



**SIGNET**  
**INDUSTRIES LTD.**

**29<sup>th</sup>**

**Annual Report 2013 - 14**



<b>CONTENTS</b>	<b>Page No.</b>
Corporate Information	-
Chariman's Message	1
Financial Performance	2
Notice	4
Director's Report	12
Auditor's Report	20
Balance Sheet	21
Statement of Profit & Loss	22
Notes Forming Part to Balance	24
Sheet and Profit & Loss	
Attendance Slip & Proxy Form	45



*The Irrigation House*

**Board of Directors**

Shri Mukesh Sangla  
Shri Saurabh Sangla  
Smt. Nishtha Neema  
Shri Murli Dhar Vashist

**Company Secretary**

Smt. Preeti Singh

**Auditors**

**M/s. Ashok Khasgiwala & Co.**

Chartered Accountants  
Indore – 452 001

**Registered Office**

308, ACME Plaza,  
Opp. Sangam Cinema,  
Andheri Kurla Road,  
Andheri (East)  
Mumbai – 400 059

**Administrative & Corporate Office**

314/3, SDA Compound,  
Lasudia Mori, Dewas Naka,  
Indore – 452 010

**Registrar & Transfer Agent**

M/s. Ankit Consultancy Pvt. Ltd.,  
Plot No. 60, Electronic Complex  
Pardeshipura,  
Indore (M.P.) – 452 010



## CHAIRMAN'S MESSAGE

Dear Shareholders,

I have pleasure in presenting the 29th Annual report of the Company, along with the Audited accounts for the financial year ended 2013-14.



Despite the fact that the year 2013-14 was a year with number of challenges such as fluctuations in polymer prices with ultimate increasing trends, fluctuations in currency exchange rates where the INR value depreciated against the US \$,, inflationary economic data with rising of duties and taxes, your company successfully completed the vision plan for the period 2013-14,. Your company achieved the Revenue of Rs. **616.53 crores** during 2013-14 and Net Profit for the year increased to Rs. 15.65 crores.

Our roots are firmly grounded in international business, domestic distribution and manufacturing arenas, impressing customers and shareholders alike, with an array of development and diversification plans. Heading towards the future, all that we can say is '**Our best is yet to come**'.

Looking towards the growing competition and demand of our products in the market, the Company has also started producing various high-quality fittings and accessories in relation to micro irrigation and sprinkler irrigation systems, in order to reduce its dependence upon bought out components and to increase its profitability. The company has also set up its own R & D and design division to create a competitive edge .

Your company has successfully tied up for CPVC compound with M/s Sriram Axiall Pvt. Ltd. (a joint venture with Axiall corporation, US Based company) for launching Cpvc pipes and fittings used in hot and cold water transportation. This is one of the best compounds available in the world. More importantly, this is in acute shortage. We expect your company to progress faster with this new world-class product.

To conclude, I would like to thank our Board of Directors, consumers, business partners, the management and all our valued employees for their outstanding efforts during 2013-14. We would also like to thank you, our shareholders, who have trusted and supported the company loyally for many years. I am extremely grateful to you for your unwavering support. It is our privilege to continue to build shareholder value for you over the long term. We shall continue to strive in delivering excellence and superior value to all our stakeholders.

With Best Regards,

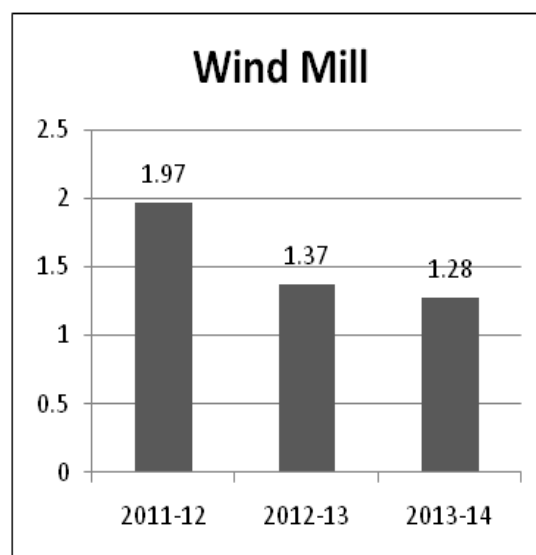
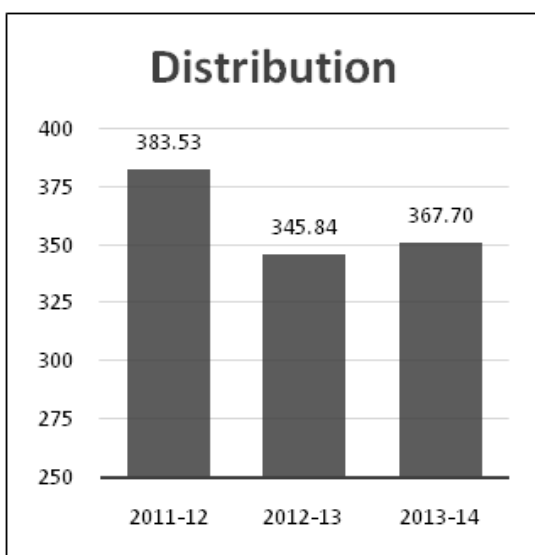
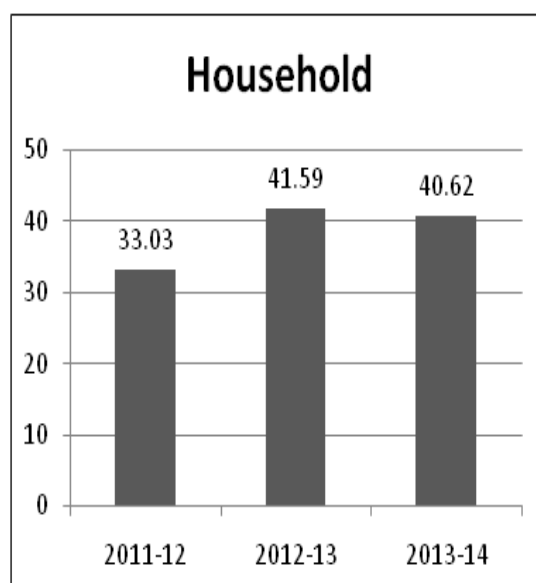
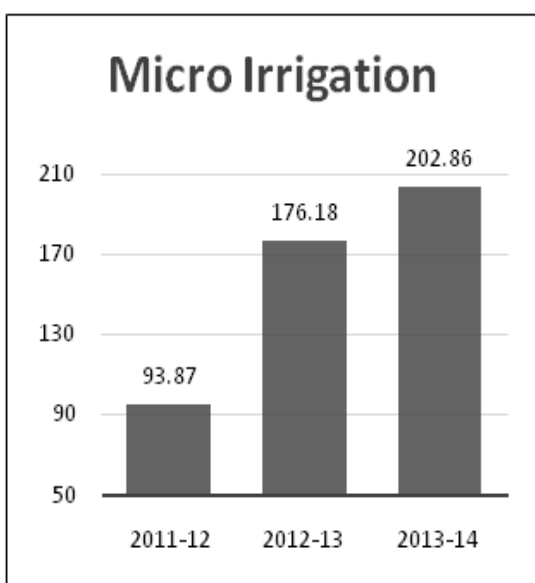
**Mukesh Sangla**  
Chairman



**Revenue Chart**

(Rs. in Cr.)	2011-12	2012-13	2013-14
<b>Micro Irrigation*</b>	<b>93.87</b>	<b>176.18</b>	<b>202.86</b>
<b>Distribution</b>	<b>383.53</b>	<b>345.84</b>	<b>367.70</b>
<b>Household</b>	<b>33.03</b>	<b>41.59</b>	<b>40.62</b>
<b>Windmill</b>	<b>1.97</b>	<b>1.37</b>	<b>1.28</b>

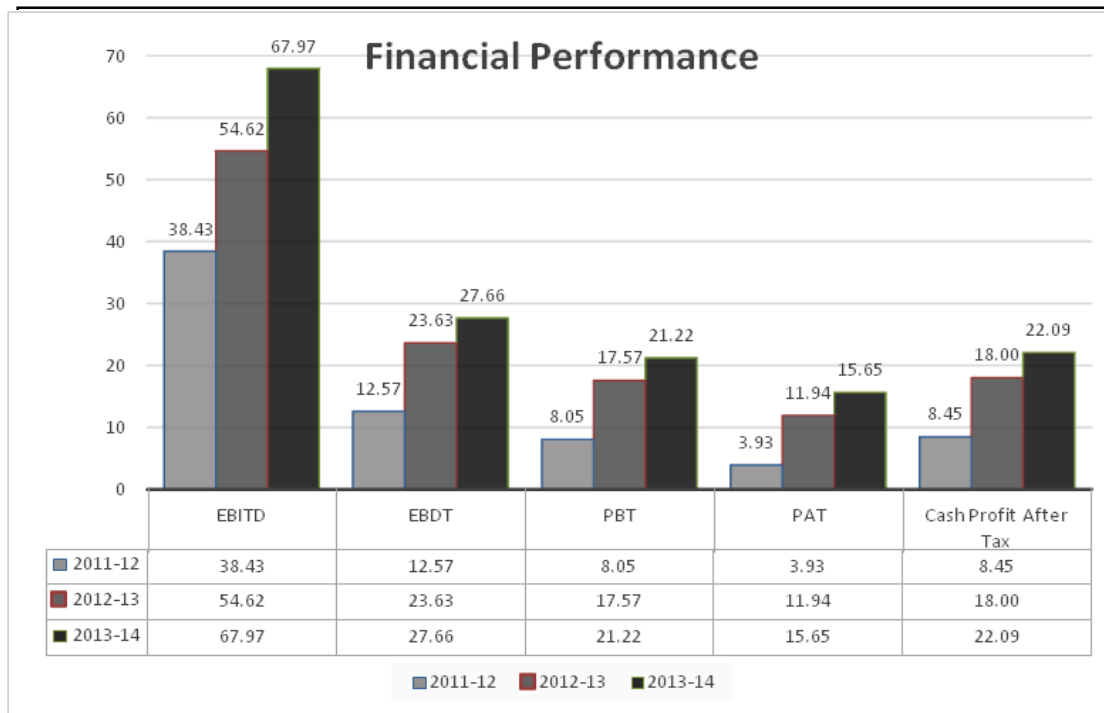
\* Sales net of excise





Financial Performance

(Rs. in Cr.)	2011-12	2012-13	2013-14
EBITD	38.43	54.62	67.97
EBDT	12.57	23.63	27.66
PBT	8.05	17.57	21.22
PAT	3.93	11.94	15.65
Cash Profit After Tax	8.45	18.00	22.09





## NOTICE OF 29<sup>th</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 29<sup>th</sup> Annual General Meeting of the Members of Signet Industries Limited, will be held on **Tuesday**, the 30<sup>th</sup> September 2014 at 11.30 A.M. at Oriental Residency Hotels Pvt. Ltd. 45, Tarun Bharat Co-Op. Housing Society, Andheri ( E ), Mumbai – 400099 to transact the following business : -

### Ordinary Business

1. To receive, consider and adopt the audited Financial Statements of the Company for the financial year ended March 31, 2014 including Audited Balance Sheet as at 31<sup>st</sup> March 2014 and the Statement of Profit & Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on equity shares.
3. To appoint a Director in place of Shri Saurabh Sangla (DIN: 00206069), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:  

“RESOLVED THAT, pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules made there under, and pursuant to the recommendations of the Audit Committee of the Board of Directors, M/s. Ashok Khasgiwala & Co., Chartered Accountants (Registration No. 0743C), be and are hereby re-appointed as Statutory Auditor of the Company, to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting of the Company and that the Board of Directors be and are hereby authorized to fix such remuneration as agreed upon between the Auditors and the Board of Directors.”

### Special Business

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

“RESOLVED THAT Mrs. Nishtha Neema (Holding DIN 01743710), in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company.”

“RESOLVED that pursuant to the provisions of Sections 149, 152, and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mrs. Nishtha Neema (Holding DIN 01743710), a non executive independent director of the Company, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, with effect from 30<sup>th</sup> September 2014 up to 29<sup>th</sup> September 2019.”

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

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Murli Dhar Vashist (Holding DIN 02824595), a non executive independent director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, with effect from 30<sup>th</sup> September 2014 up to 29<sup>th</sup> September 2019.”

7. To consider and if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 197(4), 198 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, or any amendments or substitution thereof (including any statutory modification(s) or re-enactment thereof for the time being in force) and rules framed there under, and in pursuance of recommendation of Remuneration Committee of the Board of Directors of the Company be and is hereby accorded to make revision in Remuneration payable to Mr. Mukesh Sangla (DIN:00189676), Chairman and Managing Director of the Company, as per details given herein below with effect from 1<sup>st</sup> April 2014:



### Remuneration

- A. Salary per month Rs. 7,00,000/- (Indian Rupees Seven Lacs only)
- B. He shall be entitled to Provident Fund, super-annuation fund, gratuity, retirement benefit, leave encashment and any other benefit & facilities as per the rules of the Company.
- C. Other Perquisites:
  - a. Mr. Mukesh Sangla shall also be provided with the Company maintained car with driver, medical insurance and club membership.
  - b. The Company shall reimburse reasonable medical cost incurred by him and his wife either directly or through appropriate insurance.
  - c. The Company shall be provided Rent-free unfurnished accommodation, domestic servants, Telephone facility, cell phone.

**"RESOLVED FURTHER THAT** the draft agreement to be entered into by the Company with Mr. Mukesh Sangla, setting out the said remuneration, other terms and conditions of the employment, be and is hereby initialed by the Chairman for the purpose of identification and which is hereby specifically approved."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as "Board") be and is hereby authorized to vary and/or modify the terms and conditions of the agreement that may be entered as set out in the said draft agreement including remuneration payable to Mr. Mukesh Sangla in such manner as may be agreed between the Board and Mr. Mukesh Sangla and within the limits as prescribed in Schedule V of the Companies Act, 2013 including any amendment, modification, variation or re-enactment thereof."

**"RESOLVED FURTHER THAT** in the event of any loss, absence or inadequacy of the profit of the Company in any financial year, during the term of office of Mr. Mukesh Sangla, the above referred remuneration shall be paid to Mr. Mukesh Sangla as minimum remuneration and the same shall be subject to the limits as set out in Section II of part of II of Schedule V of the Companies Act, 2013."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all things, deeds, acts as may be necessary in this regards."

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 the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as 'the Board' which term shall be deemed to include a Committee of the Board) to lease or otherwise dispose of the whole or substantially the whole of undertaking of the Company by way of creation of security, on the movable and/or immovable assets / properties of the Company, wherever situate, present or future and/or on the Company's receivables whether through mortgage, hypothecation, pledge, assignment, etc., in favour of the lenders / debenture trustees / security trustees / debenture holders / their agents, as the Board may in its absolute discretion think fit for securing the due repayment of any moneys borrowed or to be hereafter borrowed by the Company from any person(s) including mutual funds, banks, financial institutions, bodies corporate, etc. together with interest thereon, further interest, if any, costs, charges, expenses and any other sums payable by the Company.

**FURTHER RESOLVED THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may consider necessary desirable, expedient, usual or proper to give full effect to this resolution."

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

**"RESOLVED THAT** pursuant to the provisions of Section 180(1)(c), 180(2) and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modifications, amendments or re-enactments thereto for the time being in force) the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as 'the Board' which term shall be deemed to include a Committee of the Board) for borrowing any sum or sums of monies from time to time for the purpose of the Company's business on such terms and conditions and with or without security from any bank, financial institution or any other lending institutions, firms, bodies corporate or persons, both in the national and international markets, as may be considered suitable by the Board, notwithstanding that the sum or sums of monies to be so borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves, provided that the total amount so borrowed by the Board shall not at any time





exceed the limit of Rs. **600.00 Crores (Rupees Six Hundred Crores)** only) over and above the paid up capital of the Company and its free reserves.

**FURTHER RESOLVED THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may consider necessary, expedient, usual or proper to give full effect to this resolution."

**By Order of Board  
For Signet Industries Limited**

**Mukesh Sangla  
Chairman and Managing Director**

**Place: Indore  
Date: August 13, 2014**

Registered Office:  
308, Acme Plaza, Opp. Sangam Cinema  
Andheri Kurla Road, Andheri (E)  
Mumbai – 400 059  
CIN: L51900MH1985PLC035202  
E-mail: info@groupsignet.com

**As required by section 102(1) of the Companies Act, 2013, the set out all material facts relating to the special business following Explanatory Statements in accompanied notice.**

#### **Item No.5**

As per the provisions of Section 149(1) of the Act and amended Clause 49 of the Listing Agreement, the Company should have at-least one woman director.

