon Business development cell is being revamped. Company utilised low demand period to reorient the plant operations for optimum utilisation of resources, improve operational efficiency and consolidate its gain to stay competitive. Company executed the largest ever order of EVM from Talegaon during the year under review.

Company took conscious decision to consolidate and stabilize operations before taking steps to acquire New Business at Khushkhera plant. The plant successfully established supplies to the second Honda model, i.e. Honda City and supported the customer flawlessly during its volume ramp-Up. This would help Company to improve its business with Honda significantly. Company expects good long-term prospects with Honda Motors. Focused drive with several improvement steps were initiated to consolidate operations for future growth sustenance of the Khushkhera plant for which company is optimistic. Plant has done a good work in reducing power cost through series of measures with visible gain in specific power consumption and cost.

Chennai Plant revenue registered growth of 32.7% YOY due to addition of a New MNC customer BOSCH in Appliances Segment. Company started and stabilized supplies of Washing Machine parts and sub-assemblies to BSH and supported flawlessly for its production ramp-Up. This Customer has set up its huge manufacturing facility in India and would be launching various other Home Appliance products during next few years. Company expects good growth with this customer in years to come. Chennai plant continued to have adverse effect due to frequent power shortage in Tamil Nadu. However, the Company could ensure trouble free supplies to all the customers, even running the plant by using expensive captive power. Although power situation is now improving, it is still far from satisfactory.

Puducherry Plant registered a de-growth of about 3% in value terms although parts supplied for Washing Machine sets grew by about 15% due to improved demand of Washing Machine parts from Company's main customer. The lower sales revenue is due to sales of higher quantum of low cost model. The drive taken during previous couple of years to automate the plant for manpower rationalization, consistency in quality, improving productivity, is maturing fast.



Durgapur Plant witnessed growth of about 14% from its major customer in Auto and Inverter storage battery segment. The demand was good during first half of the year although it slowed down a little during last quarter. Company expects better growth during this year from this customer once recovery takes place in Auto Sector.

Initiatives taken to rationalize and consolidate manpower through automation are being continued. The new machines and equipment's, which are being added, are equipped with the latest technology, energy efficient and designed for good repeatability for better quality. All these initiatives along with continuous updation to upgraded version of Quality Management System will ensure better Quality, Productivity, Safety, energy conservation and Cost optimisation. These measures have also helped Company to negate the impact of inflation due to various manufacturing cost increases and there by remain competitive.

In view of the subdued growth in different Industrial Sectors and sluggishness in economy during last couple of years, Company exercised cautious approach in building any additional capacity in the Division. Hence, Capex had been restricted only for enhancing Quality/productivity and Energy Efficiency. Capacity Rationalization was achieved by discarding old and inefficient machines and replacing few of them by new, modern and energy efficient machines.

Company is continuously putting its efforts to improve energy management by way of monitoring energy related parameters on regular basis. Focus on Energy Cost Management include even buying power through power exchanges. These initiatives of the Company, apart from cost reduction, will support Environment and Green Initiatives.

Company has taken lot of HR initiatives at all its locations. Structured approach to bridge the Competency Gap and Performance Management System is being monitored to enhance Human Capital. Lot of Employee Engagement activities are initiated at all plants.

Overall rating of the Company by its customers meets or exceeds their expectations. Company is considered a highly dependable and valuable supplier. Company received various Awards and Recognitions from time to time from its customers for its support in Quality, Cost, Delivery and New product development, Overall Support, Best Practices etc. All employees are being constantly re-oriented to ensure utmost focus on Customer Satisfaction. The Journey towards excellence is continuous and is being cultivated as a culture.

### 5.3.2 Material Handling Products

This division mainly caters to Industrial sector and with manufacturing index down during the year under review, most of manufacturing sectors suffered. The Company was successful in retaining all major reputed customers with excellent service and reliable supplier reputation. The Company achieved a value growth of approx. 23% and a volume growth of 12%, during last year. The Company continues to service its client with least lead-time at economical cost by manufacturing at six own manufacturing sites spread across the country.

During the last financial year overall Automobiles and Appliance manufacturing has been subdued. However, the division with its loyal customer base posted a 18% growth in crates business in Industrial sector.

The Company continues to be leader in the Injection Moulded Pallet business in India. With Consistent approach to make aware and educate the customers for usage of Injection moulded Pallets in contrast to conventional wooden pallets has yielded excellent results with Pallets business growth being over 23%. The trials of Company's Injection moulded pallets have been successfully taken by Premium Govt. agencies for food grain storage. Their reports have established a superiority of Plastics pallets over conventional wooden and poly coated steel pallets.

With BIS standard already in place for "Bags storage in go down" the Company expects good business volume. It has further enhanced product portfolio with unique application focused products. Range of Cargo Pallets for Exports application has been well accepted in the market. The Company's enhanced Injection Moulding Pallet making

capacity at Gadegaon is functioning well. The plans have been drawn to further enhance the manufacturing capacity of Pallet production.

Soft drink bottle crates achieved an excellent growth of 34% over preceding previous year. The Company expects that in the current year also there will be decent growth in this segment. The Company's innovations in fisheries crates for its durability, have been appreciated by users. The Company is consistently increasing its presence in this segment. In coming year, the Company expects a sizable market share for this business.

The Roto Moulding facility of Company at Gadegaon is functioning well along with PU facility to meet specific heavy-duty requirement for supply of PU filled Roto Moulded items. The Company now has a range of Roto Moulded products. There is a freight disadvantage to supply Pan-India Roto moulded products from this location. The Company has re-worked its strategies for making it successful vertical as the Dustbin demand is growing throughout the country with Swatch Bharat Abhiyan. The Company plans to start the manufacturing at three more locations during this year to overcome the freight disadvantage.

The Company's channel partners are always its strength. The division has increased the number of channel partners to 202 from 192, which will be further increased in the current year.

### 5.4 Packaging Products

#### 5.4.1 Packaging Films

The division had a sale growth of 9.27% during the year. Domestic sales grew from 6424 tons to 7020 tons.

Despite entry of new players in the market and resultant price war, Company's regular customers continued their support to the Company. Oil segment continued to be the major segment for the division.



A specialty product [High Gloss film] has been successfully developed and is finding good response from customers. Besides, other value-added products have also been successfully developed and are expected to contribute to higher sales in the coming year.

Exports were 685 tons during the year under review as against 513 tons during preceding previous year. New customers have been added. Exports are expected to show higher growth. Participation in international exhibitions has helped in higher exports. The Company intends to continue to participate in international exhibitions to expand its reach to new countries.

The Company expects a growth of 10-12 % in value in the current year.

#### 5.4.2 PROTECTIVE PACKAGING PRODUCTS

Protective Packaging Division grew by 13.5% in volume and 12% in value over preceding previous year. The value drop was on account of a huge drop in prices of Raw Material during the year. The division has drawn an ambitious plan of reaching ₹ 800 Cr turnover by 2019-20. Business opportunities are aplenty and the division by virtue of its capabilities and image of a solution provider is well poised to take advantage of the situation. The division is considering two to three new manufacturing locations over the next five years. This will position it logistically in these markets, which are growing well. The Company's products due to their high expansion ratio become logistically unviable to service over long distance, hence the need for more manufacturing facilities closer to market.

Besides, the division will also be adding several new product lines in this period to enhance its large product range.

##### Packaging vertical:

With technology from a Company in Taiwan, the crosslinked block foam production capacity at Malanpur has been enhanced by 20% from the existing equipments. This has already given some cost benefits to the division during the year. Full advantage of the same will occur this year and beyond. The existing capacity will be further enhanced by 720 MTPA in October when Company's new press will be installed. By virtue of the above, total cross-link block foam capacity will increase from 3550 MTPA to 5000 MTPA this year.

Chemical cross-linked foams (XLC), which were manufactured primarily for insulation is now widely used in packaging applications. This enhances the packaging vertical's specialty product range.

Air bubble films, which were on a de-growth over the last few years due to local competition has started to grow since last year (2013/14) as customers have realized the efficacy of good quality products. As a result, this product line has grown by 24% in volume over the last year.

The packaging segment will further grow after the commercial production of Kharagpur unit. The project is expected to start in the Oct-Dec quarter of 2015.

This new plant will have an installed saleable capacity of 4000 MTPA. Based on the market feedback, this quantity shall be sold out in April-March 2016-17.

##### Construction vertical:

The construction industry continues to remain in slower growth phase. Expenditure on construction and infrastructure projects have not yet picked up. This vertical has achieved a growth of 13% in value and 5% in volume. The vertical did not grow as expected.

The new range of products 'Dura floor protector', which was introduced last year has gained significant acceptance in the present year. The Company is making deeper inroads in reaching this product to the B & C towns. This product will be a significant growth driver for this vertical over the years.

The Company expects increased expenditure in infrastructure projects this year. Other construction projects may start growing from the Jan-March 2016 quarter. The Company expects a steady growth of 10-15% in this vertical this year.

##### Insulation vertical:

Insulation business has not grown as expected during the year as many projects have been delayed, primarily due to inadequate cash flow in the market. Competition in this range of products is now increasing and nonstandard products are being supplied by the competitors. The division has worked to reduce product cost by manufacturing lighter materials while maintaining the properties as per specifications. The product is now ready and is being offered at competitive prices to counter the competition in the market. This will help the Company to regain some lost markets.

The higher OD hose tubes for pipe insulation were successfully launched in the market. Business for the same has started. This in conjunction with small OD hose pipes allows the division to offer a large range of insulating pipes for cold Insulation for all types of Industries. The Company expects to penetrate in this application segment and grow the business to a significant level.

Acoustic insulation products were introduced towards the end of last financial year and business has now started. The division is working to develop a range of acoustic products made for several applications from a combination of materials. These are special range of products. While, the turnover may not be significant; it would work well for the bottom line of the Company.

The production capacity of Chemical cross link foam at Malanpur unit may be enhanced during the year.

The additional extruder installed in the NBR/PVC foam pipe plant has helped reduce costs substantially. The Company brand Insuflex is gaining acceptance in the market. The division is still considering setting up a Plant for making NBR PVC sheets to enhance its product range in the insulation segment.

##### Technological Development

- Based on the Company's processing experience, the division has upgraded the design of the 400 Kg/hr Tandem Foam extruder with advanced features for Kharagpur plant. This will enable the Company to offer a wide range of densities from the same plant (hitherto not possible). Product will be superior and manufacturing costs are expected to come down.

- The Company has also developed products with ROHS and REACH certification for Foam, Air Bubble & Capcell. Other products are being developed for similar certification. The demand is now increasing for such certified products.
- Several new Capcell grades have been developed during the year for the Shoes, sports and toys applications. These products are expected to deliver good value to the Company in the coming year.
- By adding a 5th extruder (in a 4 extruder line), NBR PVC hose production capacity was enhanced. Besides, further R & D and automation activities are in progress to further improve productivity and reduce manufacturing costs.
- The division expects to grow over 15% in value this year.

#### 5.4.3 Cross Laminated Film

Business for Cross Laminated film and products grew by 14.56% in Value terms. The Company sold 19283 tons of products against 17509 tons during the previous year. Exports were down to 1393 tons from 1883 tons.

The domestic market grew by 14.50% in volume during the previous year. However there was a negative growth of 26% in exports due to existence of counterfeit / cheap products from China in the Asian Market. The 35GSM Silpoly Liner which was introduced by the Company two years back did not make much headway.

The monsoon in June this year was better than expectation. If the good run continues then it may boost the demand further for tarpaulins. The Company believes that the 35GSM Silpoly Liner with its multiple applications has great potential. However, the penetration of this product in the market will take much longer time than anticipated.

The stock of counterfeit/cheap products from China in the Asian markets has depleted & due to its poor quality the demand for the same has gone down substantially. In the current year the Company expects to restore its share in the Asian Market which it had lost to counterfeit/cheap products from China.

The Company is making effort to penetrate the U.S. market & has appointed 'Business Advisor' in USA for promoting XF products in USA through his contacts, knowledge & vast experience in the marketing field. The Company is also in talks with some chain stores of USA to sale its products. The Company expects breakthrough in its initiative to sell to USA. The Company's products have good presence in European Market which is expected to attain further growth in coming years.

The Company sold 645 tons of Cross Line Bonded Film against 583 tons during the previous year. The product which has patent protection was introduced in the Asian

Market last year to counter competition from counterfeit products from China. This product has been well accepted in the Asian Market.

The Company has entered into fresh agreements with its collaborator whereby the collaborator has granted

worldwide exclusive rights to manufacture & sell XF Product. The Company's collaborator has also granted worldwide exclusive rights to sell & manufacture Cross Line Bonded Film & Cross Plastics subject to existing licence/option rights already granted by the Collaborator. The Collaborator has committed to not to renew these existing licence/option rights after the expiry of current arrangement. The Company thus now has an opportunity to grow faster in this segment of it's business.

#### 5.5 Construction Business

Company's only venture to construct a corporate office complex is fully operational since last three years. With minimal new supply of commercial space, Company has expected revival in this segment. Company has sold 81,831 sq. ft. saleable area at an aggregate consideration of ₹ 139.31 Crs. (Highest ever sales consideration in any year) during the year under review.

Total saleable area of this premises was about 2,82,835 sq. ft.. Company has till now realised net ₹ 338.62 Crs. against sale of 2,12,286 sq. ft.. Further Company has converted an area of 6681 sq. ft. into capital asset for self -use and balance area available for sale now is about 63,848 sq. ft.

Company expects even better realisation per sq. ft. for the remaining area available for sale considering limited availability of good office premises in the vicinity of Company's premise. Premises of your Company is strategically located in the entertainment hub of Mumbai Suburban District and equipped with best of the features and facilities.

#### 5.6 New Initiatives

##### 5.6.1 Composite LPG Cylinder

Your Company had exported first lot of Composite Cylinders of 33.3L to South Korea in July last year. Due to change in regulation in pack size in South Korea, the repeat order for the same could not materialize.

Company got approval from Korea Gas Safety Corporation (KGS) for other 2 sizes for 12.5L and 30.5L and shipped some quantity. Cylinders have been well appreciated in the Korean market but it was realized that more modifications are required for fitment of Korean accessories on the Company's cylinder casing. The Company believes that once these modifications are carried out then South Korea could be a regular market for the Company.

Indian market is the largest market for LPG Cylinders globally. Finally, oil companies have recognized the usefulness of composite cylinders inspite of higher prices. Oil marketing companies will shortly float a tender for an education order in two sizes, 12.5L and 24 L. The Company has necessary PESO Approval for the same. The Company is quite hopeful for consumer acceptance. The Company hoped that larger quantities will be bought by the oil marketing companies after the initial supply of small quantities in Indian market.

Company is in discussion with many countries for this product and hope to finalize businesses against various enquiries. Due to peculiarity of this business, it takes much longer time to materialize in an order than anticipated.

Company's products meets all safety standards. Your plant is geared up to ensure delivery of quality cylinders due to very tight online inspection system.

Company believes in good future of this product.

### 5.6.2 Composite Pipes :

Company could not reach to any fruitful resolution yet with its' technology provider M/s. NBL Corporation of Japan In spite of best efforts. Company is still in talks with the collaborator and hopeful of some positive outcome. Plant which was installed in February, 2013 is lying idle without any trial/production activities.

### 5.6.3 Composite Pallets :

Company had entered into a Technical tie-up with LOMOLD of South Africa to manufacture lightweight & heavy duty Plastic Pallets reinforced with Glass Fiber. LOMOLD has the patent for the technology and process for the same. Due to sudden and sad demise of promoter founder of LOMOLD, who was the driving force behind the group, entire group is now facing difficulties. The group is in process of disposing of its technology and patents worldwide. Company is waiting for the new buyer to emerge with whom the project could be taken forward. Company wants to see the commercial set up and success of the technology to its satisfaction before proceeding with further investment.

## 6. FINANCE

During the year under review, Interest and Financial charges have come down at ₹ 57.95 crores as compared to ₹76.14 crores during the preceding previous year. Overall Finance cost as a percentage of turnover has also come down to 1.36% of Total Income as compared to 1.92% in the preceding previous year. Reduction in the Interest and Financial charges on y-o-y basis has been achieved by the Company mainly by way of (i) Reduction in Working capital requirements due to softening of raw material prices.(ii) Replacement of high cost Foreign Currency Loan with low cost Foreign currency loan of US\$ 20 Million (Equivalent to ₹108.20 Crs) at the end of June 2014 resulting in the interest cost saving for entire of the year under review. (iii) Replacement of high cost Rupee Loan with low cost Rupee Loan aggregating to ₹80 Crores during the year & (iv) following prudent foreign exchange hedging policy.

The Company effectively manages its working capital through extended maturity payables to its creditors & offering appropriate incentives (for prompt payments) to its customers. The Company has also arranged financing to its Channel Partners at most competitive rates for their working capital requirements through its Bankers.

The average cost of borrowing on outstanding debt as on 30th June, 2015 is 8.57% vis-à-vis 8.91% as on 30th June, 2014. The total effective net borrowings of the Company (i.e. net of surplus in bank accounts and liquid funds investment) stood at ₹ 219.31Crores as on 30th June 2015 vis-à-vis ₹ 451.88 crores as on 30th June, 2014. Company could invest ₹100 Crs. In liquid mutual funds after paying off all its fund based working capital outstandings.

Average of monthly effective net borrowing level of the Company for the year under review came down at ₹

599.86 Crs. as against ₹ 790.15 Crs. during the previous year. The Company aims to lower the average of monthly effective net borrowing levels at a level below ₹ 500 Crs. for nine months period of current year as compared to ₹ 660 Crs. during the corresponding nine months of previous year.

Considering the strong business profile and healthy financial risk profile, CRISIL has upgraded its rating on the Long Term Bank Facilities to "CRISIL AA Stable" from "CRISIL AA- Positive". The rating for Company's Short Term Banking facilities and programme has been reaffirmed at "CRISIL A1 +".


The rating upgrade reflects Company's diversified range of products, strong market position, growing geographical locations, introduction of new products, comfortable net worth, moderate Debt-Equity Ratio and sound interest coverage ratio.

The Company continues to avail its fund based/ non fund based working capital requirements at most competitive rates by placement of Commercial papers, availment of Short Term Unsecured Borrowings and financing its raw material imports through Buyer's Credit Loans. During the year under review all its term lenders as well as Working capital bankers have agreed to release all the immovable properties of the company on the preview of security. As such, presently all the immovable properties of the Company are out of the purview of security to Lenders.

During the year under review, the Company has realized a sum of ₹ 139.32 Crs. from the sale of 3 floors of commercial premises. Capex incurred during the year of ₹ 197.58 Crs. consisting of ₹ 115.86 crs. being put to use on ground and remaining under construction/work in progress, have been funded from Internal accruals and monetization of commercial real estate (as aforesaid) & Suppliers' credit.

During the current year (i.e. 9 month period ending on 31st March, 2016), the Company envisages Capex of about ₹ 200 Crs. to be funded through Accruals and Suppliers' Credits on the following segments.

1. Ongoing work of setting up of Plastic product complex at Kharagpur (West Bengal) & Roto Moulded Products unit at Malanpur (M.P.)
2. Expansion of capacities of Bath Fitting products
3. Introduction of several varieties of moulded fittings at Jalgaon & Malanpur plants
4. To introduce large range of premium furniture products in all its manufacturing plants
5. To put up Roto Moulding capacities at Kanpur (U.P.) and Kharagpur (West Bengal) plants
6. To install Polythelene & PVC Pipes capacities for Sewerage & Drainage applications
7. To construct new building and install special machines for making varieties of Cross Laminate Film Made up products at its Get Muvala (Gujarat) plant
8. To increase capacities & range of Pallets in Material Handling Products division

- 
9. To increase production capacities of Protective Packaging Products at various locations and invest in a new location.
  10. To invest in balancing equipment's & automation at all its plants as may be required

The Company has high revenue diversity & continues to introduce new products regularly. Its' focused efforts towards higher contribution of value added products & tight monitoring of working capital requirements & prudent funding of Capex is expected to entail healthy liquidity position backed by strong cash accruals in the medium term. The Company's focus continues to remain in reducing overall debt level & also reducing financial cost in absolute terms as also in percentage terms in the forthcoming year.

#### **7. INTERNAL CONTROL SYSTEM**

The Company has adequate internal audit and control systems. Internal auditors comprising of professional firms of Chartered Accountants have been entrusted the job to conduct regular internal audits at all units/ locations and report to the management the lapses, if any. Both internal auditors and statutory auditors independently evaluate the adequacy of internal control system. Based on the audit observations and suggestions, follow up, remedial measures are being taken including review and increase in the scope of coverage, if necessary. The Audit Committee of Directors, in its periodical meetings, review the adequacy of internal control systems and procedures and suggest areas of improvements.

The Company has undertaken a detailed exercise to revisit its control systems in technical and other nonfinancial

areas to align them properly with Management Information Systems (MIS) to make MIS more efficient and result oriented. Information technology base created by the Company over the period is providing a very useful helping hand in the process. Needless to mention, that ensuring maintenance of proper accounting records, safeguarding assets against loss and misappropriation, compliance of applicable laws, rules and regulations and providing reasonable assurance against fraud and errors will continue to remain central point of the entire control systems.

#### **8. HUMAN RESOURCE**

Human resource are considered as key to the future growth strategy of the Company and company continuous to focus its efforts to further align human resource policies, processes and initiatives to meet its business needs. In order to focus on keeping employees abreast of technological and technical developments, the Company provides opportunity for training and learning within the country and abroad. Industrial relations at all the units and locations are cordial.

#### **Cautionary Statement**

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include cost of raw materials, tax laws, interest and power cost and economic developments and such other factors within the country and the international economic and financial developments.



