

ELGI BUILDING PRODUCTS LIMITED

19th ANNUAL REPORT

2014-15

ELGI BUILDING PRODUCTS LIMITED

Board of Directors

Mr. Sumanth Ramamurthi

Mr. R.Vidyasagar

Mr. A.S. Thirumoorthy

Mr. R.Ragupathi

Mr. N.Ravichandran

Auditor

M/s. S.Murali Dharan & Co
1 Dhuruva Tara Apartments
241 Dr. Rajendra Prasad Road
Tatabad, Coimbatore - 641012

Bankers

Corporation Bank
Industrial Finance Branch
Coimbatore

Registered Office

"Elgi Towers", 737-D
Green Fields, Puliakulam Road
Coimbatore - 641 045
Tamilnadu

Phone

(0422) 2311711

Fax

(0422) 2314411

Factory

Thumakunta, Kirikera
Hindupur, Andhra Pradesh -515211

ELGI BUILDING PRODUCTS LIMITED

CIN: U45201TZ1996PLC007037

Regd. Off.: "Elgi Towers", 737-D Pappanaickenpalayam Road
Puliakulam, Coimbatore – 641045

Phone No.: 0422 – 2311711 Fax No.: 0422 – 2311611

E-mail: investors@ssh.saraelgi.com Website: www.saraelgi.com

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE NINETEENTH ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD ON MONDAY, THE 17TH DAY OF AUGUST 2015 AT 9.30 A.M AT ELGI TOWERS", 737-D, GREEN FIELDS, PULIAKULAM ROAD, COIMBATORE – 641 045, THE REGISTERED OFFICE OF THE COMPANY, TO TRANSACT THE FOLLOWING BUSINESS

AGENDA

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements including Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year ended as on that date and the Report of the Directors and Auditors thereon.
2. To appoint a Director in the place of Sri.Sumanth Ramamurthi (DIN 00002773), who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint the auditors and to fix their remuneration and in this regard to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, M/s.Murali Dharan & Co. (Firm Registration No.: 0096175), Chartered Accountants, Coimbatore be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting at a remuneration to be decided by the Board of Directors in consultation with the Auditors.

SPECIAL BUSINESS:

4. 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 188 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the members of the Company be and is hereby accorded to

the Board of Directors to enter into contracts and/or agreements with respect to the sale, purchase or supply of goods or materials, leasing of property of any kind and availing or rendering of services with the following Related Parties of the Company.

S. No.	Name of the Related Party	Nature of Transaction	Period of Contract	Value of Transaction
1.	Sara Elgi Arteriors Limited	Purchase and Sale of goods	01.01.2016 to 31.12.2020	Rs.25 Crores per annum

FURTHER RESOLVED THAT for the purpose of giving effect to this Resolution, the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable and its discretion may deem necessary or desirable and its decision shall be final and binding.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

The Audit Committee and the Board of Directors at their meeting held on 18th May 2015 have approved the proposed transactions to be entered into with the related parties for such period as mentioned in the resolution.

Pursuant to the provisions of Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, the approval of the members by way of a special resolution is required for entering into such transactions with the related parties.

In the above context, the necessary Special Resolution is being proposed in Item No. 4 of the Notice for the approval of the members.

The following are the details of the related party transaction(s) in accordance with Rule 15(3) of the Companies (Meeting of Board and its Powers) Rules, 2014;

Name of the Related Party	Sara Elgi Arteriors Limited	
Name of the Director/KMP who is related, if any	Mr.Sumanth Ramamurthi & Mr.A.S.Thirumoorthy	
Nature of Relationship	Holding Company	
Nature, Material Terms, Monetary Value and Particulars of the Contract or Arrangement	Particulars of Transaction	Value of Transaction (per annum)
	Purchase and Sale of goods	Rs.25 Crores per annum
Any other information relevant or important for the members to take decision on the proposed resolution	Nil	

The Board recommends the Special Resolution as set out in Item No. 4 of the Notice for the approval of the members who are not related party.

The Directors, Key Managerial Personnel(s) of the Company and their Relatives as mentioned in the above are deemed to be interested or concerned in this Resolution.

Notes:

1. A member entitled to attend and vote at the Annual General Meeting (the "meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the company.

The instrument appointing the proxy should, however, be deposited at the registered office of the company not less than forty-eight hours before the commencement of the meeting. A proxy form for the Annual General Meeting is enclosed.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

By Order of the Board

For Elgi Building Products Limited



Sumanth Ramamurthi

Director

DIN: 00002773

Place: Coimbatore

Date: 18.05.2015

DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the 19th Annual Report of the Company along with audited financial statements for the year ended 31st March, 2015.

FINANCIAL HIGHLIGHTS:

The summary of the financial performance of the Company for the year ended 31st March 2015 is as follows.

Particulars	(Rs. In Lakhs)	
	31.03.2015	31.03.2014
Sales	213.76	406.12
Total Income	221.12	413.06
Earnings before Interest, Depreciation & Tax	30.96	46.25
Less: Finance Cost	1.54	1.19
Earnings before Depreciation & Tax	29.42	45.06
Less: Depreciation	34.53	43.73
Profit before Tax	(5.11)	1.33
Less: Provision for Taxation	---	---
Less: Deferred Tax	1.50	0.47
Profit after Tax	(3.61)	0.86
Less: Prior year expenses	---	---
Less: Taxes relation to earlier years	---	---
Net profit / (Loss)	(3.61)	0.86

REVIEW OF BUSINESS PERFORMANCE

Your Company has earned a total income of Rs.221.12 Lakhs and suffered a loss of Rs.3.61 Lakhs as compared to the total income of Rs.413.06 Lakhs and a profit of Rs.0.86 Lakhs during the preceding year.

DIVIDEND

Due to losses incurred by the Company during the year under review the Directors have not recommended any Dividend for the year ended 31st March 2015.

TRANSFER TO RESERVES

Due to loss suffered by the Company during the year under review the company is unable to transfer any amount to its reserves.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Since there was no unpaid/unclaimed Dividend, the provisions of Section 205A & 205C of the Companies Act, 1956 relating to transfer of Unclaimed dividend to Investor Education and Protection fund does not arise.