Keeping in view the above legal requirements and in deference to Company's shareholders' wishes, the Board of Directors have proposed that Mrs. Nishtha Neema be appointed as a Director of the Company.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mrs. Nishtha Neema for the office of Director of the Company.

Mrs. Nishtha Neema is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. The Company has also received declarations from Mrs. Nishtha Neema that she meet with the criteria of independence as prescribed both under sub section(6) of section 149 of the Act as well as under clause 49 of the Listing Agreement.

Mrs. Nishtha Neema, a Chartered Accountant with over 12 years experience in Accounts & Taxation, wide exposure in handling accounts management, auditing,

taxation, commercial functions & preparing interim financial and other reports for management.

Mrs. Nishtha Neema is interested in the resolution set out respectively at Item no. 5, of the notice with regard to her appointment.

Save and except the above, none of the other directors/ Key managerial personnel of the company/their relatives are in any way concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolution set out at Item no. 5 of the notice for approval by the shareholders.

#### **Item No. 6**

Mr.Murlidhar Vashist, is non executive independent director of the company and has been holding the position for last few years.

In addition to new provision of the Companies Act, 2013 made applicable w.e.f. April 1, 2014, the securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating the condition for the appointment of independent directors by a listed company.

It is proposed to appoint Mr.Murlidhar Vashist, as independent director under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for term of 5 (Five) years from 30<sup>th</sup> September 2014 up to 29<sup>th</sup> September 2019.

Mr.Murlidhar Vashist, is not disqualified from being appointed as a director in terms of section 164 of the Act and has given his consent to act as Director.

The Company has received notice in writing from member along with the deposit of requisite amount under section 160 of the Act proposing the candidature of Mr. Murlidhar Vashist, for the office of director of the company.

The Company has also received declaration from Mr.Murlidhar Vashist, that he meet with the criteria of independence as prescribed both under sub section(6) of section 149 of the Act as well as under clause 49 of the Listing Agreement.

After reviewing declaration received from the Director and recommendation of remuneration committee for the appointment of director, the Board is of the opinion that Mr. Murlidhar Vashist, fulfill the conditions for appointment as Independent Director as specified in the Act and the Listing Agreement. Mr. Murlidhar Vashist, is independent of the management.

Brief resume of Mr. Murlidhar Vashist, nature of his expertise in specific functional areas and names of companies in which he holds directorships and membership/ chairmanship of Board committees, shareholding and relationship between directors inter-se as stipulated under clause 49 of the Listing Agreement with the stock Exchange, are provided in the corporate Governance Report forming part of the Annual Report.



Copies of the draft letter for appointment of Mr. Murlidhar Vashist, as Independent Director setting out the terms and conditions are available for inspection by members at the registered office of the company.

This statement may also be regarded as a disclosure clause 49 of the Listing Agreement with the stock Exchange.

Mr. Murlidhar Vashist, is interested in the resolution set out at Item no. 6 of the notice with regard to his appointment.

Save and except the above, none of the other directors/ Key managerial personnel of the company/their relatives are in any way concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolution set out at Item no. 6 of the notice for approval by the shareholders.

#### **Item No. 7**

Mr. Mukesh Sangla is one of the promoters of the company and is associated with the company since 1991. Mr. Mukesh Sangla has, through his foresight and visionary approach, coupled with sound understanding of the industry, has led the company to the path of growth.

Considering his experience and expertise, the Audit Committee, the Remuneration Committee and the Board of Directors of the company felt that the remuneration package offered to him need to be revise to make it fair, reasonable and also in line with the remuneration package prevailing in the industry. Further, details such as financial performance, export performance of the company, components of the remuneration package of Directors, are given in the Directors' Report as well as Report on corporate Governance. This may be treated as an abstract of the terms and the conditions for increase in remuneration of Mr. Mukesh Sangla as Chairman and Managing director.

The Audit Committee, the Remuneration Committee and the Board of Directors of the company at its meeting held on 13<sup>th</sup> August 2014 have approved the revision in remuneration payable to Mr. Mukesh Sangla w.e.f. 1<sup>st</sup> April 2014.

In terms of the provisions of Section 188 of Companies Act 2013 the proposed special resolution seeks approval of the members of the company for revision in remuneration payable to Mr. Mukesh Sangla w.e.f. 1<sup>st</sup> April 2014 as is a related party being father of Mr. Saurabh Sangla, Director of the company.

Except Mr. Mukesh Sangla being the proposed beneficiary, and Mr. Saurabh Sangla, being Son of Mr. Mukesh Sangla, no other director of the company, is concerned and /or interested in the resolution.

The Board recommends the Special Resolution set out at Item no. 7 of the notice for approval by the shareholders.

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

As a security for the loans to be sanctioned by financial institution or any other person / persons with whom the company is negotiating for financial assistance for its projects if form of loan/loans, the company would be

required to give first mortgage of all the movable and immovable properties of the company present and future.

Section 180(1)(a) of the Companies Act, 2013, provides, inter alia, that the Board of Directors of company, shall not without the consent of such company in general meeting, lease, or otherwise dispose of the whole or substantially the whole of the undertaking of the company.

Since the mortgaging by the Company of its immovable and movable properties as aforesaid in favour of the financial institution or any other person/persons can be considered to be disposal of the company's properties, it is necessary for the members to pass a resolution under Section 180(1)(a) of the Companies Act, 2013 before creation of the said mortgage / charge / hypothecation.

None of the Directors or Key Managerial Personnel or their relatives of the Company is either directly or indirectly are interested or concerned in the proposed Resolution.

The Board recommends the Special Resolution set out at Item no. 8 of the notice for approval by the shareholders.

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

Section 180(1) (c) of the Companies Act, 2013 requires that the Board of Directors shall not borrow money, where the money to be borrowed, together with the money already borrowed by the company exceed aggregate of its paid-up share capital and free reserves, apart from temporary loan obtained from the company's bankers in the ordinary course of business, except with the consent of the company accorded by way of Special Resolution.

None of the Directors or Key Managerial Personnel or their relatives of the Company is either directly or indirectly are interested or concerned in the proposed resolution.

The Board recommends the Special Resolution set out at Item no. 9 of the notice for approval by the shareholders.

#### **By Order of Board For Signet Industries Limited**

**SD/-  
Mukesh Sangla  
Chairman and Managing Director**

**Place: Indore  
Date: August 13, 2014**

Registered Office:  
308, Acme Plaza, Oppo. Sangam Cinema  
Andheri Kurla Road, Andheri (E)  
Mumbai – 400 059  
CIN: L51900MH1985PLC035202  
E-mail: info@groupsignet.com

**Notes:**

1. A member entitled to attend and vote is also entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member. Proxies in order to be effective must be received by the Company not less than 48 hours before the commencement of this meeting. Members/ Proxies should bring their attendance slip duly filled in order to attend the meeting. A person can act as proxy on behalf of members' not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
2. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013 is annexed hereunder and forms part of the Notice.
3. Brief resume of Directors including those proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/chairmanship of Board Committees, shareholding and relationships between directors inter-se as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.
4. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. The Register of Members and Share Transfer Book of the Company shall remain closed from Wednesday, September 24, 2014 to Tuesday, September 30, 2014 (both days inclusive).
6. The dividend on Equity Shares, if declared at the Meeting, will be credited / dispatched to those members whose names shall appear on the Company's Register of Members on 23<sup>rd</sup> September, 2014; in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by Central Depository Services (India) Limited as beneficial owners on that date.
7. Pursuant to the provisions of Section 205A(5) and Section 205C of the Companies Act, 1956, the Company has transferred the unpaid or unclaimed dividends for the previous financial years from time to time on due dates, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amount lying with the Company as on (date) (date of last Annual General Meeting) on the website of the Company ([www.groupsignet.com](http://www.groupsignet.com)), as also on the website of the Ministry of Corporate Affairs.
8. Members are requested to bring their copies of the Annual Report with them, since separate copies will not be distributed at the venue of the Annual General Meeting.
9. The shareholders are hereby informed that all the correspondence in connection with the shares be addressed to the Registrar & Share Transfer Agent M/S Ankit Consultancy Pvt. Ltd., at Plot no. 60, Electronic Complex, Pardesipura, Indore-452001.
10. Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the Meeting.
11. Members are requested to send their queries, if any, at least seven days in advance of the meeting.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in Securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/Ankit Consultancy.
13. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
14. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend.  
The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company.
15. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the Concerned Depository Participant and holdings should be verified.



16. Electronic copy of the Annual Report is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode.
17. Electronic copy of the Notice of the 29th Annual General Meeting of the Company inter alia indicating the process and manner of E-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 29th Annual General Meeting of the Company inter alia indicating the process and manner of E-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
18. Members may also note that the Notice of the 29th Annual General Meeting and the Annual Report for 2013-14 will also be available on the Company's website at [www.groupsignet.com](http://www.groupsignet.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours (11.00 A.M. to 5.00 P.M.) on all working days except Saturdays and Sundays, up to and including the date of the Annual General Meeting of the Company. Even after registering for 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:cspreeti@groupsignet.com](mailto:idspreeti@groupsignet.com)
19. **The instructions for shareholders voting electronically are as under:**
  - (i) The voting period begins on 24<sup>th</sup> September 2014, 10.00 AM and ends on 26<sup>th</sup> September 2014 at 06.00 PM. 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 **29<sup>th</sup> August 2014**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (iii) Click on Shareholders.
  - (iv) 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.
  - (v) Next enter the Image Verification as displayed and Click on Login.
  - (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
  - (vii) 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	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>· Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the folio number in the PAN field.</li> <li>· In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>· Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares in the Dividend Bank details field.</li> </ul>



- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Signet Industries Limited on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) 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 they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

Other Instructions –

- 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 voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the company as on the cut-off date (record date) of August 29, 2014.
- Mr. Manish Maheshwari, Proprietor M/s M. Maheshwari & Associates, Company Secretaries (Membership No. FCS: 5174, CP No. 3860) has been appointed as the Scrutinizer to scrutinize the E-voting process in a fair and transparent manner.



- The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the E-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
  - The Results shall be declared on or after the AGM of the Company. The Results declared along-with the Scrutinizer’s Report shall be placed on the Company’s website [www.groupsignet.com](http://www.groupsignet.com) and on the website of CDSL withintwo (2) days of passing of the resolutions at the AGM of the Company and communicated to the Exchanges.
20. Section 72 of the Companies Act, 2013 extends the nomination facility to individual shareholders of the Company. Therefore, the shareholders willing to avail this facility may make nomination in Form SH-13.
21. The Ministry of Corporate Affairs (vide circular Nos.17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively, has undertaken a Green initiative in ‘Corporate Governance’ and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by representing / updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with Transfer Agent.

**By the Order of Board**

**For Signet Industries Limited**

**Sd/-**

**Mukesh Sangla  
Chairman and Managing Director**

**Place: Indore**

**Date: August 13, 2014**

Registered Office:  
308, Acme Plaza, Opp. Sangam Cinema  
Andheri Kurla Road, Andheri (E)  
Mumbai – 400 059  
CIN: L51900MH1985PLC035202  
E-mail: [info@groupsignet.com](mailto:info@groupsignet.com)

**ANNEXURE TO NOTICE**

**Details of Directors seeking appointment /re appointment at the forthcoming Annual General Meeting**

**(In pursuance of Clause 49 of the Listing Agreement)**

<b>Name of Director</b>	<b>Mrs. Nishtha Neema</b>	<b>Mr. Murlidhar Vashist</b>
Date of Birth	1st December, 1980	10th June, 1974
Date of Appointment	13th August, 2014	22nd October, 2009
Expertise in specific functional area.	Audit, Finance & Taxation	Audit, Finance & Taxation
Qualification	FCA	FCA
List of outside Directorship held in Public Limited Companies	-	-
Chairman / Member of the Committee of the Board of the Company	Audit Committee – Chairperson Shareholder Committee – Member Remuneration Committee - Member	Audit Committee – Member Shareholder Committee – Chairman Remuneration Committee - Chairman



### DIRECTOR'S REPORT

To,

The Members

Your Directors have pleasure in presenting the 29th Annual Report on the business and operations of the Company and the Audited Financial Statement for the year ended 31st March, 2014.

#### FINANCIAL HIGHLIGHTS

(Rs. in Lacs)

Particulars	2013-2014	2012-2013
Sales & Other Income	61653.75	56742.53
Total Expenditure	54857.27	51279.91
Earning Before Finance Cost,		
Depreciation and Tax	6796.48	5462.62
Less: Financial Costs	4030.90	3099.45
Depreciation and Amortization		
Expenses	643.70	605.93
Profit Before Tax	2121.88	1757.23
Current Tax	445.00	353.00
Deferred Tax	111.87	210.74
Relating to earlier years Tax	-	-
Profit (Loss) for the year	1565.01	1193.49
Basic & Diluted Earning Per Equity		
Share of Face Value of Rs. 10 each	5.26	4.04

#### DIVIDEND

During the year under review, your Board of Directors has recommend a dividend of Rs. 1.20 per equity share (being 12%) for the financial year 2013-14, amounting to Rs. 409.77 Lacs (inclusive of tax of Rs. 59.52 Lacs). The dividend payout is subject to approval of members at the ensuing Annual General Meeting.

The dividend will be paid to members whose names appear in the Register of Members as on 23<sup>rd</sup> September, 2014; in respect of shares held in dematerialised form, it will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited, as beneficial owners as on that date.

#### BUSINESS REVIEW

Your Company continued to maintain its upward trend by registering Sales of Rs. **61653.75** lacs as against Rs. **56742.53** lacs in the previous year. Profit before Finance Costs, Depreciation, and Tax has increased from Rs. **5462.62** lacs to Rs. **6796.48** lacs. After providing for finance costs and Depreciation amounting to Rs. **4674.60** lacs and Rs. **3705.38** lacs respectively, the Profit before Tax for the year under review has amounted to Rs. **2121.88** lacs as compared to Rs. **1757.23** lacs in the previous year. Net profit After Tax for the year has increased to Rs. **1565.01** lacs as compared to Rs. **1193.49** lacs in the previous year.

#### DIRECTORS

In accordance with Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Shri Saurabh Sangla will retire by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Nishtha Neema was appointed as an Additional Director designated as an Independent Director w.e.f. 13<sup>th</sup> August 2014 and she shall hold office up to the date of the ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing Mrs. Nishtha Neema for appointment as an Independent Director.

Pursuant to Section 149 of the Companies Act, 2013, the Board at its meeting held on 13<sup>th</sup> August 2014, recommended appointment of Mr. Murlidhar Vashist, and Mrs. Nishtha Neema as independent Directors of the Company, not liable to retire by rotation for a period of five years from the 29<sup>th</sup> Annual General Meeting subject to approval of the Members of the Company.

The Company has received declarations from all the independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub section(6) of Section 149 of the Act as well as under clause 49 of the Listing Agreement with the Stock Exchanges.

Mr. Ankit Bhandari and Mr. Deepak Mehta has resigned from the Directorship of the Company on 13<sup>th</sup> August 2014. Your Directors place on record their deep appreciation for the guidance received from the out-going Directors.

#### DEPOSITS

Your Company has not accepted any public deposits within the meaning of the provisions of section 58 A of the companies Act, 1956.

#### INSURANCE

The assets of the Company are adequately insured against the loss of fire, natural calamities and such other risk considered by management of the Company.

#### AUDITORS

M/s. Ashok Khasgiwala & Co., Chartered Accountants, Indore Statutory Auditors of the Company, holds office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

The Company has received letters from all of them to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for re-appointment.

The Audit Committee and the Board of Directors recommended the re-appointment of M/s. Ashok Khasgiwala & Co., Chartered Accountants, as the Auditors of the Company for the fiscal year ending on March 31, 2015.

#### AUDITORS' REPORT

The Board has duly reviewed the Statutory Auditors' Report on the Accounts. The observations appearing in the Auditors' Report, does not call for any further explanation/clarification by the Board of Directors.

#### DIRECTORS RESPONSIBILITY STATEMENT

Your Directors affirm that the audited accounts containing the financial statements for the Financial Year 2013-14 are in conformity with the requirements of the Companies



Act, 1956. They believe that the financial statements reflect fairly the form and substance of transactions carried out during the year and reasonably present the Company's financial condition and results of operations. Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the accounting policies have been applied consistently and judgments and estimates made are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit of the Company for that period;
- c) proper and sufficient care has been taken to the best of their knowledge and belief for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the annual accounts have been prepared on a going concern basis.

