

ELGI BUILDING PRODUCTS LIMITED

20th ANNUAL REPORT

2015-16

ELGI BUILDING PRODUCTS LIMITED

Board of Directors

Mr. Sumanth Ramamurthi (Up to 21.05.2016)
Mr. Vidyasagar Ramdass
Mr. R Ragupathy
Mr. A S Thirumoorthy
Mr. N Ravichandran

Manager

Mr. P Nagarajan

Auditor

M/s S Murali Dharan & Co.,
1, Dhuruva Tara Apartments
241, Dr Rajendra Prasad Road
Tatabad, Coimbatore - 641 012

Bankers

Corporation Bank
Industrial Finance Branch
Coimbatore

Registered Office

"Elgi Towers", 737 - D
Pappanaickenpalayam Road
Puliakulam
Coimbatore - 641 045
Tamil Nadu

Phone

0422 - 2311711

Fax

0422 - 2314411

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 TWENTIETH ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD ON MONDAY, THE 25th JULY 2016 AT 9.30 A.M AT ELGI TOWERS", 737-D, PAPPANAICKENPALAYAM ROAD, PULIAKULAM, 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, 2016, 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 Mr. N Ravichandran (DIN 06903916), 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.

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.
3. Members / Proxies should bring the attendance slips duly filled and signed for attending the meeting.
4. Members are requested to note that the venue of the 20th Annual General Meeting is at the Registered Office of the Company at "Elgi Towers", 737-D, Pappanaickenpalayam Road, Puliakulam, Coimbatore - 641 045 and the route map containing the complete particulars of the venue is attached to this Notice.

By Order of the Board

For Elgi Building Products Limited

Place: Coimbatore

Date: 20th May 2016



Sumanth Ramamurthi

Director

DIN: 00002773

Additional information of Directors seeking re-appointment as required under Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India

The information relating to the Director proposed to be re-appointed is given hereunder.

Name	N Ravichandran
DIN	06903916
Date of Birth	21-02-1960
Date of first appointment on the Board	20-08-2014
Qualification	B.E (Mechanical Engineering)
Expertise in area	More than three decades of experience in the field of Engineering Industry
Terms and Conditions of appointment / re-appointment	Retires by rotation
Remuneration last drawn	Rs.10,000/- paid as sitting fees
Remuneration proposed to be paid	Sitting Fees Only
Shareholding in the Company	NIL
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	He is not related to any of the Director's of the Company.
Number of meetings of the Board attended during the year	5 (Five)
Directorships of other Boards	Sara Elgi Industries Ltd Elgi Electric And Industries Ltd
Membership/ Chairmanship of Committees of other Boards	NIL

Route Map



DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the 20th Annual Report of the Company along with audited financial statements for the year ended 31st March, 2016.

Financial Highlights:

The summary of the financial performance of the Company for the year ended 31st March 2016 is as follows.

Particulars	(Rs. In Lakhs)	
	31.03.2016	31.03.2015
Sales	42.51	213.76
Total Income	135.21	221.12
Earnings before Interest, Depreciation & Tax	74.55	30.97
Less: Finance Cost	0.11	1.55
Earnings before Depreciation & Tax	74.44	29.42
Less: Depreciation	17.45	34.53
Profit / (Loss) before Tax	56.99	(5.11)
Less: Deferred Tax	10.51	(1.50)
Profit after Tax	46.48	(3.62)
Less: Exceptional Items	8.91	—
Net profit / (Loss)	37.57	(3.62)

Review of business performance

Your Company has earned a total income of Rs.135.21 Lakhs and earned a profit of Rs.37.57 Lakhs as compared to the total income of Rs.221.12 Lakhs and a loss of Rs.3.62 Lakhs during the preceding year.

Change in the nature of business

There was no change in the nature of business of the Company during the financial year ended 31st March 2016.

Dividend

In order to conserve reserves the Directors do not recommend any dividend for the year ended 31st March 2016.

Transfer to Reserves

The company has not transferred any amount to its reserves. However, the current profit after tax of Rs.37.57 lakhs has been carried forward to the surplus in the statement of profit & loss account of the Company.

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 31.03.2016 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.

The Board at its meeting held on 2nd March 2016 has extended the period of conversion of 10% Non-cumulative redeemable preference share of Rs.10/- each for a further period of eight years upto 28.03.2024. The members accorded its approval of the said extension in the Extra Ordinary General Meeting of the Company held on 24th March 2016.

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, 2 (Two) Audit Committee Meetings and 1 (One) Nomination and Remuneration Committee meeting during the period under review.