## Corporate Governance

### 1. PHILOSOPHY OF COMPANY ON CORPORATE GOVERNANCE

Good Governance ensures adoption of best business practices, and accountability of the person's in-charge of the company's operations. Your Directors are committed to good Governance practices and the company has been sharing all important information about its various business segments and operations of the company through Directors report, Quarterly Results, Chairman's Statement and Annual Reports. Further as required by the listing agreement, report on Corporate Governance is given below:

### 2. CORPORATE GOVERNANCE PRACTICE

The Supreme Industries Limited maintains the highest standard of corporate governance, it is the Company's constant endeavor to adopt the best Corporate Governance Practice.

### 3. ROLE OF COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS:

The Company Secretary plays a key role in ensuring that the Board and Committees procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and Senior Management for effective decision making at the Meetings. The Company Secretary is primarily responsible for assisting and advising the Board in conduct the affairs of the Company, to ensure the compliances with applicable statutory requirements, to provide guidance to Directors and to facilitate convening of Meetings. The Company Secretary interfaced between the Management and regulatory authority for governance matters.

### 4. BOARD OF DIRECTORS

The Supreme Industries Limited has a broad-based Board of Directors, constituted in compliance with the Companies Act, 2013, Listing Agreement entered with the Stock Exchanges and is in accordance with best practices in Corporate Governance.

As on 30th June 2015 the Board comprised of 11 Directors viz Managing Director, two Executive Directors and Eight Non Executive Directors comprising six independent Directors. The Chairman of the Board is Non -Executive Director.

#### a) Composition and Categories of Board of Directors:

Name of the Directors	Category	No. of outside Directorship		No. of Committees Chairpersonship / Membership held including Supreme	
		Public	Private	Chairperson	Members
Shri B L Taparia	Promoter / Non Executive Chairman	2	1	–	–
Shri M P Taparia	Promoter / Managing Director	4	2	1	1
Shri S J Taparia	Promoter / Executive Director	4	3	–	3
Shri V K Taparia	Promoter / Executive Director	–	1	–	–
Shri B. V. Bhargava	Independent / Non Executive Director	6	–	5	1
Shri Y. P. Trivedi	Independent / Non Executive Director	4	2	2	2
Shri N. N. Khandwala	Independent / Non Executive Director	–	–	2	–
Shri H. S. Parikh	Non Executive Director	3	–	–	7
Smt. Rashna Khan	Independent / Non Executive Director	2	–	1	–
Shri R. Kannan	Independent / Non Executive Director	4	–	2	–
Shri Rajeev M. Pandia	Independent / Non Executive Director	2	–	1	–

Committee positions only of the Audit Committee and Stakeholders Relationship Committee in Public Companies have been considered.



**b) Attendance of Directors at the Board Meetings held during 2014-2015 and the last Annual General Meeting held on 17th September, 2014:**

During the Financial Year 2014-15 the Board met on five occasion i.e. 21st July,2014, 17th September 2014, 17th October,2014, 22nd January,2015 & 24th April 2015.

Directors	Category	Meetings held during the tenure of the Directors	Meetings Attended	Attendance at the last AGM
Shri B L Taparia	Promoter / Non Executive Chairman	5	5	Yes
Shri M. P. Taparia	Promoter / Managing Director	5	5	Yes
Shri S. J. Taparia	Promoter / Executive Director	5	5	Yes
Shri V. K. Taparia	Promoter / Executive Director	5	5	Yes
Shri B. V. Bhargava	Independent / Non Executive Director	5	5	Yes
Shri Y. P. Trivedi	Independent / Non Executive Director	5	5	Yes
Shri N. N. Khandwala	Independent / Non Executive Director	5	5	Yes
Shri H. S. Parikh	Non Executive Director	5	5	Yes
Smt Rashna Khan	Independent / Non Executive Director	5	5	Yes
Shri R Kannan*	Independent / Non Executive Director	3	3	N.A.
Shri Rajeev M. Pandia**	Independent / Non Executive Director	3	2	N.A.

\*Shri R Kannan was appointed on the Board of Directors on 17th September, 2014.

\*\*Shri Rajeev M. Pandia was appointed on the Board of Directors on 17th September, 2014.

Shri S.R. Taparia Independent Non Executive Director passed away on 22nd July, 2014.

**5. INDEPENDENT DIRECTORS MEETING:**

In Compliance with the Companies Act, 2013 and Clause 49 of Listing Agreement with Stock Exchanges, the Independent Directors Meeting of the Company was held on 24th April, 2015 and on 20th June, 2015.

Independent Directors Meeting considered the performance of Non-Independent Directors and Board as whole, reviewed the performance of Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

Shri Y P Trivedi is the Chairman of Independent Directors Meeting.

**Attendance of Independent Directors in Independent Directors Meeting.**

Directors	Meetings held during Year	Meetings Attended
Shri Y.P Trivedi	2	2
Shri B.V Bhargava	2	2
Shri N.N Khandwala	2	2
Smt Rashna Khan	2	2
Shri R. Kannan	2	1
Shri Rajeev M. Pandia	2	2

**6. AUDIT COMMITTEE:**

The Company has an independent Audit Committee. The composition, procedure, Role / Function of the committee complies with the requirements of the Companies Act, 2013 as well as those of the listing agreement. The brief terms of reference of the Audit Committee includes the following:

- Overseeing the Company's financial report process and the disclosure of its financial information's.
- To review quarterly, half yearly and Annual Financial results before submission to the Board.
- To review the statement of significant related party transactions submitted by management.
- To review the adequacy of internal control systems with the management, external & internal auditors.
- Discussion with external auditors about the nature and scope of audit including their observation.
- To investigate into any matter referred to by the Board

**Composition and Attendance of Members at the Meetings of the Audit Committee held during 2014-2015**

Members	Category	Meetings held during the tenure of the Directors	Meetings attended
Shri N N Khandwala -Chairman	Independent / Non Executive Director	6	6
Shri H S Parikh	Non Executive Director	6	6
Shri Y. P. Trivedi**	Independent / Non Executive Director	5	5

\*\*Shri Y. P. Trivedi, Independent Director was inducted as a Member of Audit Committee by the Board of Directors at its meeting held on 21st July, 2014.

Shri S R Taparia was Member of the Audit Committee up to 21st July, 2014. He passed away on 22nd July, 2014.

## 7. NOMINATION AND REMUNERATION COMMITTEE

### (i) Brief Terms of reference:

- To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- Formulate criteria for evaluation of Independent Directors and the Board.
- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of every Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To devise a policy on Board diversity.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

To perform such other functions as may be necessary or appropriate for the performance of its duties.

### (ii) Composition

Members	Category	Meetings held	Meetings attended
Shri Y. P. Trivedi - Chairman *	Independent / Non Executive Director	1	1
Shri H S Parikh**	Non Executive Director	1	1
Shri B. V. Bhargava	Independent / Non Executive Director	1	1
Shri N N Khandwala	Independent / Non Executive Director	1	1

\* Shri Y. P. Trivedi, Independent Director was inducted as a Chairman of Nomination & Remuneration Committee by the Board of Directors at its meeting held on 21st July, 2014.

\*\* Shri H. S. Parikh was Chairman of the Committee up to 21st July, 2014

### (iii) Nomination and Remuneration Policy:

In accordance with Section 178 of the Act, the Committee has framed a Nomination and Remuneration Policy and the same set out as Annexure IV (A) to the Board Report.

The details relating to the remuneration of Directors is as under:

### (iv) Remuneration Paid to Directors during 2014-15

(₹ In Lacs)

Sr No.	Names	Category	Sitting Fees	Salary & Perquisites	Commission	Total
1	Shri B L Taparia	Promoter / Non Executive Chairman	4.20	0	0	4.20
2	Shri M P Taparia	Promoter / Managing Director	0	175.23	495.76	670.99
3	Shri S J Taparia	Promoter / Executive Director	0	170.95	495.76	666.71
4	Shri V K Taparia	Promoter / Executive Director	0	168.29	495.76	664.05
5	Shri B V Bhargava	Independent / Non Executive Director	6.50	0	0	6.50
6	Shri Y P Trivedi	Independent / Non Executive Director	8.00	0	0	8.00
7	Shri N N Khandwala	Independent / Non Executive Director	8.80	0	0	8.80
8	Shri H S Parikh	Non Executive Director	6.20	0	0	6.20
9	Smt Rashna Khan	Independent / Non Executive Director	6.20	0	0	6.20
10	Shri R Kannan	Independent / Non Executive Director	4.00	0	0	4.00
11	Shri Rajeev M. Pandia	Independent / Non Executive Director	4.00	0	0	4.00
	<b>Total</b>		<b>47.90</b>	<b>514.47</b>	<b>1487.28</b>	<b>2049.65</b>

## 8. STAKEHOLDERS RELATIONSHIP COMMITTEE

The company has constituted Stakeholders Relationship Committee of the Board of Directors to look into the specific complaints received from the shareholders of the Company.

### a) Composition:

Members	Category	Meetings Held	Meetings attended
Shri N. N. Khandwala - Chairman	Independent / Non Executive Director	2	2
Shri M. P. Taparia*	Promoter / Managing Director	2	2

\*Shri M.P. Taparia Promoter / Managing Director is inducted as a member of Stakeholder Relationship Committee by the Board of Directors at its meeting held on 21st July, 2014.

Shri S R Taparia was a member of the Committee up to 21st July, 2014.

### b) Compliance Officer:

Shri R.J.Saboo AVP (Corporate Affairs) & Company Secretary is the Compliance Officer for complying with requirements of Companies Act, Securities laws and listing Agreements with Stock Exchanges.

- c) During the year, the company received 203 complaints / correspondence from Shareholders regarding non-receipt of Share Certificates / issuance of Duplicate Share Certificates / Dividend Warrants etc. all of which have been duly resolved in time.

## 9. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee is constituted pursuant to section 135 of the Companies Act 2013. The Corporate Social Responsibility Committee of the Board consists of the following Directors as Members:

Name	Position	Category
Shri N N Khandwala	Chairman	Independent / Non Executive Director
Shri B L Taparia	Member	Promoter / Non Executive Chairman
Shri M P Taparia	Member	Promoter / Managing Director

### Terms of reference:

- Formulate and recommended to the Board, a CSR Policy.
- Recommend to the Board CSR activities to be undertaken by the Company.
- Monitor the CSR Policy of the Company from time to time and ensure its Compliance.

Submit to the Board half -yearly report giving status of the CSR activities undertaken, expenditure incurred and such other details as may be required by it.

## 10. RISK MANAGEMENT COMMITTEE

The Board of Directors of the Company constituted a Risk Management Committee of the Board comprising Shri M. P. Taparia (Managing Director), Shri Rajeev M. Pandia (Independent Director), Shri R.Kannan (Independent Director) and Shri P. C. Somani (CFO). The Chairman of the Committee is Shri M. P. Taparia.

## 11. EQUITY SHAREHOLDING OF THE NON-EXECUTIVE DIRECTORS IN THE COMPANY AS ON 30TH JUNE 2015:

Sr. No.	Name of the Non-Executive Director	No. of Shares
1)	Shri B. L. Taparia	367398
2)	Shri B. V. Bhargava	17500
3)	Shri Y. P. Trivedi	20010
4)	Shri N. N. Khandwala	260750
5)	Shri H. S. Parikh	155770
6)	Smt Rashna Khan	Nil
7)	Shri R Kannan	7110
8)	Shri Rajeev M. Pandia	Nil

## 12. GENERAL BODY MEETINGS

### (i) Location and time of last Three AGM's held:

Year	Location	Date	Time
2012 - 70th AGM	WalchandHirachand Hall, I.M.C., Near Churchgate Station, Mumbai -400 020	17th September, 2012	4.00 p.m.
2013 - 71st AGM	WalchandHirachand Hall, I.M.C., Near Churchgate Station, Mumbai -400 020	17th September, 2013	4.00 p.m.
2014 - 72nd AGM	WalchandHirachand Hall, I.M.C., Near Churchgate Station, Mumbai -400 020	17th September, 2014	3.30 p.m.

### (ii) The Date time of Annual General Meetings held during last three years, special Resolutions passed thereat, are as follows :

Year	Date	Time	Special Resolutions passed
2013-14	17.09.2014	3.30 pm	<ul style="list-style-type: none"> <li>Approving the reappointment of Shri V.K Taparia as Executive Director as a Director liable to retire by Rotation.</li> <li>Approving the remuneration of Shri Vivek Taparia holding office or place of profit.</li> <li>Borrowing power up to ₹ 1000 crore.</li> <li>Security Creation up to ₹ 1000 crore.</li> <li>Related party transactions.</li> </ul>
2012-13	17.09.2013	4.00 pm	<ul style="list-style-type: none"> <li>Re-appointment of Shri M. P. Taparia, Managing Director.</li> <li>Fixation of (revised) remuneration of Shri S. J. Taparia, Executive Director.</li> <li>Fixation of (revised) remuneration of Shri V. K. Taparia, Executive Director.</li> </ul>
2011-12	17.09.2012	4.00 pm	To consider re-appointment of Shri V. K. Taparia, Executive Director, whose present term of office shall be expiring on 30th June, 2013, on such remuneration & other terms and Condition with such changes from the remuneration presently being paid to him.

### (iii) Special Resolution(s) passed through Postal Ballot:

During the year, members of the Company have approved following Special Resolution through postal ballot:

- Approving the re-appointment of Shri V. K. Taparia as Executive Director as a Director liable to retire by rotation.
- Approving the remuneration of Shri Vivek Taparia holding office or place of profit.
- Borrowing Powers up to ₹ 1000 crores.
- Security Creation up to ₹ 1000 crores.
- Related parties Transactions.

### (iv) The Board has appointed M/s V. Laxman & Co., Company Secretaries, as a Scrutinizer to conduct the postal ballot voting process in a fair and transparent manner.

### (v) The details of voting pattern in respect of Special Resolutions passed through Postal Ballot were as under:

- Approving the re-appointment of Shri V. K. Taparia as Executive Director as a Director Liable to retire by rotation.

Promoter / Public	No. of shares held (1)	No. of Votes Cast (2)	% of voting cast on outstanding shares (3) = [(2)/(1)]*100	No. of Votes in favour (4)	No. of votes against (5)	% of Votes in favour on votes cast (6) = [(4)/(2)]*100	% of Votes against on votes cast (7) = [(5)/(2)]*100
Promoter & Promoter Group	63120005	61667003	97.70	61667003	0	100	0
Public - Institutional Holders	40094996	26037647	64.94	26037647	0	100	0
Public - Others	23811869	1672982	7.03	1671776	1206	99.93	0.07
<b>Total</b>	<b>127026870</b>	<b>89377632</b>	<b>70.36</b>	<b>89376426</b>	<b>1206</b>	<b>100.00</b>	<b>0</b>

\* Approving the remuneration of Shri Vivek Taparia holding office or place of profit.

Promoter / Public	No. of shares held (1)	No. of Votes Cast (2)	% of voting cast on outstanding shares (3) = $[(2)/(1)]*100$	No. of Votes in favour (4)	No. of votes against (5)	% of Votes in favour on votes cast (6) = $[(4)/(2)]*100$	% of Votes against on votes cast (7) = $[(5)/(2)]*100$
Promoter & Promoter Group	63120005	40637854	64.38	40637854	0	100	0
Public - Institutional Holders	40094996	26037647	64.94	26037647	0	100	0
Public - Others	23811869	1671882	7.02	1667375	4507	99.73	0.27
<b>Total</b>	<b>127026870</b>	<b>68347383</b>	<b>53.81</b>	<b>68342876</b>	<b>4507</b>	<b>99.99</b>	<b>0.01</b>

\* Borrowing Powers up to ₹ 1000 crores

Promoter / Public	No. of shares held (1)	No. of Votes Cast (2)	% of voting cast on outstanding shares (3) = $[(2)/(1)]*100$	No. of Votes in favour (4)	No. of votes against (5)	% of Votes in favour on votes cast (6) = $[(4)/(2)]*100$	% of Votes against on votes cast (7) = $[(5)/(2)]*100$
Promoter & Promoter Group	63120005	63120005	100	63120005	0	100	0
Public - Institutional Holders	40094996	25037647	64.94	26037647	0	100	0
Public - Others	23811869	1671012	7.02	1667822	3190	99.81	0.19
<b>Total</b>	<b>127026870</b>	<b>90828664</b>	<b>71.50</b>	<b>90825474</b>	<b>3190</b>	<b>100</b>	<b>0</b>

\* Security Creation upto ₹ 1000 crores.

Promoter / Public	No. of shares held (1)	No. of Votes Cast (2)	% of voting cast on outstanding shares (3) = $[(2)/(1)]*100$	No. of Votes in favour (4)	No. of votes against (5)	% of Votes in favour on votes cast (6) = $[(4)/(2)]*100$	% of Votes against on votes cast (7) = $[(5)/(2)]*100$
Promoter & Promoter Group	63120005	63120005	100	63120005	0	100	0
Public - Institutional Holders	40094996	26037647	64.94	26037647	0	100	0
Public - Others	23811869	1669947	7.01	1666507	3440	99.79	0.21
<b>Total</b>	<b>127026870</b>	<b>90827599</b>	<b>71.50</b>	<b>90824159</b>	<b>3440</b>	<b>100</b>	<b>0</b>

\* Related parties Transactions

Promoter / Public	No. of shares held (1)	No. of Votes Cast (2)	% of voting cast on outstanding shares (3) = $[(2)/(1)]*100$	No. of Votes in favour (4)	No. of votes against (5)	% of Votes in favour on votes cast (6) = $[(4)/(2)]*100$	% of Votes against on votes cast (7) = $[(5)/(2)]*100$
Promoter & Promoter Group	63120005	63120005	100	63120005	0	100	0
Public - Institutional Holders	40094996	26037647	64.94	26037647	0	100	0
Public - Others	23811869	1669857	7.01	1667855	2002	99.88	0.12
<b>Total</b>	<b>127026870</b>	<b>90827509</b>	<b>71.50</b>	<b>90825507</b>	<b>2002</b>	<b>100</b>	<b>0</b>

### 13. DISCLOSURES:

#### (i) Materially Significant Related Party Transactions:

There are no materially significant related party transactions of the Company which have potential conflict with the interest of the Company at large.



- (ii) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years: During the last year, Stock Exchanges (BSE & NSE) issued a notice under Clause 31 of Listing Agreement regarding fine for late submission of the Annual Report within prescribed time period for the financial year 2013-2014. Accordingly, the Company had paid the fine.

**(iii) Vigil Mechanism Policy**

The Company believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior. In order to provide a secure environment and to encourage employees of the Company to report unethical, unlawful or improper practice, acts or activities, the Company has adopted a Vigil Mechanism policy. The reportable matter may be disclosed to the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

**(iv) Mandatory and Non-mandatory requirements:**

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement. The Company has fulfilled the following non-mandatory requirements as prescribed in Annexure XIII to the Clause 49 of the Listing Agreement.

- (1) The Financial statement of the Company are unqualified.
- (2) The Positions of Chairman and Managing Directors are separate.
- (3) An office for the use of the Chairman is made available whenever required.

**14. MEANS OF COMMUNICATION:**

- (i) The Quarterly results of the company are published in widely circulated newspapers such as The Economic Times (English), Business Standard & Maharashtra Times (Marathi). The results are also displayed on the company's website: <http://www.supreme.co.in>.

**(ii) Official News Releases:-**

Official News releases and media releases are sent to the Stock Exchanges.

The Ministry of Corporate Affairs ("Ministry"), Government of India, has taken a "Green Initiative in Corporate Governance" by allowing paperless compliance by the Companies and clarified that the service of documents by the Companies can be made through Electronic Mode. Accordingly, as a contribution towards green environment and step towards Corporate Social Responsibility, your Company also implemented the Initiative to send documents, such as Notice calling the general meeting, audited financial statements, directors' report, auditors' report, etc. in electronic form on the email id's provided by the shareholders & made available by them to the company through the depositories.

**(iii) Presentation made to Institutional Investor / Analysts:**

Detailed presentation made to Institutional Investors and financial analysis's is available on the Company's website: <http://www.supreme.co.in>.

**15. CODE FOR PREVENTION OF INSIDER TRADING PRACTICES :**

In compliance with the SEBI Regulations on prevention of Insider trading, the Company has adopted a code of conduct for its Directors and designated employees. The code lays down guidelines which included procedures to be followed and disclosures to be made while dealing with the shares of the Company.

**16. MANAGEMENT DISCUSSION AND ANALYSIS:**

The management discussion and analysis is a part of the Annual report and annexed separately.

**17. DISCLOSURE REGARDING APPOINTMENT/RE-APPOINTMENT/CONTINUATION OF DIRECTORS:**

During the financial year 2014-15, Smt Rashna Khan was appointed as an Independent Women Director by the Members at Annual General Meeting held on 17th September, 2014. Shri Rajeev M. Pandia and Shri R Kannan were appointed as Additional Directors by the Board of Directors at its Meeting held on 17th September, 2014. Therewere no other change in the composition of the Board of the Company.