**CORPORATE GOVERNANCE**

Your Company has complied with the requirements of corporate governance as per clause 49 of the Listing Agreements with the Stock Exchanges. A detailed report on Corporate Governance is annexed to this Annual Report. A certificate from the Statutory Auditors of the Company regarding compliance of conditions of corporate governance has been obtained and is enclosed with this Report.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

A Management discussion and Analysis Report have been attached and forms part the Directors Report.

**PARTICULARS OF EMPLOYEES**

There were no employees during the current year drawing the remuneration more than the limit prescribed under section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

**PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY & FOREIGN EXCHANGE EARNING AND OUTGO :**

Information in accordance with the provision of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are given in annexure 'A' forming part of this report.

**ACKNOWLEDGEMENT**

Your Directors acknowledge the vital role of conscientious and hardworking employee of the Company at all levels towards over all progress of the Company. Stockholders, Customers, Bankers have continued to lend their valuable support to the Company. Your Board takes this opportunity to record their appreciation in this regard.

**For & On Behalf of the Board of Directors**

**Place : Indore** **Mukesh Sangla**  
**Date : 13<sup>th</sup> August, 2014** Chairman

**ANNEXURE- A**

Information under section 217 (1) (e) Read Companies (Disclosure of Particulars in the Reports of Board of Directors) rules, 1988. forming part of the Directors Report for the year ended 31st March 2014.

**CONSERVATION OF ENERGY:**

Energy Conservation measures taken:  
 Energy Conservation measures is an outgoing process and the Company considers it as a high priority area.  
 During the year energy audits were conducted internally. The main measures adopted in energy conservation includes-

1. Modifications /Improvements in process to result in less consumption of the energies for the same output.
2. Installation of proper equipments to improve the power factor.
3. Continuous training of operating staff for effective use of utilities.
4. To achieve significant saving in the energy consumption processing equipments Layouts and service utility layouts were redesigned.

**TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION, RESEARCH AND DEVELOPMENT:**

- (i) Specific Areas in which R&D carried out by the Company and benefits derived as a Result thereof in several Years.  
 Your Company's R&D wing is dedicated to ensure production of best quality products conforming to international standards.
- (ii) Future plan of Action  
 The Company doing its best to improve its quality and to reduce manufacturing expenses.

**Foreign Exchange Earning and Outgo**

Rs. In lacs

S.N.	Particulars	Current Year	Previous Year
(i)	<b>Foreign Exchange Earnings</b>		
	FOB Value of Exports	43.01	23.25
(ii)	<b>Foreign Exchange Outgo</b>		
	Value of Import on CIF basis	9790.96	13430.66

**For & On Behalf of the Board of Directors**

**Place : Indore** **Mukesh Sangla**  
**Date : 13<sup>th</sup> August, 2014** Chairman





**ANNEXURE TO THE DIRECTORS' REPORT**  
**REPORT ON CORPORATE GOVERNANCE**

**I Company's Philosophy**

Your Company's Philosophy on code of Corporate Governance is based on attainment of high level of transparency, accountability, and adequate disclosures and economic value addition. All employees are guided by the Company's policies on important issues, including our relationship with consumers, stake holders and Government.

**II Board of Directors**

In keeping with the commitment of the Management for the principle of integrity and transparency in business operations for good corporate governance, the Company's policy is to have an appropriate blend of executive and independent directors to maintain the independence of the Board, and to separate the board functions of governance and management.

As on 31<sup>st</sup> March 2014, the Board of the Company consisted of five Directors, of which three are non-executive as on 31<sup>st</sup> March 2014.

The Board has no institutional nominee directors.

During the year, 11 Meetings of the Board of Directors of the Company were held on 04.04.2013, 06.05.2013, 30.05.2013, 17.06.2013, 13.08.2013, 02.09.2013, 04.10.2013, 13.11.2013, 04.12.2013, 17.01.2014 and 13.02.2014.

Except Mr. Saurabh Sangla is son of Mr. Mukesh Sangla, Managing Director of the Company, no inter-se relationships among the Directors.

The particulars of the Directors and the attendance at the Board Meetings during the year and the last Annual General Meeting as also the number of other directorships and committee memberships as on date are as follows:

Name of Director	Category	No. of Board Meetings attended	Attendance in last AGM	No. of other Directorship	Committee Membership	
					Chairman	Member
Mr. Mukesh Sangla	Promoter - Executive Director	11	Yes	6	-	-
Mr. Saurabh Sangla	Promoter - Non Executive Director	11	Yes	5	-	3
Mr. Deepak Mehta	Independent	10	Yes	1	1	2
Mr. Murli Dhar Vashist	Independent	10	Yes	-	1	2
Mr. Ankit Bhandari	Independent	9	No	0	1	2

**CODE OF CONDUCT**

As per the provisions of Clause 49 of the Listing Agreement, the Company has framed a code of conduct for the Board Members and Senior Management which was approved and adopted by the Board of Directors. The Code of Conduct has been posted on the website of the Company (<http://www.groupsignet.com>). The Code has been circulated to all members of the Board and Senior Management of the Company who have confirmed compliance therewith.

**III Audit Committee**

The objective of the Audit Committee is to monitor and provide effective supervision of the Management's financial reporting processes with a view to ensuring accurate and proper disclosure and the transparency and quality of financial reporting. The committee also reviews the financial and risk management policies, and the adequacy of internal control systems of the Company and meets Statutory Auditors periodically.

Your Company has an Audit Committee consisting of Three Independent Directors as its members, and The Audit Committee will be held 4 times on 30<sup>th</sup> May 2013, 13<sup>th</sup> August 2013, 13<sup>th</sup> November 2013 and 13<sup>th</sup> February 2014. The details of the meetings held and attended are as given below:

Name of Director	Meetings held	No. of Meetings attended
Mr. Ankit Bhandari	4	4
Mr. Saurabh Sangla	4	4
Mr. Deepak Mehta	4	4
Mr. Murli Dhar Vashist	4	4



**IV Remuneration Committee**

The Remuneration Committee has reviewed the terms of remuneration of Managing Director. The Committee Meeting was held on 30<sup>th</sup> May, 2013 during the year 2013-14. The composition of the remuneration committee is as follows:

Mr. Ankit Bhandari, Mr. Saurabh Sangla, Mr. Deepak Mehta and Mr. Murlidhar Vashist.

**V Shareholders and Investor’s Grievance Committee**

The Committee Meeting was held on 10<sup>th</sup> August, 2013 during the year 2013-14. There were no complaints pending for reply as on 31<sup>st</sup> March 2014 and no share transfers pending for registration as on the said date. The composition of the Shareholders and Investor’s Grievance Committee is as follows:

Mr. Ankit Bhandari, Mr. Saurabh Sangla, Mr. Deepak Mehta and Mr. Murlidhar Vashist.

**VI. Management discussion and analysis**

This is given as a separate chapter in the Annual Report.

**VII. CMD & CFO Certification**

The CMD & CFO have been certified to the Board with regard to the financial statement and other matters as required by Clause 49 of the Listing Agreement. The Certificate is contained in this Annual Report.

**VIII General Body Meetings**

The details of Annual General Meetings held in last 3 years are as under:

Year	Venue	Date	Time
2012-2013	Oriental Residency Hotels Pvt.Ltd. 45, Tarun Bharat Co-Op. Hsg. Society, Andheri ( E ) , Mumbai – 400099	30.09.2013	09.30 A.M.
2011-2012	HOTEL SUNCITY RESIDENCY, (A Division of Royal Sojourn Pvt. Ltd.), 16th Road, MIDC, Marol, Andheri (E) Mumbai 400093	29.09.2012	11.00 A.M.
2010-2011	Hotel Imperial Residency, Plot No. 163, Sher-E-Punjab, Behind Tolani College, Mahakali Caves Road, Andheri (East), Mumbai- 400 093	10.08.2011	01.00 P.M.

The details of Extra Ordinary General Meetings held in last 3 years are as under:

Year	Venue	Date	Time
2010-2011	Hotel Imperial Residency, Plot No. 163, Sher-E-Punjab, Behind Tolani College, Mahakali Caves Road, Andheri (East), Mumbai- 400 093	08.11.2010	01.00 P.M.

The shareholders passed all the resolutions including the special resolutions set out in the respective notices. No Postal Ballots were used for voting at these meetings.

**IX Disclosure**

- i. During the year under review, besides the transactions reported elsewhere in the Annual Report, there were no other related parties’ transaction viz., Promoters, Directors or the Management, their subsidiaries or relatives that had a potential conflict with the interest of the Company at large.
- ii. No penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the period.



**X Means of Communication**

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after the Board has approved them. These are widely published in national and regional newspapers.

**XI General Shareholders Information**

**Annual General Meeting**

Date : 30th September 2014  
 Day : Tuesday  
 Time : 11.30 A.M.  
 Venue : Oriental Residency Hotels Pvt. Ltd.  
 45, Tarun Bharat Co-Op. Housing Society, Andheri ( E ) , Mumbai – 400099

**Date of Book Closure**

The Register of Members and Share Transfer Register of the Company will remain closed from **24<sup>th</sup> September, 2014 to 30<sup>th</sup> September, 2014** (both days inclusive).

**Financial Calendar 2014-2015**

1	First Quarter Results	August, 2014
2	Second Quarter & Half Yearly Results	November, 2014
3	Third Quarter Results	February, 2015
4	Fourth Quarter	May, 2015

**Listing of Securities**

Name of the Stock Exchanges  
 Madhya Pradesh Stock Exchange, Ltd., Bombay Stock Exchange Limited,  
 201, Palika Plaza Phiroze Jeejeebhoy Towers,  
 M.T.H. Compound Dalal Street,  
 Indore - 452001. Mumbai - 400 001

Your Company confirms that it has paid annual listing fees to the Stock Exchanges for the year 2013-14 and as such there are no arrears.

**Registrar & Transfer Agent**

As per the directives of SEBI, the Company has appointed M/s. Ankit Consultancy Pvt. Ltd., Plot No. 60, Electronic Complex, Pardeshipura, Indore (M.P.) – 452 010 as its Registrar and Share Transfer Agent and all the Share transfer and the relating queries may please be forwarded to the Share Transfer Agent directly at their address.

**Share Transfer Systems**

Shares received for transfer in physical form are registered and dispatched within thirty days of receipt of the documents. If shares are under objection then the same are returned within fifteen days. Request for dematerialization of shares are processed within fifteen days.

**Market Price Data**

High/ low of market price of the Company's equity shares traded on BSE during the last financial year was as follows.

Month	Quotation at Bombay Stock Exchange Ltd.	
	High (Rs.)	Low (Rs.)
April, 2013	271.20	230.80
May, 2013	243.30	222.40
June, 2013	315.30	225.20
July, 2013	328.90	274.05
August, 2013	316.40	295.00
September, 2013	322.90	290.15
October, 2013	315.00	298.00
November, 2013	315.00	303.05
December, 2013	360.00	303.75
January, 2014	308.90	303.75
February, 2014	311.80	303.75
March, 2014	312.65	300.00



### Distribution of Shareholding

Distribution of Shareholding as on 31st March 2014 is as under :

Shareholding of nominal value of Rs. Rs.	No. of Shareholders	% of Shareholders	Shares amount in Rs.	% of share holding
0001 – 1000	534	79.46	42550	0.01
1001 – 2000	11	1.64	19310	0.01
2001 – 3000	8	1.19	20030	0.01
3001 – 4000	1	0.15	3410	0.00
4001 – 5000	4	0.60	17820	0.01
5001 – 10000	5	0.74	34810	0.01
10001 – 20000	39	5.80	652040	0.22
20001 – 30000	9	1.34	237530	0.08
30001 – 40000	15	2.23	541500	0.19
40001 – 50000	5	0.74	220840	0.08
50001 – 100000	10	1.49	745490	0.26
100001 & above	31	4.61	289334670	99.12
Total	672	100.00	291870000	100.00

The Shareholding Pattern as on 31<sup>st</sup> March 2014 is given below :

S.No	Category	No. of Shares held	% Shareholding
1	Promoter	2,14,11,000	73.36
2	Private Corporate Bodies	74,74,557	25.61
3	Indian Public	3,01,443	1.03
	Total	2,91,87,000	100.00

### Dematerialization of Shares and Liquidity

Equity shares of the Company are under compulsory demat trading by all categories investors. As on 31<sup>st</sup> March 2014, 2,90,40,900 equity shares have been dematerialized which account for 99.50% of the total equity.

### Address for Correspondence

The Shareholders may address their communications to:

**Mrs. Preeti Singh,**  
 CS & Compliance Officer,  
 Signet Industries Limited,  
 314/3, SDA Compound  
 Lasudia Mori, Dewas Naka  
 Indore – 452 010 (M.P.)

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****Overview**

India is expected to record 6.1 per cent gross domestic product (GDP) growth in the current fiscal. The growth is expected to increase further to 6.7 per cent in 2014-15, according to the World Bank's latest India Development Update, a bi-annual report on the Indian economy. While, the Prime Minister's Economic Advisory Panel expects the economic growth rate to increase to 6.4 per cent in 2013-14 from 5 per cent during 2012-13, on back of improvement in performance of agriculture and manufacturing sectors.

Despite being among the fastest growth markets globally, India's per capita plastic consumption (PE, PP and PVC) at 6.6 Kg remains far behind those of the US (67.3 Kg), China (36.7 Kg) and Brazil (24.6 Kg). However, it is advancing at 2.5 times its GDP growth. Besides, the subcontinent's surging industrialisation and increasingly powerful economy holds immense untapped growth potential.

Polymer consumption in India is poised to grow multifold, with the help of new developments in packaging applications, infrastructure growth, modernisation of agriculture sector, improved healthcare facilities, improved lifestyle and disposable incomes, automobile demand and rural penetration.

PVC finds applications in irrigation pipes, drinking water supply, sewerage schemes, profiles for the building industry, wires and cables. Pipes and fittings continue to account for 74% of the domestic PVC demand. India's PVC consumption was estimated to be 2.24 MMT in FY 2012-13, growing by 14% over the previous year.

Looking towards the growing competition and demand of our products in the market, the Company has also started producing various high-quality fittings and accessories in relation to micro irrigation and sprinkler irrigation systems, in order to reduce its dependence upon bought out components and to increase its profitability. The company has also set up its own R & D and design division to create a competitive edge over its competitor.

Company has successfully tied up for CPVC compound with on M/s Sriram Axiall Pvt. Ltd. for launching Cpvc pipes and fittings used in hot and cold water transportation. This is one of the best available compounds available in the world. More importantly, this is in acute shortage. We expect our company to progress faster with this new world-class product

**Opportunities**

Plastic Industry is growing rapidly and plastic is readily replacing metal in all walks of life and with skilled manpower, the industry could certainly reach newer heights.

This has facilitated the plastic processors to build capacities for the service of both the domestic market and the markets overseas. Today Indian Plastic processing sector comprises of over 30,000 units involved in producing a variety of items through injection moulding, blow moulding, extrusion and calendaring. The capacities built in most segments of this industry coupled with inherent capabilities have made us capable of servicing the overseas markets. The Indian plastic industry has taken great strides and in the past few decades, the industry has grown to the status of a leading sector in the country with a sizable base

The growing Indian economy creates unprecedented opportunities for SIL to significantly invest and expand in each of its core business.

**Threats**

In India irrigation water charges are quite low. Water pricing is used as a political tool rather than reflecting the costs of O & M of the irrigation infrastructure. The water charges collected are not sufficient to properly maintain the system infrastructure. Also each State has a different system of collecting and utilizing the water charges.

In many irrigation schemes, infrastructure has been deteriorated; there are heavy leakages and seepages at various locations of conveyance network. Water control and measuring structures are not provided. Unless these systems are rehabilitated, farmers are reluctant to takeover the system management. Rehabilitation/ modernization of such systems require huge investment by the governments.

**Internal Control Systems**

SIL, have well defined and adequate internal controls and procedures, commensurate with its size and nature of its operations. This is further strengthened by the Internal Audit done concurrently.

An Audit Committee, headed by a Non-Executive Independent Director, reviewed audit observations periodically. The Audit Committee of Directors, in its periodical meetings, reviews the adequacy of internal control systems and procedures and suggests areas of improvements

The Company has received the approval of the Bureau of Indian Standard (BIS) for supply of in-house manufactured 20 mm round drip irrigation lateral pipes.