SHARE CAPITAL

The issued, subscribed and paid-up share capital of the Company as at 31.03.2015 stood at Rs.14,69,60,000/- divided into 71,96,000 equity shares of Rs.10/- each, 70,00,000 10% 8 years Non-cumulative Preference Shares of Rs.10/- each and 5,00,000 10% 8 years cumulative preference shares of Rs.10/- each. During the year under review the Company has not made any fresh issue of shares nor redeemed any of the issued preference shares.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return in the prescribed Form No.MGT-9 pursuant to Section 92(3) read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished as **Annexure 1** and is attached to this Report.

BOARD MEETINGS CONDUCTED DURING THE PERIOD UNDER REVIEW

The Company had conducted Five (5) Board meetings during the period under review.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures from those standards;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period;

- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION OF INDEPENDENT DIRECTORS

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

COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND OTHER MATTERS PROVIDED UNDER SECTION 178(3) OF THE COMPANIES ACT, 2013.

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in Annexure 2 and is attached to this report.

AUDITORS' REPORT

There were no qualifications, reservations, adverse remarks or disclaimers made by the Statutory Auditors in their report.

The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company has not granted any loans or given any security or made any investments pursuant to the provisions of Section 186 of the Companies Act, 2013 during the year under review.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions entered into with related parties as defined under the Companies Act, 2013 during the financial year 2014-15 were in the ordinary course of business and on an arm's length basis. The particulars of the contracts or arrangements entered into with the related parties have been disclosed in Form AOC-2 and are attached herewith as **Annexure 3** to this report.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, if any, affecting the financial position of the Company which has occurred between the financial year ended 31st March, 2015 and the date of the report.

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

The information pertaining to conservation of energy, technology absorption, Foreign Exchange Earnings and outgo as required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is attached herewith as **Annexure 4** to this report.

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company does not have any Risk Management Policy as the element of risk threatening the Company's existence is minimal.

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND VIGIL MECHANISM

The Audit Committee consists of the following members

1. Mr.Vidyasagar Ramdass (Chairman) – Independent Director
2. Mr.R.Ragupathy – Independent Director
3. Mr.Sumanth Ramamurthi - Non Executive Non-Independent Director

The Company is not required to establish a vigil mechanism since it does not satisfy the conditions prescribed under Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and hence, disclosure regarding the details of such mechanism in this report does not arise.

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has not initiated any Corporate Social Responsibility initiatives as the provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company.

ANNUAL EVALUATION OF THE BOARD ON ITS OWN PERFORMANCE AND OF THE INDIVIDUAL DIRECTORS

The Board has not undertaken an annual evaluation of its own performance and of the Individual Directors as the said provisions are not applicable to the company.

However, a separate meeting of the Independent Directors of the Company was held during the year pursuant to Schedule IV of the Companies Act, 2013 to transact such businesses mentioned therein.

DIRECTORS & KEY MANAGERIAL PERSONNEL

During the year under review, the Members have approved the appointment of Mr.R.Ragupathy and Mr.Vidyasagar Ramdass as the Independent Directors of the Company for a period of 5 years.

Mr.N.Ravichandran resigned as Manager of the Company with effect from 20.08.2014 and was subsequently appointed as the Director of the Company on the same day.

Mr.P.Nagarajan has been appointed as the Manager of the Company for a period of 5 years with effect from 20th August 2014.

Mr.Sumanth Ramamurthi, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Your Directors recommend his re-appointment.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

However, the Company is a subsidiary of Sara Elgi Arteriors Limited and Super Spinning Mills Limited.

FIXED DEPOSITS

Since the Company has not accepted any fixed deposits covered under Chapter V of the Companies Act, 2013, there are no deposits remaining unclaimed or unpaid as on 31st March 2015 and accordingly, the question of default in repayment of deposits or payment of interest thereon, during the year, does not arise.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

There is no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control systems to monitor internal business process, financial reporting and compliance with applicable laws. The Company periodically reviews the adequacy and effectiveness of the control systems. The Audit committee of the Board reviews internal control systems and their adequacy, significant risk areas, observations made by the internal auditors on control mechanism and the operations of the company, recommendations made for corrective action and the internal audit reports. The committee reviews with the statutory auditors and the management, key issues, significant processes and accounting policies.

AUDITORS

STATUTORY AUDITORS

M/s.S.Murali Dharan & Co, Chartered Accountants, Coimbatore retire at the ensuing Annual General Meeting and is eligible for re-appointment. The Audit Committee & the Board of Directors recommend the re-appointment of M/s.S.Murali Dharan & Co, Chartered Accountants as the Statutory Auditors of the Company. Further, company has received a certificate from the Statutory Auditors to the effect that their re-appointment, if made, would be within the limits prescribed under Section 139 of the Companies Act, 2013.

PARTICULARS OF EMPLOYEES

Since the Company is an Unlisted Company, provisions of Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, does not apply to the Company.

The disclosure referred to the Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 does not apply to the Company as there were no employees who are in receipt of remuneration in the aggregate at the rate of not less than Rs.60,00,000/- if employed throughout the year or Rs.5,00,000/- per month if employed for part of the year.

The Company has not employed any women employees on any part of the financial year under review. Hence the Company has not formulated and implemented the Anti-harassment policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

COST COMPLIANCE

Pursuant to Section 209(1)(d) of the Companies Act, 1956, Cost Compliance Report for the financial year ended 31st March 2014 was submitted to the Central Government on 30th July 2014.

ACKNOWLEDGEMENTS

Your Directors wish to thank the Company's Bankers, Financial Institutions, Customers and Suppliers for their unstinted support and co-operation.

Your Directors wish to place on record their appreciation of the confidence reposed by the shareholders in the Company at all times.

The Board of Directors also wishes to thank the employees at all levels for their excellent support and contribution made by them.