Particulars of Directors, seeking appointment/re-appointment /continuance are given here in below:

Name of the Directors	Shri V. K. Taparia	Shri M.P Taparia	Shri S.J. Taparia	Shri R Kannan	Shri Rajeev M. Pandia
Date of Birth	26.10.1955	22.10.1937	07.08.1945	23/09/1947	17/12/1949
Date of Appointment	29.10.1984	02.08.1966	15.06.1977	17/09/2014	17/09/2014
Expertise in specific functional area	Industrialist having rich Business experience.	Industrialist having rich Business experience.	Industrialist having rich Business experience.	Oil & Gas, Infrastructure, Structured Products & Technology Finance Divisions.	Petrochemicals, Polymers, Elastomers and Speciality Chemicals
Qualifications	B.Com	B.A	B.E	Post Graduate Degree in Chemical Engineering	Graduate in Chemical Engineering
Chairman / Director of other companies	Venktesh Investment & Trading Co. Pvt. Ltd.	1. Supreme Petrochem Ltd. 2. Supreme Capital Management Ltd. 3. The West Coast Papers Mills Limited. 4. Kabra Extrusion Technik Limited 5. Jovial Investment and Trading Co. Pvt. Ltd. 6. Boon Investment and Trading Co.Pvt.Ltd 7. Polysterene Producers Association (India)	1. Supreme Petrochem Limited 2. Supreme Capital Management Ltd. 3. Oricon Enterprises Limited 4. Videocon d2h limited 5. Boon Investment & Trading Co. Pvt. Ltd. 6. Jovial Investment and Trading Co.Pvt. Ltd 7. Platinum Plastic & Industries Pvt Ltd. 8. Automotive Component Manufacturers Association of India	1. ITCOT Consultancy and Services limited 2. Supreme Petrochem Limited. 3. The Jeypore Sugar Company limited 4. V Ramakrishna Sugars Limited.	1. GRP Limited 2. Excel Industries Limited
No of Equity Shares held In the Company	344890	749186	703816	7110	Nil

## 18. GENERAL SHAREHOLDER INFORMATION.

(i)	AGM (Date, Time and Venue)	:	On Wednesday the 16th September, 2015 at 4.00 pm. At Walchand Hirachand Hall, Indian Merchant's Chamber, Near Churchgate Station, 76, Veer Nariman Road, Mumbai - 400 020.
(ii)	Financial Year	:	1st July, 2014 to 30th June, 2015.
(iii)	Key Financial Reporting Dates F.Y. 2015-2016 (Nine Months 01.07.2015 to 31.03.2016).		
	Unaudited Results for the First Quarter ended September 30, 2015.	:	On or before 15th November, 2015
	Unaudited Results for the Second Quarter ended December 31, 2015.	:	On or before 15th February, 2016
	Audited Results for the F.Y. 2015 - 2016	:	On or before End 31st May,2016 (9 months)
(iv)	Date of Book Closure	:	From 10th September, 2015 to 16th September, 2015. (Both days inclusive)
(v)	Registered Office	:	612, Raheja Chambers, Nariman Point, Mumbai 400 021.
(vi)	Dividend Payment Date	:	Within the Statutory time limit.
(vii)	Listing on Stock Exchanges	:	(i) Bombay Stock Exchange (BSE), (ii) National Stock Exchange of India Ltd., (NSE),

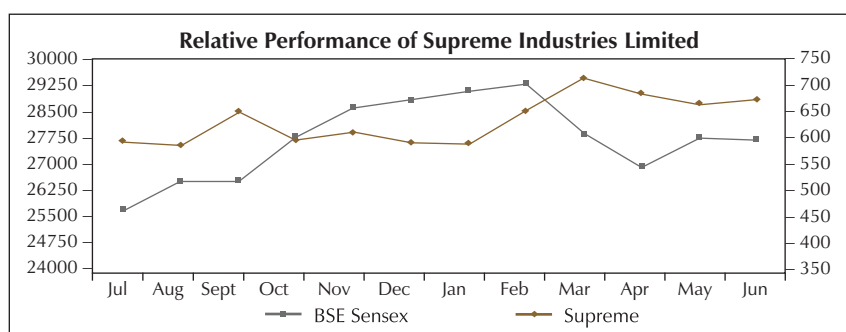
(viii)	Listing Fees	:	Annual Listing Fees for the year 2015-2016 have been paid to both the Stock Exchanges.
(ix)	Stock Codes	:	(i) BSE : 509930 (ii) NSE : SUPREMEIND
(x)	Trading Group	:	(i) BSE : "A" Group, (ii) NSE : "Other Securities"

(xi) Market Price Data : High / Low / Close During each month in the last Financial Year.

Month	BSE			NSE		
	High	Low	Close	High	Low	Close
July - 2014	636.00	517.00	603.65	637.05	513.40	605.50
August - 2014	629.00	552.00	587.80	624.90	562.00	590.05
September - 2014	685.00	595.00	651.40	688.50	594.55	652.75
October - 2014	658.00	573.80	598.10	662.00	575.10	599.80
November - 2014	660.00	578.70	617.65	650.00	577.55	616.85
December - 2014	655.00	576.85	596.05	656.05	574.90	597.30
January - 2015	605.00	568.00	592.15	608.50	570.10	590.55
February - 2015	694.70	581.60	659.75	697.00	582.10	660.40
March - 2015	741.90	660.00	711.30	742.00	651.55	712.60
April - 2015	745.00	637.90	683.10	746.80	635.00	682.85
May - 2015	711.55	655.55	669.00	714.95	653.00	667.80
June - 2015	703.00	650.60	674.25	705.25	650.00	675.25

\*As per data obtained from BSE/NSE Website

(xii) Relative Performance of Supreme Share Price V/S. BSE Sensex :



(xiii)	Registrar & Transfer Agent (For Physical & Demat Shares)	:	M/s. Bigshare Services Pvt. Ltd. E-2/3 Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Andheri (E) Mumbai 400 072. Tel No. 28470652, 40430200 Fax No. 28475207 E-mail : investor@bigshareonline.com
	Our RTA, M/s. Bigshare Services Pvt. Ltd. launched Gen-Next Investor Interface Module "I'Boss" the most advanced tool to interact with investors. Please login in to I'Boss (www.bigshareonline.com) and help them to serve you better.		
(xiv)	Share Transfer System	:	Share Transfer are registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all respects.

(xv) Distribution of Shareholding (As on 30th June, 2015)

No. of Equity Shares held	No. of Shareholders	Percentage of Shareholders	No. of Shares	Percentages of Shareholdings
Upto 500	22781	80.18	2438658	1.92
501 - 1000	2008	7.07	1645867	1.30
1001 - 2000	1545	5.44	2319992	1.83
2001 - 3000	625	2.20	1579006	1.25
3001 - 4000	294	1.03	1045292	0.83
4001 - 5000	259	0.91	1223682	0.96
5001 - 10000	424	1.50	3009249	2.36
Over 10001	476	1.67	113765124	89.55
<b>Total</b>	<b>28412</b>	<b>100.00</b>	<b>127026870</b>	<b>100.00</b>

(xvi)	Dematerialisation of Shares	: 12, 44, 38, 765 Shares are Dematerialized (as on 30.06.2015) (97.96% of total Shares viz 127026870 shares)
(xvii)	Outstanding GDRs/ADRS/Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity	: The Company has not issued any GDRs/ADRS/Warrants or any convertible instruments in past and hence as on 30th June, 2015, the Company does not have any outstanding GDRs/ADRS/Warrants or any convertible instruments.
(xviii)	Plant Locations	: <ol style="list-style-type: none"> <li>Derabassi (Lalru, Punjab)</li> <li>Durgapur (West Bengal)</li> <li>Gadegaon (Maharashtra)</li> <li>Guwahati (Assam)</li> <li>Halol - Unit I (Gujarat)</li> <li>Halol - Unit II (Gujarat)</li> <li>Halol - Unit III (Gujarat)</li> <li>Halol - Unit IV (Gujarat)</li> <li>Hosur Unit I (Tamil Nadu)</li> <li>Hosur Unit II (Tamil Nadu)</li> <li>Jalgaon - Unit I (Maharashtra)</li> <li>Jalgaon - Unit II (Maharashtra)</li> <li>Kanhe (Talegaon, Maharashtra)</li> <li>Kanpur (Uttar Pradesh)</li> <li>Kharagpur (West Bengal)</li> <li>Khopoli (Maharashtra)</li> <li>Khushkheda (Rajasthan)</li> <li>Malanpur - Unit I (Madhya Pradesh)</li> <li>Malanpur - Unit II (Madhya Pradesh)</li> <li>Malanpur - Unit III (Madhya Pradesh)</li> <li>Noida (Uttar Pradesh)</li> <li>Puducherry (Union Territory)</li> <li>Silvassa (Union Territory)</li> <li>Sriperumbudur (Chennai, Tamil Nadu)</li> <li>Urse (Maharashtra)</li> </ol>
(xix)	Address for Correspondence Investor Correspondence	: <p><b>For shares held in Physical from:</b>  M/s. Bigshare Services Pvt.Ltd  E-2/3 Ansa Industrial Estate  Saki Vihar Road, Sakinaka,  Andheri (E) Mumbai 400 072.  Tel No. 28470652, 40430200  Fax No. 28475207  E-mail : investor@bigshareonline.com</p> <p><b>For Shares held in Demat form:</b>  Investor's concerned Depository Participant's and / or M/s Bigshare Services Pvt Ltd.</p>

(xx)	Shareholders Assistance Investors Service Department	: Shares Department The Supreme Industries Limited, Regd. Office : 612, Raheja Chambers, Nariman Point, Mumbai 400 021. Phone Nos. : 22820072, 22851656, 22851159-60 Fax No. : 22851657 E-mail : investor@supreme.co.in
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(xxi) Categories of Shareholders (As on 30th June, 2015)

Sr. No.	Category	No. of Shareholders	Voting%	Number of Shares held
1	Promoters	17	49.71	63150005
2	Resident Individuals	27078	17.50	22213332
3	Private Corporate Bodies	512	3.71	4709693
4	Domestic Financial Institutions	1	0.00	10334
5	Nationalised Banks, Govt. Insurance Companies and Mutual Funds	48	6.26	7952705
6	FII's & Foreign Portfolio Investors (Corporate)	116	22.36	28403457
7	NRI's and OCB's	640	0.46	587344
	<b>Total</b>	<b>28412</b>	<b>100.00</b>	<b>127026870</b>

(xxii)	Additional Information Regarding the Company is also available on the Company's Website at	: <a href="http://www.supreme.co.in">http://www.supreme.co.in</a>
(xxiii)	CEO / CFO Certification :	: Shri M. P. Taparia, Managing Director and Shri P. C. Somani, CFO heading the finance function have certified to the Board that : (a) They have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief: (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations. (b) There are, to the best of their 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. They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of the internal control systems of the company, pertaining to financial reporting and they have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies. (c) They have indicated to the Auditors and the Audit Committee (i) significant changes in internal control over financial reporting during the year; (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and



		<p>(iii) instances of significant fraud of which they 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.</p> <p>The above Certificate was placed before the Board Meeting held on 24th July, 2015.</p>
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## CODE OF CONDUCT

The Board has adopted the Code of Conduct for members of the Board and Senior Management personnel of the Company. The Code lays down, in details, the standards of business conduct, ethics and governance. The compliance of the same has been affirmed and a declaration signed by the Managing Director to this effect is given below. Code of Conduct has also been posted on the Company's Website. [www.supreme.co.in](http://www.supreme.co.in)

## Declaration

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, all Board members and Senior Management Personnel have affirmed compliance with The Supreme Industries Limited Code of Conduct for the year ended 30th June, 2015.

For The Supreme Industries Limited

Mumbai, 24th July, 2015

**M. P. Tapar**  
Managing Director



## Auditor's Certificate

To the Members of  
M/s. The Supreme Industries Limited

We have examined the compliance of conditions of corporate governance by M/s. The Supreme Industries Limited for the year ended on 30th June, 2015, as stipulated in Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the 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, and the representations made by the directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

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

For **CHHOGMAL & CO.**  
FRN- 101826W  
*Chartered Accountants*

**Chintan Shah**  
*Partner*  
M.No.: 107490

Mumbai, 24th July, 2015

## Independent Auditor's Report

To The Members of  
The Supreme Industries Ltd.

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of THE SUPREME INDUSTRIES LTD. (the "Company"), which comprise the Balance Sheet as at June 30, 2015, and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, in which are incorporated the financial statements audited by the branch auditors of the Company's branches.

### Management's Responsibility for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting 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 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.

### Auditors' Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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 in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of 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 standalone financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 30th June, 2015, and its profit and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 (the "Order") issued by the Central Government of India, in exercise of powers conferred by sub-section 11 of section 143 of the Act, we give in the annexure attached hereto our comments on the matters specified in the paragraphs 3 and 4 of the said Order.
2. As required by sub-section 3 of Section 143 of the Act, we report that:
  - (a) We have sought & 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

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- (c) The reports on the accounts of Branches audited under Section 143(8) of the Companies Act, 2013 by persons other than ourselves, have been forwarded to us and that we have taken due notice of material observations, in our report of the points raised by the said Branch Auditors.
  - (d) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.
  - (f) On the basis of the written representations received from the directors as on 30th June, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 30th June, 2015 from being appointed as a director in terms section 164 (2) of the Companies Act, 2013.
  - (g) With respect to the matters to be included in the Auditors 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:
    - 1. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer note 37 to the financial statements.
    - 2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - 3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **CHHOGMAL & CO.,**  
FRN- 101826W  
*Chartered Accountants*

**Chintan Shah**  
*Partner*  
M.No.: 107490  
Mumbai, 24th July, 2015

## Annexure to the Independent Auditor's Report

Annexure referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date.

### Re: The Supreme Industries Limited ('the Company')

1. a. The Company has maintained proper records, showing full particulars including quantitative details and situation of fixed assets.
- b. As explained to us the Company has a phased program for physical verification of the fixed assets of the company to cover all locations. In our opinion, the frequency of verification is reasonable, considering the size of the Company. No material discrepancies were noticed on such verification carried on during the year, as compared with the available records.
2. a. The inventory of finished goods, raw materials, components, stores and spare parts except those lying with third parties, and in transit, has been physically verified by the management at regular intervals, which we consider to be reasonable.
- b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c. The company has maintained proper records of inventory, no material discrepancies were noticed on physical verification of inventories as compared to book records.
3. According to the information and explanation given to us, the Company's has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act 2013.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and also for the sale of goods and services, As per the information given to us, no major weaknesses in internal control system have been identified by the management or the internal auditors of the company during the year. During the course of audit, nothing had come to our notice that may suggest a major weakness in the internal control systems of the company.
5. The company has not accepted any deposits from the public in accordance with the provisions of sections 73 to 76 of the Act and the rules framed there under.
6. The maintenance of cost records has not been prescribed under section 148 of the Act, and accordingly the provisions of the said clause are not applicable.
7. a. According to the records of the Company and information and explanations given to us, Provident Fund, Employees State Insurance, Income Tax, Wealth Tax, Sales Tax, Custom Duty, Cess, Excise Duty, Service Tax, Value added tax, and other material statutory dues have been deposited regularly during the year with the appropriate authorities. According to the records of the Company and information and explanations given to us there were no arrears of undisputed outstanding-statutory dues as at 30th June, 2015 for a period of more than six months from the date they became payable.
- b. According to the records of the Company and information and explanations given to us the following are the particulars of disputed amounts payable in respect of, Sales Tax, Custom Duty, Excise Duty and Entry tax and other statutory dues as at the last day of the financial year are as follows.

Name of the statute	Nature of dues	Amount ₹ in lacs	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Excise Duty	640.38 79.04	1994 to 2010 2002-2010	CESTAT Commissioner (Appeals), LTU
The Central Sales Tax Act, 1956 and Sales Tax / Vat / Entry Acts of various states	Sales Tax/VAT and Entry Tax	869.77	Various years from 2003-2004 to 2013-2014	Joint/Deputy Commissioner/ Commissioner (Appeals)
		31.13	Various Years from 2002-2003 to 2009-10	Sales tax Appellate Tribunal
		16.83	1995-1996	Revisionary Board
		156.80	Various Years from 1999-2000 to 2013-2014	High Court
		188.27	2003-2013	Supreme Court
Local Authority - Asansol Durgapur Development Authority	Development Fee	74.51	2009-2010	Asansol Durgapur Development Authority- Durgapur
Profession Tax Act	Profession Tax	0.78	2009-2010	Deputy Commissioner Profession Tax (DGP) WB
Maharashtra Land Revenue Code 1966	Royalty	21.72	2006-2007	Collector Pune



Name of the statute	Nature of dues	Amount ₹ in lacs	Period to which the amount relates	Forum where dispute is pending
Bombay Stamp Act, 1958	Differential stamp duty	70.32	2006	Deputy Inspector General of Registration and Deputy Collector of Stamps Pune
The Employees' Provident Funds & Miscellaneous Provisions Act, 1952	Provident Fund	4.88	2002-2005	The Regional Provident Fund Commissioner - Gwalior
Employee State Insurance Act, 1948	ESIC	12.16	2008-2011	Regional Director Indore
<b>TOTAL</b>		<b>2166.60</b>		

- d. According to the records of the company and information and explanations given to us, the amount required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the companies Act 1956(1 of 1956) and rules made thereunder has been transferred to such fund within time
8. The Company does not have accumulated losses as at the end of the year and the Company has not incurred cash loss during the current and immediately preceding financial year.
9. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institutions and banks. The company did not have any outstanding dues to debenture holders during the year.
10. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
11. In our opinion and according to the information and explanations given to us, the term loan have been applied for the purpose for which they were raised other than amounts temporarily invested pending utilization of the funds for stated use.
12. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by management.

For **CHHOGMAL & CO.,**  
FRN- 101826W  
Chartered Accountants

**Chintan Shah**  
Partner  
M.No.: 107490  
Mumbai, 24th July, 2015

## Balance Sheet as on 30th June 2015

	Note	As At 30-Jun-15		As At 30-Jun-14	
₹ in lacs					
EQUITY AND LIABILITIES					
SHAREHOLDERS' FUNDS					
Share capital	2	2540.54		2540.54	
Reserves and surplus	3	109814.35	112354.89	93952.60	96493.14
NON - CURRENT LIABILITIES					
Long-term borrowings	4	23293.87		26464.58	
Deferred tax liabilities (net)	5	8950.81		11675.13	
Other long-term liabilities	6	270.02		279.75	
Long-term provisions	7	880.54	33395.24	834.69	39254.15
CURRENT LIABILITIES					
Short-term borrowings	8	9585.60		12265.88	
Trade payables	9	30052.05		27789.55	
Other current liabilities	10	25834.15		24348.44	
Short-term provisions	7	15692.82	81164.62	10387.16	74791.03
TOTAL EQUITY AND LIABILITIES			226914.75		210538.32
ASSETS					
NON - CURRENT ASSETS					
Fixed assets					
Tangible assets	11	101512.62		108200.40	
Intangible assets	11	1737.48		589.91	
Capital work-in-progress	11	9979.86		1807.94	
Non-current investments	12	3364.06		3364.12	
Long-term loans and advances	13	9170.00		6822.77	
Other non-current assets	14	22.89	125786.91	21.29	120806.43
CURRENT ASSETS					
Inventories	15	46467.03		49764.70	
Trade receivables	16	23762.92		23497.97	
Cash and bank balances	17	18147.29		2695.37	
Short-term loans and advances	13	12612.40		13614.06	
Other current assets	14	138.20	101127.84	159.79	89731.89
TOTAL ASSETS			226914.75		210538.32

Significant Accounting Policies.