**Cautionary Statement**

The Statement made in this Report on Management Discussions and Analysis, describing the Company's view may be forward looking statements within the meaning of the applicable security regulations and laws. These assumptions are based on certain expectations on demand, imports, and availability of power rates etc. and any change in Government laws and the economic situation in the country may mark a difference to the Company's operations. The Company assumes no responsibility in respect of forward-looking statements herein, which may undergo changes in future for reasons beyond the control of the Company.

**CMD/CFO CERTIFICATION**

We Mukesh Sangla, Managing Director and Mr. Sumit Jamad, Chief Financial Officer do hereby, certify to the Board that:

- a) We have reviewed the Financial Statement and the Cash Flow Statement and to the best of our knowledge and belief:
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
  - 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) To the best of our knowledge and belief, no transactions entered in to by the Company during the period are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept the responsibility for establishing and maintaining internal controls for financial reporting, evaluate the effectiveness, disclosing the deficiencies in the design or operation of internal controls, if any, to the Auditors and Audit Committee and take steps or propose to take steps to rectify these deficiencies.
- d) We have indicated, wherever applicable, to the Auditors' and the Audit Committee:
  - i) Significant changes in internal Control over financial reporting during the period;
  - ii) Significant changes in Accounting Policies, the same have been disclosed in the notes to the financial statement; and
  - iii) Instances of significant fraud of which we have become aware.

Place: Indore  
Date: 13<sup>th</sup> August, 2014

**Sumit Jamad**  
Chief Financial Officer

**Mukesh Sangla**  
Chairman & Managing Director

**AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of  
Signet Industries Limited

We have examined the compliance of corporate governance by Signet Industries Limited, Mumbai for the year ended on 31<sup>st</sup> March 2014, as stipulated in clause 49 of the Listing agreement of the said company with stock exchanges.

The compliance of conditions of corporate governance is responsibility of the management. Our examination was limited to the procedure and implementation thereof, adopted by Signet Industries Limited 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 Signet Industries Limited.

On the basis of our review and according to the information and explanation given to us and representation made to us by the management, we state that to the best of our knowledge and belief, the Company has complied in all material respects with the conditions of Corporate Governance stipulated in Clause 49 of the Listing Agreement of the Stock Exchanges.

For Ashok Khasgiwala & Co.  
Chartered Accountants

**(Avinash Baxi)**  
**(Partner)**  
**M.No.79722**

Place: Indore  
Date: 13<sup>th</sup> August, 2014

**Independent Auditors Report**

To,

The Members of

**Signet Industries Limited**

**Report on the Financial Statements**

We have audited the accompanying financial statements of Signet Industries Limited ("The Company") which comprises the Balance Sheet as at 31<sup>st</sup> March, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

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

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

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order 2003 (as amended), issued by the Central Government of India in terms of Sub Section (4A) of Section 227 of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. As required by section 227 (3) of the Act, we report that:
  - a) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us;
  - c) the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account and with the returns received from the branches not visited by us;
  - d) in our opinion, the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement comply with the Accounting standards referred to in Section 211 (3C) of the Companies Act, 1956 read with the General Circular 15/2013 dated 13<sup>th</sup> September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
  - e) on the basis of written representations received from the directors, as on 31<sup>st</sup> March, 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2014, from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.

For **ASHOK KHASGIWALA & CO.**,  
CHARTERED ACCOUNTANTS.  
(Firm Reg. No. 0743C)

**CA Avinash Baxi**

Partner

M.No. 79722

Place : Indore

Date : 28<sup>TH</sup> May, 2014

**Annexure to Independent Auditor's Report**

Referred to in paragraph (1) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date :-

- i. In respect of its Fixed Assets :
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
  - b. The fixed assets have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its fixed assets. As informed, no material discrepancies were noticed on such verification.
  - c. During the year, the Company has not disposed off a substantial part of fixed assets and we are of the opinion that the going concern status of the company is not affected.
- ii. In respect of its Inventories:
  - a. The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is 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. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
- iii.
  - a. According to the information and explanations given to us, the Company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under 301 of the Companies Act, 1956. Hence the provisions of clauses iii (b), iii(c) and iii (d) of the said Order are not applicable to the company.
  - b. According to the information and explanations given to us, the Company has not taken any loan secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence the provisions of clauses iii (f) and iii (g) of the said Order are not applicable to the company.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system in respect of these areas.
- v. In respect of transactions covered under section 301 of the Companies Act, 1956.
  - a. According to the information and explanations given to us, we are of the opinion that the particulars of contract or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 has been so entered.
  - b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of the rupees five lakhs in respect of each party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public to which the provisions of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 apply.
- vii. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- viii. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules 2011 prescribed by the Central Government under Section 209 (1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- ix. In respect of Statutory dues :
  - a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employee's state insurance, income tax, sales tax, service tax, wealth tax, custom duty, excise duty, cess and other statutory dues applicable to it. There were no undisputed statutory dues in arrears, as at 31<sup>st</sup> March, 2014 for a period of more than six months from the date they became payable.





- b) The details of dues of sales tax, value added tax, income tax, service tax, custom duty, wealth tax, excise duty and cess to the extent applicable, which have not been deposited with appropriate authorities on account of any dispute are as under:

Name of the Statute	Nature of Liability	Related Period	(Amount in Rs.)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2005-06 To 2011-12	329257870	CIT Appeal
Value Added Tax Act, 2002	Sales Tax	2008-09	384839	Additional Comm. (Appeal)
Custom & Central Excise	Excise Duty	2007-08	1575198	Commissioner (Appeal)
Central Sales Tax Act, 1956	Central Sales Tax	2008-09	637793	Joint Commissioner (Appeal)

- x. In our opinion, the Company has no accumulated losses as at 31<sup>st</sup> March 2014 and it has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xi. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a Financial Institutions or Banks as at Balance Sheet date. The Company has not issued any debenture.
- xii. In our opinion, according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xiv. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor Report) Order, 2003 are not applicable to the Company.
- xv. The Company has given guarantee for loans taken by Others from Bank. In our opinion and according to the information and explanations given to us the terms and condition of the guarantee given are not prima facie prejudicial to the interest of the company.
- xvi. In our opinion, the term loans raised during the year have been applied for the purpose for which they were raised.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- xviii. The Company has not made preferential allotment of shares to parties or Companies covered in the register maintained under section 301 of the Act.
- xix. The Company has not issued any debentures.
- xx. The Company has not raised money by public issues during the year under audit.
- xxi. During the course of our examination of the books of account 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 material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

Place: Indore  
Date: 28th May, 2014

For **ASHOK KHASGIWALA & CO.,**  
**CHARTERED ACCOUNTANTS.**  
(Firm Reg. No. 0743C)

**CA Avinash Baxi**  
Partner  
**M.No. 79722**



## Balance Sheet as at 31st March, 2014

(Figures in Rs.)

Particulars	Note	As at 31st March 2014	As at 31st March 2013
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	1	341,870,000	341,870,000
(b) Reserves and Surplus	2	248,314,547	135,715,384
		<b>590,184,547</b>	<b>477,585,384</b>
<b>(2) Non-Current Liabilities</b>			
(a) Long-Term Borrowings	3	986,437,753	919,098,745
(b) Deferred Tax Liabilities (Net)	4	115,706,047	104,518,550
(c) Long Term Provisions	5	2,437,610	1,839,859
		<b>1,104,581,410</b>	<b>1,025,457,154</b>
<b>(3) Current Liabilities</b>			
(a) Short-Term Borrowings	6	1,438,447,036	1,622,241,105
(b) Trade Payables	7	1,523,807,456	1,172,621,246
(c) Other Current liabilities	8	322,490,812	251,682,302
(d) Short-Term Provisions	9	83,524,062	19,442,775
		<b>3,368,269,366</b>	<b>3,065,987,428</b>
	<b>TOTAL</b>	<b>5,063,035,323</b>	<b>4,569,029,966</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	10	817,375,778	779,243,764
(ii) Capital Work in Progress		1,034,400	-
(b) Non- Current Investments	11	808,590	76,945,880
(c) Long Term Loans and Advances	12	101,735,879	81,211,723
(d) Other Non - Current Assets	13	22,054,124	-
		<b>943,008,771</b>	<b>937,401,367</b>
<b>(2) Current Assets</b>			
(a) Inventories	14	876,728,309	729,142,110
(b) Trade Receivables	15	2,412,263,691	2,031,064,285
(c) Cash and Bank Balances	16	642,995,461	678,153,341
(d) Short -Term Loans and Advances	17	161,499,682	172,336,392
(e) Other Current Assets	18	26,539,409	20,932,471
		<b>4,120,026,552</b>	<b>3,631,628,599</b>
	<b>TOTAL</b>	<b>5,063,035,323</b>	<b>4,569,029,966</b>
Notes forming an integral part to the financial statements	1 to 47	-	-
Significant Accounting Policies	48		

AS PER OUR REPORT OF EVEN DATE  
FOR ASHOK KHASGIWALA & CO.  
CHARTERED ACCOUNTANTS

CA Avinash Baxi  
Partner  
M.No.: 79722

Place: Indore  
Date : 28th May, 2014

Sumit Jamad  
Chief Financial Officer

Preeti Singh  
Company Secretary

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Saurabh Sangla  
Director

Ankit Bhandari  
Director



<b>Statement of Profit and Loss for the year ended 31st March 2014</b>			
(Figures in Rs.)			
Particulars	Note	For the year ended 31st March 2014	For the year ended 31st March 2013
<b>I. INCOME</b>			
(a) Revenue from Operations (Gross)	19	6,255,352,723	5,783,762,925
Less: Excise Duty		130,688,614	134,017,526
		<u>6,124,664,109</u>	<u>5,649,745,399</u>
(b) Other Income	20	40,711,501	24,507,468
	<b>Total Revenue</b>	<b>6,165,375,610</b>	<b>5,674,252,867</b>
<b>II. EXPENSES</b>			
(a) Cost of Materials Consumed	21	1,574,470,774	1,520,558,351
(b) Purchases of Stock in Trade	22	3,456,528,233	3,234,382,919
(c) Changes in inventories of finished goods work-in-progress and Stock-in-trade	23	16,724,259	22,196,133
(d) Employee Benefits Expenses	24	96,607,791	76,489,204
(e) Finance Costs	25	403,089,892	309,945,104
(f) Depreciation and Amortization Expenses	10	64,369,609	60,593,492
(g) Other Expenses	26	341,396,720	274,364,588
	<b>Total Expenses</b>	<b>5,953,187,278</b>	<b>5,498,529,791</b>
<b>III. Profit before exceptional and extraordinary items and tax (I - II)</b>		<b>212,188,332</b>	<b>175,723,076</b>
<b>IV. Exceptional / Extraordinary Items</b>		-	-
<b>V. Profit before tax (III-IV)</b>		<b>212,188,332</b>	<b>175,723,076</b>
<b>VI. Tax Expenses:</b>			
(a) Current Tax		(44,500,000)	(35,300,000)
(b) Deferred Tax		(11,187,497)	(21,073,740)
<b>VII. Profit for the Year</b>		<b>156,500,835</b>	<b>119,349,336</b>
<b>VIII. Earning per Equity Share of Face Value</b>			
Rs. 10 Each Basic and Diluted (In Rs.)		5.26	4.04
<b>Notes forming an integral part to the financial statements</b>			
	1 to 47		
<b>Significant Accounting Policies</b>			
	48		
AS PER OUR REPORT OF EVEN DATE <b>FOR ASHOK KHASGIWALA &amp; CO.</b> CHARTERED ACCOUNTANTS <b>CA Avinash Baxi</b> Partner M.No.: 79722		FOR AND ON BEHALF OF BOARD OF DIRECTORS	
<b>Sumit Jamad</b> Chief Financial Officer	<b>Saurabh Sangla</b> Director	<b>Ankit Bhandari</b> Director	
<b>Preeti Singh</b> Company Secretary			
Place: Indore Date : 28th May, 2014			



## CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2014

Particulars	For the year 2013-2014	For the year 2012-2013
<b>Cash Flow from Operating Activities</b>		
Profit before tax	212,188,332	175,723,076
<b>Adjustments for:</b>		
Depreciation	64,369,609	60,593,492
Finance Costs	403,089,892	309,945,104
Loss/(Profit) on sales of Fixed Assets	-	(14,083)
Investments W/off	1,132,290	-
Dividend	(33,480)	(29,800)
Interest Received	(43,376,153)	(65,034,992)
Profit on sale of Investment	(40,314,320)	-
Operating Income before working capital changes	<b>597,056,170</b>	<b>481,182,797</b>
<b>Adjustments for:</b>		
Inventories	(147,586,199)	(55,419,607)
Trade & Other Receivables	(392,601,766)	(124,324,288)
Trade & Other Payables	361,653,008	37,709,742
<b>Cash Flow From Operations</b>	<b>418,521,212</b>	<b>339,148,644</b>
Taxes Paid	(33,202,365)	(18,376,460)
<b>Net Cash From Operating Activities</b>	<b>385,318,847</b>	<b>320,772,184</b>
<b>Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(108,707,141)	(44,808,915)
Dividend	33,480	29,800
Interest Received	43,376,153	65,034,992
Sale of Investments	115,319,320	-
Sales of Fixed Assets	-	480,000
Bank balances pledged not considered as cash and cash equivalent	(1,025,869)	(300,570,686)
<b>Net Cash Used in Investing Activities</b>	<b>48,995,944</b>	<b>(279,834,809)</b>
<b>Cash Flow from Financing Activities</b>		
Proceed From Borrowings	138,562,799	292,136,484
Repayment of Borrowings	(183,794,069)	(85,912,738)
Finance Costs	(403,089,892)	(309,945,104)
Dividend Paid (Inclusive of dividend Tax)	(1,402,341)	(57,667,164)
<b>Net Cash Flow From Financing Activities</b>	<b>(449,723,503)</b>	<b>(161,388,522)</b>
Net Increase/(Decrease) in Cash & Cash Equivalent	(15,408,712)	(120,451,147)
Cash & Cash Equivalents at Beginning of the Year	95,313,721	215,764,868
<b>Cash &amp; Cash Equivalents at End of the Year</b>	<b>79,905,009</b>	<b>95,313,721</b>
Bank balances not considered as cash and cash equivalent	563,090,452	582,839,620
<b>Cash and Bank balances at the end of the year</b>	<b>642,995,461</b>	<b>678,153,341</b>

AS PER OUR REPORT OF EVEN DATE  
FOR ASHOK KHASGIWALA & CO.  
CHARTERED ACCOUNTANTS

CA Avinash Baxi  
Partner

M.No.: 79722

Place: Indore  
Date : 28th May, 2014

Sumit Jamad  
Chief Financial Officer

Preeti Singh  
Company Secretary

Saurabh Sangla  
Director

Ankit Bhandari  
Director

FOR AND ON BEHALF OF BOARD OF DIRECTORS



**Notes forming integral part to Financial Statements for the Year Ended  
31st March 2014**

(Figures In Rs.)

Particulars	As at 31st March 2014	As at 31st March 2013
<b>NOTE '1': SHARE CAPITAL</b>		
<b>Authorised</b>		
3,00,00,000 (Previous Year : 3,00,00,000) Equity shares of Rs.10 each	300,000,000	300,000,000
50,00,000 (Previous Year : 50,00,000) 5% Non-Cumulative Redeemable Preference Shares of Rs.10 each	50,000,000	50,000,000
	<u>350,000,000</u>	<u>350,000,000</u>
<b>Issued, Subscribed and fully paid up</b>		
2,91,87,000 (Previous Year : 2,91,87,000) Equity shares of Rs.10 each fully paid up	291,870,000	291,870,000
50,00,000 (Previous Year : 50,00,000) 5% Non-Cumulative Redeemable Preference Shares of Rs.10 each fully paid up	50,000,000	50,000,000
<b>Total</b>	<u>341,870,000</u>	<u>341,870,000</u>

**1.1 Reconciliation of number of Equity Shares and amount outstanding :**

Particulars	As at 31st March 2014		As at 31st March 2013	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares at the beginning of the year	29,187,000	291,870,000	29,187,000	291,870,000
Add : Issued during the year	-	-	-	-
Equity Shares at the end of the year	29,187,000	291,870,000	29,187,000	291,870,000

**1.2 Reconciliation of number of Preference Shares and amount outstanding :**

Particulars	As at 31st March 2014		As at 31st March 2013	
	No. of Shares	Amount	No. of Shares	Amount
Preference Shares at the beginning of the year	5,000,000	50,000,000	-	-
Add : Issued during the year	-	-	5,000,000	50,000,000
Preference Shares at the end of the year	5,000,000	50,000,000	5,000,000	50,000,000

**1.3 Terms / Rights attached to Equity Shares :**

The company has only one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

**1.4 Terms / Rights attached to Preference Shares :**

Preference Shares are Non Convertible, Non Cumulative, Redeemable and have a par value of Rs.10/- per share. Each Preference Shareholder is eligible for one vote per share only on resolution affecting their rights and interest. Shareholders are entitled to dividend at the rate of 5% p.a. which is non cumulative. In the event of liquidation of the Company before redemption the holders of preference shares will have priority over equity shares in the payment of dividend and repayment of capital.