			Audit Committee Meeting		Nomination & Remuneration Committee Meeting	
	Meeting held	Meeting attended	Meeting held	Meeting attended	Meeting held	Meeting attended
Mr. Sumanth Ramamurthi	5	5	--	--	--	--
Mr. A S Thirumorthy	5	5	--	--	--	--
Mr. N Ravichandran	5	5	2	2	1	1
Mr. Vidyasagar Ramdass Independent Director Chairman-Audit & Nomination & Remuneration Committee	5	4	2	2	1	1
Mr. R Ragupathy Independent Director	5	4	2	2	1	1

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;
- (e) the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively and
- (f) 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.

Details in respect of frauds reported by Auditors under Section 143(12) of the Companies Act, 2013 other than those which are reportable to the Central Government

There have been no frauds reported by the Auditors pursuant to Section 143(12) of the Companies Act, 2013.

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 2015-16 were in the ordinary course of business and on an arm's length basis. The particulars of the contracts or arrangements entered in to 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, 2016 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(8)(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.

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 undertaken an annual evaluation of its own performance and of the Individual Directors as per the said provisions. 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

Mr. Sumanth Ramamurthi has resigned from the Directorship of the Company w.e.f 21st May 2016 and the Board places on record its warm appreciation for the contributions rendered by him during the tenure as Director of the Company.

Mr. N Ravichandran, 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 2016 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 financial 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.

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. N Ravichandran - 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.

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.

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

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.

Acknowledgement

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

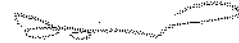
Your Directors wish to place on record their appreciation of the confidence reposed by the shareholders in the Company at all times.

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 : 20th May 2016

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

A1. 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)

2	Super Spinning Mills Limited 'ELGI Towers', P.B. No.:7113, Green Fields, Puliakulam Road, Coimbatore - 641045	L17111TZ1962PLC001200	*Holding Company	41.68	2(46)
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*M/s. Super Spinning Mills Limited is the Ultimate Holding Company of Elgi Building Products Limited

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	2	2	0	-	2	2	0	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	7195995	7195995	100	-	7195995	7195995	100	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub- Total (A)(1)	-	7195997	7195997	100	-	7195997	7195997	100	-
(2) Foreign									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Others-Individual	-	-	-	-	-	-	-	-	-
c) Bodies corporate	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
Sub- Total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of promoter (A) = (A)(1)+(A)(2)	-	7195997	7195997	100	-	7195997	7195997	100	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-

b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
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				
	Increase / Decrease in Promoters Shareholding during the year			There has been no change in the shareholding of promoters 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	
		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	R RAGUPATHY				
	At the beginning of the year	-	-	-	-
	Increase/ Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
5	VIDYASAGAR RAMDASS				
	At the beginning of the year	-	-	-	-
	Increase/ Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
6	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
		P Nagarajan #	
1	Gross salary	Not Applicable	
	(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		

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		8,000	8,000			16,000
	Commission	-	-	-	-	-	-
	Others	-	-	-	-	-	-
	Total (1)	-	-	-	-	-	-
2	Other Non-Executive Directors						
	Fee for attending board committee meetings	10,000			10,000	10,000	30,000
	Commission	-	-	-	-	-	-
	Others	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)						
	Total Managerial Remuneration	10,000	8,000	8,000	10,000	10,000	46,000
	Overall Ceiling as per the Act	Rs.1,00,000/- per meeting					

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				

NOT APPLICABLE

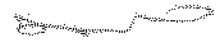
VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

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	-	-	-	-	-

By order of the Board
For ELGI BUILDING PRODUCTS LIMITED



Sumanth Ramamurthi
Director
DIN : 00002773



A S Thirumoorthy
Director
DIN : 03604474

Place : Coimbatore
Date : 20th May 2016

NOMINATION AND REMUNERATION POLICY

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:

- a. 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.
- b. 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.
- c. 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.

By order of the Board
For ELGI BUILDING PRODUCTS LIMITED


Sumanth Ramamurthi
Director
DIN : 00002773


A S Thirumoorthy
Director
DIN : 03604474

Place : Coimbatore
Date : 20th May 2016

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act read with 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:


Not Applicable


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

Sl. 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.	M/s.Sara Elgi Arteriors Limited	Mr.Sumanth Ramamurthi and Mr.A.S.Thirumoorthy interested as Directors.	Purchase and Sale of Goods	01.01.2016 to 31.12.2020	Transaction value not exceeding Rs.25 Crores per annum.	18.05.15	

By Order of the Board
For ELGI BUILDING PRODUCTS LIMITED

Place : Coimbatore
Date : 20.05.2016


Sumanth Ramamurthi
Director
DIN : 00002773


A S Thirumoorthy
Director
DIN : 03604474

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 economizing 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:


- i) the efforts made towards technology absorption - Nil
- ii) the benefits derived like product improvement, cost reduction, product development or import substitution - Nil
- iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)
- a) the details of technology imported - Nil
- b) the year of import - Nil
- c) whether the technology been fully absorbed - Nil
- d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof - Nil and
- iv) the expenditure incurred on Research & Development - Nil

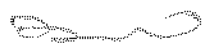
C. Foreign Exchange Earnings and outgo - Nil

By Order of the Board

For EDI BUILDING PRODUCTS LIMITED

Place : Coimbatore
Date : 20th May 2016


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 2016, 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.