1

The accompanying notes are an integral part of the financial statements

As per our report of even date  
For **CHHOGMAL & CO.**  
FRN - 101826W  
Chartered Accountants

**Chintan Shah**  
Partner  
M. No. 107490

**B. L. Taparia**  
Chairman

**S. J. Taparia**  
Executive Director

**P. C. Somani**  
Chief Financial Officer

For and on behalf of the board

**M. P. Taparia**  
Managing Director

**V. K. Taparia**  
Executive Director

**R. J. Saboo**  
AVP (Corporate Affairs) &  
Company Secretary

**H. S. Parikh**  
**N. N. Khandwala**

**B. V. Bhargava**

**Y. P. Trivedi**

**R. Kannan**

**R. M. Pandia**

**Smt. Rashna Khan**

Directors

Mumbai, 24th July 2015

Mumbai, 24th July 2015

## Statement of Profit and Loss for the year ended on 30th June 2015

				₹ in lacs
	Note	2014 - 2015		2013 - 2014
<b>INCOME</b>				
Revenue from operations	18	<b>425467.76</b>	396190.23	
Other income	19	<b>677.20</b>	<b>426144.96</b>	<u>1044.13</u> 397234.36
<b>EXPENDITURE</b>				
Cost of materials consumed	20	<b>273459.06</b>	264421.87	
Purchases of Traded Goods	21	<b>16938.63</b>	16281.45	
Changes in inventories of finished goods, work-in-progress and traded goods	22	<b>(30.04)</b>	(5796.13)	
Employee benefits expenses	23	<b>16749.52</b>	14335.44	
Other expenses	24	<b>51763.07</b>	<b>358880.24</b>	<u>48089.22</u> 337331.85
<b>PROFIT BEFORE INTEREST, TAX AND DEPRECIATION &amp; AMORTISATION</b>		<b>67264.72</b>		59902.51
Finance costs	25	<b>5794.97</b>	7614.04	
Depreciation and amortisation expense	26	<b>13898.25</b>	<b>19693.22</b>	<u>10153.94</u> 17767.98
Depreciation for Earlier Years Provided for/(-) Written Back		<b>(3.20)</b>		<u>0.00</u>
<b>PROFIT BEFORE TAX</b>		<b>47574.70</b>		42134.53
<b>TAX EXPENSES</b>				
Current tax		<b>17767.22</b>	11387.94	
Deferred Tax		<b>(1763.22)</b>	<b>16004.00</b>	<u>2609.95</u> 13997.89
<b>PROFIT AFTER TAX</b>		<b>31570.70</b>		<u>28136.64</u>
<b>EARNINGS PER SHARE</b>	35			
Basic & Diluted Earning Per Share		<b>24.85</b>		22.15
(Face value of ₹ 2 each)				
Significant Accounting Policies	1			
The accompanying notes are an integral part of the financial statements				

As per our report of even date  
For **CHHOGMAL & CO.**  
FRN - 101826W  
Chartered Accountants

**Chintan Shah**  
Partner  
M. No. 107490

**B. L. Taparia**  
Chairman

**S. J. Taparia**  
Executive Director

**P. C. Somani**  
Chief Financial Officer

For and on behalf of the board

**M. P. Taparia**  
Managing Director

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**H. S. Parikh**  
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**B. V. Bhargava**  
**Y. P. Trivedi**

**R. Kannan**  
**R. M. Pandia**  
**Smt. Rashna Khan**

Directors

Mumbai, 24th July 2015

Mumbai, 24th July 2015

## Cash Flow Statement for the year ended on 30th June 2015

	₹ in Lacs	
	2014 - 2015	2013 - 2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax	47574.70	42134.53
Adjustments For :		
Add :		
Depreciation	13895.05	10153.94
Leasehold Assets Premium W/off	18.90	13.17
Interest (Net)	5794.97	7614.04
	<u>19708.92</u>	<u>17781.15</u>
	67283.62	59915.68
Less :		
Dividend Received	434.09	723.68
Lease Rent Received	0.42	0.21
Profit /(Loss) on sale of Investments	102.29	79.03
Profit /(Loss) on sale of Assets	140.40	241.21
	<u>677.20</u>	<u>1044.13</u>
Operating Profit before working capital changes	66606.42	58871.55
Adjustments for :		
Less:		
Inventories	(3297.67)	3084.33
Trade & Other Receivable	1515.37	6900.76
Trade & Other Payable	(5917.52)	3930.35
	<u>(7699.82)</u>	<u>13915.44</u>
Cash Generated from Operations	74306.24	44956.11
Direct Taxes Paid	14219.46	12368.05
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	60086.78	32588.06
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	19758.39	15416.09
Sale of Fixed Assets	(401.35)	(966.12)
Sale of Investments (Net)	(102.35)	(79.03)
Lease Rent Received	(0.42)	(0.21)
Interest Received	(222.43)	(273.41)
Dividend Received	(434.09)	(723.68)
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>	18597.75	13373.64
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Long Term Borrowings	15298.83	6275.43
Proceeds from Long Term Borrowings	(10000.00)	(12000.00)
(Increase)/Decrease in Short Term Borrowings	2680.28	5445.05
Interest Paid	6017.40	7887.45
Dividend & Corporate Dividend Tax paid	11965.40	11146.13
<b>NET CASH USED IN FINANCING ACTIVITIES (C)</b>	25961.91	18754.06
<b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS (A-B-C)</b>	15527.12	460.36
Opening Balance at beginning of the year	2335.65	1875.29
Closing Balance at end of the year	17862.77	2335.65

As per our report of even date  
For **CHHOGMAL & CO.**  
FRN - 101826W  
Chartered Accountants

**Chintan Shah**  
Partner  
M. No. 107490

**B. L. Taparia**  
Chairman

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**R. Kannan**  
**R. M. Pandia**  
**Smt. Rashna Khan**

Directors

Mumbai, 24th July 2015

Mumbai, 24th July 2015

## Notes to the Financial Statements for the year ended 30th June, 2015

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### A. Basis of Accounting

- a) The financial statements are prepared in accordance with generally accepted accounting principles in India under the historical cost convention on an accrual basis Pursuant to section 133 of the Companies Act, 2013 ('The Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by the Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.
- b) The preparation of financial statements requires estimates and assumptions to be made that affects the reported amount of assets and liabilities on the date of financial statements and the reported amounts of revenue and expenses during the reported year. Differences between the actual results and estimates are recognized in the year in which the results are known/ materialized.
- c) All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle of twelve months and other criteria set out in Schedule III to the Companies Act, 2013.

#### B. Revenue Recognition

- a) Sales are recognized at the time of transfer of ownership and significant risk of goods to the customer. Service income is recognized when the service is rendered. Sales & Services are accounted for net of Excise Duty, VAT, Service tax, returns, claims & discounts etc.
- b) Sales exclude recovery of charges separately collected from customers like transport, packing etc.
- c) The Company adopts the Mercantile method in the preparation of the accounts. Claims / Refunds not ascertainable with reasonable certainty are accounted for, on final settlement.
- d) Government Benefits on account of export sales is estimated and accounted for in the year of export and when there is no significant uncertainty regarding the ultimate collections of export proceeds as applicable.
- e) Industrial promotion subsidy / government grants are recognized on accrual basis on compliance of stipulated conditions as notified under the respective scheme.
- f) **Other Income -**  
Dividend income on investments is recognised when the right to receive dividend is established.  
Interest is recognized on a time proportionate basis taking into account the amounts invested and the rates of interest.

#### C. Fixed Assets

- a) Fixed assets are stated at cost of acquisition or construction (net of CENVAT Credit/ Value Added Tax, subsidy or grants on account of assets) less accumulated depreciation and amortization.
- b) Leasehold land is stated at historical cost less amounts written off proportionate to expired lease period.
- c) The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.
- d) Self constructed assets are recognized at direct cost incurred and proportionate allocation of overheads incurred to develop the said asset.
- e) Gains or Losses arising from disposal of discarded assets which are carried at its book value are recognized in the statement of Profit & Loss.

#### D. Capital Work-in-Progress and Preoperative Expenses during Construction Period

Capital Work-in-Progress includes expenditure during construction period incurred on projects under implementation treated as pre-operative expenses pending allocation to the assets. These expenses are apportioned to the respective fixed assets on their completion / commencement of commercial production.

#### E. Depreciation & Amortisation

##### Tangible Assets

- a) Depreciation on assets acquired up to 30th June, 2014 for Building, Plant & Machinery and Moulds & Dies is provided on Straight Line Method and on other assets on Written Down Value Method.



## Notes to the Financial Statements for the year ended 30th June, 2015

Depreciation on all Assets acquired on or after 1st July, 2014 is provided on the straight line method.

- b) Depreciation on Tangible Fixed Assets is provided over the useful lives of the assets as prescribed by Schedule II of the Companies Act, 2013 with the exception of the following;

Plant & Machinery of Plastic Piping System Division, Protective Packaging Division and Cross Laminated Film Division is depreciated on triple shift basis over 12 to 18 years based on internal assessment and independent technical evaluation carried out by external valuers.

The management believes that the useful life as given above best represent the period over which the management expects to use these assets.

- c) Depreciation on assets sold or discarded during the year is being provided on pro-rata basis up to the date on which such assets are sold or discarded.
- d) Leasehold Land is amortized over the period of lease.
- e) Assets costing up to ₹ 10,000/- each are depreciated fully in the year of purchase.

### Intangible Assets

Intangible assets developed or acquired are amortised on straight line basis over the useful life as specified below:

- a) Computer Software and Licenses - 3 to 4 years
- b) Technical License / Know-how Fee - 5 years

### Government Grants

Grants received against specific fixed assets are adjusted to the cost of the assets in the year of receipt. Revenue grants are recognized in the Statement of Profit & Loss in accordance with the related scheme and accounted for in the period in which these are accrued.

## F. Investments

- a) All long term investments are stated at cost. Provision for diminution, if any, in the value of investments is made to recognize a decline, other than temporary, in the opinion of the management.
- b) Current investments are carried at the lower of cost and fair value, determined on a category-wise basis.

## G. Inventories

- a) Raw Material & Components - at cost using identified lot basis / First in first out (FIFO) or net realizable value whichever is lower.
- b) Finished Goods/Semi-Finished Goods - at cost using weighted average cost basis or net realisable value whichever is lower. Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventory to their respective present location and condition.
- c) Stores, Spare Parts, Packing Materials etc. - at cost using FIFO or at net realisable value whichever is lower.
- d) Goods for Resale - at cost using FIFO basis or net realisable value whichever is lower.
- e) Inter divisional transfers are valued at works/factory costs of the transferor unit/division, plus transport and other charges.

## H. Assets Taken on Lease

In respect of operating leases, lease rentals are recognized as an expense in the Statement of Profit & Loss on an accrual basis over the leased term.

In respect of assets obtained on finance leases, assets are recognized at their fair value at the date of acquisition or if lower, at the present value of minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a Finance Lease obligation. The excess of lease payments over the recorded lease obligations are treated as Finance charges which are allocated to each lease term so as to produce a constant rate of charge on the remaining balance of the obligations. The assets are depreciated as owned depreciable assets.

## I. Foreign Currency Transactions

### a) Initial Recognition

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit & Loss of the year.

### b) Measurement of Foreign Currency Items at the Balance Sheet Date

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these transactions are charged to the Statement of Profit & Loss.

## Notes to the Financial Statements for the year ended 30th June, 2015

### c) **Forward Exchange Contracts.**

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/income over the life of the contract. Exchange differences on such contracts are recognized in the Statement of Profit & Loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or expense for the period.

The Company uses foreign currency forward contracts to hedge its actual underlying exposures and not for trading or speculation purpose. The use of these forward contracts reduces the risk and/or cost to the company.

### J. **Employee Benefits**

a) Short Term Benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which related service is rendered.

#### b) **Post Employment Benefits:-**

##### • **Defined Contribution Plan**

Company's contribution to the superannuation scheme and State Governed Provident Fund Scheme is recognized during the year in which related service is rendered.

##### • **Defined Benefit Plan :-**

##### **Gratuity**

The present value of obligation is determined based on an actuarial valuation, using the Projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognized immediately in the statement of profit and loss. The Gratuity Funds for the employees are administered by Life Insurance Companies.

#### c) **Compensated Absences: -**

The company has a policy of providing compensated absences to its employees. The expense is recognized at the present value of the amount payable determined based on independent actuarial valuation, using projected unit credit method. The company doesn't maintain any plan funds to fund its obligation towards compensated absences.

d) Other benefits comprising of discretionary long service awards are recognized as and when determined.

### K. **Research & Development Expenditure**

Revenue expenditure on research and development is charged to the statement of profit and loss. Expenditure, which results in creation of capital asset, is capitalized in the year in which it is incurred and depreciation is provided on such assets as applicable.

### L. **Share / Debenture Issue Expenses And Debenture Redemption Reserve**

Issue expenses are adjusted against the Securities Premium Account.

Debenture Redemption Reserve is created pursuant to SEBI (Disclosure and Investor Protection) Guidelines, 2000.

Premium paid / payable on redemption is adjusted against the Securities Premium Account

### M. **Taxes on Income**

Current tax is determined based on the amount of tax payable in respect of taxable income for the financial year ending on 30th June.

Deferred tax is recognized, subject to consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period are capable of reversal in one or more subsequent periods. Deferred tax assets, are recognized only to the extent there is virtual certainty supported by convincing evidence of its realization.

Wealth tax is provided in accordance with the provisions of Wealth Tax Act, 1957.

### N. **Provisions and Contingencies**

Provisions involving substantial degree of estimation in measurement are recognized when there is a permanent obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are not recognized.

### O. **Cash and Cash Equivalents**

Cash & Cash equivalents include cash & Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments where original maturity is three months or less.

### P. **Borrowing Cost**

Borrowing Cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as adjustment to the interest

## Notes to the Financial Statements for the year ended 30th June, 2015

cost. Interest and other borrowing costs attributable to acquisition, construction or production of qualifying assets that takes a substantial period of time to get ready for its intended use or sale are capitalized. All other borrowing costs are expensed out in the period they occur.

### Q. Earnings per Share

Basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, with the weighted average number of shares outstanding during the year.

### R. Construction Business

The company had ventured into real estate development business and thus the accounting policies relevant specifically in relation to construction business are as under:-

#### Revenue recognition

Income from real estate sales is recognized on the transfer of all significant risk and rewards of ownership to the buyers and is not unreasonable to expect ultimate collection and no significant uncertainty exists regarding the amount of consideration.

#### Cost recognition

Proportionate cost including estimated cost of completion of real estate sold is recognized in statement of profit and loss and shown separately under the head "Cost of materials consumed".

#### Valuation of inventory

Finished / under construction inventory of real estate is stated at cost or net realizable value whichever is lower. Construction work-in-progress includes cost of land, premium for development rights, construction cost, materials, services and allocated interest and expenses incidental to the construction business.

Other accounting policies, wherever applicable, are same as followed in normal course of business.

₹ in Lacs

## 2. SHARE CAPITAL

	As at 30-Jun-15	As at 30-Jun-14
<b>AUTHORISED</b>		
15,00,00,000 Equity Shares of ₹ 2 each (Previous Year 15,00,00,000 Equity Shares of ₹ 2 each)	<b>3000.00</b>	3000.00
1,12,00,000 (Previous Year 1,12,00,000) Preference Shares of ₹ 10 each	<b>1120.00</b>	1120.00
3,38,00,000 (Previous Year 3,38,00,000) Unclassified Shares of ₹ 10 each	<b>3380.00</b>	3380.00
	<b>7500.00</b>	7500.00
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
12,70,26,870 Nos. Equity Shares of ₹ 2 each (Previous Year 12,70,26,870 Nos. Equity Shares of ₹ 2 each) Fully Paid Up	<b>2540.54</b>	2540.54
<b>TOTAL SHARE CAPITAL</b>	<b>2540.54</b>	2540.54

The details of Shareholders holding more than 5% shares:

Name of the Shareholders	30-Jun-15		30-Jun-14	
	No. of Equity Shares	% of Holding	No. of Equity Shares	% of Holding
Boon Investment and Trading Company Pvt Ltd	20206592	15.91%	20206592	15.91%
Jovial Investment and Trading Company Pvt Ltd	19912082	15.68%	19912082	15.68%
Venkatesh Investment and Trading Company Pvt Ltd	19693081	15.50%	19693081	15.50%
Nalanda India Fund Limited	8176502	6.44%	8176502	6.44%

## Notes to the Financial Statements for the year ended 30th June, 2015

₹ in Lacs

### The reconciliation of the number of equity shares outstanding

	As at 30-June-15		As on 30-Jun-2014	
	Numbers	Amount	Numbers	Amount
Equity Shares at the beginning of the year	127026870	2540.54	127026870	2540.54
Equity Shares at the end of the year	127026870	2540.54	127026870	2540.54

### Terms/rights attached to Equity shares :

The company has only one class of issued Equity Shares having a par value of ₹ 2 per share. Each Shareholder is eligible for one vote per share held.

The Dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

₹ in Lacs

### 3. RESERVES AND SURPLUS

	As at 30-June-15		As on 30-Jun-2014	
<b>REVALUATION RESERVE</b>				
As per last Balance Sheet	124.20		128.65	
Less: Extinguished During the Year*	124.20		0.00	
Transferred to Statement of Profit and Loss	0.00		4.39	
Transferred to Leasehold Land	0.00	0.00	0.06	124.20
<b>CAPITAL RESERVE</b>	244.59		244.59	
<b>SECURITIES PREMIUM ACCOUNT</b>	4748.52		4748.52	
<b>GENERAL RESERVE</b>				
As per last Balance Sheet	88613.66		72366.23	
Less: Transfer of Carrying Value of Assets (Refer Note no. 39)	1866.50		0.00	
Add : Transferred from Statement of Profit and Loss	17852.45	104599.61	16247.43	88613.66
<b>CAPITAL REDEMPTION RESERVE</b>		221.63		221.63
<b>STATEMENT OF PROFIT AND LOSS</b>				
As per last Balance Sheet	0.00		0.00	
Add: Profit for the year	31570.68		28136.64	
Less : Appropriations				
Interim Dividend paid on Equity Shares	2540.54		2540.54	
[Dividend per share ₹ 2.00 (Previous Year ₹ 2.00)]				
Corporate Dividend Tax Paid	507.96		431.76	
Proposed Dividend on Equity Shares	8891.88		7621.61	
[Dividend per share ₹ 7.00 (Previous Year ₹ 6.00)]				
Provision for Corporate Dividend Tax	1777.85		1295.29	
Transferred to General Reserve	17852.45	0.00	16247.43	0.00
<b>TOTAL RESERVES AND SURPLUS</b>		<b>109814.35</b>		<b>93952.60</b>

### 4 LONG TERM BORROWINGS

	Non-Current		Current	
	30-Jun-15	30-Jun-14	30-Jun-15	30-Jun-14
<b>SECURED</b>				
Rupee Term Loans from Banks	18923.08	18765.00	3076.92	1235.00
Foreign Currency Loans from Banks - ECB	4163.53	7491.77	3328.24	6048.83
	23086.61	26256.77	6405.16	7283.83
From Others (Rupee Loans)	0.00	0.00	0.00	1250.00
<b>Total Secured</b>	<b>23086.61</b>	<b>26256.77</b>	<b>6405.16</b>	<b>8533.83</b>

## Notes to the Financial Statements for the year ended 30th June, 2015

₹ in Lacs

	Non-Current		Current	
	30-Jun-15	30-Jun-14	30-Jun-15	30-Jun-14
<b>UNSECURED</b>				
Deferred payment liabilities (Under Sales Tax Deferral Scheme)	207.26	207.81	0.55	0.00
<b>Total Unsecured</b>	<b>207.26</b>	<b>207.81</b>	<b>0.55</b>	<b>0.00</b>
<b>Amount included under the head "Other Current Liabilities" (Refer note 10)</b>	<b>0.00</b>	<b>0.00</b>	<b>(6405.71)</b>	<b>(8533.83)</b>
<b>TOTAL LONG TERM BORROWINGS</b>	<b>23293.87</b>	<b>26464.58</b>	<b>0.00</b>	<b>0.00</b>

### NOTES :

Term Loans from banks and financial institutions are secured on first pari passu charge basis as under:

- Movable properties of the company viz. plant, machineries & moulds, both present and future, situated at all the locations of the company.
- In respect of external commercial borrowings of USD 13.85 million from HSBC Bank (Mauritius) Ltd., outstanding as on 30th June, 2015, the company has entered into derivative contract to hedge the said loan for covering (i) currency risk on principal as well as interest and (ii) interest rate fluctuation. This has the effect of freezing the rupee equivalent of the entire liability, as reflected under the head of borrowings. Thus, there is no impact in the Profit and Loss arising out of exchange or interest rate fluctuations for the duration of the loan. Consequently, there is no restatement of the loan taken in foreign currency. The interest payable in Indian rupees on the derivative contract is duly accounted for in the statement of Profit & Loss.

₹ in Lacs

Maturity Profile and Interest Range of Long Term Borrowings	Interest Range (%)	Maturity Profile		
		1 to 2 Years	2 to 3 Years	Above 3 Years
Rupee Term Loans	9.70 to 10.15	15076.92	3076.92	769.24
Foreign Currency Loans	8.14 to 8.14	3328.23	835.30	
Deferred Payment Liabilities	Interest Free	0.55	6.39	200.32

## 5 DEFERRED TAX LIABILITY (Net)

Calculated based on income up to Mar 31, 2015 (Previous Year Mar 31, 2014)

	As at 30-June-15	As at 30-June-14
<b>Deferred Tax Liabilities on account of timing differences</b>		
Depreciation	10402.05	11686.51
<b>Transfer of Carrying Value of Assets (Refer Note no. 39)</b>	<b>(961.11)</b>	<b>0.00</b>
<b>Deferred Tax Assets on account of timing differences</b>		
Amount to be claimed on payment basis	(490.13)	(11.38)
<b>TOTAL DEFERRED TAX LIABILITY</b>	<b>8950.81</b>	<b>11675.13</b>

## 6 OTHER LONG-TERM LIABILITIES

	Non-Current		Current	
	30-Jun-15	30-Jun-14	30-Jun-15	30-Jun-14
Trade / security deposits received	76.74	74.58	37.18	50.86
Others	193.28	205.17	3.17	6.44
<b>Amount included under the head "Other Current Liabilities" (Refer Note 10)</b>	<b>0.00</b>	<b>0.00</b>	<b>(40.35)</b>	<b>(57.30)</b>
<b>TOTAL OTHER LONG TERM LIABILITIES</b>	<b>270.02</b>	<b>279.75</b>	<b>0.00</b>	<b>0.00</b>



## Notes to the Financial Statements for the year ended 30th June, 2015

₹ in Lacs

### 7 PROVISIONS

	Long Term (Non-Current)		Short-Term (Current)	
	30-Jun-15	30-Jun-14	30-Jun-15	30-Jun-14
<b>Provision for employee benefits:</b>				
Bonus	0.00	0.00	315.08	308.54
Compensated Absences	880.54	834.69	270.40	104.53
Gratuity	0.00	0.00	0.00	167.34
<b>Provision - Others:</b>				
Provision for Income Tax (Net of Advance Tax paid)	0.00	0.00	4430.19	883.16
Proposed Dividend	0.00	0.00	8891.88	7621.61
Provision for Corporate Dividend Tax	0.00	0.00	1777.85	1295.29
Provision for Wealth Tax	0.00	0.00	7.42	6.69
<b>TOTAL PROVISIONS</b>	<b>880.54</b>	<b>834.69</b>	<b>15692.82</b>	<b>10387.16</b>

### 8 SHORT TERM BORROWINGS

	As at 30-June-15	As at 30-June-14
<b>SECURED</b>		
<b>Working Capital Loans:</b>		
Foreign currency Loans - Buyer's Credit	0.00	2208.69
<b>UNSECURED</b>		
Foreign Currency Loans - Buyer's Credit	9585.60	10057.19
<b>TOTAL SHORT TERM LIABILITIES</b>	<b>9585.60</b>	<b>12265.88</b>

Working Capital Loans from Banks are secured against:

First pari passu charge by way of hypothecation of stocks and Book Debts, both present and future

Second / subservient charge on all movable properties of the company viz. plant, machineries & moulds, both present and future, situated at all the locations of the company.

### 9 TRADE PAYABLES

	As at 30-June-15	As at 30-June-14
Micro, Small and Medium Enterprises	878.67	746.82
Others	29173.38	27042.73
<b>TOTAL TRADE PAYABLES</b>	<b>30052.05</b>	<b>27789.55</b>

Trade payables include acceptances amounting to ₹ 259.83 lacs (previous year ₹ 620.98 lacs)

There are no Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company on unitwise basis. This has been relied upon by the Auditors.