**1.5** The Company has allotted 50,00,000 ,5% Non Convertible, Non Cumulative, Redeemable Preference Shares of Rs. 10/- each on 8<sup>th</sup> October 2012. These Preference Shares are redeemable at par, not being after 20 years From the date of allotment, to be decided by the Board of Directors.


**1.6 Equity Shareholders holding more than 5% equity shares:**

Name of the Shareholder	As at 31st March 2014		As at 31st March 2013	
	No. of Shares	%	No. of Shares	%
Shri Balaji Starch & Chemicals Pvt. Ltd.	3,886,200	13.31%	3,886,200	13.31%
Swan Irrigation Private Limited	2,891,700	9.91%	2,891,700	9.91%
Adroit Industries (India) Limited	2,475,000	8.48%	2,475,000	8.48%
Mr. Mukesh Sangla	1,844,382	6.32%	1,844,382	6.32%
Mrs. Monika Sangla	1,843,500	6.32%	1,843,500	6.32%
Mr. Saurabh Sangla	1,812,000	6.21%	1,812,000	6.21%
Ornate Impex Private Limited	2,078,400	7.12%	2,078,400	7.12%
Signet Tradelinks Private Limited	2,065,746	7.08%	2,065,746	7.08%

**1.7 Preference Shareholders holding more than 5% preference shares:**

Name of the Shareholder	As at 31st March 2014		As at 31st March 2013	
	No. of Shares	%	No. of Shares	%
Avance Technologies Limited	1,550,000	31.00%	1,550,000	31.00%
Asan Investments & Finance Limited	1,000,000	20.00%	1,000,000	20.00%
Advance Corpcare (India) Private Limited	600,000	12.00%	600,000	12.00%
Advance Fertilizers (India) Private Limited	500,000	10.00%	500,000	10.00%
RSD Capital Market Private Limited	350,000	7.00%	350,000	7.00%

**1.8** The company has allotted 27565500 equity shares as fully paid up Bonus shares during the period of five years immediately preceding the date of Balance Sheet.

**1.9** For the period of five years immediately preceding the date at which the Balance Sheet is prepared i.e. 31.03.2014, the company has not -

- (i) allotted any shares pursuant to contract(s) without payment being received in cash,
- (ii) bought back any shares/class of shares

**NOTE '2': RESERVES AND SURPLUS**
**General Reserve**

Balance as at the beginning of the year	16,609,158	13,625,425
Add : Transfer from Statement of Profit and Loss	3,913,000	2,983,733
Balance as at the end of the year	<b>20,522,158</b>	<b>16,609,158</b>

**Surplus in the Statement of Profit and Loss**

Balance as at the beginning of the year	119,106,226	44,849,197
Add: Profit for the year	156,500,835	119,349,336
	<b>275,607,062</b>	<b>164,198,533</b>

**Less: Appropriations :**

Transfer to General Reserve	3,913,000	2,983,733
Proposed Dividend - Preference shares	2,500,000	1,198,632
Proposed Dividend - Equity shares	35,024,400	-
Interim Dividend - Equity Shares	-	35,024,400
Tax on Dividend	6,377,273	5,885,542
Balance as at the end of the year	<b>227,792,389</b>	<b>119,106,226</b>

**Total** **248,314,547** **135,715,384**

**NOTE '3': LONG TERM BORROWINGS**
**Secured**

a. Term Loans		
From Banks	701,425,271	491,309,963
Less : Current Maturity of long term debts (Refer Note 8)	189,807,796	119,887,821
	<b>511,617,475</b>	<b>371,422,142</b>
(Refer Note 31 for security against loans)		
b. Buyers Credit	-	77,133,393
(Refer Note given below)		



Particulars	As at 31st March 2014	As at 31st March 2013
c. Other Loan	5,222,845	2,641,961
Less : Current Maturity of long term debts (Refer Note 8)	2,566,411	1,262,595
	<u>2,656,434</u>	<u>1,379,366</u>
(Refer Note 31 for security against loans)		
<b>Unsecured</b>		
Intercorporate Loans	472,163,844	469,163,844
<b>Total</b>	<u><b>986,437,753</b></u>	<u><b>919,098,745</b></u>
<b>Note :</b>		
Note:- Buyers Credit from Banks are secured against 1st Charge on the Land & Building and hypothecation of Plant and Machinery and other Movable Assets of the Drip Irrigation Project of the Company (Both Existing & Future) at Pithampur by way of equitable mortgage.		
<b>NOTE '4' : DEFERRED TAX LIABILITIES (NET)</b>		
Deferred Tax Liabilities		
Depreciation difference on Fixed Assets	104,518,550	105,220,096
Deferred Tax Assets		
Disallowance under the Income Tax Act, 1961	(11,187,497)	701,546
<b>Total</b>	<u><b>115,706,047</b></u>	<u><b>104,518,550</b></u>
<b>NOTE '5' : LONG TERM PROVISIONS</b>		
For Employee Benefits	2,437,610	1,839,859
(Refer Note 34 for Disclosure as per AS -15)		
<b>Total</b>	<u><b>2,437,610</b></u>	<u><b>1,839,859</b></u>
<b>NOTE '6' : SHORT TERM BORROWINGS</b>		
Loans Repayable on demand		
Secured		
Working capital Loans		
a. From Banks (Refer Note (a) below)	903,141,026	772,076,678
b. Buyers Credit (Refer Note (b) below)	530,306,010	848,611,167
Unsecured		
Intercorporate Loans	5,000,000	1,553,260
<b>Total</b>	<u><b>1,438,447,036</b></u>	<u><b>1,622,241,105</b></u>
<b>Note :</b>		
a.(i) Working Capital Loans from Banks amounting to Rs. 80,28,18,176/- (Pre. Year Rs. 73,73,34,848/-) are secured against hypothecation of stock of raw materials, work in process, finished goods, other current assets and charge on book debts, second pari passu charge on the Fixed Assets (both present and future) of the company, extension of equitable mortgage of the immovable properties situated at Industrial Area Pithampur and Kelodhala, Dewas Naka, Indore and personal guarantee of Mr. Mukesh Sangla and Mr. Saurabh Sangla, Directors of the company and Mrs. Monika Sangla and Corporate Guarantee of M/s Kamdeep Marketing Private Limited.		
(ii) Working Capital Loan includes Demand Loans availed during the year, the said loans outstanding as at 31st March 2014, was Rs. 10,03,22,850/- (Pre. Year Rs 3,47,41,830/-), is secured by lien on Fixed Deposits (included under banks balances with banks in deposit accounts in note 16) for Rs. 11,15,00,000/- (Pr. Year Rs. 3,53,00,000/-).		
b. During the year Company has availed buyer's credit, the said facility outstanding as at 31st March 2014 includes Rs. 24,97,16,259/- (Pre. Year Rs 43,88,16,869/-), secured by lien on Fixed Deposits (included in balances with banks in deposit accounts in note 16) and balance Rs. 28,05,89,751/- (Pre. Year Rs. 40,97,94,298/-) by earmarking the letter of credit facilities sanctioned by the banks.		
c. Secured Short Term Borrowings aggregating to Rs. 80,28,18,176/- (Pre. Year Rs. 73,73,34,848/-) are secured by Personal Guarantee of Directors Mr. Mukesh Sangla & Mr. Saurabh Sangla and Mrs. Monika Sangla and corporate guarantee of M/s Kamdeep Marketing Private Limited		
<b>NOTE '7' : TRADE PAYABLE</b>		
Due to Micro, Small and Medium Enterprises	229,486	-
Due to Others	1,523,577,970	1,172,621,246
(Refer Note 30 for Disclosure under MSMED Act, 2006)		
<b>Total</b>	<u><b>1,523,807,456</b></u>	<u><b>1,172,621,246</b></u>



(Figures in Rs.)

Name of the Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 01.04.2013	Addition	Deduction	Total	Upto 31.03.2013	Adjustment	For the Year	Total	As at 31.03.2014	As at 31.03.2013
Tangible Assets :										
Land - Free hold	100,760	-	-	100,760	-	-	-	-	100,760	100,760
Land - Lease hold	10,429,554	-	-	10,429,554	926,376	-	347,304	1,273,680	9,155,874	9,503,178
Building	140,870,423	1,659,741	-	142,530,164	9,301,564	-	4,728,170	14,029,734	128,500,430	131,568,859
Plant & Machinery	672,168,070	92,850,934	-	765,019,004	127,444,183	-	49,906,848	177,351,031	587,667,973	544,723,887
Windmill	109,912,344	-	-	109,912,344	33,090,444	-	5,220,836	38,311,280	71,601,064	76,821,900
Furniture & Fixtures	14,819,017	783,583	-	15,602,600	4,298,482	-	964,559	5,263,041	10,339,559	10,520,535
Office Equipments	8,559,549	1,477,063	-	10,036,612	3,597,779	-	902,903	4,500,682	5,535,930	4,961,770
Vehicle	20,616,803	5,730,302	-	26,347,105	19,573,928	-	2,298,988	21,872,916	4,474,189	1,042,875
<b>Total</b>	<b>977,476,520</b>	<b>102,501,623</b>	<b>-</b>	<b>1,079,978,143</b>	<b>198,232,756</b>	<b>-</b>	<b>64,369,609</b>	<b>262,602,365</b>	<b>817,375,778</b>	<b>779,243,764</b>
Previous Year :	894,421,832	85,364,467	2,309,779	977,476,520	139,483,126	1,843,862	60,593,492	198,232,756	779,243,764	-





Particulars	As at 31st March 2014	As at 31st March 2013
<b>Note '8' : Other Current Liabilities</b>		
Current Maturities of Long Term Debt (Refer note no. 3 for Details of Securities)	192,374,207	121,150,416
Interest accrued but not due on borrowings	17,238,974	14,581,494
Interest accrued and due on borrowings	5,243,713	5,665,334
Unclaimed Dividend (Refer Note below)	367,463	367,463
Bank Overdraft as per Books	110,478	1,063,943
Other Payables		
Statutory Dues	19,852,335	20,475,540
Advance from Customers	49,804,074	50,618,914
Creditors for Capital Expenditure	3,959,531	22,365,056
Deposits	5,397,995	4,336,000
Other liabilities	28,142,041	11,058,142
<b>Total</b>	<b>322,490,812</b>	<b>251,682,302</b>
<b>Note :</b> There are no amount due for payments to the Investor Education and Protection Fund under section 205C of the Companies Act, 1956 as at the year end.		
<b>Note '9' : Short Term Provisions</b>		
For employee benefit (Refer Note 34 for Disclosure as per AS-15)	236,760	224,119
Others		
For Taxation (Net of Advance Tax Rs. 12,29,59,499/- (Pr. Year Rs. 8,97,57,127/-))	20,374,501	9,076,873
For Proposed Dividend - Preference Shares	2,500,000	1,198,632
For Proposed Devidend - Equity Shares	35,024,400	-
For Tax on Proposed Dividend	6,377,272	203,709
For Excise Duty on Closing Stock	19,011,129	8,739,442
<b>Total</b>	<b>83,524,062</b>	<b>19,442,775</b>
<b>Note '11' : Non Current Investments</b> (At cost less provision for diminution other than temporary)		
<b>a. in Equity Shares (quoted) (Non Trade)</b>		
2000 Equity Shares of Rs. 10/- each of Andhra Petro Chemicals Ltd. Fully Paid up.	47,740	47,740
4000 Equity Shares of Rs. 10/- each of Tirupati Starch & Chemicals Ltd. Fully Paid up.	58,500	58,500
15000 Equity Shares of Rs. 2/- each of DCW Ltd. Fully Paid up	131,600	131,600
500 Equity Shares of Rs. 10 each of Nagarjun Fertilizers Ltd. Fully Paid up	10,500	10,500
6 Equity Shares of Rs. 10 each of Reliance Industries Ltd. Fully Paid up.	8,450	8,450
3200 Equity Shares of Rs. 10 each of Clariant Chemical India Limited. Fully Paid up	200,800	200,800
750 Shares of Rs. 10/- each of Crescent Finstock Limited fully paid up	-	-
63600 Equity Shares of Rs. 10 each of Tribhuvan Housing Finance Ltd. Fully Paid up	500,000	500,000
Less :- Provision for Diminution	(490,000)	10,000
7800 Equity Shares of Rs. 10/- each of UCO Bank Ltd. Fully paid up	93,600	93,600
435 Equity Shares of Rs. 10 each of Reliance Power Ltd. Fully Paid up	122,400	122,400
5000 Equity Shares of Rs. 10 each of M.P. Investments Ltd. Fully Paid up	274,565	274,565
Less :- Provision for Diminution	(224,565)	50,000
4000 Equity Shares of Rs. 10 each of Herald Commerce Ltd. Fully Paid up	457,725	457,725
Less:- Provision for Diminution	(417,725)	40,000
<b>Total (a)</b>	<b>773,590</b>	<b>1,905,880</b>



Particulars	As at 31st March 2014	As at 31st March 2013
<b>b. In Equity Shares (Unquoted) (Non Trade) (Associate Company)</b>		
Nil (Previous year 28,82,858) Shares of Adroit Industries (India) Limited of Rs. 10 each Fully Paid up	-	75,000,000
Total (b)	<u>-</u>	<u>75,000,000</u>
<b>c. In Government Securities (unquoted)</b>		
National Savings Certificate	-	5,000
Total (c)	<u>-</u>	<u>5,000</u>
<b>d. In Mutual Fund (unquoted)</b>		
5000 units Morgan Stanley Mutual Fund	35,000	35,000
Total (d)	<u>35,000</u>	<u>35,000</u>
<b>Grand Total</b>	<u><b>808,590</b></u>	<u><b>76,945,880</b></u>
Aggregate Amount of Quoted Investment	1,940,880	1,940,880
Aggregate Market Value of Quoted Investment	2,911,929	2,253,456
Aggregate Amount of Unquoted Investment	-	75,005,000
Aggregate Provision for diminution in value of investments	<u>1,132,290</u>	<u>-</u>
<b>Note '12' : Long Term Loans and Advances</b>		
(Unsecured considered good)		
Capital Advances	6,634,649	1,463,531
Security Deposits	21,701,865	21,205,957
Balance with Government Authorities	58,002,626	41,878,937
Other advances recoverable in cash or in kind or for value to be received	15,396,739	16,663,298
Total	<u>101,735,879</u>	<u>81,211,723</u>
<b>Note '13' : Other Non-Current Assets</b>		
(Unsecured, considered good)		
Interest Accrued on deposits	1,279,087	-
Balance with Banks in Deposit Accounts Having maturity of more than 12 months - Earmarked for credit facility given by bank	<u>20,775,037</u>	<u>-</u>
	<u>22,054,124</u>	<u>-</u>
<b>Note '14' : Inventories</b>		
(As valued and certified by management)		
Raw-Material	361,501,432	209,886,364
Work-in-Progress	7,442,893	5,959,120
Finished Goods	383,416,991	322,497,038
Stock in Trade	112,441,911	181,298,209
Stores and Spares and Consumables	11,925,082	9,501,379
(Note - Inventories are valued at lower of cost or net realisable value)		
Total	<u>876,728,309</u>	<u>729,142,110</u>
<b>Details of Raw Material</b>		
Polymer and Accessories	<u>361,501,432</u>	<u>209,886,364</u>
	<u>361,501,432</u>	<u>209,886,364</u>