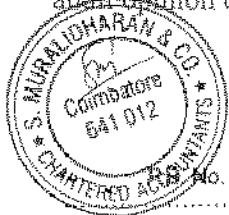
Auditor's Responsibility

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.



No. : 2974 # 1 DHARUVATARA 241 Dr. RAJENDRA PRASAD ROAD TATABAD COIMBATORE 641 012
PHONE : 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, of the state of affairs of the Company as at March 31, 2016, and its loss and its cash flows for the year ended on that date.

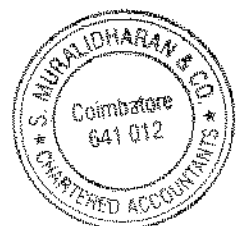
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 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", 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 it 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, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure - B" and
 - g) 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.

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

Place : Coimbatore
Date : 20.05.2016


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



ANNEXURE - 'A' TO THE AUDITORS' REPORT

(As required by Companies (Auditor's Report) Order, 2016 & 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 no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties of the company shown under the Fixed Assets Schedule are held in the name of the company.
- 2) As per the information & explanations given to us, physical verification of inventory has been conducted by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable and the discrepancies noticed on verification were not material.
- 3) 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) According to the information and explanations provided to us, the company has not given any loans / investments / guarantees to which the provisions of Section 185 and 186 of the Act apply.
- 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. Accordingly Paragraph 3(5) of order is not applicable to the company.
- 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) a) According to the information and explanations given and on the basis of our examination of the records of the company, we report that wherever applicable, the company is regular in depositing undisputed statutory dues including Provident 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 2016 for a period of more than six months from the date they became payable.

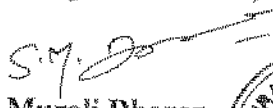
b) On the basis of information and explanations given to us, there are no dues of Sales Tax / Income Tax / Cess / Excise Duty / Customs Duty that have not been deposited on account of any dispute.
- 8) According to the records of the company examined by us and on the basis of information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution, bank, Government or debenture holders as at the Balance Sheet date.
- 9) The company has not raised any moneys by way of Initial Public Offer / Further Public Offer and term loans during the year. Accordingly Paragraph 3(9) of the order is not applicable to the company.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the company and no fraud on the company by its officers / employees has been noticed / reported during the course of our audit.

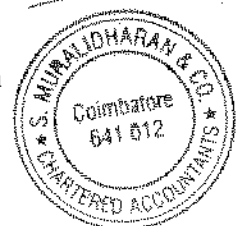


- 11) According to information and records provided to us, the company has not paid or provided Managerial Remuneration during the year. Accordingly Paragraph 3(11) of the order is not applicable to the company.
- 12) In our opinion and according to the information and explanations provided to us, the company is not a Nidhi Company. Accordingly Paragraph 3(12) of the order is not applicable.
- 13) According to the information and explanations given to us and based on our examination of the records of the company, transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) According to the information and explanations given to us and based on our examination of records of the company, the company has not made any preferential allotment or private placement of shares fully or partly convertible debentures during the year.
- 15) According to the information and explanations given to us and based on our examination of records of the company, the company has not entered into non-cash transactions with directors or persons connected with him as stipulated u/s 192 of the Act. Accordingly Paragraph 3(15) of the order is not applicable.
- 16) In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place : Coimbatore
Date : 20.05.2016

For S.Murali Dharan & Co.
Chartered Accountants
(Firm Reg. No.0096178)


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



ANNEXURE - 'B' TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of **Elgi Building Products Limited** as of 31st March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

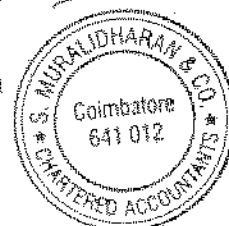
Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Coimbatore
Date : 20.05.2016