### 10 OTHER CURRENT LIABILITIES

	As at 30-June-15	As at 30-June-14
Current maturities of long-term debt (Refer Note 4)	6405.71	8533.83
Current Portion of Other long-term liabilities (Refer Note 6)	40.35	57.30
Interest accrued but not due on borrowings	40.91	227.45
Items covered by Investor Education and Protection Fund (Refer Note 48)	236.60	211.14
Statutory Remittances	9043.73	7328.78
Payables on Purchase of fixed assets*	5393.75	3561.86
Advances from customers	4587.33	4340.95
Other payables	85.77	87.13
<b>TOTAL OTHER CURRENT LIABILITIES</b>	<b>25834.15</b>	<b>24348.44</b>

Amount due and outstanding to be credited to the Investor Education and Protection Fund as at 30 Jun 2015 is NIL (Previous Year NIL), except where there are pending legal cases amounting to ₹0.90 lacs (Previous year ₹ 0.90 lacs).

\* Payables on Purchase of fixed assets include acceptances amounting to ₹ 891.74 lacs (previous year ₹ 2120.01 lacs)

## Notes to the Financial Statements for the year ended 30th June, 2015

₹ in Lacs

### 11 FIXED ASSETS

FIXED ASSETS	GROSS BLOCK				DEPRECIATION & AMORTISATION				NET BLOCK		
	As at 1-Jul-14	Additions During the Year	Deductions/ Adjustment During The Year	As at 30-Jun-15	As at 1-Jul-14	For The Year	Transfer to Reserve / Deferred Tax Liability	Deductions/ Adjustment During The Year	As at 30-Jun-15	As at 30-Jun-15	As at 30-Jun-14
<b>A. Tangible assets</b>											
Freehold Land	3083.79	1182.79		<b>4266.58</b>	0.00				<b>0.00</b>	<b>4266.58</b>	3083.79
Leasehold Land	1073.53	233.97	18.90	<b>1288.60</b>	0.00				<b>0.00</b>	<b>1288.60</b>	1073.53
Buildings	37002.57	912.17	225.02	<b>37689.72</b>	7767.28	1451.18	123.13	104.27	<b>9237.32</b>	<b>28452.40</b>	29235.29
Plant, Machinery & Electrical Installations	99850.47	4047.43	2107.80	<b>101790.10</b>	36558.89	8703.08	2505.81	1960.62	<b>45807.16</b>	<b>55982.94</b>	63291.58
Moulds & Dies	25040.12	3054.67	67.33	<b>28027.46</b>	17054.12	2026.09	0.00	(10.37)	<b>19090.58</b>	<b>8936.88</b>	7986.00
Furniture, Fixture & Office Equipments	3830.89	463.09	15.87	<b>4278.11</b>	2566.36	627.08	155.06	0.96	<b>3347.54</b>	<b>930.57</b>	1264.53
Vehicles - Owned	872.18	23.85	55.75	<b>840.28</b>	566.44	131.45	5.29	51.74	<b>651.44</b>	<b>188.84</b>	305.74
- Sundry Equipments	3177.39	230.24	17.99	<b>3389.64</b>	1217.45	669.06	38.32	1.00	<b>1923.83</b>	<b>1465.81</b>	1959.94
<b>Total Tangible Assets</b>	<b>173930.94</b>	<b>10148.21</b>	<b>2508.66</b>	<b>181570.49</b>	<b>65730.54</b>	<b>13607.94</b>	<b>2827.61</b>	<b>2108.22</b>	<b>80057.87</b>	<b>101512.62</b>	<b>108200.40</b>
<b>B. Intangible Assets</b>											
Computer software	776.97	92.21	6.40	<b>862.78</b>	691.87	76.92		6.05	<b>762.74</b>	<b>100.04</b>	85.10
Right to Use	670.62	1346.03		<b>2016.65</b>	165.81	213.40			<b>379.21</b>	<b>1637.44</b>	504.81
<b>Total Intangible Assets</b>	<b>1447.59</b>	<b>1438.24</b>	<b>6.40</b>	<b>2879.43</b>	<b>857.68</b>	<b>290.32</b>	<b>0.00</b>	<b>6.05</b>	<b>1141.95</b>	<b>1737.48</b>	<b>589.91</b>
<b>Total (A+B)</b>	<b>175378.53</b>	<b>11586.45</b>	<b>2515.06</b>	<b>184449.92</b>	<b>66588.22</b>	<b>13898.26</b>	<b>2827.61</b>	<b>2114.27</b>	<b>81199.82</b>	<b>103250.10</b>	<b>108790.31</b>
Previous year	160662.98	16912.72	2197.17	<b>175378.53</b>	57888.91	10158.34	0.00	1459.03	<b>66588.22</b>	<b>108790.31</b>	102774.07
<b>C. Capital Work-in-Progress</b>										<b>9979.86</b>	1807.94
										<b>113229.96</b>	110598.24

NOTE: Buildings include the cost of ownership premises in Co-operative Societies ₹ 157.31 Lacs (Previous Year ₹ 157.31 Lacs).

### 12 NON - CURRENT INVESTMENTS

	Face Value (₹)	Quantity 30-Jun-15	Quantity 30-Jun-14	Amount 30-Jun-15	Amount 30-Jun-14
<b>INVESTMENTS IN GOVERNMENT &amp; TRUST SECURITIES</b>					
National Saving Certificate				<b>0.00</b>	0.06
Sub Total				<b>0.00</b>	0.06
<b>OTHERS - UNQUOTED AND FULLY PAID UP EQUITY SHARES</b>					
Saraswat Co-op. Bank Ltd.	10	<b>1000</b>	1000	<b>0.10</b>	0.10
Samarpan Fabricators Ltd.	100	<b>1350</b>	1350	<b>0.75</b>	0.75
Supreme Industries Overseas (FZE), a wholly owned subsidiary incorporated in UAE	AED 150000	<b>1</b>	1	<b>18.88</b>	18.88
Sub Total				<b>19.73</b>	19.73
<b>OTHERS - QUOTED &amp; FULLY PAID UP EQUITY SHARES</b>					
Supreme Petrochem Ltd. (an associate company)	10	<b>28936400</b>	28936400	<b>3337.50</b>	3337.50
Vijaya Bank Ltd.	10	<b>3200</b>	3200	<b>0.77</b>	0.77
Central Bank of India	10	<b>5874</b>	5874	<b>6.01</b>	6.01
Unimers India Ltd.	10	<b>37</b>	37	<b>0.05</b>	0.05
Sub Total				<b>3344.33</b>	3344.33
<b>TOTAL</b>				<b>3364.06</b>	3364.12
Aggregate Value of Quoted Investments				<b>3344.33</b>	3344.33
At Cost				<b>24212.59</b>	26237.19
At Market Value					
Aggregate Value of Unquoted Investments				<b>19.73</b>	19.79
At Cost					

## Notes to the Financial Statements for the year ended 30th June, 2015

₹ in Lacs

### 13 LOANS AND ADVANCES

(Unsecured, Considered good unless otherwise stated)

	Long Term (Non-Current)		Short-Term (Current)	
	30-Jun-15	30-Jun-14	30-Jun-15	30-Jun-14
Capital Advances (Advance for Capital Goods)	3349.42	1189.66	0.00	0.00
Sundry Deposits	1548.43	1393.58	550.66	665.97
<b>Other Loans and Advances</b>				
Advances/claims recoverable in cash or kind or for value to be received	2579.50	3121.20	7553.94	10399.63
Prepaid Expenses	25.96	75.75	452.26	283.15
Balance with Government Authorities	1591.06	942.37	3875.04	2098.48
Advances/Loans to employees	75.63	100.21	180.50	166.83
<b>TOTAL LOANS AND ADVANCES</b>	<b>9170.00</b>	<b>6822.77</b>	<b>12612.40</b>	<b>13614.06</b>

### 14 OTHER ASSETS

	Long Term (Non-Current)		Short-Term (Current)	
	30-Jun-15	30-Jun-14	30-Jun-15	30-Jun-14
Accruals	22.89	21.29	108.13	70.46
Assets held for disposal	0.00	0.00	30.07	89.33
<b>TOTAL OTHER ASSETS</b>	<b>22.89</b>	<b>21.29</b>	<b>138.20</b>	<b>159.79</b>

As at 30-June-15

As at 30-June-14

### 15 INVENTORIES

Raw Materials and Components [(including goods in transit ₹ 188.65 Lacs (Previous year ₹ 617.00 Lacs)]	18981.93		17720.66	
Reusable Material	1188.16		1415.43	
Stores, Spare parts, and consumables	1165.55		1055.85	
Packing Material	584.28		642.86	
Finished / Semi-Finished Goods [(including goods in transit ₹ 26.09 Lacs (Previous year ₹ 15.65 Lacs)]	20960.34		20997.15	
Traded Goods	361.19	43241.45	340.27	42172.22
Commercial Complex		3225.58		7592.48
<b>TOTAL INVENTORIES</b>		<b>46467.03</b>		<b>49764.70</b>

### 16 TRADE RECEIVABLES

(Unsecured, Considered good unless otherwise specified)

#### Overdue for more than six months from due date

Considered good	822.46		755.51	
Considered doubtful	157.64	980.10	138.87	894.38
<b>Others</b>				
Considered good		22940.46		22742.46
Less: Provision for doubtful trade receivables		157.64		138.87
<b>TOTAL TRADE RECEIVABLES</b>		<b>23762.92</b>		<b>23497.97</b>

## Notes to the Financial Statements for the year ended 30th June, 2015

₹ in Lacs

	As at 30-June-15		As at 30-June-14	
<b>17 CASH AND BANK BALANCES</b>				
<b>Cash and Cash Equivalents</b>				
Cash on hand	51.46		100.05	
Cheques on hand	367.25		14.04	
Remittance in Transit	90.12		145.33	
<b>Balance with Scheduled Banks in :</b>				
Surplus Balances in Cash Credit Accounts	1633.88		273.62	
Current Accounts	5720.04	7862.75	1802.62	2335.66
<b>Investment in Liquid Mutual funds*</b>		10000.00		0.00
Other Bank Balances				
Deposit Accounts (Earmarked)	64.28		173.18	
Unpaid Dividends and FD Interest	220.26	284.54	186.53	359.71
<b>TOTAL CASH AND BANK BALANCES</b>		<b>18147.29</b>		<b>2695.37</b>

\*Investment in Liquid Mutual funds includes followings:

	Units	₹ In Lacs
BNP Paribas Overnight Fund	136796	3000.00
Birla Sunlife Liquid Plus Fund	1310175	3000.00
HSBC Cash fund- Growth	70259	1000.00
ICICI Prudential Liquid Regular Plan -Growth	473597	1000.00
IDFC Cash Fund Growth Regular Plan	115321	2000.00
<b>Total</b>	<b>2106148</b>	<b>10000.00</b>

	2014 - 2015		2013 - 2014	
<b>18 REVENUE FROM OPERATIONS</b>				
Sales of Plastic Products	438228.20		409904.01	
Income from Processing	854.95		1220.46	
Construction Business	13931.72		6020.30	
Others	16122.70		17188.68	
	469137.57		434333.45	
Less: Excise Duty Paid	47238.68		43850.53	
	421898.89		390482.92	
<b>Other operating income</b>				
Industrial Promotion Subsidy	2538.26		4694.17	
Sundry Receipts	780.60		710.65	
License Fees Received	133.15		0.00	
Claims & Refunds	84.99		135.78	
Liabilities No Longer Required Written Back	31.87	3568.87	166.71	5707.31
<b>TOTAL REVENUE FROM OPERATIONS</b>		<b>425467.76</b>		<b>396190.23</b>
<b>19 OTHER INCOME</b>				
Dividend Received	434.09		723.68	
Profit/(Loss) on Sale/Discard of Capital Assets (Net)	140.40		241.21	
Profit on sale of Investments	102.29		79.03	
Lease Rent	0.42		0.21	
<b>TOTAL OTHER INCOME</b>		<b>677.20</b>		<b>1044.13</b>

## Notes to the Financial Statements for the year ended 30th June, 2015

₹ in Lacs

	2014 - 2015	2013 - 2014
<b>20 COST OF MATERIALS CONSUMED</b>		
Cost of Raw Material Consumed	263245.72	256239.89
Cost of Packing Material Consumed	6481.23	6101.71
Cost of Premises Sold	3732.11	2080.27
<b>TOTAL COST OF MATERIALS CONSUMED</b>	<b>273459.06</b>	<b>264421.87</b>
<b>21 PURCHASE OF TRADED GOODS</b>		
<b>TOTAL PURCHASE OF TRADED GOODS</b>	<b>16938.63</b>	<b>16281.45</b>
<b>22 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS &amp; STOCK-IN-TRADE</b>		
<b>Inventories at the beginning of the year</b>		
Finished Goods / Semi Finished Goods	20997.15	14466.48
Traded Goods	340.27	477.86
	<b>21337.42</b>	<b>14944.34</b>
<b>Inventories at the end of the year</b>		
Finished Goods / Semi Finished Goods	20960.34	20997.15
Traded Goods	361.18	340.27
	<b>21321.52</b>	<b>21337.42</b>
<b>Change in inventories</b>	<b>15.90</b>	(6393.08)
Increase/(Decrease) in Excise Duty on Finished Goods	(45.94)	596.95
<b>TOTAL CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS &amp; STOCK-IN-TRADE</b>	<b>(30.04)</b>	<b>(5796.13)</b>
<b>23 EMPLOYEE BENEFITS EXPENSES</b>		
Salaries and Wages*	15009.49	12753.49
Contribution to Provident & Other Fund	746.41	649.64
Staff Welfare Expenses	993.62	932.31
<b>TOTAL EMPLOYEE BENEFITS EXPENSES</b>	<b>16749.52</b>	<b>14335.44</b>

\*Includes remuneration to MD and ED ₹ 2001.75 Lacs  
(Previous year ₹ 1697.64 Lacs)



## Notes to the Financial Statements for the year ended 30th June, 2015

	₹ in Lacs	
	2014 - 2015	2013 - 2014
<b>24 OTHER EXPENSES</b>		
Stores & Spare Parts Consumed	2787.27	2942.64
Labour Charges	9442.08	8805.59
Power & Fuel	14640.26	13934.39
Water Charges	79.16	124.44
Repairs & Maintenance of Building	405.17	462.26
Repairs & Maintenance of Plant & Machinery	1011.14	1177.54
Repairs & Maintenance (Others)	416.35	436.73
Directors' Fees	47.90	11.20
Rent, Rates & Taxes	1122.78	942.57
Insurance	177.40	186.03
Corporate Social Responsibility	368.82	221.16
Legal & Professional Fees	905.36	728.82
Travelling & Conveyance	1948.72	1723.30
Vehicle Expenses	361.91	338.30
Advertisement, Publicity & Business Promotion	3691.06	2533.29
Freight and Forwarding Charges	6126.27	5771.46
Printing, Stationery & Communication	799.41	794.66
Royalty	120.29	131.14
Commission & Discount	5249.29	5326.66
Sales Tax	129.99	87.46
Bad Debts (Net of bad debts recovered)	20.42	32.04
Provision for Doubtful Debts	28.38	42.95
Plant Security Services	664.92	567.14
Inspection, Testing and Marking fees	505.76	290.24
Foreign Currency Exchange Fluctuation (Net)	41.12	(129.05)
Miscellaneous Expenses	671.84	606.26
<b>TOTAL OTHER EXPENSES</b>	<b>51763.07</b>	<b>48089.22</b>
<b>25 FINANCE COSTS</b>		
Interest Expenses	5802.95	7666.84
Other borrowing costs	214.45	220.61
Less: Interest Received	222.43	273.41
<b>TOTAL FINANCE COSTS</b>	<b>5794.97</b>	<b>7614.04</b>
<b>26 DEPRECIATION AND AMORTISATION EXPENSE</b>		
Depreciation and Amortisation	13898.25	10158.33
Less : Transferred from revaluation reserve	0.00	4.39
<b>TOTAL DEPRECIATION AND AMORTISATION EXPENSE</b>	<b>13898.25</b>	<b>10153.94</b>
<b>27 RAW MATERIAL AND COMPONENTS CONSUMED</b>		
Commodity Plastics	218545.59	206989.02
Engineering Plastics	6676.66	7842.65
Additives	24527.58	21376.86
Others	13495.89	20031.36
<b>TOTAL RAW MATERIAL AND COMPONENTS CONSUMED</b>	<b>263245.72</b>	<b>256239.89</b>

## Notes to the Financial Statements for the year ended 30th June, 2015

₹ in Lacs

### 28 VALUE OF IMPORTED AND INDIGENOUS RAW MATERIAL & STORES & SPARE PARTS CONSUMED

	2014 - 2015		2013 - 2014	
	Value	%	Value	%
Raw Materials				
Imported	130318.58	49.50%	106279.69	41.48%
Indigenous	132927.14	50.50%	149960.20	58.52%
<b>Total</b>	<b>263245.72</b>	<b>100.00%</b>	<b>256239.89</b>	<b>100.00%</b>
Stores & Spares				
Imported	207.13	7.43%	141.64	4.81%
Indigenous	2580.14	92.57%	2801.00	95.19%
<b>Total</b>	<b>2787.27</b>	<b>100.00%</b>	<b>2942.64</b>	<b>100.00%</b>

### 29 STOCK & TURNOVER

Products	Sales Value	Closing Inventory	Opening Inventory
<b>Manufactured Products</b>			
Moulded Products	140054.57 (128507.74)	7327.63 (6903.01)	6903.01 (5379.34)
Extruded Products	247493.94 (233777.75)	13287.23 13841.79	13841.79 (9063.95)
Composite Plastic Products	289.61 —	19.09 —	— —
Machinery & Moulds	12.71 (74.95)	197.10 (87.53)	87.53 (23.23)
Others	959.16 (370.84)	129.28 (164.82)	164.82 —
<b>Trading Products</b>			
Moulded Products	1066.19 (102.48)	22.03 (0.38)	0.38 (4.27)
Extruded Products	36.55 (123.30)	8.34 (4.42)	4.42 —
<b>Others</b>	<b>16452.03</b> (19142.97)	<b>330.82</b> (335.47)	<b>335.47</b> (473.59)

Figures in brackets refer to previous year

Notes:

- The turnover does not include:-
  - Sale of premises for ₹ 13931.72 lacs (previous year ₹ 6020.30 lacs), cost of which was ₹ 3732.10 lacs (previous year ₹ 2080.26 lacs)
  - Job work charges from outsiders ₹ 854.95 lacs (previous year ₹ 1220.46 lacs)
  - Sale of Scrap ₹ 747.45 lacs.(previous year ₹ 1142.12 lacs)
  - Excise duty on sale ₹ 47238.68 lacs.(previous year ₹ 43850.53 lacs)
- Turnover includes packing material and components ₹ 409.52 lacs (previous year ₹ 355.61 lacs) transferred to other division for captive use.

₹ in Lacs

### 30 VALUE OF IMPORTS ON CIF BASIS

	2014 - 2015	2013 - 2014
Raw Material & Components	131070.15	108533.34
Stores, Spares & Traded Goods	792.35	1062.98
Capital Goods	1426.08	1901.37
<b>TOTAL VALUE OF IMPORTS ON CIF BASIS</b>	<b>133288.58</b>	<b>111497.69</b>

## Notes to the Financial Statements for the year ended 30th June, 2015

₹ in Lacs

	2014 - 2015	2013 - 2014
<b>31 PAYMENT TO AUDITORS</b>		
(Including Branch Auditors excluding service tax)		
Audit Fees	33.33	31.55
Tax Audit Fees	19.34	18.61
Taxation Matters	0.15	0.60
In other capacity	37.40	34.28
<b>TOTAL PAYMENT TO AUDITORS</b>	<b>90.22</b>	<b>85.04</b>
<b>32 EXPENDITURE IN FOREIGN CURRENCY</b>		
Interest	1849.36	3416.30
Other matters	634.96	566.64
<b>TOTAL EXPENDITURE IN FOREIGN CURRENCY</b>	<b>2484.32</b>	<b>3982.94</b>
<b>33 EARNING IN FOREIGN CURRENCY</b>		
Export (On FOB Basis)	8034.48	8131.14
Interest & License Income	194.40	57.71
<b>TOTAL EARNING IN FOREIGN CURRENCY</b>	<b>8228.88</b>	<b>8188.85</b>
<b>34 REMITTANCE IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND</b>		
	<b>2014 - 2015</b>	<b>2013 - 2014</b>
	<b>Final Interim</b>	<b>Final Interim</b>
Number of Non-resident Shareholders	700 721	662 678
Number of Shares held on which dividend were paid	27126225 28281711	20891058 25371827
Gross Dividend (₹ in Lacs)	1627.57 565.63	1148.95 507.43
Nominal Value of Equity Shares (₹ per share)	2.00 2.00	2.00 2.00
<b>35 EARNINGS PER SHARE (EPS)</b>		
Profit after tax(PAT) available for Equity Shareholders	31570.68	28136.64
Weighted Average Number of Equity Shares	127026870	127026870
Nominal value of Equity Shares	2.00	2.00
Basic/Diluted earning per Equity Share	24.85	22.15

## 36 DISCLOSURE PURSUANT TO ACCOUNTING STANDARD - 15 "EMPLOYEE BENEFITS"

### i) Gratuity:

In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date and the Company makes annual contribution to the gratuity fund administered by Life Insurance Corporation of India under Group Gratuity Scheme.