Particulars	As at 31st March 2014	As at 31st March 2013
<b>Details of Work in Progress</b>		
Irrigation and Plastic Products	7,442,893	5,959,120
	<b>7,442,893</b>	<b>5,959,120</b>
<b>Details of Finished Goods</b>		
Irrigation and Plastic Products	383,416,991	322,497,038
	<b>383,416,991</b>	<b>322,497,038</b>
<b>Details of Stock In Trade</b>		
Polymer	104,221,083	180,793,024
Chemicals	-	505,185
Others	8,220,828	-
	<b>112,441,911</b>	<b>181,298,209</b>
<b>Note '15' : Trade Receivables</b> (Unsecured considered good)		
Outstanding Over Six Months from the date they were due for payment	347,079,081	200,294,036
Other debts	2,065,184,610	1,830,770,249
(Includes Rs. Nil (Pre. Yr Rs. 49451/-) due from company in which directors are interested)		
<b>Total</b>	<b>2,412,263,691</b>	<b>2,031,064,285</b>
<b>Note '16' : Cash and Bank Balances</b>		
<b>a. Cash and Cash Equivalents</b>		
i. Balances with Banks		
In Current Accounts	73,424,403	14,379,501
In Deposit Accounts having maturity upto 3 months		
- Earmarked for credit facility given by bank	-	75,121,608
ii. Cash in hand	6,115,140	5,446,895
	<b>79,539,543</b>	<b>94,948,004</b>
<b>b. Other Bank Balances</b>		
In Deposits Accounts		
Having maturity of more than 3 months upto 12 months		
- Earmarked for credit facility given by bank	562,990,452	582,739,620
- Others	100,000	100,000
Having maturity of more than 12 months		
- Earmarked for credit facility given by bank	20,775,037	-
Less :- Other Non Current Assets (Refer Note 13)	(20,775,037)	-
In Unclaimed Dividend Account (under lien)	365,465	365,717
	<b>642,995,461</b>	<b>678,153,341</b>
<b>Note 17 Short Term Loans and Advances</b> (Unsecured, considered good)		
Security Deposits	4,629,671	-
Balance with Government Authorities	118,093,721	97,450,787
Others advances recoverable in cash or in kind or for value to be received	38,776,290	74,885,605
	<b>161,499,682</b>	<b>172,336,392</b>
<b>Note '18' : Other Current Assets</b> (Unsecured considered good)		
Interest Accrued on deposits	12,077,959	14,035,404
Claims and other receivable	14,461,450	6,897,067
	<b>26,539,409</b>	<b>20,932,471</b>
<b>Note '19' : Revenue from Operations</b>		
Sale of Products	6,202,327,642	5,735,712,015
Sale of Wind Power Generated	12,809,254	13,656,244
Sale of Services	23,587,176	20,432,584
Other Operating revenues	16,628,651	13,962,082
	<b>6,255,352,723</b>	<b>5,783,762,925</b>
Less : Excise Duty	130,688,614	134,017,526
	<b>6,124,664,109</b>	<b>5,649,745,399</b>



Particulars	As at 31st March 2014	As at 31st March 2013		
<b>Details of Sales of products</b>				
Irrigation and Plastic Products	2,548,929,213	2,297,755,914		
Polymer	3,447,993,621	2,940,576,927		
Chemicals	198,046,205	419,451,879		
Others	7,358,603	77,927,295		
<b>Total</b>	<b>6,202,327,642</b>	<b>5,735,712,015</b>		
<b>Note '20' : Other Income</b>				
Dividend income from Non current Investments (non trade)	33,480	29,800		
Profit on sale of Fixed Assets	-	14,083		
Profit on sale of Non Current Investment	40,314,320	-		
Net gain on foreign currency transaction/translation	-	647,409		
Other non-operating income	363,701	23,816,176		
<b>Total</b>	<b>40,711,501</b>	<b>24,507,468</b>		
<b>Note '21' : Cost of Material Consumed</b>				
Raw Material Consumed	1,574,470,774	1,520,558,351		
	<b>1,574,470,774</b>	<b>1,520,558,351</b>		
<b>Imported and Indigenous Raw material consumed:</b>				
	year ended 31st march, 2014	%	year ended 31st march,2013	%
		Consumption		of Consumption
<b>Raw Material</b>				
Imported	519,180,923	32.97	511,175,754	33.62
Indigenous	1,055,289,851	67.03	1,009,382,597	66.38
<b>Details of Raw Materials Consumed</b>				
Polymer and Accessories			1,574,470,774	1,520,558,351
<b>Total</b>			<b>1,574,470,774</b>	<b>1,520,558,351</b>
<b>Note '22' : Purchases of stock in trade</b>				
Purchases of Traded goods			3,456,528,233	3,234,382,919
<b>Total</b>			<b>3,456,528,233</b>	<b>3,234,382,919</b>
<b>Details of Purchase of stock in trade</b>				
Polymer			3,243,541,486	2,811,876,561
Chemicals			197,392,193	415,509,831
Others			15,594,554	6,996,527
<b>Total</b>			<b>3,456,528,233</b>	<b>3,234,382,919</b>
<b>Note '23' : Changes in inventories of Finished Goods Work-in-Progress and Inventories at the end of the year</b>				
Finished Goods			383,416,991	322,497,038
Work in Progress			7,442,893	5,959,120
Stock in trade			112,441,911	181,298,209
			<b>503,301,795</b>	<b>509,754,367</b>
Less : Inventories at the beginning of the year				
Finished Goods			322,497,038	272,674,260
Work in Progress			5,959,120	26,285,273
Stock in trade			181,298,209	236,068,779
			<b>509,754,367</b>	<b>535,028,312</b>
<b>Net (Increase)/Decrease inventories</b>			<b>6,452,572</b>	<b>25,273,945</b>
(Increase)/Decrease of Excise duty on inventory			10,271,687	(3,077,812)
			<b>16,724,259</b>	<b>22,196,133</b>
<b>Note '24' : Employee Benefits Expense</b>				
Salaries and Wages			92,772,803	73,348,152
Contribution to Provident and other funds			2,993,432	2,335,772
Staff Welfare Expenses			841,556	805,280
<b>Total</b>			<b>96,607,791</b>	<b>76,489,204</b>



<b>Note '25' : Finance Costs (Net)</b>		
Interest Expenses	280,910,121	274,550,374
less: Interest Income	43,376,153	65,034,992
	<b>237,533,968</b>	<b>209,515,382</b>
Other Borrowing Cost	45,746,777	40,648,745
Net Loss on foreign currency transactions and translation	119,809,147	59,780,977
<b>Total</b>	<b>403,089,892</b>	<b>309,945,104</b>

<b>Note '26' : Other Expenses</b>		
Consumption of Stores and spares	22,085,627	10,757,603
Consumption of Packing Material	16,290,559	15,746,138
Power & Fuel	55,314,083	49,332,128
Rent	8,040,121	6,504,016
Repairs to Buildings	227,670	737,250
Repairs to Machinery	2,944,370	1,312,826
Repairs others	1,916,197	1,439,865
Insurance	1,784,739	2,769,051
Rates and Taxes (excluding Income Tax)	5,198,502	15,006,885
Diminution in Value of Investments	1,132,290	-
Travelling & Conveyance Expenses	33,708,597	23,272,613
Freight & forwarding charges	37,571,177	45,332,715
Net loss on foreign currency translation/transaction	13,824,762	8,531,236
Windmill Expenses	1,968,604	1,699,087
Commission and Discount	107,755,030	64,117,195
Bank Charges	459,837	3,156,836
Legal and Professional Expenses	4,158,292	2,701,983
Telephone Expenses	3,301,893	2,253,197
Miscellaneous Expenses	23,714,370	19,693,964
<b>Total</b>	<b>341,396,720</b>	<b>274,364,588</b>

27. **Contingent Liabilities and Commitments** (to the extent not provided for)
- |  | 2013-14      | 2012-13      |
|--|--------------|--------------|
| <b>A. Contingent Liabilities</b>   |              |              |
| a. Outstanding Bank Guarantee  | 9,27,35,795  | 7,59,70,000  |
| b. Income Tax/ Sales tax / Excise Duty demand disputed in appeal (Net of amount paid)      | 33,18,55,700 | 35,41,844    |
| c. Corporate Guarantee given on behalf of others   | 10,00,00,000 | 10,00,00,000 |
| <b>B. Commitments</b>  |              |              |
| Estimated amount of contracts remaining to be executed capital commitment (Net of Advance) | 82,87,205    | 17,93,217    |
28. In the opinion of the Board of Directors, Current, Non-Current Assets, Loans and Advances have value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet and that the provision for known liabilities is adequate and reasonable.
29. Trade Payable includes bills payable for purchase of goods Rs. 1,20,54,56,482/- (Pre. Yr Rs. 89,95,28,266/-).
30. **Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**
- a. Trade Payables includes **Rs. 2,29,486/-** (Previous Year Rs. Nil) amount due to Micro, Small and Medium Enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSME).
- b. The details of amount outstanding to Micro, Small and Medium Enterprises are as under :

Particulars	As at	As at
	31st March, 2014	31st March, 2013
Principle amount due and remain unpaid	2,29,486	-
Interest due on above and unpaid interest	-	-
Interest Payment made beyond appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest due and payable in succeeding years	-	-

- c. The information has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.



**31. Disclosure of Term Loan Security, repayment schedule, period of maturity and rate of interest**

Name of Bank	a. Sanctioned amount b. Outstanding as at the year end	Security	Repayment														
Dena Bank	a. Rs. 1000 lacs b. Rs 728.96 lacs (Pre. Yr Rs.898.24 lacs)	<b>a. Primary Security</b> 1 <sup>st</sup> pari passu mortgage and hypothecation charges over land & building, plant & machinery & other immovable & movable fixed assets of the company at Pithampur plant (both present & future) along with other consortium members. <b>b. Collateral Security</b> 2 <sup>nd</sup> pari passu charges on current assets of the company with other consortium members. <b>c. Guarantee</b> Personal Guarantee of Director Shri Mukesh Sangla Shri Saurabh Sangla & others Smt. Monica Sangla and Corporate Guarantee of Kamdeep Marketing Private Limited	24 scattered quarterly installments comprising of <table border="1" data-bbox="1069 577 1335 857"> <thead> <tr> <th>No. of Installment</th> <th>Amount (Rs. in Lacs)</th> </tr> </thead> <tbody> <tr><td>2</td><td>21.00</td></tr> <tr><td>4</td><td>29.00</td></tr> <tr><td>4</td><td>37.50</td></tr> <tr><td>4</td><td>46.00</td></tr> <tr><td>8</td><td>50.00</td></tr> <tr><td>2</td><td>54.00</td></tr> </tbody> </table> First installment of Rs. 21 Lacs commencing from 2011-12 and last installment due in 2017-18. Rate of interest 13.70 %. (Pre. Year 13.75%) p.a. as at the year end.	No. of Installment	Amount (Rs. in Lacs)	2	21.00	4	29.00	4	37.50	4	46.00	8	50.00	2	54.00
No. of Installment	Amount (Rs. in Lacs)																
2	21.00																
4	29.00																
4	37.50																
4	46.00																
8	50.00																
2	54.00																
Indian Overseas Bank	a. Rs. 250 lacs, Disbursed amount 152 Lacs b. Rs. NIL (Pre. Yr Rs. 47.83 lacs)	<b>a. Primary Security</b> 1. First pari passu charge by way of hypothecation of plant & machineries situated at Dewas Naka, Indore, with UCO Bank. <b>b. Collateral Security</b> Second charge on current assets of the company on pari passu with other term lenders <b>c. Guarantee</b> Personal Guarantee of Director Shri Mukesh Sangla Shri Saurabh Sangla & others Smt. Monika Sangla and Corporate Guarantee of Kamdeep Marketing Private Limited	20 Scattered quarterly installments comprising of <table border="1" data-bbox="1069 1115 1335 1294"> <thead> <tr> <th>No. of Installment</th> <th>Amount (Rs. in Lacs)</th> </tr> </thead> <tbody> <tr><td>8</td><td>10.00</td></tr> <tr><td>4</td><td>12.50</td></tr> <tr><td>8</td><td>15.00</td></tr> </tbody> </table> First installment of Rs. 10 lacs commencing from Sept 2010 and last installment of Rs. 15 lacs due in June 2015. Rate of Interest 13.75 % (Pre. Yr 13.50%) p.a. as at the year end.	No. of Installment	Amount (Rs. in Lacs)	8	10.00	4	12.50	8	15.00						
No. of Installment	Amount (Rs. in Lacs)																
8	10.00																
4	12.50																
8	15.00																
Indian Overseas Bank	a. Rs. 1000 lacs b. Rs.690.00 lacs (Pre. Yr Rs. 870.34 lacs)	<b>a. Primary Security</b> 1. 1st pari passu mortgage and hypothecation charges over land & Building, Plant & Machinery & other immovable & Movable fixed assets of the company at Pithampur Plant (Both Present & Future) with other consortium members. <b>b. Collateral Security</b> Second charge on current assets of the company on pari passu with other term lenders	24 scattered quarterly installments comprising of <table border="1" data-bbox="1069 1563 1335 1843"> <thead> <tr> <th>No. of Installment</th> <th>Amount (Rs. in Lacs)</th> </tr> </thead> <tbody> <tr><td>2</td><td>21.00</td></tr> <tr><td>4</td><td>29.00</td></tr> <tr><td>4</td><td>37.50</td></tr> <tr><td>4</td><td>46.00</td></tr> <tr><td>8</td><td>50.00</td></tr> <tr><td>2</td><td>54.00</td></tr> </tbody> </table>	No. of Installment	Amount (Rs. in Lacs)	2	21.00	4	29.00	4	37.50	4	46.00	8	50.00	2	54.00
No. of Installment	Amount (Rs. in Lacs)																
2	21.00																
4	29.00																
4	37.50																
4	46.00																
8	50.00																
2	54.00																



Name of Bank	a. Sanctioned amount b. Outstanding as at the year end	Security	Repayment														
		<p><b>c. Guarantee</b> Personal Guarantee of Director Shri Mukesh Sangla, Shri Saurabh Sangla &amp; others Smt. Monika Sangla and Corporate Guarantee of Kamdeep Marketing Private Limited</p>	<p>First installment of Rs. 21 lacs commencing from Dec 2011 and last installment of Rs. 54 lacs due in Sept 2017. Rate of interest 13.75% (Pre. Year 13.50%) p.a. as at the year end.</p>														
UCO Bank	<p>a. Rs. 4000 lacs b. Rs. 3099.64 lacs (Pre. Yr Rs. 2925.99 lacs)</p>	<p><b>a. Primary Security</b> 1. 1st pari passu mortgage and hypothecation charges over land &amp; Building, Plant &amp; Machinery &amp; other immovable &amp; Movable fixed assets of the company at Pithampur Plant (Both Present &amp; Future) with other consortium members. <b>b. Collateral Security</b> Second charge on current assets of the company on pari passu with other term lenders <b>c. Guarantee</b> Personal Guarantee of Director Shri Mukesh Sangla, Shri Saurabh Sangla &amp; others Smt. Monika Sangla and Corporate Guarantee of Kamdeep Marketing Private Limited</p>	<p>Repayable in 24 scattered quarterly installments comprising of</p> <table border="1"> <thead> <tr> <th>No. of Installment</th> <th>Amount (Rs. in Lacs)</th> </tr> </thead> <tbody> <tr> <td>2</td> <td>83.50</td> </tr> <tr> <td>4</td> <td>116.75</td> </tr> <tr> <td>4</td> <td>150.00</td> </tr> <tr> <td>4</td> <td>183.25</td> </tr> <tr> <td>8</td> <td>200.00</td> </tr> <tr> <td>2</td> <td>216.50</td> </tr> </tbody> </table> <p>First installment of Rs. 84 lacs commencing from March 2012 and last installment of Rs. 216.50 lacs due in Dec 2017 Rate of Interest 13.70% (Pre. Year 13.50%) p.a. as at the year end.</p>	No. of Installment	Amount (Rs. in Lacs)	2	83.50	4	116.75	4	150.00	4	183.25	8	200.00	2	216.50
No. of Installment	Amount (Rs. in Lacs)																
2	83.50																
4	116.75																
4	150.00																
4	183.25																
8	200.00																
2	216.50																
UCO Bank	<p>a. Rs. 270 lacs b. Rs. 8.19 lacs (Pre. Yr Rs.36.55 lacs)</p>	<p><b>a. Primary Security</b> Exclusive charge on entire wind mill at Sangli, Maharashtra by way of equitable mortgage and hypothecation of plant &amp; Machinery <b>b. Collateral Security</b> 1. Second charge by way of equitable mortgage of immovable property situated at block no. 1, Khajrana, 1307/2 Gulmohar Colony, Indore belonging to Shri Mukesh Sangla and Smt. Monika Sangla having pari passu charge with State Bank of India. 2. second Charge by way of equitable mortgage of office premises situated at 114-116 Trade Centre, 14/3 South Tukoganj, Indore having Pari Passu Charge with State Bank of India. <b>c. Guarantee</b> Personal Guarantee of Director Shri Mukesh Sangla, Shri Saurabh Sangla &amp; others Smt. Monika Sangla and Corporate Guarantee of Kamdeep Marketing Private Limited</p>	<p>Repayable in 28 scattered quarterly Installments comprising of</p> <table border="1"> <thead> <tr> <th>No. of Installment</th> <th>Amount (Rs. in Lacs)</th> </tr> </thead> <tbody> <tr> <td>11</td> <td>8.00</td> </tr> <tr> <td>4</td> <td>8.50</td> </tr> <tr> <td>4</td> <td>10.50</td> </tr> <tr> <td>4</td> <td>11.50</td> </tr> <tr> <td>5</td> <td>12.00</td> </tr> </tbody> </table> <p>First installment of Rs. 8 lacs commencing from Sept 2007 and last installment of Rs. 12 lacs due in June 2014. Rate of interest 12 % (Pre. Yr 12%) p.a. as at year end.</p>	No. of Installment	Amount (Rs. in Lacs)	11	8.00	4	8.50	4	10.50	4	11.50	5	12.00		
No. of Installment	Amount (Rs. in Lacs)																
11	8.00																
4	8.50																
4	10.50																
4	11.50																
5	12.00																