By order of the Board
For ELGI BUILDING PRODUCTS LIMITED



Sumanth Ramamurthi
Director
DIN : 00002773



A S Thirumoorthy
Director
DIN : 03604474

Place : Coimbatore
Date : 18.05.2015

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2015

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	U45201TZ1996PLC007037
ii)	Registration Date	15.03.1996
iii)	Name of the Company	ELGI BUILDING PRODUCTS LIMITED
iv)	Category / Sub-Category of the Company	Public Company / Limited by Shares
v)	Address of the Registered office and contact details	ELGI Tower, 737- D, Pappanaickenpalayam Road, Puliakulam, Coimbatore – 641045 Tel. No: 0422-2311711 Fax No: 0422-2311611 Email ID: investors@ssh.saraelgi.com
vi)	Whether listed company	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Profiles	39252000	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1	Sara Elgi Arteriors Limited Elgi Towers, 737 D Puliakulam Road, Coimbatore 641045	U28111TZ2003PLC010797	Holding Company	58.32	2(46)

e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i. Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	3	3	0	-	3	3	0	-
ii. Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	3	3	0	-	3	3	0	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	3	3	0	-	3	3	0	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	7196000	7196000	100	-	7196000	7196000	100	-

ii) Shareholding of Promoter-

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Super Spinning Mills Limited	2999592	41.68	-	2999592	41.68	-	-
2	Sara Elgi Arteriors Limited	4196403	58.32	-	4196403	58.32	-	-
3	Sumanth Ramamurthi	1	0.00	-	1	0.00	-	-
4	Hemalatha Ramamurthi	1	0.00	-	1	0.00	-	-
TOTAL		7195997	100	-	7195997	100	-	-

iii) Change in Promoters' Shareholding

S. NO	Promoters' Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	There has been no change in the shareholding of promoters during the year.			
	Increase / Decrease in Promoters Shareholding during the year				
	At the end of the year				

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

S. No.	NAME OF SHAREHOLDER	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	V SOUNDARARAJAN				
	At the beginning of the year	1	0	1	0
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	1	0	1	0
2	K BHASKARAN				
	At the beginning of the year	1	0	1	0
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	1	0	1	0

v) Shareholding of Directors and Key Managerial Personnel:

S. No.	NAME OF DIRECTOR AND KEY MANAGERIAL PERSONNEL	Shareholding at the beginning of the year	Cumulative Shareholding during the year
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		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	SUMANTH RAMAMURTHI				
	At the beginning of the year	1	0	1	0
	Increase/ Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	1	0	1	0
2	A S THIRUMOORTHY				
	At the beginning of the year	1	0	1	0
	Increase/ Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	1	0	1	0
3	N RAVICHANDRAN				
	At the beginning of the year	-	-	-	-
	Increase/ Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
4	N RAVICHANDRAN				
	At the beginning of the year	-	-	-	-
	Increase/ Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
5	R RAGUPATHY				
	At the beginning of the year	-	-	-	-
	Increase/ Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
6	VIDYASAGAR RAMDASS				
	At the beginning of the year	-	-	-	-
	Increase/ Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
7	P NAGARAJAN				
	At the beginning of the year	-	-	-	-
	Increase/ Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-

V. INDEBTEDNESS -

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

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managerial Director, Whole- Time Directors and/ or Manager :

S. No.	Particulars of Remuneration	MANAGER		Total Amount
		N Ravichandran*	P Nagarajan #	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others	-	-	-
5	Others	-	-	-
	Total (A)	-	-	-
	Ceiling as per the Act	42,00,000	42,00,000	42,00,000

*Resigned with effect from 20th August 2014

Appointed with effect from 20th August 2014

B. Remuneration to Other Directors

S. No	Particulars of Remuneration	Name of Directors					Total Amount
		Sumanth Ramamurthi	Vidyasagar Ramdass	R Ragupathy*	A S Thirumoorthy	N Ravichandran*	
1	Independent Directors						
	Fee for attending board committee meetings		10,000	4,000	-	-	14,000
	Commission	-	-	-	-	-	-
	Others	-	-	-	-	-	-
	Total (1)	-	-	-	-	-	-
2	Other Non-Executive Directors						
	Fee for attending board committee meetings	10,000	-	-	10,000	4,000	24,000
	Commission	-	-	-	-	-	-
	Others	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-	-
	Total Managerial Remuneration	10,000	10,000	4,000	10,000	4,000	38,000
	Overall Ceiling as per the Act	5,00,000	5,00,000	2,00,000	5,00,000	2,00,000	19,00,000

* Appointed as Directors with effect from 20th August 2014

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

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	- others, specify...				
5	Others, please specify				
	Total				

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

NOMINATION AND REMUNERATION POLICY

ANNEXURE -2

Introduction:

This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee in Compliance with Sec.178 of the Companies Act, 2013 and the rules made thereunder and approved by the Board of Directors.

Definitions:

“Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

“Key Managerial Personnel” (KMP) means:

- i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii) Chief Financial Officer;
- iii) Company Secretary; and
- iv) such other officer as may be prescribed.

“Senior Managerial Personnel” mean the personnel of the company who are members of its core management team excluding Board of Directors.

Objectives of the Committee:

The Committee shall:

- i. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
- ii. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.
- iii. Identify persons who are qualified to become Director(s) and persons who may be appointed in Key Managerial positions and Senior Management positions in accordance with the criteria laid down in this policy.

General Appointment Criteria:

- i. The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.
- ii. The Company should ensure that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made thereunder.

iii. The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder.

Term / Tenure:

The Term / Tenure of the Directors shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder as amended from time to time.

Evaluation:

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

Remuneration:

Remuneration to Managing Director / Whole-time Directors:

The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under and the approvals obtained from the Members of the Company.

Remuneration to Non- Executive / Independent Directors:

The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

Remuneration to Key Managerial Personnel and Senior Management:

The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

Form No. AOC-2

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

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

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

The Company has not entered into any contracts or arrangements or transactions which are not at arm's length basis.