The following table set out the funded status and amount recognised in the Company's financial statements as at 31st March, 2015 for the Gratuity Plan:

## Notes to the Financial Statements for the year ended 30th June, 2015

₹ in Lacs

The disclosure in respect of the defined Gratuity Plan are given below:

	As at 31-Mar-15	As at 31-Mar-14
<b>Changes in present value of defined benefit obligations</b>		
Present value of obligations as at beginning of the period	1795.28	1429.43
Interest cost	167.14	117.93
Current Service Cost	116.78	126.68
Past service cost (vested benefit) recognized	264.69	272.44
Benefits Paid	(63.66)	(55.24)
Actuarial (Gain)/Loss on obligations	139.63	(95.95)
Present value of obligations as at end of the period	2419.86	1795.28
<b>Fair value of plan assets</b>		
Fair value of plan assets at beginning of year	1491.30	1144.54
Expected return on plan assets	129.74	99.58
Contributions	301.83	284.89
Benefits Paid	(63.66)	(55.24)
Actuarial Gain/(Loss) on Plan assets	24.17	17.54
Fair value of plan assets at the end of year	1883.39	1491.30
<b>Total Recognition of Actuarial (Gain)/Losses</b>	115.46	(113.49)
<b>Actual return on plan assets</b>		
Expected return on plan assets	129.74	99.58
Actuarial Gain/(Loss) on Plan assets	24.17	17.54
Actual return on plan assets	153.91	117.12
<b>Amount Recognized in the Balance Sheet</b>		
Present value of obligations as at the end of the year	(2419.86)	(1795.28)
Fair value of plan assets as at the end of the year	1883.39	1491.30
Funded status (shortfall)	(536.47)	(303.98)
Net Asset/(Liability) recognized in balance sheet	(536.47)	(303.98)
<b>Expenses recognized in statement of Profit &amp; Loss</b>		
Current Service Cost	116.78	126.68
Interest cost	167.14	117.93
Expected return on plan assets	(129.74)	(99.58)
Past service cost (vested benefit) recognized	264.69	272.44
Net Actuarial (gain)/Loss recognized in the year	115.46	(113.49)
Expenses recognized in statement of Profit & loss	534.33	303.98
<b>Balance Sheet Reconciliation</b>		
Opening Net Liability	303.98	284.89
Expenses as above	534.33	303.98
Employers Contribution Paid	(301.83)	(284.89)
Closing Net Liability	536.47	303.98
<b>Investment Details</b>		
Insurer Managed Fund	1883.39	1491.30
<b>Principal Actuarial assumptions used</b>		
Discount Rate	7.96%	9.31%
Rate of return on plan assets	7.96%	8.70%
Salary Escalation	6.00%	6.00%
Attrition Rate	2.00%	2.00%

### ii) Compensated Absences:

The Company permits encashment of compensated absence accumulated by their employees on retirement, separation and during the course of service. The liability in respect of the Company, for outstanding balance of leave at the balance sheet date is determined and provided on the basis of actuarial valuation as on 31st March 2015 performed by an independent actuary. The Company doesn't maintain any plan assets to fund its obligation towards compensated absences.

## Notes to the Financial Statements for the year ended 30th June, 2015

₹ in Lacs

### 37 CONTINGENT LIABILITIES AND COMMITMENTS

	2014 - 2015	2013 - 2014
<b>CONTINGENT LIABILITIES</b>		
Bills/Cheques discounted	<b>1140.55</b>	1072.40
Bank Guarantees issued by Bankers	<b>2556.00</b>	2873.13
Claim against the company including Show-cause-cum- demand Notices in relation to Central Excise and Service Tax not acknowledged as Debts	<b>1383.28</b>	1019.76
Disputed Income Tax Demands	<b>2564.96</b>	2444.84
Disputed Sales Tax / Entry Tax Demands	<b>699.29</b>	1103.20
Other claims against the company not acknowledged as debts	<b>263.20</b>	288.72
Future obligation of exports towards imported capital goods at concessional rate of duty under EPCG Scheme.	<b>5279.37</b>	5352.08
<b>COMMITMENTS</b>		
Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances)	<b>6072.15</b>	931.49
Unexpired Letter of Credit issued by bankers	<b>8005.86</b>	5362.17

Notes:

- Most of the issues of litigation pertaining to Central Excise & Service Tax are of repetitive nature & are based on interpretation of the provisions of Central Excise / Cenvat Credit Rules. Management has been opined by its counsel that many of the issues raised by revenue will not be sustainable in law as they are covered by judgment of CESTAT or High Courts which supports its contention. As such no material impact on the financials of the company is envisaged.
- In case of Income Tax, matters pertaining to additions / disallowances, where the Company has preferred an Appeal, are repetitive in nature. Company has obtained Legal Counsel's opinion on all major items of dispute, as per which it is reasonably assured that the matters are likely to be decided in its favour and are also backed by various decisions of ITAT and /or various High Courts.

Based on internal assessment and opinion received from Tax experts, the Management is of the view that the impact of the risk associated with the pending Income tax matters, if any, in Appeal is moderate and shall not impact the Company's financials substantially.

- Sales Tax and Entry Tax related litigation/demand primarily pertains to non- submission of required declaration forms in time due to non- receipt of the same from customers and/ or some interpretation related issues. However in most of the cases, required documents are being filed and minor impact if any, shall be given in the year of final outcome of respective matter in appeal.
- Company is reasonably confident to fulfil its export obligation within the stipulated period of the respective EPCG licenses and does not envisage any material financial impact.
- Other issues are either in ordinary course of business or not of substantial nature and management is reasonably confident of their positive outcome. Management shall deal with them judiciously and provide for appropriately, if any such need arises.

- The company has capitalised interest amounting to ₹ 164.61 lacs (Previous year ₹ 632.12 lacs) on payments made towards various projects under implementation.
- Depreciation for the year has been provided with reference to the useful life of respective assets as specified in Schedule II to the Companies Act, 2013 and reassessed by the company based on internal and external technical evaluation. The depreciation for the year is higher and consequently profit for the year is lower by ₹ 2803.85 lacs due to the change in the useful life of the assets. The company has transferred an amount of ₹ 1866.50 lacs to retained earning (net of ₹ 961.11 lacs transferred to deferred tax) representing the carrying amount of the assets whose useful life had been exhausted as on 30th June, 2014.
- In respect of construction business determination of profit / losses and realisability of the construction project involves making estimates by the company which are of technical nature, concerning the percentage of completion, cost to completion and foreseeable losses to completion. Profits from construction activity and valuation of inventory of commercial complex is based on such estimate. In the opinion of the management, the net realizable value of such inventory will not be lower than costs so included therein.
- Forward contract premium of ₹ 95.06 lacs (Previous year ₹ 95.48 lacs) is to be recognized in subsequent accounting period in respect of forward exchange contracts entered by the company.



## Notes to the Financial Statements for the year ended 30th June, 2015

42. a) Company had setup a mega project at Gadegaon, Maharashtra and was entitled for Industrial Promotion subsidy as under:-
- by way of refund of CST/ VAT for eligible period (till 31st January, 2015) under Package Scheme of Incentives, 2001 of Government of Maharashtra. A sum of ₹ 1892.59 lacs (Previous year ₹ 4170.74 lacs) accrued for the year has been included in other operating income.
  - by way of exemption from electricity duty for eligible period (till 31st January, 2023), consequently Power and fuel cost for the year is lower by ₹ 282.22 lacs (Previous year ₹ 387.70 lacs) .
- b) The company has also undertaken expansion at certain units and entitled to incentive under Respective Package Scheme of Incentives. The incentive accrued during the year has been included in other operating income as under: -

₹ in Lacs

Unit	2014 - 2015	2013 - 2014
Plastic Piping Division, Jalgaon	41.52	52.57
Plastic Piping Division, Malanpur	557.81	402.17
Protective Packaging Division, Malanpur	46.34	68.69
<b>TOTAL</b>	<b>645.67</b>	<b>523.43</b>

- c) The company has received capital subsidy of ₹ 148.48 lacs (previous Year Nil) during the year, under package scheme of Incentives, 2007 from the State Government of Assam. The same has been reduced from the cost of the respective capital assets.

### 43 SEGMENT INFORMATION

The Company is engaged mainly in production of plastic products. Company has recognized construction of commercial property as a new non recurring business activity which is shown as separate reportable segment as per Accounting Standard on Segment Reporting (AS-17) issued by ICAI.

- a) Primary Business Segments

₹ in lacs

Revenue	Plastics	Construction	Total
Net Income (There is no inter segment revenue)	411536.04	13931.72	425467.76
Segment Profit	43181.46	9511.01	52692.47
Add: Other Income			677.20
Profit Before Interest and taxes			53369.67
Less: Interest (net)			5794.97
Taxes			16004.00
Profit after taxes			31570.70

Other Information	Plastics	Construction	Total
Segment Assets	223657.51	3257.24	226914.75
Segment Liabilities	105436.24	172.81	105609.05
Capital Expenditure	19758.39	—	19758.39
Depreciation / Amortisation	13898.25	—	13898.25

- b) The geographical segmentation is not relevant as export turnover is not significant in respect to total turnover.

### 44 DISCLOSURE ON RELATED PARTY TRANSACTIONS

(₹ in lacs)

Nature of Transactions	Holding & Subsidiary	Associates	Key Management Personnel & Relatives	Total
Purchase of goods	0.00	1920.45		1920.45
	0.00	(2510.21)	0.00	(2510.21)
Sale of goods	118.95	348.76		467.71
	(90.11)	(319.84)	0.00	(409.95)
Rendering of services – Paid- excluding taxes	130.67	0.00		130.67
	(122.95)	0.00	0.00	(122.95)
Dividend Received	0.00	434.05		434.05
	0.00	(723.41)	0.00	(723.41)

## Notes to the Financial Statements for the year ended 30th June, 2015

(₹ in lacs)

Nature of Transactions	Holding & Subsidiary	Associates	Key Management Personnel & Relatives	Total
Dividend Paid	0.00	4790.75	258.84	5049.59
	0.00	(4482.45)	(248.09)	(4730.54)
Remuneration	0.00	0.00	2031.73	2031.73
	0.00	0.00	(1732.60)	(1732.60)
Outstanding at year-end - Receivable	0.00	101.21	0.00	101.21
	(77.40)	(14.89)	0.00	(92.29)
Outstanding at year-end - Payable	52.18	148.37	1509.74	1710.29
	(60.81)	(182.55)	(1332.60)	(1575.96)

Figures in bracket relate to previous year.

### Names of related parties and description of relationship:

Subsidiary Company: The Supreme Industries Overseas FZE

Associates: Supreme Petrochem Ltd., Supreme Capital Management Ltd., Platinum Plastics & Industries Pvt. Ltd. Suraj Packaging Pvt. Ltd. Venkatesh Investment & Trading Co. Pvt. Ltd., Jovial Investment & Trading Co. Pvt. Ltd. and Boon Investment & Trading Co. Pvt. Ltd

Key Managerial Personnel: Mr. M P Taparia, Managing Director, Mr. S J Taparia, Executive Director & Mr. V K Taparia, Executive Director and their relatives.

45. a) The Company has taken premises under cancelable operating lease. These lease agreements are normally renewed on expiry. The rental expenditure is accounted for in statement of profit and loss of the Company in accordance with Accounting Standard on lease transactions (AS-19).
- b) The company has also taken office premises under noncancelable operating lease. The total of future minimum lease payments under this lease for the period not later than one year is ₹ 424.20 lacs and for the period later than one year & not later than five years is ₹ 1237.25 lacs.
46. a) Provision for Income Tax liability has been made in the accounts based on the profit for the financial year ended 30th June 2015. Though the tax payable will be determined based on the taxable income for the period 1st April 2014 to 31st March 2015 (AY: 2015-16)
- b) The Company has recognised deferred tax assets for the year aggregating to ₹ 1763.22 lacs in the Profit & Loss Account (Previous Year liability of ₹ 2609.95 lacs).
- c) Corporate Tax includes provision for wealth tax ₹ 4 lacs (Previous year ₹ 4 lacs).
47. The company has decided to retain for self use one of the office unit admeasuring saleable area of 6681 square feet at its commercial premises, at Andheri, Mumbai pertaining to its Construction business division. Consequently a sum of ₹ 342.47 lacs has been converted into capital asset out of its stock in trade w.e.f. 1st May, 2015.

### 48 Items covered by Investor Education & Protection Fund shown under Note - 10 includes:

(₹ in lacs)

	30-Jun-15	30-Jun-14
Unclaimed Dividend	221.00	187.44
Unclaimed Matured Deposits & Interest	15.60	23.70
<b>Total</b>	<b>236.60</b>	<b>211.14</b>

### 49 Foreign exchange derivatives and exposures outstanding at close of the year.

(in Million US\$)

Name of the Instrument	Aggregate Amount		Purpose
	30-Jun-15	30-Jun-14	
Forward Purchase	20.47	19.18	Hedging
Currency & Interest Rate Swap	13.85	26.00	Hedging
Open Foreign Exchange Exposures - Receivable	2.12	2.29	
Open Foreign Exchange Exposures - Payable	20.22	24.81	

The company enjoys natural hedge to the extent of: a) Exports effected and b) Inventory held (being sensitive to exchange rate fluctuations).

50. Ancillary costs incurred in the connection with the borrowing is amortised over the period of borrowing.
51. The previous year's figures have been re-grouped / re-classified wherever required to confirm to this year's classification.

# Independent Auditors' Report on Consolidated Financial Statements

To The Members of  
Supreme Industries Limited.

## Report on Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Supreme Industries Limited (herein referred to as "the holding Company") and its subsidiary (the Holding Company and its subsidiaries together referred to as "the Group") and its associate, comprising the consolidated Balance Sheet as at June 30, 2015, the consolidated statement of Profit & Loss and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

## Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associate in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The respective Board of Directors of the companies included in the group and its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the group and for preventing and detecting frauds and other irregularities, the selection and application of the appropriate accounting policies, making judgements and estimates that are reasonable and prudent, and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the Holding Company, as aforesaid.

## Auditors' Responsibility

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

While conducting the 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 auditor report under the provisions of the Act and the rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation and fair presentation of the consolidated financial statements that give a true and a fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the group and its associate as at June 30, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

## Other Matter

We did not audit the financial statements of (i) one subsidiary included in the consolidated financial statements, which constitute (all figures before intercompany eliminations) the total assets of ₹134.53 Lakhs and net assets of ₹ 90.23 Lakhs as at 30th June, 2015, total revenue of ₹ 298.01 Lakhs, net profit of ₹ 34.33 Lakhs and net cash out flows amounting to ₹ 8.25 Lakhs for the year ended on that date, as considered in the consolidated financial statements.

The consolidated financial statement also include the group's share of net profit of ₹ 1064.59 Lakhs for the year ended 30th June, 2015 as considered in the consolidated financial statements, in respect of one (1) associate whose financial statements have not been audited by us. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and associate, and our report in terms of sub-sections (3) and (11)

of section 143 of the Act, in so far as it relates to the aforesaid subsidiary and associate, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in our report of the Holding company and in the auditor's report of the associate company (herein referred to as "associate") incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).
  - (e) On the basis of the written representations received from the directors of the Holding Company as on 30th June, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its associate company incorporated in India, none of the directors of the aforesaid companies, is disqualified as on 30th June, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
    - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - refer note 30 to the Consolidated financial statement
    - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and associate company incorporated in India.

For **CHHOGMAL & CO.**  
FRN 101826W  
*Chartered Accountants*

**Chintan Shah**  
*Partner*  
M. No. 107490  
Mumbai, 24th July, 2015

## Annexure to the Independent Auditor's Report

Annexure referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date.

- (i) (a) Based on the comments in our report of the Holding Company and in the auditor's report of the associate incorporated in India, we report that proper records showing full particulars including quantitative details and situation of fixed assets have been maintained
- (b) Based on the comments in our report of the Holding Company and in the auditor's report of the associate incorporated in India, we report that the fixed assets are physically verified by the management according to a phased programme designed to cover all items. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the respective company and the nature of its assets. In accordance with this programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- (ii) (a) Based on the comments in our report of the Holding Company and in the auditor's report of the associate incorporated in India, we report that the inventory, except those lying with third parties, and goods-in-transit, of the aforesaid companies has been physically verified by the respective managements during the year. Based on the comments in the aforesaid audit reports, the frequency of such verification is reasonable.
- (b) Based on the comments in our report of the Holding Company and in the auditor's report of the associate incorporated in India, we report that the procedures for the physical verification of inventories followed by the management of the aforesaid companies were reasonable and adequate in relation to the size of the respective companies and the nature of its business.
- (c) Based on the comments in our report of the Holding Company and in the auditor's report of the associate incorporated in India, we report that the aforesaid companies are maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) Based on the comments in our report of the Holding Company and in the auditor's report of the associate incorporated in India, we report that the aforesaid companies have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained by it under Section 189 of the Act.
- (iv) Based on the comments in our report of the Holding Company and in the auditor's report of the associate incorporated in India, and according to the information and explanations given to us, we report that, the aforesaid companies have an adequate internal control system commensurate with the respective size of each company and the nature of its business with regard to purchase of inventories and fixed assets and sale of goods and services. Based on the auditor's report referred to above, we have neither come across, nor have we been informed of, any continuing failure to correct any major weaknesses in internal control system.
- (v) Based on the comments in our report of the Holding Company and in the auditor's report of the associate incorporated in India, the holding company have not accepted any deposits from the public in accordance with the provisions of sections 73 to 76 of the Act and the rules framed there under whereas the associate incorporated in India has complied with the directives issued by the Reserve Bank of India and provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder, to the extent applicable. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal in respect of the associate company.
- (vi) Based on the comments in our report of the Holding Company, we report that the maintenance of cost records has not been prescribed under section 148 of the Act, as per comments in the auditor's report of the associate incorporated in India the associate has maintained the prescribed accounts and records as required. However a detailed examination has not been made by the auditors of the associate with a view to determine whether they are accurate
- (vii) (a) Based on the comments in our report of the Holding Company and in the auditor's report of the associate incorporated in India, we report that, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty, Value added tax, Cess, Professional tax and other material statutory dues, as applicable, have been regularly deposited during the year by each of these companies with the appropriate authorities.  
Based on the comments in the auditor's report of the aforesaid companies, no undisputed dues in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty, Value added tax, Cess, Professional tax and other material statutory dues were in arrears as at June 30, 2015 for a period of more than six months from the date they became payable.
- (b) Based on the comments in our report of the Holding Company and in the auditor's report of the associate incorporated in India, according to the information and explanations given to us, the dues of Income tax, Wealth tax, Sales Tax, Value added tax, Service tax, Customs duty, Excise duty and Cess as have not been deposited with the appropriate authorities on account of any dispute are as follows.



### In respect of Holding Company


Name of the statute	Nature of dues	Amount ₹ in lacs	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Excise Duty	640.38 79.04	1994 to 2010 2002-2010	CESTAT Commissioner (Appeals), LTU
The Central Sales Tax Act, 1956 and Sales Tax / Vat / Entry Acts of various states	Sales Tax/VAT and Entry Tax	869.77	Various years from 2003-2004 to 2013-2014	Joint/Deputy Commissioner/ Commissioner (Appeals)
		31.13	Various Years from 2002-2003 to 2009-10	Sales tax Appellate Tribunal
		16.83	1995-1996	Revisionary Board
		156.80	Various Years from 1999-2000 to 2013-2014	High Court
		188.27	2003-2013	Supreme Court
Local Authority - Asansol Durgapur Development Authority	Development Fee	74.51	2009-2010	Asansol Durgapur Development Authority- Durgapur
Profession Tax Act	Profession Tax	0.78	2009-2010	Deputy Commissioner Profession Tax (DGP) WB
Maharashtra Land Revenue Code 1966	Royalty	21.72	2006-2007	Collector Pune
Bombay Stamp Act, 1958	Differential stamp duty	70.32	2006	Deputy Inspector General of Registration and Deputy Collector of Stamps Pune
The Employees' Provident Funds & Miscellaneous Provisions Act, 1952	Provident Fund	4.88	2002-2005	The Regional Provident Fund Commissioner - Gwalior
Employee State Insurance Act, 1948	ESIC	12.16	2008-2011	Regional Director Indore
<b>Total</b>		<b>2166.59</b>		

### In respect of Associate Incorporated in India:

Name of the statute	Nature of dues	Amount ₹ in lacs	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Excise Duty	560.97 115.00	1996 - 2014 2009-2014	CESTAT Commissioner (Appeals) /Jt. / Deputy / Asst. Commissioner / Superintendent of Central Excise
The Service Tax Act, (Finance Act 1994)	Service Tax and Penalty	714.79 425.18	2004 - 2013 2009 - 2014	CESTAT Commissioner (Appeals)/Jt./Deputy/ Asst.Commissioner/ Superintendent of Central Excise
The Central Sales Tax Act, 1956 and Sales Tax / Vat / Entry Acts of various states	VAT and Penalty	9.51 2.61	2005-2011 2003-2004	Deputy Commissioner (Commercial Tax) Asst. Commissioner (Commercial Tax)
The Income Tax, 1961	Income Tax, interest and penalty	44.43 156.93	2007-2008 2005-2009	Commissioner of Income Tax (Appeal) ITAT
<b>Total</b>		<b>2029.42</b>		

(c) Based on the comments in our report of the Holding Company and in the auditor's report of the associate incorporated in India, the amounts required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.

(viii) The holding company and its associate does not have accumulated losses at the end of the financial year nor have they incurred cash losses, on a consolidated basis, during the financial year covered by our audit and in the immediately preceding financial year.