Name of Bank	a. Sanctioned amount b. Outstanding as at the year end	Security	Repayment						
UCO Bank	a. Rs. 250 lacs b. Rs. 34.32 lacs (Pre. Yr Rs. 79.14 lacs)	<p><b>a. Primary Security</b>                      1<sup>st</sup> pari passu mortgage and hypothecation charges land &amp; building, plant &amp; machinery &amp; other immovable &amp; movable fixed assets of the company at Kelodhala, Indore with other term lenders</p> <p><b>b. Collateral Security</b>                      1. First charge by way of equitable mortgage of immovable property situated at block no. 1, Khajrana, 1307/2 Gulmohar Colony, Indore belonging to Shri Mukesh Sangla and Smt. Monika Sangla having pari passu charge with State Bank of India.                      2. First Charge by way of equitable mortgage of office premises situated at 114-116 Trade Centre, 14/3 South Tukoganj, Indore having Pari Passu Charge with State Bank of India.</p> <p><b>c. Guarantee</b>                      Personal Guarantee of Directors Shri Mukesh Sangla, Shri Saurabh Sangla &amp; others Smt. Monika Sangla and Corporate Guarantee of Kamdeep Marketing Private Limited</p>	Repayable in 24 scattered quarterly installments comprising of <table border="1" data-bbox="1077 571 1332 728"> <thead> <tr> <th>No. of Installment</th> <th>Amount (Rs. in Lacs)</th> </tr> </thead> <tbody> <tr> <td>19</td> <td>10.00</td> </tr> <tr> <td>5</td> <td>12.00</td> </tr> </tbody> </table> First installment of Rs. 10 lacs commencing from Dec-08 and last installment of Rs.12 lacs due in Sept 2014. Rate of Interest 13.70% (Pre. Yr 13.50 %) p.a. as at year end	No. of Installment	Amount (Rs. in Lacs)	19	10.00	5	12.00
No. of Installment	Amount (Rs. in Lacs)								
19	10.00								
5	12.00								
State Bank of India	a. Rs. 400 lacs b. Rs. NIL (Pre. Yr Rs. 55 lacs)	<p><b>a. Primary Security</b>                      Exclusive 1<sup>st</sup> charge by way of equitable mortgage of immovable properties (land &amp; building) and hypothecation of movable assets of the wind power project set up at Jodha, Jaisalmer Rajasthan (Both present &amp; future)</p> <p><b>b. Collateral Security</b>                      1. 2<sup>nd</sup> pari passu charge by way of equitable mortgage of immovable property situated at block no. 1, Khajrana, 1307/2 Gulmohar Colony, Indore belonging to Shri Mukesh Sangla and Smt. Monika Sangla.                      2. 2<sup>nd</sup> Charge by way of equitable mortgage of office premises situated at 114-116 Trade Centre, 14/3 South Tukoganj, Indore having Pari Passu with UCO Bank.</p> <p><b>c. Guarantee</b>                      Personal Guarantee of Directors Shri Mukesh Sangla, Shri Saurabh Sangla &amp; others Smt. Monika Sangla.</p>	Repayable in 27 quarterly installments comprising of 26 equal quarterly installments of Rs. 15 lacs commencing from Sept 07 and last Installment of Rs. 10 lacs due in march 2014, Rate of Interest 13.50% (Pre. Yr 13.20%) p.a. as at the end of year.						





Name of Bank	a. Sanctioned amount b. Outstanding as at the year end	Security	Repayment
Export Import Bank of India	<p><b>A. In Indian Currency</b></p> <p>a. Rs. 831.35 Lacs</p> <p>b. Rs. 831.35 Lacs (Pre. Yr. Nil)</p> <p><b>B. In Foreign Currency</b></p> <p>a. US\$ 4.34 Lacs</p> <p>b. US\$ 4.34 Lacs (Pre. Yr. Nil)</p>	<p><b>a. Primary Security</b></p> <p>1. Pari passu first charge over entire immovable properties and movable fixed assets of Signet Industries Limited, present and future</p> <p>2. Pari passu second charge over entire current assets of Signet Industries Limited, present and future</p> <p>3. Exclusive lien in favour of EXIM Bank over FDR for an amount of Rs. 35.00 Lakhs</p> <p><b>c. Guarantee</b></p> <p>1. Corporate Guarantee for Rs. 11.00 Crores of M/s Adroit Industries (India) Limited</p> <p>2. Personal Guarantee of Director Shri Mukesh Sangla and Shri Saurabh Sangla &amp; Others Smt. Monika Sangla.</p>	<p><b>A) In Indian Currency -</b> Repayable in 20 equal quarterly installments of Rs. 41,56,750/- commencing from March, 2015 and last Installment due in December, 2019, Rate of Interest 12.95% (Pre. Yr. NA) p.a.</p> <p><b>B) In Foreign Currency -</b> Repayable in 20 quarterly installments of US\$ 21698 commencing from March, 2015 and last installment of US\$ 21705 due in December, 2019. Rate of Interest 6M Libor + 600 bps p.a.</p>
HDFC Bank	<p>a. Rs. 11.00 lacs</p> <p>b. Rs. 2.44 lacs (Pre. Yr. Rs. 6.27 lacs)</p>	Loan is secured by charge on specific equipment vehicle purchased	Repayable in 36 monthly installments of Rs. 0.36 lacs (including interest) commencing from November, 2011 and last Installment due in October, 2014, Rate of Interest 11.35% (Pre. Yr. 11.35%) p.a. as at the end of year.
HDFC Bank	<p>a. Rs. 3.92 lacs</p> <p>b. Rs. 1.70 lacs (Pre. Yr. 2.97 lacs)</p>	Loan is secured by charge on specific equipment vehicle purchased.	Repayable in 36 monthly installments of Rs. 0.13 lacs (including interest) commencing from June 2012 and last Installment due in May 2015, Rate of Interest 11.55 % (Pre. Yr. 11.55%) p.a. as at the end of year.
HDFC Bank	<p>a. Rs. 8.00 lacs</p> <p>b. Rs. 2.02 lacs (Pre. Yr. Rs. 4.78 lacs)</p>	Loan is secured by charge on specific equipment vehicle purchased.	Repayable in 36 monthly installments of Rs. 0.26 lacs (including interest) commencing from December 2011 and last Installment due in November 2014, Rate of Interest 11.55% (Pre. Yr. 11.55%) p.a. as at the end of year.



Name of Bank	a. Sanctioned amount b. Outstanding as at the year end	Security	Repayment
ICICI Bank	a. Rs. 5.50 lacs b. Rs. 2.81 lacs (Pre. Yr. 4.55 Lacs)	Loan is secured by charge on specific equipment vehicle purchased.	Repayable in 36 monthly installments of Rs. 0.18 lacs (including interest) commencing from September 2012 and last Installment due in August 2015, Rate of Interest 11.25 % (Pre. Yr 11.25 %) p.a. as at the end of year.
ICICI Bank	a. Rs. 9.50 lacs b. Rs. 4.83 lacs (Pre. Yr. 7.85 Lacs)	Loan is secured by charge on specific equipment vehicle purchased.	Repayable in 36 monthly installments of Rs. 0.31 lacs (including interest) commencing from September 2012 and last Installment due in August 2015, Rate of Interest 10.70% (Pre. Yr 10.70%) p.a. as at the end of year.
HDFC Bank	a. Rs. 4.72 lacs b. Rs. 3.55 lacs (Pre. Yr. NIL)	Loan is secured by charge on specific equipment vehicle purchased.	Repayable in 36 monthly installments of Rs. 0.15 lacs (including interest) commencing from June 2013 and last Installment due in May 2016, Rate of Interest 10.00% (Pre. Yr NA) p.a. as at the end of year.
Indian Overseas Bank	a. Rs. 41.00 lacs b. Rs. 35.22 lacs (Pre. Yr. NIL)	Loan is secured by charge on specific equipment vehicle purchased.	Repayable in 36 monthly installments of Rs. 1.34 lacs (including interest) commencing from Oct. 2013 and last Installment due in Sept. 2016, Rate of Interest 10.75% (Pre. Yr NA) p.a. as at the end of year.
<p>Secured Long term borrowing aggregating to Rs. 70,66,34,850/- (Pre. Yr. Rs. 49,69,75,297/-) including interest accrued and due Rs. 52,09,579/- (Pre. Yr. Rs. 5,665,334/-) are secured by Personal Guarantee of Directors Shri Mukesh Sangla &amp; Shri Saurabh Sangla and Smt. Monika Sangla and Corporate Guarantee of Kamdeep Marketing Private Limited.</p>			


**32. Leases** (Where company is Lessee)

The Company has taken various premises under operating leases with no restrictions and are renewable/ cancelable at the option of either parties. There is no escalation clause in the lease agreement. There are no sub-leases. There are no restrictions imposed by lease arrangements.

The total future minimum lease rentals payable at the balance sheet date is as under :

(Figures in Rs.)

	2013-14	2012-13
For a period not later than one year	54,78,409	56,47,482
For a period later than one year and not later than five years	117,37,261	2,57,700
For a period later than five years	1,96,19,488	Nil

The aggregate amount of operating lease payments recognized in the statement of profit and loss is Rs. 80,40,121/- (Pre. Year Rs.65,04,016/-). The company has not recognized any contingent rent as expense in the statement of profit and loss.

**33. Related Party Disclosure**

- A. Relationships  
 Key Management Personnel  
 Shri Mukesh Sangla - Managing Director  
 Shri Saurabh Sangla - Director
- B. Relative of Key Managerial Personnel  
 Smt. Monika Sangla - Wife of M.D.
- C. Associates  
 Adroit Industries (India) Limited

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

(Figures in Rs.)

NATURE OF TRANSACTIONS	2013-2014			2012-2013		
	33A	33B	33C	33A	33B	33C
<b>Sales</b>						
Adroit Industries (India) Ltd	—	—	4,96,016	—	—	2,21,932
<b>Purchases</b>						
Adroit Industries (India) Ltd	—	—	54,35,308	—	—	33,48,937
<b>Fixed Assets acquired</b>						
Adroit Industries (India) Ltd	—	—	1,82,728	—	—	2,69,012
<b>Remuneration to Director</b>						
Mukesh Sangla	24,00,000			24,00,000	—	—
<b>Rent Paid</b>						
Saurabh Sangla	5,58,000	—	—	5,58,000	—	—
Monika Sangla	—	7,22,400	—	—	7,22,400	—
Guarantee issued in favour of Adroit Industries (India) Ltd	—	—	10,00,00,000	—	—	10,00,00,000
<b>Outstanding</b>						
<b>Rent Deposit</b>						
Saurabh Sangla	25,00,000	—	—	25,00,000	—	—
Monika Sangla	—	60,00,000	—	—	60,00,000	—
<b>Payable</b>						
Mukesh Sangla	—	—	—	10,932	—	—
Saurabh Sangla	—	—	—	42,167	—	—
Monika Sangla	—	—	—	—	1,38,508	—
<b>Receivable</b>						
Adroit Industries (India) Ltd	—	—	—	—	—	49,451
<b>Investment</b>						
Adroit Industries (India) Ltd	—	—	—	—	—	7,50,00,000



34. Disclosure as per AS - 15 "Employee Benefits" (Revised 2005):

(i) Reconciliation of opening and closing balances of defined benefit obligation : (Figures in Rs.)

	2013-14	2012-13
	Gratuity	Gratuity
<b>I. Change in Benefit Obligation</b>		
Liability at the beginning of the year	20,63,978	11,98,811
Interest Cost	1,87,822	1,66,696
Current Service Cost	3,75,340	7,62,317
Past Service Cost (Non Vested Benefit)		
Past Service Cost (Vested Benefit)		
Liability Transfer in		
Liability transfer out		
Benefit Paid		
Actuarial (gain)/loss on obligations	47,230	(63,846)
Liability at the end of the year	26,74,370	20,63,978
<b>II. Amount Recognised in the Balance Sheet</b>		
Liability at the end of the year	26,74,370	20,63,978
Fair Value of Plan Assets at the end of the year		
Difference	(26,74,370)	(20,63,978)
Unrecognised Past Service Cost		
Un recognised Transition Liability		
Amount Recognised in the Balance Sheet	26,74,370	(20,63,978)
<b>III. Expenses Recognised in Profit and Loss Account</b>		
Current Service Cost	3,75,340	7,62,317
Interest Cost	1,87,822	1,66,696
Expected Return on Plan Assets		
Past Service Cost (Non Vested Benefit) Recognised		
Past Service Cost (Vested Benefit) Recognised		
Recognition of Transition Liability		
Actuarial Gain or Loss	47,230	(63,846)
Expense Recognised in P&L	6,10,392	8,65,167
<b>IV. Balance Sheet Reconciliation</b>		
Opening Net Liability	20,63,978	11,98,811
Expense as above	6,10,392	8,65,167
Employers Contribution		
Amount Recognised in Balance Sheet	26,74,370	20,63,978
<b>V. Assumptions :</b>		
Discount Rate Current	9.10%	8.00%
Salary Escalation Current	5.00%	5.00%
Attrition Rate—Current	2.00%	2.00%

(ii) Expected contribution for defined benefit plan for the next financial year would be in line with F. Y. 2013-14.

(iii) Amounts recognized in current year and previous four years.

Particulars	31st March 2014	31st March 2013	31st March 2012	31st March 2011	31st March 2010
Defined Benefit Obligation	2674370	2063978	1198811	797563	564663
Fair Value of Plan Assets	-	-	-	-	-
Surplus/ (Deficit) in plan	(2674370)	(2063978)	(1198811)	(797563)	(564663)
Experience Adjustments on Plan Liabilities Loss / (Gain)	417931	(143230)	-	-	-
Experience Adjustments on Plan Assets (Loss) / Gain	-	-	-	-	-

Experience adjustments have been disclosed for the years for which information available.


**35. Auditors Remuneration**

(Figures in Rs.)

	2013-14	2012-13
Audit Fees	4,49,440	2,24,720
Tax Audit Fees	1,12,360	56,180
Other Services	69,663	1,15,450

**36. Earnings Per Share (EPS)**

(Figures in Rs.)

		2013-14	2012-13
(a)	Net Profit after tax	15,65,00,835	11,93,49,336
	Less : Preference Dividend including tax thereon	29,24,875	14,02,341
	Net Profit available for equity shareholders	11,25,99,163	11,79,46,991
(b)	Weighted Average Number of Equity Shares (in Nos.)	2,91,87,000	2,91,87,000
(c)	Nominal Value of Per ordinary Share	10	10
(d)	Basic & Diluted Earning Per Share (in Rs.)	5.26	4.04

**37. Stores and Spares consumed**

(Figures in Rs.)

	2013-14		2012-13	
	Value in Rs.	% of Consumption	Value in Rs.	% of Consumption
<b>Imported</b>	431264	1.95	16,23,781	15.09
<b>Indigenous</b>	21654363	98.05	91,33,822	84.91

38. During the year company has sales on consignment basis Rs. 140,76,33,513/- (Pr. Yr. Rs. 117,05,66,493/-) commission income from which is included in sales of services.

**39. Value of Import calculated on CIF Basis**

(Figures in Rs.)

	2013-14	2012-13
Raw Materials	95,37,01,405	1,32,91,86,335
Store and Spare Parts	4,31,264	12,77,087
Capital Goods	2,49,63,237	1,26,02,820

**40. Expenditure in Foreign Currency**

(Figures in Rs.)

	2013-14	2012-13
Interest	1,19,04,814	2,54,31,915
Travelling & business promotion expenses	5,26,118	—

**41. Earnings in Foreign Currency**

(Figures in Rs.)