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

S. No.	Name of the Related Party	Nature of Relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1.	Sara Elgi Arteriors Limited	Holding Company	Purchase & Sale of Goods	2 Years with effect from 01.01.2014	Purchase & Sale of Goods for an amount of Rs.10 Crores	31.10.2013	Nil
2.	Elgi Electric and Industries Limited	Sumanth Ramamurthi, Director is interested as a Director	Sale of goods and Leasing of property	5 Years with effect from 01.04.2014	Sale of goods for an amount of Rs.300 lakhs per annum and Leasing of property for an amount of Rs.20 lakhs per annum	15.05.2014	Nil
3.	Super Spinning Mills Limited	Ultimate Holding Company	Leasing of property and other expenses	1 Year with effect from 01.04.2014	Leasing of property and other expenses for an amount of Rs.25 lakhs	15.05.2014	Nil
4.	Elgi Electric and Industries Limited	Sumanth Ramamurthi, Director is interested as a Director	Sale of Property	--	Sale of Property for an amount of Rs.2.20 Crores	29.01.2015	Nil

By Order of the Board
For ELGI BUILDING PRODUCTS LIMITED


Sumanth Ramamurthi
Director
DIN : 00002773


A S Thirumoorthy
Director
DIN : 03604474

Place : Coimbatore
Date : 18.05.2015

Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo

[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

A. Conservation of Energy**(i) Steps taken for conservation of energy:**

Though the operations of the Company are not power intensive, the Company is making continuous efforts to conserve and optimise energy consumption by economising on fuel and power.

(ii) Steps taken by the Company for utilising alternate sources of energy

The Company has not undertaken any steps for utilising alternate sources of energy.

(iii) Capital investment on energy conservation equipment

The Company has not undertaken any capital investment on energy conservation equipment during the year.

B. Technology Absorption:

The Company has not absorbed any technology nor incurred any expenditure on Research and development during the year under review.

C. Foreign Exchange Earnings and outgo

(in Rs.)

Particulars	2014-15	2013-14
Foreign Exchange Earnings		
Foreign Exchange Outgo		

By Order of the Board

For ELGI BUILDING PRODUCTS LIMITED

Place : Coimbatore

Date : 18.05.2015



Sumanth Ramamurthi

Director

DIN : 00002773



A S Thirumoorthy

Director

DIN : 03604474

S. MURALI DHARAN & CO

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ELGI BUILDING PRODUCTS LIMITED

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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



2974 # 1 DHARUVATARA 241 Dr. RAJENDRA PRASAD ROAD TATABAD COIMBATORE 641 012

0422-2493786, 6475599 TELEFAX : 2494479 E-mail : smdservices1963@gmail.com / dharan2001@eth.net

Website : www.smdconsultancy.com

Opinion

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

- a) in the case of the Balance Sheet, of the State of Affairs of the Company as at March 31, 2015;
- b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 issued by the Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us;

c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the other matters to be included in the Auditor's Report and to the best of our information and according to the explanations given to us:

i. the company has disclosed the impact of pending litigations on its financial position in its financial statements;

ii. the company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts; and

iii. there were no amounts which required to be transferred, to the Investor Education and Protection Fund by the Company.

Place : Coimbatore
Date : 18.05.2015

For S.Murali Dharan & Co
Chartered Accountants
(Firm Regn. No. 009617S)


S.Murali Dharan
Partner
(M. No. 026554)



ANNEXURE TO THE AUDITORS' REPORT OF EVEN DATE

(As required by Companies (Auditor's Report) Order, 2015 & referred to in our report of even date)

- 1) (a) As per the information provided by the management, the Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) These fixed assets have been physically verified by the management at reasonable intervals and according to information and explanations given to us, no material discrepancies were noticed on such verification.
- 2) (a) As per the information & explanations given to us, physical verification of inventory has been conducted by the management at reasonable intervals during the year.

(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

(c) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- 3) (a) According to the information and explanations provided to us, the company has not granted any loans, secured or unsecured, to the companies, firms and other parties covered in the register maintained u/s 189 of the Companies Act, 2013.
- 4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business with regard to purchase of inventory, fixed assets and for sale of goods and services.

Further, on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control systems.
- 5) The Company has not accepted any deposits from the public within the meaning of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- 6) According to the information and explanation given to us, the maintenance of cost records has not been prescribed by the Central Government under section 148(1) of the Companies Act, 2013, in respect of the activities carried on by the company.
- 7) According to the information and explanations given to us in respect of the statutory dues:
 - a) We report that wherever applicable, the company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Service Tax, Sales Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and any other statutory dues with the appropriate authorities during the year.



According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March 2015 for a period of more than six months from the date they became payable.

- b) On the basis of information and explanations given to us, there are no dues of Sales Tax / Income Tax / Wealth Tax / Cess / Excise Duty / Customs Duty that have not been deposited on account of any dispute.
- c) According to the information and explanations given to us and the records of the company examined by us, the company is not required to transfer any amount to Investor Education and Protection Fund in accordance with the relevant provisions of the act and the rules framed thereunder.
- 8) The company reported is an entity, which has been registered for a period not less than five years and the accumulated losses of the Company are more than fifty percent of its net worth. The company has not incurred any cash losses during the financial year and in the immediately preceding financial year.
- 9) According to the records of the company examined by us and on the basis of information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the Balance Sheet date.
- 10) According to the information and explanations given to us and as per our examination of relevant records, we are of the opinion that the company has not given any guarantee for loans taken by others from banks or financial institutions.
- 11) According to the information and explanations given to us, no fresh term loans have been availed by the company during the year.
- 12) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud on or by the company has been noticed / reported during the year.

Place : Coimbatore
Date : 18.05.2015

For S.Murali Dharan & Co.
Chartered Accountants
(Firm Reg. No.009617S)


S. Murali Dharan
Partner
(M. No.026554)



ELGI BUILDING PRODUCTS LIMITED
Balance Sheet as on 31st March 2015

(Rs in Lakhs)

	Particulars	Note No.	As on 31.03.2015	As on 31.03.2014
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	1469.60	1469.60
	(b) Reserves and surplus	4	(833.43)	(719.40)
2	Non-current liabilities	5	0.00	0.25
3	Current liabilities			
	(a) Short-term borrowings	6	0.00	0.00
	(b) Trade payables	7	0.73	24.03
	(c) Other current liabilities	8	153.75	196.26
	(d) Short-term provisions	9	0.20	0.32
			0.00	0.00
	TOTAL		790.85	971.06
II.	ASSETS			
	Non-current assets			
1	(a) Fixed assets			
	Tangible assets	10	217.64	411.95
	(b) Deferred tax assets (net)	11	257.86	206.99
	(c) Other Non-Current assets	12	4.92	7.38
2	Current assets			
	(a) Inventories	13	39.23	57.31
	(b) Trade receivables	14	184.79	216.13
	(c) Cash and cash equivalents	15	16.61	30.41
	(d) Short-term loans and advances	16	69.80	40.88
	TOTAL		790.85	971.06