- 
- (ix) Based on the comments in our report of the Holding Company and in the auditor's report of the associate incorporated in India, the aforesaid companies have not defaulted in the repayment of dues to financial institutions, banks and debenture holders.
  - (x) Based on the comments in our report of the Holding Company and in the auditor's report of the associate incorporated in India, and according to the information and explanations given to us, the aforesaid companies has not given any guarantee for loans taken by others from banks or financial institutions during the year.
  - (xi) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the term loans have been applied by the Holding Company and its associate company during the year for the purposes for which they were obtained, other than temporary deployment pending application.
  - (xii) Based on the comments in our report of the Holding Company and in the auditor's report of the associate incorporated in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For **CHHOGMAL & CO.,**  
FRN- 101826W  
*Chartered Accountants*

**Chintan Shah**  
*Partner*  
M.No.: 107490  
Mumbai, 24th July, 2015.

## Consolidated Balance Sheet as on 30th June 2015

	Note	As at 30-Jun-15		₹ in lacs As at 30-Jun-14	
EQUITY AND LIABILITIES					
SHAREHOLDERS' FUNDS					
Share capital	2	2540.54		2540.54	
Reserves and surplus	3	118609.49	121150.03	101375.20	103915.74
NON - CURRENT LIABILITIES					
Long-term borrowings	4	23293.87		26464.58	
Deferred tax liabilities (net)	5	8950.81		11675.13	
Other long-term liabilities	6	270.02		279.75	
Long-term provisions	7	880.54	33395.24	834.69	39254.15
CURRENT LIABILITIES					
Short-term borrowings	8	9585.60		12265.88	
Trade payables	9	30044.17		27770.37	
Other current liabilities	10	25834.15		24348.44	
Short-term provisions	7	15692.82	81156.74	10387.16	74771.85
TOTAL EQUITY AND LIABILITIES			235702.01		217941.74
ASSETS					
NON - CURRENT ASSETS					
Fixed Assets					
Tangible assets	11	101513.24		108201.55	
Intangible assets	11	1737.48		589.91	
Capital work-in-progress	11	9979.86		1807.94	
Non-current investments	12	12068.98		10735.41	
Long-term loans and advances	13	9172.21		6824.86	
Other non-current assets	14	22.89	134494.66	21.29	128180.96
CURRENT ASSETS					
Inventories	15	46467.03		49764.70	
Trade receivables	16	23796.63		23477.90	
Cash and bank balances	17	18182.91		2736.68	
Short-term loans and advances	13	12622.59		13621.70	
Other current assets	14	138.19	101207.35	159.80	89760.78
TOTAL ASSETS			235702.01		217941.74
Significant Accounting Policies.	1				

The accompanying notes are an integral part of the financial statements

As per our report of even date  
For **CHHOGMAL & CO.**  
FRN - 101826W  
Chartered Accountants

**Chintan Shah**  
Partner  
M. No. 107490

**B. L. Taparia**  
Chairman

**S. J. Taparia**  
Executive Director

**P. C. Somani**  
Chief Financial Officer

For and on behalf of the board

**M. P. Taparia**  
Managing Director

**V. K. Taparia**  
Executive Director

**R. J. Saboo**  
AVP (Corporate Affairs) &  
Company Secretary

**H. S. Parikh**  
**N. N. Khandwala**

**B. V. Bhargava**

**Y. P. Trivedi**

**R. Kannan**

**R. M. Pandia**

**Smt. Rashna Khan**

Directors

Mumbai, 24th July 2015

Mumbai, 24th July 2015

## Consolidated Statement of Profit and Loss for the year ended on 30th June 2015

₹ in lacs

	Note	2014 - 2015	2013 - 2014
<b>INCOME</b>			
Revenue from operations	18	425518.59	396222.90
Other income	19	243.15	320.72
		<u>425761.74</u>	<u>396543.62</u>
<b>EXPENDITURE</b>			
Cost of materials consumed	20	273459.06	264421.87
Purchases of Traded Goods	21	16961.67	16293.19
Changes in inventories of finished goods, work-in-progress and traded goods	22	(30.04)	(5796.13)
Employee benefits expenses	23	16804.86	14391.72
Other expenses	24	51699.43	48031.12
		<u>358894.98</u>	<u>337341.77</u>
<b>PROFIT BEFORE INTEREST, TAX AND DEPRECIATION &amp; AMORTISATION</b>		<b>66866.76</b>	<b>59201.85</b>
Finance costs	25	5796.15	7614.48
Depreciation and amortisation expense	26	13898.85	10154.64
		<u>19695.00</u>	<u>17769.12</u>
Depreciation for Earlier Years Provided for/(-) Written Back		-3.20	0.00
<b>PROFIT BEFORE TAX</b>		<b>47174.96</b>	<b>41432.73</b>
<b>TAX EXPENSES</b>			
Current tax		17767.22	11387.94
Deferred Tax		(1763.22)	2609.94
		<u>16004.00</u>	<u>13997.88</u>
<b>PROFIT AFTER TAX</b>		<b>31170.96</b>	<b>27434.85</b>
Add: Share of Profit (+)/Loss(-) in associate for the period		1064.59	908.86
		<u>1064.59</u>	<u>908.86</u>
<b>GROUP PROFIT AFTER TAX AVAILABLE FOR APPROPRIATION</b>		<b>32235.55</b>	<b>28343.71</b>
		<u>32235.55</u>	<u>28343.71</u>
<b>EARNINGS PER SHARE</b>	29		
Basic & Diluted Earning Per Share		25.38	22.31
(Face value of ₹ 2 each)			
Significant Accounting Policies	1		
The accompanying notes are an integral part of the financial statements			

As per our report of even date  
For **CHHOGMAL & CO.**  
FRN - 101826W  
Chartered Accountants

**Chintan Shah**  
Partner  
M. No. 107490

**B. L. Taparia**  
Chairman

**S. J. Taparia**  
Executive Director

**P. C. Somani**  
Chief Financial Officer

For and on behalf of the board

**M. P. Taparia**  
Managing Director

**V. K. Taparia**  
Executive Director

**R. J. Saboo**  
AVP (Corporate Affairs) &  
Company Secretary

**H. S. Parikh**  
**N. N. Khandwala**

**B. V. Bhargava**

**Y. P. Trivedi**

**R. Kannan**

**R. M. Pandia**

**Smt. Rashna Khan**

Directors

Mumbai, 24th July 2015

Mumbai, 24th July 2015

## Consolidated Cashflow Statement for the year ended on 30th June 2015

	₹ in Lacs	
	2014 - 2015	2013 - 2014
<b>A. CASH FLOW ARISING FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax	47174.96	41432.73
Adjustments For :		
Add : Depreciation	13895.65	10154.64
Leasehold Assets Premium W/off	18.90	13.17
Foreign Exchange Translation	4.57	0.38
Interest (Net)	5796.15	7614.48
	<b>19715.27</b>	17782.67
	<b>66890.23</b>	59215.40
Less : Dividend Received	0.04	0.27
Lease Rent Received	0.42	0.21
Profit /(Loss) on sale of Investments	102.29	79.03
Profit /(Loss) on sale of Assets	140.40	241.21
	<b>243.15</b>	320.72
Operating Profit before working capital changes	<b>66647.08</b>	58894.68
Adjustments for :		
Less: Inventories	(3297.67)	3084.33
Trade & Other Receivable	1571.84	6958.36
Trade & Other Payable	(5928.83)	3963.76
	<b>(7654.66)</b>	14006.45
Cash Generated from Operations	<b>74301.74</b>	44888.23
Direct Taxes Paid	<b>14219.46</b>	12368.06
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	<b>60082.28</b>	32520.17
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	19758.39	15417.30
Sale of Fixed Assets	(401.38)	(966.12)
Sale of Investments (Net)	(102.29)	(79.03)
Lease Rent Received	(0.42)	(0.21)
Interest Received	(222.43)	(273.41)
Dividend Received from Associate Company	(434.05)	(723.41)
Dividend Received	(0.04)	(0.27)
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>	<b>18597.78</b>	13374.85
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Long Term Borrowings	15298.83	6275.44
Proceeds from Long Term Borrowings	(10000.00)	(12000.00)
(Increase)/Decrease in Short Term Borrowings	2680.28	5445.05
Interest Paid	6018.58	7887.89
Dividend & Corporate Dividend Tax paid	11965.40	11146.13
<b>NET CASH USED IN FINANCING ACTIVITIES (C)</b>	<b>25963.09</b>	18754.51
<b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS (A-B-C)</b>	<b>15521.41</b>	390.81
Opening Balance at beginning of the year	2376.97	1986.14
Closing Balance at end of the year	<b>17898.37</b>	2376.97

As per our report of even date  
For **CHHOGMAL & CO.**  
FRN - 101826W  
Chartered Accountants

**Chintan Shah**  
Partner  
M. No. 107490

**B. L. Taparia**  
Chairman

**S. J. Taparia**  
Executive Director

**P. C. Somani**  
Chief Financial Officer

For and on behalf of the board

**M. P. Taparia**  
Managing Director

**V. K. Taparia**  
Executive Director

**R. J. Saboo**  
AVP (Corporate Affairs) &  
Company Secretary

**H. S. Parikh**  
**N. N. Khandwala**

**B. V. Bhargava**  
**Y. P. Trivedi**

**R. Kannan**  
**R. M. Pandia**  
**Smt. Rashna Khan**

Directors

Mumbai, 24th July 2015

Mumbai, 24th July 2015



## Notes to Consolidated Financial Statements for the year ended 30th June, 2015

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### A. Basis For Preparation:

The consolidated financial statements have been prepared by the Company in accordance with the requirements of the Accounting Standard (AS) 21 – “Consolidated Financial Statements” and AS 23 “Accounting for Investments in Associates in Consolidated Financial Statements. The financial statements of the Company and its subsidiaries have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra – group balances, intra – group transactions and unrealized profit or losses.

- B.** In translating the financial statements of foreign entity for incorporation in the Consolidated Financial Statements, the assets and liabilities are translated at the exchange rate prevailing at the Balance Sheet date of the subsidiary and the income and expense items are translated at the average rates of the exchange for the year. The resulting exchange differences are classified as Foreign Currency Translation Reserve.

₹ in Lacs

### 2. SHARE CAPITAL

	As at 30-June-15	As at 30-June-14
<b>AUTHORISED</b>		
15,00,00,000 Equity Shares of ₹ 2 each (Previous Year 15,00,00,000 Equity Shares of ₹ 2 each)	<b>3000.00</b>	3000.00
1,12,00,000 (Previous Year 1,12,00,000) Preference Shares of ₹ 10 each	<b>1120.00</b>	1120.00
3,38,00,000 (Previous Year 3,38,00,000) Unclassified Shares of ₹ 10 each	<b>3380.00</b>	3380.00
	<b>7500.00</b>	7500.00
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
12,70,26,870 Nos. Equity Shares of ₹ 2 each (Previous Year 12,70,26,870 Nos. Equity Shares of ₹ 2 each) Fully Paid Up	<b>2540.54</b>	2540.54
<b>TOTAL SHARE CAPITAL</b>	<b>2540.54</b>	2540.54

The details of Shareholders holding more than 5% shares:

Name of the Shareholders	30-Jun-15		30-Jun-14	
	No. of Equity Shares	% of Holding	No. of Equity Shares	% of Holding
Boon Investment and Trading Company Pvt Ltd	20206592	15.91%	20206592	15.91%
Jovial Investment and Trading Company Pvt Ltd	19912082	15.68%	19912082	15.68%
Venkatesh Investment and Trading Company Pvt Ltd	19693081	15.50%	19693081	15.50%
Nalanda India Fund Limited	8176502	6.44%	8176502	6.44%

#### The reconciliation of the number of equity shares outstanding

	30-Jun-15		30-Jun-14	
	Numbers	Amount	Numbers	Amount
Equity Shares at the beginning of the year	127026870	2540.54	127026870	2540.54
Equity Shares at the end of the year	127026870	2540.54	127026870	2540.54

#### Terms/rights attached to Equity shares :

The company has only one class of issued Equity Shares having a par value of ₹ 2 per share. Each Shareholder is eligible for one vote per share held.

The Dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

## Notes to Consolidated Financial Statements for the year ended 30th June, 2015

₹ in Lacs

### 3 RESERVES AND SURPLUS

	As at 30-Jun-15		As at 30-Jun-14	
<b>REVALUATION RESERVE</b>				
As per last Balance Sheet	124.20		128.65	
Less: Extinguished During the Year*	124.20		0.00	
Transferred to Statement of Profit and Loss	0.00		4.39	
Transferred to Leasehold Land	0.00	0.00	0.06	124.20
* The company has during the year extinguished the balance revaluation reserve against the carrying value of revalued assets.				
<b>CAPITAL RESERVE</b>	249.72		247.56	
Add : Transferred from Statement of Profit and Loss	0.00	249.72	2.16	249.72
<b>SECURITIES PREMIUM ACCOUNT</b>		4748.52		4748.52
<b>GENERAL RESERVE</b>				
As per last Balance Sheet	96030.00		80010.63	
Add: Adjustment due to Associate Grouping	703.09		(432.97)	
Less: Transfer of Carrying Value of Assets	1866.50		0.00	
Add : Transferred from Statement of Profit and Loss	18517.32	113383.91	16452.33	96029.99
<b>CAPITAL REDEMPTION RESERVE</b>		221.63		221.63
<b>FOREIGN EXCHANGE TRANSLATION RESERVE</b>		5.71		1.14
<b>STATEMENT OF PROFIT AND LOSS</b>				
As per last Balance Sheet	0.00		0.00	
Add: Profit for the year	32235.55		28343.69	
Less : Appropriations				
Interim Dividend paid on Equity Shares	2540.54		2540.54	
[Dividend per share ₹ 2.00 (Previous Year ₹ 2.00)]				
Corporate Dividend Tax Paid	507.96		431.76	
Proposed Dividend on Equity Shares	8891.88		7621.61	
[Dividend per share ₹ 7.00 (Previous Year ₹ 6.00)]				
Provision for Corporate Dividend Tax	1777.85		1295.29	
Transferred to Capital Reserve	0.00		2.16	
Transferred to General Reserve	18517.32	0.00	16452.33	0.00
<b>TOTAL RESERVES AND SURPLUS</b>		<b>118609.49</b>		<b>101375.20</b>

### 4 LONG TERM BORROWINGS

	Non-Current		Current	
	30-June-15	30-June-14	30-June-15	30-June-14
<b>SECURED</b>				
Rupee Loans from Banks	18923.08	18765.00	3076.92	1235.00
Foreign Currency Loans from Banks - ECB	4163.53	7491.77	3328.24	6048.83
	23086.61	26256.77	6405.16	7283.83
From Others (Rupee Loans)	0.00	0.00	0.00	1250.00
<b>Total Secured</b>	<b>23086.61</b>	<b>26256.77</b>	<b>6405.16</b>	<b>8533.83</b>
<b>UNSECURED</b>				
Deferred payment liabilities (Under Sales Tax Deferral Scheme)	207.26	207.81	0.55	0.00
<b>Total Unsecured</b>	<b>207.26</b>	<b>207.81</b>	<b>0.55</b>	<b>0.00</b>
<b>Amount included under the head "Other Current Liabilities" (Refer note 10)</b>	<b>0.00</b>	<b>0.00</b>	<b>(6405.71)</b>	<b>(8533.83)</b>
<b>TOTAL LONG TERM BORROWINGS</b>	<b>23293.87</b>	<b>26464.58</b>	<b>0.00</b>	<b>0.00</b>

## Notes to Consolidated Financial Statements for the year ended 30th June, 2015

### NOTES :

Term Loans from banks and financial institutions are secured on first pari passu charge basis as under:

- a) Movable properties of the company viz. plant, machineries & moulds, both present and future, situated at all the locations of the company.
- b) In respect of external commercial borrowings of USD 13.85 million from HSBC Bank (Mauritius) Ltd., outstanding as on 30th June, 2015, the company has entered into derivative contract to hedge the said loan for covering (i) currency risk on principal as well as interest and (ii) interest rate fluctuation. This has the effect of freezing the rupee equivalent of the entire liability, as reflected under the head of borrowings. Thus, there is no impact in the Profit and Loss arising out of exchange or interest rate fluctuations for the duration of the loan. Consequently, there is no restatement of the loan taken in foreign currency. The interest payable in Indian rupees on the derivative contract is duly accounted for in the statement of Profit & Loss.

₹ in Lacs

Maturity Profile and Interest Range of Long Term Borrowings	Interest Range (%)	Maturity Profile		
		1 to 2 Years	2 to 3 Years	Above 3 Years
Rupee Term Loans	9.70 to 10.15	15076.92	3076.92	769.24
Foreign Currency Loans	8.14 to 8.14	3328.23	835.30	
Deferred Payment Liabilities	Interest Free	0.55	6.39	200.32

### 5 DEFERRED TAX LIABILITY (Net)

Calculated based on income up to Mar 31, 2015(Previous Year Mar 31, 2014)

	As at 30-June-15	As at 30-June-15
<b>Deferred Tax Liabilities on account of timing differences</b>		
Depreciation	10402.05	11686.51
<b>Transfer of Carrying Value of Assets</b>	(961.11)	0.00
<b>Deferred Tax Assets on account of timing differences</b>		
Amount to be claimed on payment basis	(490.13)	(11.38)
<b>TOTAL DEFERRED TAX LIABILITY</b>	<b>8950.81</b>	<b>11675.13</b>

### 6 OTHER LONG-TERM LIABILITIES

	Non-Current		Current	
	30-Jun-15	30-Jun-14	30-Jun-15	30-Jun-14
Trade / security deposits received	76.74	74.58	37.18	50.86
Others	193.28	205.17	3.17	6.44
Amount included under the head Other Current Liabilities (Refer Note 10)	0.00	0.00	(40.35)	(57.30)
<b>TOTAL OTHER LONG TERM LIABILITIES</b>	<b>270.02</b>	<b>279.75</b>	<b>0.00</b>	<b>0.00</b>

### 7 PROVISIONS

	Long Term (Non-Current)		Short-Term (Current)	
	30-Jun-15	30-Jun-14	30-Jun-15	30-Jun-14
<b>Provision for employee benefits:</b>				
Bonus	0.00	0.00	315.08	308.54
Compensated Absences	880.54	834.69	270.40	104.53
Gratuity	0.00	0.00	0.00	167.34
<b>Provision - Others:</b>				
Provision for Income Tax (Net of Advance Tax paid)	0.00	0.00	4430.19	883.16
Proposed Dividend	0.00	0.00	8891.88	7621.61
Provision for Corporate Dividend Tax	0.00	0.00	1777.85	1295.29
Provision for Wealth Tax	0.00	0.00	7.42	6.69
<b>TOTAL PROVISIONS</b>	<b>880.54</b>	<b>834.69</b>	<b>15692.82</b>	<b>10387.16</b>

## Notes to Consolidated Financial Statements for the year ended 30th June, 2015

₹ in Lacs

### 8 SHORT TERM BORROWINGS

	As at 30-June-15	As at 30-June-14
<b>SECURED</b>		
<b>Working Capital Loans:</b>		
Foreign currency Loans - Buyer's Credit	0.00	2208.69
<b>UNSECURED</b>		
Foreign Currency Loans - Buyer's Credit	9585.60	10057.19
<b>TOTAL SHORT TERM LIABILITIES</b>	<u>9585.60</u>	<u>12265.88</u>

Working Capital Loans from Banks are secured against:

First pari passu charge by way of hypothecation of stocks and Book Debts, both present and future

Second / subservient charge on all movable properties of the company viz. plant, machineries & moulds, both present and future, situated at all the locations of the company.

### 9 TRADE PAYABLES

	As at 30-June-15	As at 30-June-14
Micro, Small and Medium Enterprises	878.67	746.82
Others	29165.50	27023.55
<b>TOTAL TRADE PAYABLES</b>	<u>30044.17</u>	<u>27770.37</u>

Trade payables include acceptances amounting to ₹ 259.83 lacs (previous year ₹ 620.98 lacs)

There are no Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company on unitwise basis. This has been relied upon by the Auditors.

### 10 OTHER CURRENT LIABILITIES

	As at 30-June-15	As at 30-June-14
Current maturities of long-term debt (Refer Note 4)	6405.71	8533.83
Current Portion of Other long-term liabilities (Refer Note 6)	40.35	57.30
Interest accrued but not due on borrowings	40.91	227.45
Items covered by Investor Education and Protection Fund	236.60	211.14
Statutory Remittances	9043.73	7328.78
Payables on Purchase of fixed assets*	5393.75	3561.86
Advances from customers	4587.33	4340.95
Other payables	85.77	87.13
<b>TOTAL OTHER CURRENT LIABILITIES</b>	<u>25834.15</u>	<u>24348.44</u>

Amount due and outstanding to be credited to the Investor Education and Protection Fund as at 30 June 2015 is NIL (Previous Year NIL), except where there are pending legal cases amounting to ₹ 0.90 lacs (Previous year ₹ 0.90 lacs).