	2013-14	2012-13
FOB Value of Exports	43,00,974	23,25,085



**42. Segment Reporting**

**(a) Primary Reporting Information (Business Segment)**

	Manufacturing Rs.	Windmill Rs.	Trading Rs.	Unallocable Rs.	Total Rs.
Segment revenue	2,435,232,951	12,809,254	3,676,985,605	40,347,800	6,165,375,610
	2,177,700,470	13,656,244	3,458,388,685	24,507,468	5,674,252,867
Segment result (PBIT)	474,101,101	5,551,237	114,671,517	20,954,369	615,278,224
	344,983,156	6,696,725	124,593,565	9,394,734	485,668,180
Less : Interest	-	-	-	(403,089,892)	(403,089,892)
					(309,945,104)
Profit before Exceptional item	474,101,101	5,551,237	114,671,517	(382,135,523)	212,188,332
Extraordinary item	-	-	-	-	175,723,076
Profit/(Loss) before tax	474,101,101	5,551,237	114,671,517	(382,135,523)	212,188,332
					175,723,076
Less : Current Tax					(44,500,000)
Deferred Tax					(35,300,000)
Relating to Earlier years					(11,187,497)
					(21,073,740)
Profit after tax					156,500,835
					119,349,336
Prior Period Adjustments					-
Net Profit					156,500,835
					119,349,336
Segment Assets	2,910,644,318	85,005,752	1,223,955,285	843,429,969	5,063,035,324
	2,369,376,205	91,433,095	1,963,288,069	144,932,597	4,569,029,966
Segment Liabilities	855,713,150	-	793,413,419	2,823,724,208	4,472,850,777
	1,169,730,926	850,400	1,741,964,654	1,178,898,602	4,091,444,582
Segment Depreciation	54,936,934	5,220,836	45,388	4,166,451	64,369,609
	51,895,093	5,220,836	0	3,477,563	60,593,492

**B. Secondary Segment Geographical**

The company's operating facilities are located in India.

Particulars	2013-2014	2012-2013
Domestic Revenue	6,120,343,342	5,647,420,314
Export Revenue	4,320,767	2,325,085

**43. Information relating to derivative instruments :-**

- a. The Company has no foreign currency/forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The company does not use forward contracts for speculative purposes.

Amount Payable in foreign currency On account of the following :	No. of Contracts	Currency	Foreign Currency		INR Equivalent	
			2013-14	2012-13	2013-14	2012-13
Buyers Credit	2	USD	630560.85	-	3,88,81,296	-

- b. Foreign exchange currency exposure not covered by derivative instrument or otherwise outstanding as at 31st March 2014 are given below :-

Amount Payable in foreign currency On account of the following :	Currency	Foreign Currency		INR Equivalent	
		2013-14	2012-13	2013-14	2012-13
Import of goods and services	USD	7,75,739	13,43,242	4,64,47,454	7,29,17,894
	EURO	1,904	-	1,57,009	-
	AED	-	13,13,483	-	1,94,13,272
Buyers Credit	USD	87,80,054	1,70,52,664	52,69,48,962	92,57,03,861
Buyers Credit	EURO	40,710	-	33,57,048	-
Term Loan	USD	4,33,966	-	2,59,90,240	-



## 44. Disclosure Pursuant to Clause 32 of Listing Agreement with Stock Exchange

## A) Loans and Advances in the nature of Advance to Subsidiary

Name of the Company	As at		Maximum Balance Outstanding period Ended	
	31st March 2014	31st March 2013	31st March 2014	31st March 2013
	NA	NA	NA	NA

## B) Loans and Advances in the nature of Advance to Related Party

Name of the Company	As at		Maximum Balance Outstanding period Ended	
	31st March 2014	31st March 2013	31st March 2014	31st March 2013
	NA	NA	NA	NA

45. Income Tax authorities has carried out a search u/s 132 of the Income Tax Act at the premises of the company and others in November 2011. In the opinion of the management and consultants the demand raised is likely to be either deleted or substantially reduced and accordingly no provision has been made for the liability and disclosed as contingent / disputed liability.

46. The financial statements have been prepared in line with the requirements of Revised Schedule VI of Companies Act, 1956 as introduced by the Ministry of Corporate Affairs from the financial year ended on 31<sup>st</sup> March 2012. Accordingly, assets and liabilities are classified between current and non-current considering 12 month period as operating cycle.

47. Previous year's figures are regrouped / rearranged wherever considered necessary to make them comparable with current year's figures.

48. Company Information, Significant Accounting policies and practices adopted by the Company are disclosed as under :

**COMPANY INFORMATION**

Signet Industries Limited was incorporated on January 29, 1985 under the Companies Act 1956, having its registered office in Mumbai. Company is engaged in Manufacturing of Micro Irrigation System (DRIP), Sprinkler Pipe / PVC Pipe & Agro fittings and its Allied Products, all type of House Hold & Plastic Moulded Furniture. The Company's shares listed on The Stock Exchange, Mumbai, and Madhya Pradesh Stock Exchange, Indore. The equity shares of the Company have been permitted for trading on the National Stock Exchange of India Ltd. w.e.f. May 30, 2012, pursuant to circular No. 460/2012 dated May 28, 2012, issued by National Stock Exchange and same also traded on Bombay Stock Exchange.

**SIGNIFICANT ACCOUNTING POLICIES**i) **Basis Of Accounting**

The financial statements are prepared as a going concern under the historical cost convention on an accrual basis of accounting in accordance with the Generally Accepted Accounting Principles (GAAP), Accounting Standards Issued by the Institute of Chartered Accountants of India, as applicable, and the relevant provisions of the Companies Act, 1956.

ii) **Use Of Estimates**

The preparation and presentation of financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from these estimates and difference between actual results and estimates are recognized in the period in which the results are known/materialize.

iii) **Valuation Of Inventories**

Inventories are valued at lower of cost or market value on FIFO basis. Cost of inventory of finished goods and work in progress is generally comprise of cost of purchase, cost of conversion and other cost incurred in bringing the inventory to their present location and condition. The excise duty in respect of closing inventory of finished goods is included as cost of finished goods and goods in transit stated at cost.

**iv) Depreciation**

Depreciation on fixed assets is being provided on straight line method as the rates prescribed in schedule XIV of the companies Act, 1956. Depreciation on assets added/disposed off during the year has been provided on pro-rata basis with reference to the month of addition / disposal.

In respect of addition / extensions forming integral part of existing assets and on revised carrying amount of the assets identified as impaired, depreciation has been provided over residual life of the respective fixed assets.

**v) Revenue Recognition**

The Company follows mercantile system of the accounting and recognises income and expenditure on accrual basis except those with significant uncertainties.

Sales revenue is recognized on transfer of the significant risks and rewards of ownership of the goods to the buyer and stated net of sales tax, VAT, trade discounts and rebates but includes excise duty.

Interest income is recognised on time proportion basis.

Income from services is recognised as they are rendered (based on arrangement / agreement with the concern customers).

Dividend income on investments is accounted for as and when the right to receive the payment is established.

The Export incentives are accounted for on accrual basis taking into account certainty of realisation or its subsequent utilisation.

**vi) Fixed Assets**

Fixed assets are stated at cost of acquisition or construction or development, net of tax /duty credit availed if any, including any cost attributable for bringing the assets to its working condition for its intended use, less depreciation, amortization and impairments, if any.

Assets under erection / installation and advance given for capital expenditure are shown as "Capital work in progress". Expenditure during construction period are shown as "pre-operative expenses" to be capitalized on erection / installations of the assets.

**vii) Foreign Currency Transaction**

All transactions in foreign currency are recorded at the rates of the exchange prevailing on the dates when the relevant transactions took place; any gain/ loss on account of the fluctuations in the rate of exchange is recognized in the Statement of Profit and Loss.

Monetary items in the form of loans, current assets and current liabilities in foreign currencies at the close of the year are converted in the Indian currency at the appropriate rate of exchange prevailing on the dates of the Balance Sheet. Resultant gain or loss on account of fluctuation in the rate of exchange is recognized in the Statement of Profit and Loss.

In respect of the Forward Exchange Contracts entered into to hedge foreign currency risks, the difference between the Forward Rate and Exchange Rate at the inception of the contract is recognized as income or expense over the life of the contract. Further, the exchange difference arising on such contracts are recognized as income or expense along with the exchange difference on the underlying assets/ liabilities.

**viii) Investments**

Investments that are readily realisable and are intended to be held for not more than one year are classified as current investments. All other investments are classified as non-current investments. Current Investments are carried at lower of cost or market/fair value.

Non-Current investments are carried at cost of acquisition. However, no provision is made for diminution in the value of investments, where, in the opinion of the Board of Directors such diminution is temporary.

**ix) Employee Benefits****(a) Post- employment benefit plans**

**Defined Contribution Plan** - Contributions to provident fund and Family Pension Fund are accrued in accordance with applicable statute and deposited with appropriate authorities.

**Defined Benefit Plan** - The company has carried out actuarial valuation of gratuity using Projected Unit Credit Method as required by Accounting Standard 15 "Employee Benefits" (Revised 2005) liability as per actuarial valuation as at year end is recognized in the financial statement. Actuarial gains and losses are recognized in full in Statement of Profit and Loss Account for the year in which they occur.

**(b) Short term employment benefits**

The undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered by employees is recognized during the period when the employees render the services. These benefits include compensated absence also.





- x) Borrowing Cost**  
Borrowing costs attributable to acquisitions and construction of qualifying assets are added to / capitalized as a part of the cost of such asset up to the date when such asset is ready for its intended use. Other borrowing costs are charged to Statement of Profit and Loss.
- xi) Segment Accounting Policies**
- (1) The company has disclosed business segment as the primary segment. Segments have been identified taking into account the type of products, the differing risk return and the internal reporting system. The various segments identified by the company comprised as under:-
- | Name of Segment | Comprised of                                    |
|-----------------|---|
| Manufacturing   | - Manufacturing of Irrigation and Poly products |
| Wind Power Unit | - Wind turbine power unit                       |
| Trading         | - Merchant trading of various products          |
- (2) Segment revenue, segment results, segment assets and segment liabilities include respective amounts directly identified with the segment and also an allocation on reasonable basis of amounts not directly identified. The expenses which are not directly relatable to the business segment are shown as unallocated corporate cost. Assets and liabilities that cannot be allocated between the segments are shown as unallocable corporate assets and liabilities respectively.
- (3) The Company has identified geographical segments as the secondary segment. Secondary segments comprise of domestic and export markets. However, revenue from export sales do not exceed 10% of the total revenue. Segment assets/liabilities pertaining to export market also do not exceed 10%. Hence, no disclosure is required in respect of geographical segments.
- xii) Lease Accounting As a Lessee**  
Leases, where risk and reward of ownership, are significantly retained by the lessor are classified as operating leases and lease rentals thereon are charged to the statement of profit and loss over the period of lease.
- xiii) Taxes on Income**  
Current tax is the amount of tax payable on taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.  
Deferred Tax is recognized on timing difference between taxable income and accounting income that originate in one period and are capable of reversal on one or more subsequent period.  
Deferred Tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.
- xiv) Impairment of Assets**  
The carrying amount of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal/ external factors.  
An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting period is reversed if there has been an indication that impairment loss recognised for an asset no longer exists or may have decreased.
- xv) Provision, Contingent Liabilities and Contingent Assets**  
Provisions involving substantial degree of estimation in measurement are recognized when there is a present 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 financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.
- xvi) Cash Flow Statement**  
Cash flows are reported using indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the company are segregated based on the available information.

AS PER OUR REPORT OF EVEN DATED  
FOR ASHOK KHASGIWALA & CO.  
CHARTERED ACCOUNTANTS

**CA Avinash Baxi**  
Partner

M.No.:79722

Place: Indore  
Date : 28th May, 2014

FOR AND ON BEHALF OF BOARD OF DIRECTORS

**Sumit Jamad**  
Chief Financial Officer

**Saurabh Sangla**  
Director

**Ankit Bhandari**  
Director

**Preeti Singh**  
Company Secretary

**SIGNET INDUSTRIES LIMITED**

CIN: L51900MH1985PLC035202

**Regd. Office : 308, Acme Plaza, Opp. Sangam Cinema, Andheri Kurla Road,  
Andheri (E), Mumbai – 400 059****ATTENDANCE SLIP**

(Please complete this attendance slip and hand it over at the entrance of the hall)

I hereby record my presence at 29<sup>th</sup> Annual General Meeting on 30<sup>th</sup> September, 2014 at 11.30 P.M. at Oriental Residency Hotels Pvt. Ltd. 45, Tarun Bharat Co-Op. Housing Society, Andheri ( E ) , Mumbai – 400099.

Full Name of the Share Holder \_\_\_\_\_

(in Block Letters)

Folio No. \_\_\_\_\_ No. of Shares Held \_\_\_\_\_

Name of Proxy \_\_\_\_\_

(If the Proxy attends, instead of the shareholder)

Signature of the Shareholder/Proxy/Representative\*

\*Strike out whichever is not applicable

-----  
Note:

1. Please complete the Folio / DP ID-Client ID No. and name, sign this Attendance Slip and hand it over at the Attendance Verification Counter at the entrance of the meeting venue. Attendance slips shall also be issued at the venue.
2. Electronic copy of the Annual Report for the year ended March 31, 2014 and Notice of the Annual General Meeting (AGM) alongwith Attendance Slip and Proxy Form is being sent to all the members whose email address is registered with the Company/Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
3. Physical copy of the Annual report for the year ended March 31, 2014 and Notice of the Annual General Meeting alongwith Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email id is not registered or have requested for a hard copy.



**SIGNET INDUSTRIES LIMITED**

**CIN: L51900MH1985PLC035202**

**Regd. Office : 308, Acme Plaza, Opp. Sangam Cinema, Andheri Kurla Road,  
Andheri (E), Mumbai – 400 059**

**Form No. MGT-11**

**PROXY FORM**

(Please complete this attendance slip and hand it over at the entrance of the hall)  
[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies  
(Management and Administration) Rules, 2014]

CIN :	<b>L51900MH1985PLC035202</b>		
Name of Company :	<b>SIGNET INDUSTRIES LIMITED</b>		
Registered Office :	<b>308, Acme Plaza, Opp. Sangam Cinema, Andheri Kurla Road, Andheri (E), Mumbai – 400 059</b>		
Name of Member (s) :			
Registered Address :			
E-mail Id :			
Folio No/Client Id		DP ID	

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

1.	Name		
	Address		
	E-mail Id	Signature	
	Or falling him		
2.	Name		
	Address		
	E-mail Id	Signature	
	Or falling him		
3.	Name		
	Address		
	E-mail Id	Signature	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29<sup>th</sup> Annual General Meeting of the Company, to be held on Tuesday the 30<sup>th</sup> September , 2014 at 11:30 A.M at Oriental Residency Hotels Pvt. Ltd. 45, Tarun Bharat Co-Op. Housing Society, Andheri ( E ) , Mumbai – 400099. and at any adjournment of such resolutions as are indicated below:

\*\* I wish my above proxy to vote in the manner as indicated in the box below:

<b>Resolutions</b>	
1.	Consider and adopt Audited Financial Statement, Reports of the Board of Directors and Auditors
2.	Declaration of Dividend
3.	Re-appointment of Shri Saurabh Sangla who retires by rotation
4.	Re-appointment of Auditors M/s Ashok Khasgiwala & Co., Chartered Accountant
5.	Appointment of Mrs. Nishtha Neema as Independent Director U/s 149 of Companies Act, 2013
6.	Appointment of Mr. Murli Dhar Vashist as Independent Director U/s 149 of Companies Act, 2013
7.	Increase in Remuneration of Mr. Mukesh Sangla, Managing Director U/s 197(4), 198 read with Schedule V and all other applicable provisions, if any, of the Companies Act,2013
8.	Approve certain powers to Board of Directors under section 180 (1) (a) of Companies Act, 2013.
9.	Approve certain powers to Board of Directors under section 180 (1) (c) of Companies Act, 2013.

\*Applicable for investors holding shares in the electronic form.

<p>Affix a 15 paise Revenue Stamp</p>
---

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014

Signature of Shareholder

\_\_\_\_\_  
Signature of first 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 commencement of the meeting.
2. A Proxy need not be a member of the Company.
3. 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 carrying voting rights may appoint a single person as proxy and such person shall not act as 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. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all joint holders should be stated.

To,

---

---

---

*If undelivered, Please return to :*  
**SIGNET INDUSTRIES LIMITED**  
308, Acme Plaza,  
Opposite Sangam Cinema, Andheri Kurla Road,  
Andheri (E), Mumbai 400 059