See accompanying notes forming part of the financial statements
As per our report of even date attached

For S.Murali Dharan & Co
Chartered Accountants
Registration No.009617S

S Murali Dharan
Partner, Membership No.026554

Coimbatore, 18 th May'2015



For and on behalf of the Board

Sumanth Ramamurthi
Director

P.Nagarajan
Manager

A S Thirumoorthy
Director

ELGI BUILDING PRODUCTS LIMITED
Statement of Profit and Loss for the year ended 31st March 2015

Sl.No.	Particulars	Note No.	(Rs. In Lakhs)	
			For the year ended 31.03.2015	For the year ended 31.03.2014
I.	Revenue from operations	17	213.76	406.12
II.	Other income	18	7.35	6.94
III.	Total Revenue (I + II)		221.12	413.06
IV.	Expenses:			
	Cost of materials consumed	19.a	120.41	288.74
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	19.b	13.74	10.39
	Employee benefits expense	20	8.56	15.11
	Finance costs	21	1.55	1.19
	Depreciation and amortization expense		34.53	43.73
	Other expenses	22	47.45	52.58
	Total expenses		226.23	411.73
V.	Profit before exceptional and extraordinary items and tax (III-IV)		(5.11)	1.33
VI.	Exceptional items			
VII.	Profit before extraordinary items and tax (V - VI)		(5.11)	1.33
VIII.	Extraordinary Items (Depreciation)		0.00	
IX.	Profit before tax (VII- VIII)		(5.11)	1.33
X	Tax expense:			
	(1) Current tax		0.00	0.00
	(2) Deferred tax		1.50	0.47
XI	Profit (Loss) for the period (IX - X)		(3.62)	0.86
XII	Tax expense of earlier years		0.00	0.00
XIII	Profit/(loss) after tax (XI-XII)		(3.62)	0.86
XIV	Profit (Loss) for the period (XI + XIII)		(3.62)	0.86
XV	Earnings per equity share:			
	(1) Basic		(0.05)	0.01
	(2) Diluted		(0.05)	0.01

See accompanying notes forming part of the financial statements

As per our report of even date attached


For **S.Murali Dharan & Co**
Chartered Accountants
Registration No.009617S


S Murali Dharan
Partner, Membership No.026554




Coimbatore, 18 th May'2015

For and on behalf of the Board


Sumanth Ramamurthi
Director


P. Nagarajan
Manager


A S Thirumoorthy
Director

ELGI BUILDING PRODUCTS LIMITED
Notes forming part of the financial statements

1 Corporate Information

Elgi Building Products Limited is a closely held company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in the manufacture and selling of UPVC Profiles, Windows and Doors. The Company has manufacturing unit in Andhra Pradesh.

2 Significant Accounting Policies

2.1 Accounting Convention

The Financial Statements have been prepared under the historical cost convention in accordance with generally accepted accounting principles in India, the applicable Accounting Standards referred to in Section 143 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.

2.2 Fixed Assets

a. Fixed Assets are stated at historical cost of acquisition (Net of Cenvat credits) less accumulated depreciation / amortization and cumulative impairment, if any. Cost of acquisition includes freight, duties, taxes, installation, direct attributable costs, interest and commissioning.

b. Capital Work in Progress projects under commissioning are carried forward at cost. Incidental expenditure in relation to projects under commissioning is carried forward till completion of project and comprises of direct cost, related incidental expenditure and attributable interest.

2.3 Depreciation

a. Depreciation on Fixed assets is charged on straight line method based on the useful life of the assets as prescribed under Schedule II of the Companies Act, 2013, on a pro-rata basis corresponding to the date of installation / commissioning.

b. Fixed Assets, other than intangible assets are depreciated to the extent of 95% of its gross value over the useful life of the asset.

2.4 Investments

Long-term investments are stated at cost less provision, if any, for diminution in value which is other than temporary. Current investments are stated at lower of cost and fair value.

2.5 Valuation of Inventories

Inventories of Raw Materials, Work-in Process, Finished Goods, Stores and Spares are stated at lower of cost and net realisable value. Cost comprises all cost of purchases, cost of conversion and any other costs incurred in bringing the inventories to their present location and condition. Cost formula used is weighted average. Due allowance is estimated and made for defective and obsolete items, wherever necessary based on the past experience of the company.

2.6 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources embodying economic benefits. Contingent liabilities are not recognised but are disclosed in the Notes forming part of financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

Contingent Liabilities: Dividend on 70,00,000 10% Non-Cumulative redeemable preference shares of Rs.10 each is in arrear for current year amounting to Rs.70.00 lakhs and dividend on 5,00,000 10% Cumulative redeemable preference shares of Rs.10 each is in arrear for current year amounting to Rs.5.00 lakhs.

2.7 Recognition of Income and Expenditure

- a. The Company follows the mercantile system of accounting and recognised income and expenditure on accrual basis except those with significant uncertainties.
- b. Sale of good is accounted when the risk and reward of ownership are passed on to the customers.
Domestic sales are reported in the statement of profit and loss are inclusive of excise duty, wherever applicable and exclusive of other taxes, if of other tax, if any, and trade discounts. Income from export entitlements is accounted as and when the certainty of entitlement is determined.
- c. Revenue from services rendered is recognised as the service is performed based on agreements /arrangements with the concerned parties.
- d.

2.8 Employee benefits / Retirement benefits of employees

- Gratuity benefits are administered by Trust formed for this purpose through the group scheme of Life Insurance Corporation of India. The provision of gratuity liability is actuarially determined at the year end and the liability arising on such valuation is charged to the statement of profit and loss.
- a. Provident Fund contribution is as per the rates prescribed by the Employees' Provident Fund Act, 1952 and the same is charged to revenue.
 - b. Super Annuation Fund contribution is paid according to Company rules to the Life Insurance Corporation of India and charged to revenue.
 - c.

2.9 Exchange Fluctuation

- Balances in the form of Current Assets and Current Liabilities in foreign exchange outstanding at the close of the year, are converted in indian currency at the appropriate rate of exchange prevailing on the date of the Balance sheet. Resultant gain or loss is charged to the statement of profit and loss.
- a. All other income or expenditure in foreign currency is recorded at the rates of exchange prevailing on the date when the transactions took place.
 - b.