\* Payables on Purchase of fixed assets include acceptances amounting to ₹ 891.74 lacs (previous year ₹ 2120.01 lacs)

## Notes to Consolidated Financial Statements for the year ended 30th June, 2015

### 11 FIXED ASSETS

₹ in Lacs

FIXED ASSETS	GROSS BLOCK				DEPRECIATION & AMORTISATION				NET BLOCK		
	As At 1-July-14	Additions During the Year	Deductions/ Adjustment During The Year	As At 30-June-15	As At 1-July-14	For The Year	Transfer to Reserve / Deferred Tax Liability	Deductions/ Adjustment During The Year	As At 30-June-15	As At 30-June-15	As At 30-June-14
<b>A. Tangible assets</b>											
Freehold Land	3083.79	1182.79		<b>4266.58</b>	0.00				<b>0.00</b>	<b>4266.58</b>	3083.79
Leasehold Land	1073.53	233.97	18.90	<b>1288.60</b>	0.00				<b>0.00</b>	<b>1288.60</b>	1073.53
Buildings	37002.57	912.17	225.02	<b>37689.72</b>	7767.28	1451.18	123.13	104.27	<b>9237.32</b>	<b>28452.40</b>	29235.29
Plant, Machinery & Electrical Installations	99850.47	4047.43	2107.80	<b>101790.10</b>	36558.89	8703.08	2505.81	1960.62	<b>45807.16</b>	<b>55982.94</b>	63291.58
Moulds & Dies	25040.12	3054.67	67.33	<b>28027.46</b>	17054.12	2026.09	0.00	(10.37)	<b>19090.58</b>	<b>8936.88</b>	7986.00
Furniture, Fixture & Office Equipments	3835.57	463.09	15.83	<b>4282.83</b>	2569.89	627.67	155.06	0.96	<b>3351.66</b>	<b>931.17</b>	1265.68
– Vehicles - Owned	872.18	23.85	55.75	<b>840.28</b>	566.44	131.45	5.29	51.74	<b>651.44</b>	<b>188.84</b>	305.74
– Sundry Equipments	3177.38	230.24	17.99	<b>3389.63</b>	1217.45	669.06	38.32	1.03	<b>1923.80</b>	<b>1465.83</b>	1959.93
<b>Total Tangible Assets</b>	<b>173935.61</b>	<b>10148.21</b>	<b>2508.62</b>	<b>181575.20</b>	<b>65734.07</b>	<b>13608.53</b>	<b>2827.61</b>	<b>2108.25</b>	<b>80061.96</b>	<b>101513.24</b>	<b>108201.54</b>
<b>B. Intangible Assets</b>											
Computer software	776.97	92.21	6.40	<b>862.78</b>	691.87	76.92		6.05	<b>762.74</b>	<b>100.04</b>	85.10
Right to Use	670.62	1346.03		<b>2016.65</b>	165.81	213.40			<b>379.21</b>	<b>1637.44</b>	504.82
<b>Total Intangible Assets</b>	<b>1447.59</b>	<b>1438.24</b>	<b>6.40</b>	<b>2879.43</b>	<b>857.68</b>	<b>290.32</b>	<b>0.00</b>	<b>6.05</b>	<b>1141.95</b>	<b>1737.48</b>	<b>589.91</b>
<b>Total (A+B)</b>	<b>175383.20</b>	<b>11586.45</b>	<b>2515.02</b>	<b>184454.63</b>	<b>66591.75</b>	<b>13898.85</b>	<b>2827.61</b>	<b>2114.20</b>	<b>81203.91</b>	<b>103250.72</b>	<b>108791.46</b>
Previous year	160662.98	16912.72	2197.17	<b>175378.53</b>	57888.91	10158.34	0.00	1459.03	<b>66588.22</b>	<b>108790.31</b>	102774.07
<b>C. Capital Work-in-Progress</b>										<b>9979.86</b>	1807.94
										<b>113230.58</b>	<b>110599.39</b>

NOTE: Buildings include the cost of ownership premises in Co-operative Societies ₹ 157.31 Lacs (Previous Year ₹ 157.31 Lacs).

### 12 NON - CURRENT INVESTMENTS

	Face Value (₹)	Quantity 30-Jun-15	30-Jun-14	Amount 30-Jun-15	30-Jun-14
<b>INVESTMENTS IN GOVERNMENT &amp; TRUST SECURITIES</b>					
National Saving Certificate				<b>0.00</b>	0.06
Sub Total				<b>0.00</b>	0.06
<b>OTHERS - UNQUOTED AND FULLY PAID UP EQUITY SHARES</b>					
Saraswat Co-op. Bank Ltd.	10	<b>1000</b>	1000	<b>0.10</b>	0.10
Samarpan Fabricators Ltd.	100	<b>1350</b>	1350	<b>0.75</b>	0.75
Sub Total				<b>0.85</b>	0.85
<b>OTHERS - QUOTED &amp; FULLY PAID UP EQUITY SHARES</b>					
Supreme Petrochem Ltd. (an associate company)				<b>2834.83</b>	2834.83
Add: Goodwill on acquisition				<b>502.66</b>	502.66
Add: Accumulated share in profit / (-) loss at the beginning of the year				<b>8093.27</b>	7204.73
Add: Share in profit / (-) loss - current year				<b>1070.51</b>	917.25
Less: Unrealised Profit for Stock in hand				<b>5.92</b>	8.39
Less: Dividend received during the year				<b>434.05</b>	723.41
				<b>12061.30</b>	10727.67
Vijaya Bank Ltd.	10	<b>3200</b>	3200	<b>0.77</b>	0.77
Central Bank of India	10	<b>5874</b>	5874	<b>6.01</b>	6.01
Unimers India Ltd.	10	<b>37</b>	37	<b>0.05</b>	0.05
Sub Total				<b>6.83</b>	6.83
Total				<b>12068.98</b>	10735.41
Aggregate Value of Quoted Investments At Cost				<b>12068.13</b>	10734.50
At Market Value				<b>24212.59</b>	26237.19
Aggregate Value of Unquoted Investments At Cost				<b>0.85</b>	0.91



## Notes to Consolidated Financial Statements for the year ended 30th June, 2015

₹ in Lacs

### 13 LOANS AND ADVANCES

(Unsecured, Considered good unless otherwise stated)

	Long Term (Non-Current)		Short-Term (Current)	
	30-Jun-15	30-Jun-14	30-Jun-15	30-Jun-14
Capital Advances (Advance for Capital Goods)	3349.42	1189.66	0.00	0.00
Sundry Deposits	1550.65	1395.66	550.66	665.97
<b>Other Loans and Advances</b>				
Advances/claims recoverable in cash or kind or for value to be received	2579.50	3121.20	7556.28	10399.88
Prepaid Expenses	25.96	75.75	460.12	290.55
Balance with Government Authorities	1591.06	942.37	3875.04	2098.48
Advances/Loans to employees	75.62	100.22	180.49	166.82
<b>TOTAL LOANS AND ADVANCES</b>	<b>9172.21</b>	<b>6824.86</b>	<b>12622.59</b>	<b>13621.70</b>

### 14 OTHER ASSETS

	Long Term (Non-Current)		Short-Term (Current)	
	30-Jun-15	30-Jun-14	30-Jun-15	30-Jun-14
Accruals	22.89	21.29	108.12	70.47
Assets held for disposal	0.00	0.00	30.07	89.33
<b>TOTAL OTHER ASSETS</b>	<b>22.89</b>	<b>21.29</b>	<b>138.19</b>	<b>159.80</b>

As at 30-June-15

As at 30-June-14

### 15 INVENTORIES

Raw Materials and Components [(including goods in transit ₹ 188.65 Lacs (Previous year ₹ 617.00 Lacs)]	18981.93		17720.66	
Reusable Material	1188.16		1415.43	
Stores, Spare parts, and consumables	1165.55		1055.85	
Packing Material	584.28		642.86	
Finished / Semi-Finished Goods [(including goods in transit ₹ 26.09 Lacs (Previous year ₹ 15.65 Lacs)]	20960.34		20997.15	
Traded Goods	361.19	43241.45	340.27	42172.22
Commercial Complex		3225.58		7592.48
<b>TOTAL INVENTORIES</b>		<b>46467.03</b>		<b>49764.70</b>

### 16 TRADE RECEIVABLES

(Unsecured, Considered good unless otherwise specified)

#### Overdue for more than six months from due date

Considered good	822.46		755.51	
Considered doubtful	157.64	980.10	138.87	894.38

#### Others

Considered good		22974.17		22722.39
Less: Provision for doubtful trade receivables		157.64		138.87
<b>TOTAL TRADE RECEIVABLES</b>		<b>23796.63</b>		<b>23477.90</b>

## Notes to Consolidated Financial Statements for the year ended 30th June, 2015

₹ in Lacs

	As at 30-June-15	As at 30-June-14
<b>17 CASH AND BANK BALANCES</b>		
Cash on hand	52.52	103.68
Cheques on hand	367.25	14.04
Remittance in Transit	90.13	145.33
<b>Balance with Scheduled Banks in :</b>		
Surplus Balances in Cash Credit Accounts	1633.87	273.62
Current Accounts	5754.60	7898.37
	<u>1633.87</u>	<u>273.62</u>
<b>Investment in Liquid Mutual funds*</b>	10000.00	0.00
<b>Other Bank Balances</b>		
Deposit Accounts (Earmarked)	64.28	173.18
Unpaid Dividends and FD Interest	220.26	284.54
	<u>220.26</u>	<u>186.53</u>
<b>TOTAL CASH AND BANK BALANCES</b>	<u><u>18182.91</u></u>	<u><u>2736.68</u></u>

\*Investment in Liquid Mutual funds includes followings:

	Units	₹ In Lacs
BNP Paribas Overnight Fund	136796	3000.00
Birla Sunlife Liquid Plus Fund	1310175	3000.00
HSBC Cash fund- Growth	70259	1000.00
ICICI Prudential Liquid Regular Plan -Growth	473597	1000.00
IDFC Cash Fund Growth Regular Plan	115321	2000.00
<b>Total</b>	<b>2106148</b>	<b>10000.00</b>

	2014 - 2015	2013 - 2014
<b>18 REVENUE FROM OPERATIONS</b>		
Sales of Plastic Products	438277.44	409936.67
Income from Processing	854.95	1220.46
Construction Business	13931.72	6020.30
Others	16122.71	17188.68
	<u>469186.82</u>	<u>434366.11</u>
Less: Excise Duty Paid	47238.68	43850.53
	<u>421948.14</u>	<u>390515.58</u>
<b>Other operating income</b>		
Industrial Promotion Subsidy	2538.26	4694.17
Sundry Receipts	782.18	710.65
License Fees Received	133.15	0.00
Claims & Refunds	84.99	135.78
Liabilities No Longer Required Written Back	31.87	166.72
	<u>3570.45</u>	<u>5707.32</u>
<b>TOTAL REVENUE FROM OPERATIONS</b>	<u><u>425518.59</u></u>	<u><u>396222.90</u></u>
<b>19 OTHER INCOME</b>		
Dividend Received	0.04	0.27
Profit/(Loss) on Sale/Discard of Capital Assets (Net)	140.40	241.21
Profit on sale of Investments	102.29	79.03
Lease Rent	0.42	0.21
<b>TOTAL OTHER INCOME</b>	<u><u>243.15</u></u>	<u><u>320.72</u></u>

## Notes to Consolidated Financial Statements for the year ended 30th June, 2015

₹ in Lacs

	2014 - 2015	2013 - 2014
<b>20 COST OF MATERIALS</b>		
Cost of Raw Material Consumed	263245.72	256239.89
Cost of Packing Material Consumed	6481.23	6101.71
Cost of Premises Sold	3732.11	2080.27
<b>TOTAL COST OF MATERIALS</b>	<u>273459.06</u>	<u>264421.87</u>
<b>21 PURCHASE OF TRADED GOODS</b>		
<b>TOTAL PURCHASE OF TRADED GOODS</b>	<u>16961.67</u>	<u>16293.19</u>
<b>22 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS &amp; STOCK-IN-TRADE</b>		
<b>Inventories at the beginning of the year</b>		
Finished Goods / Semi Finished Goods	20997.15	14466.48
Traded Goods	340.27	477.86
	<u>21337.42</u>	<u>14944.34</u>
<b>Inventories at the end of the year</b>		
Finished Goods / Semi Finished Goods	20960.34	20997.15
Traded Goods	361.18	340.27
	<u>21321.52</u>	<u>21337.42</u>
<b>Change in inventories</b>	15.90	(6393.08)
Increase/(Decrease) in Excise Duty on Finished Goods	(45.94)	596.95
<b>TOTAL CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS &amp; STOCK-IN-TRADE</b>	<u>(30.04)</u>	<u>(5796.13)</u>
<b>23 EMPLOYEE BENEFITS EXPENSES</b>		
Salaries and Wages*	15064.82	12809.77
Contribution to Provident & Other Fund	746.42	649.64
Staff Welfare Expenses	993.62	932.31
<b>TOTAL EMPLOYEE BENEFITS EXPENSES</b>	<u>16804.86</u>	<u>14391.72</u>
*Includes remuneration to MD and ED ₹ 2001.75 Lacs (Previous year ₹ 1697.64 Lacs)		

## Notes to Consolidated Financial Statements for the year ended 30th June, 2015

₹ in Lacs

	2014 - 2015	2013 - 2014
<b>24 OTHER EXPENSES</b>		
Stores & Spare Parts Consumed	2787.27	2942.64
Labour Charges	9442.08	8805.59
Power & Fuel	14640.26	13934.39
Water Charges	79.16	124.44
Repairs & Maintenance of Building	405.17	462.26
Repairs & Maintenance of Plant & Machinery	1011.14	1177.54
Repairs & Maintenance (Others)	416.35	436.73
Directors' Fees	47.90	11.20
Rent, Rates & Taxes	1130.29	949.82
Insurance	177.66	186.08
Corporate Social Responsibility	368.82	221.16
Legal & Professional Fees	909.57	731.47
Travelling & Conveyance	1960.42	1733.68
Vehicle Expenses	361.91	338.30
Advertisement, Publicity & Business Promotion	3697.75	2539.89
Freight and Forwarding Charges	6126.27	5771.46
Printing, Stationery & Communication	814.41	811.36
Royalty	120.29	131.14
Commission & Discount	5132.58	5216.95
Sales Tax	129.99	87.46
Bad Debts (Net of bad debts recovered)	20.42	32.04
Provision for Doubtful Debts	28.38	42.95
Plant Security Services	664.92	567.14
Inspection, Testing and Marking fees	505.76	290.24
Foreign Currency Exchange Fluctuation (Net)	42.26	(127.80)
Miscellaneous Expenses	678.40	612.99
<b>TOTAL OTHER EXPENSES</b>	<b>51699.43</b>	<b>48031.12</b>
<b>25 FINANCE COSTS</b>		
Interest Expenses	5802.95	7666.84
Other borrowing costs	215.63	221.05
Less: Interest Received	222.43	273.41
<b>TOTAL FINANCE COSTS</b>	<b>5796.15</b>	<b>7614.48</b>
<b>26 DEPRECIATION AND AMORTISATION EXPENSE</b>		
Depreciation and Amortisation	13898.85	10159.03
Less : Transferred from revaluation reserve	0.00	4.39
<b>TOTAL DEPRECIATION AND AMORTISATION EXPENSE</b>	<b>13898.85</b>	<b>10154.64</b>

27. The subsidiary and the associate included in the consolidated financial statements are as under:

Name of the subsidiary	Country of Incorporation	Proportion of Ownership As on 30th June, 2015
The Supreme Industries Overseas FZE	Sharjah (UAE)	100%
Name of the Associate	Country of Incorporation	Proportion of Ownership As on 30th June, 2015
Supreme Petrochem Limited	India	29.99%

28. The audited financial statement of the subsidiary and associate are available as on 30th June, 2015 and same have been considered for the preparation of the consolidated financial statements.

## Notes to Consolidated Financial Statements for the year ended 30th June, 2015

### 29 Earning per Equity Share – Basic / diluted

		2014-15	2013-14
Profit after tax (PAT) available for Equity shareholders (₹ in Lakhs)		32235.55	28343.69
Weighted Average Number of Equity shares	Nos.	127026870	127026870
Nominal Value of Equity shares	₹	2	2
Basic / diluted earning per Equity share	₹	25.38	22.31

### 30 Contingent Liabilities and Commitments

₹ in Lacs

	2014 - 2015	2013 - 2014
<b>CONTINGENT LIABILITIES</b>		
Bills/Cheques discounted	1140.55	1072.40
Bank Guarantees issued by Bankers	2556.00	2873.13
Claim against the company including Show-cause-cum- demand Notices in relation to Central Excise and Service Tax not acknowledged as Debts	1383.28	1019.76
Disputed Income Tax Demands	2564.96	2444.84
Disputed Sales Tax / Entry Tax Demands	699.29	1103.20
Other claims against the company not acknowledged as debts	263.20	288.72
Future obligation of exports towards imported capital goods at concessional rate of duty under EPCG Scheme.	5279.37	5352.08
<b>COMMITMENTS</b>		
Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances)	6072.15	931.49
Unexpired Letter of Credit issued by bankers	8005.86	5362.17

#### Notes:

- a) Most of the issues of litigation pertaining to Central Excise & Service Tax are of repetitive nature & are based on interpretation of the provisions of Central Excise / Cenvat Credit Rules. Management has been opined by its counsel that many of the issues raised by revenue will not be sustainable in law as they are covered by judgment of CESTAT or High Courts which supports its contention. As such no material impact on the financials of the company is envisaged.
- b) In case of Income Tax, matters pertaining to additions / disallowances, where the Company has preferred an Appeal, are repetitive in nature. Company has obtained Legal Counsel's opinion on all major items of dispute, as per which it is reasonably assured that the matters are likely to be decided in its favour and are also backed by various decisions of ITAT and /or various High Courts.

Based on internal assessment and opinion received from Tax experts, the Management is of the view that the impact of the risk associated with the pending Income tax matters, if any, in Appeal is moderate and shall not impact the Company's financials substantially.

- c) Sales Tax and Entry Tax related litigation/demand primarily pertains to non- submission of required declaration forms in time due to non- receipt of the same from customers and/ or some interpretation related issues. However in most of the cases, required documents are being filed and minor impact if any, shall be given in the year of final outcome of respective matter in appeal.
- d) Company is reasonably confident to fulfil its export obligation within the stipulated period of the respective EPCG licenses and does not envisage any material financial impact.
- e) Other issues are either in ordinary course of business or not of substantial nature and management is reasonably confident of their positive outcome. Management shall deal with them judiciously and provide for appropriately, if any such need arises.

- 31 There is only one foreign subsidiary company with insignificant transactions. The accounting policies and notes to accounts being similar to that of the holding company as stated in standalone financial are not appended hereto.



## THE SUPREME INDUSTRIES LIMITED

Regd. Office: 612, Raheja Chambers, Nariman Point, Mumbai - 400 021  
CIN: L35920MH1942PLC003554

### ATTENDANCE SLIP

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

D. P. ID*		L.F. No.	
Client ID*		No. of Shares held	

I/We hereby record my/our presence at the 73rd Annual General Meeting of the Company held at Walchand Hirachand Hall, Indian Merchant's Chamber, Near Churchgate Station, 76, Veer Nariman Road, Mumbai - 400020 on Wednesday, 16th September, 2015 at 4.00 p.m.

Name of Shareholder(s)  
(in Block Letters) 1. \_\_\_\_\_ 2. \_\_\_\_\_ 3. \_\_\_\_\_

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

Name of Proxyholder(s)  
(in Block Letters) 1. \_\_\_\_\_ 2. \_\_\_\_\_ 3. \_\_\_\_\_

Signature of Proxy holder 1. \_\_\_\_\_ 2. \_\_\_\_\_ 3. \_\_\_\_\_

\* Applicable for investors holding shares in electronic form.

**Note : Shareholders attending the meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting venue.**



## THE SUPREME INDUSTRIES LIMITED

Regd. Office : 612, Raheja Chambers, Nariman Point, Mumbai - 400 021  
CIN : L35920MH1942PLC003554

### PROXY FORM

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

CIN : L35920MH1942PLC003554  
Name of the Company : The Supreme Industries Limited  
Registered office : 612, Raheja Chambers, Nariman Point, Mumbai 400021

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

I/We, being the member(s) of \_\_\_\_\_ shares of above named Company, hereby appoint:

1) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him  
2) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him  
3) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 73rd Annual General Meeting of the company, to be held on Wednesday, 16th September, 2015 at 4.00 p.m., at Walchand Hirachand Hall, Indian Merchant's Chamber, Near Churchgate Station, 76, Veer Nariman Road, Mumbai - 400020 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions		Optional *	
		For	Against
1	To consider and adopt the Directors' Report and the Audited Statement of Accounts together with Auditors' Report thereon for the financial year ended 30th June, 2015. (Ordinary resolution).		
2	Declaration of Final Dividend and confirmation for payment of Interim Dividend on Equity Shares for the financial year ended 30.06.2015. (Ordinary resolution).		
3	Re-appointment of Shri V.K. Taparia who retires by rotation. (Ordinary resolution).		
4	Appointment of Auditors and fix their remuneration. (Ordinary resolution)		
5	Appointment of Shri Rajeev M. Pandia as an Independent Director. (Ordinary resolution)		
6	Appointment of Shri Ramanathan Kannan as an Independent Director. (Ordinary resolution)		

Resolutions		Optional *	
		For	Against
7	Continuation of Shri M.P. Taparia as Managing Director. (Special Resolution)		
8	Continuation of Shri S.J. Taparia as Executive Director. (Special Resolution)		
9	Increase in Shareholding limit for foreign Institutional Investors (FIIS) / Registered Foreign Portfolio Investors (RFPIs) up to 30 percent of the paid up Equity Share Capital. (Special Resolution)		
10	Appointment of Cost Auditors.(Ordinary resolution)		

Signed \_\_\_\_\_ day of \_\_\_\_\_ 2015.

\_\_\_\_\_  
Signature of Shareholder

Affix  
₹. 1/-  
Revenue  
Stamp

\_\_\_\_\_  
Signature of first proxy holder

\_\_\_\_\_  
Signature of second proxy holder

\_\_\_\_\_  
Signature of third proxy holder

**Notes :**

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- (2) A Proxy need not be a member of the Company.
- (3) A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- (4) \* This is only optional. Please 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 the resolutions, your Proxy will be entitled to vote in the manner as he / she thinks appropriate.
- (5) In the case of joint holders, the signatures of any one holder will be sufficient, but names of all the joint holders should be stated.

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People who know plastics best



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**6500**  
PRODUCTS

*Jeevan bhar ka saath...*

**TOTAL PIPING SOLUTION**





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## THE SUPREME INDUSTRIES LIMITED

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Website: [www.supreme.co.in](http://www.supreme.co.in) E-mail: [supreme@supreme.co.in](mailto:supreme@supreme.co.in)  
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