2.10 Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to revenue.

2.11 Operating Lease

Assets taken on lease, under which, all the risk and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under operating leases are recognised as expenses on accrual basis in accordance with the respective lease agreements.

2.12 Taxes on Income

Tax expense comprises of current tax and deferred. Current tax and Deferred tax are accounted for in accordance with Accounting Standards (AS 22) on "Accounting for Taxes on Income", issued by The Institute of Chartered Accountants of India. Current tax is measured at the amount expected to be the tax authority using the applicable tax rates. Deferred tax assets and liabilities are recognised for future tax consequence attributable to timing difference between taxable income and accounting income that are capable of reversing in one or more subsequent periods and are measured at relevant enacted / substantially enacted tax rates. At each Balance Sheet date, the Company reassesses unrealised Deferred Tax assets to the extent they become reasonably certain or virtually certain of realisation as the case may be.

2.13 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 impaired when the carrying amount of the assets exceeds the recoverable amount. 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 is recognised in prior accounting periods is reversed in current accounting period if there has been a change in the estimate of the recoverable amount.

2.14 Earnings Per Share

Basic and Diluted earning per share is calculated by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

3 Share Capital

Particulars	As on	
	31-03-2015	31-03-2014
Authorised		
75,00,000(75,00,000) Equity Shares of Re 10/- each	750.00	750.00
70,00,000(70,00,000) 10% 8 years Non Cumulative Preference shares of Rs. 10 each	700.00	700.00
5,00,000(5,00,000) 10% 8 years Cumulative Preference shares of Rs.10 each	50.00	50.00
Issued, Subscribed & Fully Paid		
71,96,000(71,96,000) Equity Shares of Re 10/- each	719.60	719.60
70,00,000(70,00,000) 10% 8 years Non Cumulative Preference shares of Rs.10 each	700.00	700.00
5,00,000(5,00,000) 10% 8 years Cumulative Preference shares of Rs.10 each	50.00	50.00
Total	1,469.60	1,469.60
Shareholders holding more than 5% of paid up capital	No. of Shares & % of shares	
Name of the Shareholder	2014-2015	2013-2014
Equity Shares		
Sara Elgi Arteriors Limited	41,96,408 58.32%	41,96,408 58.32%
Super Spinning Mills Limited	29,99,592 41.68%	29,99,592 41.68%
Preference Shares -10% 8 Years Non -Cumulative		
Super Spinning Mills Limited	70,00,000 100.00%	70,00,000 100.00%
Preference Shares -10% 8 Years -Cumulative		
Super Spinning Mills Limited	50,00,000 100.00%	50,00,000 100.00%

3.1 There is no change in the number of shares outstanding at the beginning and at the end.

4 Reserves and Surplus

Sr. No	Particulars	As on 31-03-2015	As on 31-03-2014
a.	Capital Reserves		
	Balance as per previous financial statement	2.83	2.83
b.	Surplus in Profit and Loss Account		
	Opening Balance	(722.23)	(723.09)
	Add: Depreciation for earlier years	(159.79)	-
	Add: Deferred Tax earlier years	49.38	-
	Add: Amount Transferred from current year	(3.62)	0.86
	Closing Balance	(836.26)	(722.23)
	Total Reserves and Surplus	(833.43)	(719.40)

5 Non Current Liabilities

Sr. No	Particulars	As on 31-03-2015	As on 31-03-2014
	Sundry Creditors (Outstanding more than 1 Year)	-	-
	Advance from Customers	-	0.25
	Total	-	0.25

6 Short Term Borrowings

Sr. No	Particulars	As on 31-03-2015	As on 31-03-2014
	Secured Loans repayable on demand		
	From Banks	-	-
	-Working Capital facilities	-	-
	Total	-	-

6.1 Working Capital Loans are secured by hypothecation of Company's inventories, Book Debts and Other Current Assets

7 Trade Payables

0.73 24.03

The Company has initiated the process of obtaining confirmation from suppliers who are covered under the "Micro, Small and Medium Enterprises Development Act, 2006". Based on the information and evidence available with the Company, there are no dues to Micro, Small and Medium Enterprises, outstanding as on 31.03.2015

8 Other Current Liabilities

Sr. No	Particulars	As on 31-03-2015	As on 31-03-2014
	Advance from Customers	0.43	1.39
	Expenses Payable	1.61	2.72
	Other Liabilities	0.92	2.15
	Advance from Group Coy for land sale	150.80	-
	Advance from Parent Company	-	190.00
	TOTAL	153.75	196.26

9 Short Term Provisions

Sr. No	Particulars	As on 31-03-2015	As on 31-03-2014
	For Bonus	0.20	0.32
	TOTAL	0.20	0.32

11 Deferred Tax Assets / (Liabilities)

Sr. No	Particulars	Balance as of 31.03.2014	Charge / Credit	Closing Balance as of 31.03.2015
	Depreciation	(93.66)	(105.47)	11.81
	Loss	300.60	5.18	295.42
	Others	0.05	0.04	0.01
	Add: Adjusted in opening Balance		49.38	(49.38)
	Total Assets / (Liabilities)	206.99	(50.87)	257.86

12 Non Current Assets

Sr. No	Particulars	As on 31-03-2015	As on 31-03-2014
	R&D Expenses	4.92	7.38
	TOTAL	4.92	7.38

13 Inventories

Sr. No	Particulars	As on 31-03-2015	As on 31-03-2014
	Valued at Cost or Net Realisable value whichever is lower		
	Raw Materials	16.80	21.13
	Work in Process	4.95	2.54
	Finished Goods	16.48	32.63
	Trading Goods	1.00	1.00
	Total	39.23	57.31

14 Trade Receivables

Sr. No	Particulars	As on 31-03-2015	As on 31-03-2014
	(Unsecured, considered good)		
	Outstanding for a period exceeding six months	178.93	178.93
	Others	5.86	37.21
	Total	184.79	216.13

15 Cash and Cash Equivalents

Sr. No	Particulars	As on 31-03-2015	As on 31-03-2014
	Balance with Banks	16.38	30.18
	Cash on Hand	0.23	0.23
	Total	16.61	30.41

16 Short Term Loans and Advances

Sr. No	Particulars	As on 31-03-2015	As on 31-03-2014
	Unsecured, considered good		
	Advance for purchases	8.08	6.93
	Deposit with Excise and Customs Authorities	0.15	0.16
	Advance payment of taxes	19.99	24.42
	Other Deposits	41.59	9.37
	Total	69.80	40.88

17 Revenue from Operations

Sr. No	Particulars	For the year ended 31-03-2015	For the year ended 31-03-2014
	Sale of products	239.49	455.30
	Other operating revenues	0.45	0.82
	Less: Excise duty	(26.17)	(50.03)
	Total	213.76	406.12

18 Other Income

Sr. No	Particulars	For the year ended 31-03-2015	For the year ended 31-03-2014
	Interest Income(Refer Note 18.1 below)	0.10	-
	Other Non-operating Income(Refer Note 18.2 below)	7.26	6.94
	Total	7.35	6.94

18.1 Interest Income

Sr. No	Particulars	For the year ended 31-03-2015	For the year ended 31-03-2014
	Interest on EB Deposits		
	Interest on Income tax Refunds	0.10	-
	Total	0.10	-

18.2 Other Non Operating Income

Sr. No	Particulars	For the year ended 31-03-2015	For the year ended 31-03-2014
	Rent Receipts	6.94	6.94
	Misc. Receipts	0.32	-
	Total	7.26	6.94

19.a Cost of Materials Consumed

Sr. No	Particulars	For the year ended 31-03-2015	For the year ended 31-03-2014
	Opening Stock	21.13	10.30
	Add: Purchases	116.07	299.57
	Less: Closing Stock	(16.80)	(21.13)
	Total	120.41	288.74

19.b Changes In Inventories

Sr. No	Particulars	For the year ended 31-03-2015	For the year ended 31-03-2014
	Change in Inventories of Finished goods, Work-in Process & Stock in Trade Inventories at the end of the year		
	Finished goods	16.48	32.63
	Work-in Progress	4.95	2.54
	Stock in Trade	1.00	1.00
	Total	22.44	36.18
	Inventories at the beginning of the year		
	Finished goods	32.63	43.19
	Work-in Progress	2.54	2.11
	Stock in Trade	1.00	1.27
	Total	36.18	46.57
	Net (Increase) / Decrease	13.74	10.39

20 Employee Expenses Benefits

Sr. No	Particulars	For the year ended 31 03-2015	For the year ended 31-03-2014
	Salaries	7.89	14.16
	Contributions to	-	-
	- Provident Funds	0.29	0.26
	- Super Annuation Funds	-	-
	Gratuity Fund Contributions	0.02	0.01
	Welfare Expenses	0.36	0.67
	Total	8.56	15.11

21 Finance Cost

Sr. No	Particulars	For the year ended 31 03-2015	For the year ended 31-03-2014
	Interest Expense	0.01	0.02
	Other Borrowing cost	1.54	1.17
	Total	1.55	1.19

22 Other Expenses

Sr. No	Particulars	For the year ended 31 03-2015	For the year ended 31-03-2014
	Power and Fuel	21.04	31.05
	Stores	0.12	1.50
	Repairs and Maintenance	2.07	6.58
	Selling Expenses	0.36	0.15
	Rent	4.80	5.03
	Insurance Charges	0.74	0.64
	Postage, Telephone and Printing	0.24	0.35
	Travelling and Transport charges	0.52	0.17
	Taxes and Licenses	2.07	0.39
	Professional Charges	1.19	0.44
	Audit Fees	0.83	0.80
	Director sitting fees	0.38	0.12
	R & D Expenses WRITTEN OFF	2.46	2.46
	Others	10.62	2.89
	Total	47.45	52.58

22.1 Auditors' Remuneration:

Sr. No	Particulars	For the year ended 31 03-2015	For the year ended 31-03-2014
	As Auditor	0.58	0.55
	For other services	0.25	0.25
		0.83	0.80

23 Additional Information to the Financial Statements

23.1	Contingent Liabilities:	For the year ended 31 03-2015	For the year ended 31-03-2014
	Disputed Sales tax liability	-	18.77

23.2	Earnings per Share: The following reflects the income and share data	For the year ended 31-03-2015	For the year ended 31-03-2014
	used in the computation of		
	Basic Earnings per Share.		
	Amount used as Numerator		
	Net Profit attributable to the ordinary shareholders for Basic and Diluted Earnings per Share	(3.62)	0.86
	No. of ordinary shares used as denominator applicable.		
	Balance at the beginning of the year -lacs	71.96	71.96
	Issue of shares -lacs	71.96	71.96
	Nominal value per share(Rs.)	10.00	10.00
	No. of Equity Shares(Weighted Average)- lacs	71.96	71.96
	Basic Earnings per Share(Rs.)	(0.05)	0.01

23.3	Details of employee benefits as required by the Accounting Standard 15(Revised) are as under:
a	Description of the company's defined plan: The company operates a defined plan for payment of post employment benefits in the form of gratuity. Benefits under the plan are based on pay and years of service and are vested on completion of five years of service, as provided in the Payment of Gratuity Act, 1972. The terms of benefit are common for all the employees of the company.

b	Reconciliation in respect of the changes in the present value of the obligation:		
	Particulars	31.03.2015	31.03.2014
	Present value of the Obligation as on 1st April	0.29	0.24
	Current Service Cost	0.10	0.09
	Interest Cost	0.02	0.02
	Actuarial Gains and Losses	0.004	(0.07)
	Benefits Paid	-	-
	Present value of the Obligation as on 31st March	0.41	0.29

The liability of the company as of 31st of March 2015 has been funded to the extent of Rs.1.24 lakhs.

c	Reconciliation in respect of the changes in the Fair Market Value of the Plan Assets:		
	Particulars	31.03.2015	31.03.2014
	Fair value of the Plan Assets as on 1st April	1.14	1.05
	Expected Rate of Return	0.11	0.09
	Contributions by the Employer	(0.01)	-
	Benefits paid	-	-
	Fair value of the Plan Assets as on 31st March	1.24	1.14

No reimbursement rights were available at the beginning or end of the year for recognition as an asset.

d	The total expenses recognised in the Statement of Profit and Loss is as follows:		
	Particulars	31.03.2015	31.03.2014
	Current Service Cost	0.10	0.09
	Interest Cost	0.02	0.02
	Expected Return on Plan Assets	(0.11)	(0.09)
	Post Service tax	-	-
	Actuarial Gains and Losses	0.00	(0.07)
	Amount recognised in the Profit and Loss Account	0.02	(0.04)

The expenses has been included under the head "Contribution to Gratuity" under the "Employee cost" in the Statement of Profit and Loss.

e	Investment Details: LIC Group Gratuity(Cash Accumulation) Policy - 100% invested in Debt instruments.
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f	Principal Actuarial Assumptions used at the Balance Sheet date is as follows:		
	Particulars	31.03.2015	31.03.2014
	Discount Rate	8.00%	8.00%
	Expected Rate of Return on Plan Assets	8.00%	8.00%
	Rate of escalation in salary(per annum)	8.00%	8.00%

The estimates of rates of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

g	Reconciliation of Fair Value of Plan Assets and Obligations:		
	Particulars	31.03.2015	31.03.2014
	Present value of the Defined Benefit Obligation	0.41	0.29
	Fair value of Plan Assets	1.24	1.14
	Deficit in Plan Assets	0.83	0.86
	Experience Adjustments arising on Plan Liabilities as an amount	(0.83)	(0.86)
	Experience Adjustments arising on Plan Assets as an amount	-	-

ELGI BUILDING PRODUCTS LTD

2014-15
10 Fixed Assets

Sl No	Particulars	Gross Block			Depreciation			Net Block		
		As at 01.04.14	Additions	Disposals	As at 31.03.15	As at 01.04.14	For the year	Prior yr Dep.as per new act	As at 31.03.15	As at 31.03.14
a	Tangible Assets									
1	Land	8.82			8.82	0.00	0.00	0.00	8.82	8.82
2	Building	263.15			263.15	115.41	8.33	17.49	121.92	147.74
3	Machinery	995.67			995.67	741.06	26.19	144.61	83.81	254.61
4	Office Equipments	34.11			34.11	34.11	0.00	-1.71	1.71	0.00
	Furniture & Fittings	19.54			19.54	18.76	0.00	-0.19	0.98	0.78
5	Motor Vehicle	8.33			8.33	8.33	0.00	-0.42	0.42	0.00
	Total	1329.61	0.00	0.00	1329.61	917.66	34.53	159.79	216.64	411.95
	Previous Year	1329.61	0.00	0.00	1329.61	873.93	43.73	0.00	411.95	455.68

ELGI BUILDING PRODUCTS LIMITED

CASH FLOW STATEMENT FOR THE YEAR 2014-15

Particulars	Rs. In lacs	
	2014-15	2013-14
A. Cash Flow from operating activities :		
Net Profit before tax and extraordinary items	(5.11)	1.33
Adjustment for :		
Depreciation	34.53	43.73
Miscellaneous Income	-	-
(Interest Income)	-	-
Interest Payments	0.01	0.02
Operating Profit before working capital changes	29.42	45.07
Adjustments for :		
Trade receivables	31.34	70.19
Other receivables	(26.46)	(1.23)
Inventories	18.08	(0.44)
Trade and other payables	(66.06)	(96.20)
Cash generated from operations	(13.68)	17.40
Direct taxes paid		
Net Cash Flow from operating activities	(13.68)	17.40
B. Cash Flow from Investing activities :		
Purchase of fixed assets		
Sale of fixed assets		
Purchase of investments		
Miscellaneous Income		
Insurance Claim		
Interest received		
Net cash used for investing activities	-	-
C. Cash Flow from financing activities :		
Long term borrowings		
Short term borrowings	(0.12)	0.15
Interest paid	(0.01)	(0.02)
Share Capital		
Unsecured loans & deposits		
Net cash flow from financing activities	(0.12)	0.14
Net Increase / (Decrease) in cash and cash equivalents	(13.80)	17.53
Cash and cash equivalents - Opening	30.41	12.88
Cash and cash equivalents - Closing	16.61	30.41

See accompanying notes forming part of the financial statements
As per our report of even date attached


For S.Murali Dharan & Co
Chartered Accountants
Registration No.009617S


S Murali Dharan
Partner, Membership No.026554


Coimbatore, 18 th May'2015



For and on behalf of the Board


Sumanth Ramamurthi
Director


P. Nagarajan
Manager


A S Thirumoorthy
Director

Related Party Disclosure(as certified by the Management)

(i) Names of Related parties and description of Relationship:

- a) Key Management Personnel
 Sumanth Ramamurthi, Director
 A S Thirumoorthy, Director
- b) Holding Company
 SARA ELGI ARTERIORS LIMITED
- c) Others
 Elgi Electric and Industries Ltd
 Sara Elgi Industries Ltd
 Sara Elgi Envirotech LLP
 Super Spinning Mills Limited

(ii) Related Party Transactions

Nature of Transaction	Holding Company		Others		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Purchase of goods	3.94	3.91			3.94	3.91
Sales of goods	113.68	205.41	77.56	95.72	191.24	304.12
Purchase of Fixed Assets					0.00	0.00
Rent paid			5.39	5.39	5.39	5.39
Rent receipts			7.79	6.94	7.79	6.94
Sale of Fixed Assets			0.00		0.00	0.00
Other Expenses			1.74	6.00	1.74	6.00
Other Receipts				1.45	0.00	1.45
Amount outstanding at year end - Dr	39.83	4.40	5.39		45.23	4.40
Amount outstanding at year end - Cr				190.00	0.00	190.00

21.5 The company operates in one primary segment, viz Builder's ware of Plastics - PVC Frames.

21.6 Previous year figures have been regrouped and reclassified, wherever necessary, to correspond with the current year's classification / disclosure.

As per our report of even date attached


For S.Murali Dharan & Co
 Chartered Accountants
 Registration No.009617S


 S Murali Dharan
 Partner, Membership No.026554




 P.Nagarajan
 Manager

For and on behalf of the Board


 Sumanth Ramamurthi
 Director


 A S Thirumoorthy
 Director

Coimbatore, 18 th May 2015