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 2016

Sl.No	Particulars	Note No.	As on 31.03.2016	As on 31.03.2015
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	1469.60	1469.60
	(b) Reserves and surplus	4	(795.87)	(833.43)
2	Non-current liabilities	5	0.00	0.00
3	Current liabilities			
	(a) Short-term borrowings	6	0.00	0.00
	(b) Trade payables	7	0.01	0.73
	(c) Other current liabilities	8	2.42	153.75
	(d) Short-term provisions	9	0.00	0.20
	TOTAL		676.17	790.85
II.	ASSETS			
	Non-current assets			
1	(a) Fixed assets			
	Tangible assets	10	70.62	217.64
	(b) Deferred tax assets (net)	11	247.36	257.86
	(c) Other Non-Current assets	12	2.46	4.92
2	Current assets			
	(a) Inventories	13	29.81	39.23
	(b) Trade receivables	14	172.44	184.79
	(c) Cash and cash equivalents	15	7.39	16.61
	(d) Short-term loans and advances	16	146.10	69.80
	TOTAL		676.17	790.85

See accompanying notes forming part of the financial statements

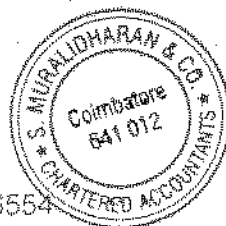
As per our report of even date attached

For and on behalf of the Board

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

S Murali Dharan
Partner, Membership No.026554

Coimbatore, 20 th May'2016



[Signature]
Sumanth Ramamurthi

Director

[Signature]
P. Nagarajan

Manager

[Signature]
A S Thirumoorthy

Director

ELGI BUILDING PRODUCTS LIMITED
Statement of Profit and Loss for the year ended 31st March 2016

Sl.No.	Particulars	Note No.	For the year ended 31.03.2016	For the year ended 31.03.2015
I.	Revenue from operations	17	42.51	213.76
II.	Other income	18	92.71	7.35
III.	Total Revenue (I + II)		135.21	221.12
IV.	Expenses:			
	Cost of materials consumed	19.a	18.42	120.41
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	19.b	6.94	13.74
	Employee benefits expense	20	4.94	8.56
	Finance costs	21	0.11	1.55
	Depreciation and amortization expense	10	17.45	34.53
	Other expenses	22	30.35	47.45
	Total expenses		78.23	226.23
V.	Profit before exceptional and extraordinary items and tax (III-IV)		56.99	(5.11)
VI.	Exceptional items		8.91	
VII.	Profit before extraordinary items and tax (V - VI)		48.08	(5.11)
VIII.	Extraordinary Items		0.00	0.00
IX.	Profit before tax (VII- VIII)		48.08	(5.11)
X.	Tax expense:			
	(1) Current tax		0.00	0.00
	(2) Deferred tax		10.51	1.50
XI.	Profit (Loss) for the period (IX - X)		37.57	(3.62)
XII.	Tax expense of earlier years		0.00	0.00
XIII.	Profit/(loss) after tax (XI-XII)		37.57	(3.62)
XIV.	Profit (Loss) for the period (XI + XIII)		37.57	(3.62)
XV.	Earnings per equity share:			
	(1) Basic		0.52	(0.05)
	(2) Diluted		0.52	(0.05)

See accompanying notes forming part of the financial statements

As per our report of even date attached

For and on behalf of the Board

For **S.Murali Dharan & Co**

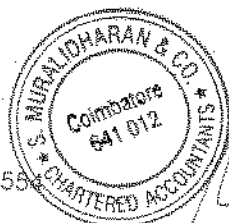
Chartered Accountants

Registration No.009617S

S.M. Dharan
S Murali Dharan

Partner, Membership No.02658

Coimbatore, 20th May, 2016



P. Nagarajan
P. Nagarajan
Manager

Sumanth Ramamurthi
Sumanth Ramamurthi
Director

A S Thirumoorthy
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 have 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 133 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.

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.
- c. 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.
- d. Revenue from services rendered is recognised as the service is performed based on agreements /arrangements with the concerned parties.

2.8 Employee benefits / Retirement benefits of employees

- a. 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.
- b. Provident Fund contribution is as per the rates prescribed by the Employees' Provident Fund Act, 1952 and the same is charged to revenue.
- c. Super Annuation Fund contribution is paid according to Company rules to the Life Insurance Corporation of India and charged to revenue.

2.9 Exchange Fluctuation

- a. 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.
- b. All other income or expenditure in foreign currency is recorded at the rates of exchange prevailing on the date when the transactions took place.

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. As 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 31-03-2016	As on 31-03-2015
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			
Name of the Shareholder		No. of Shares & % of shares	
		2015-2016	2014-2015
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 31-03-2016	As on 31-03-2015
a.	Capital Reserves		
	Balance as per previous financial statement	2.83	2.83
b.	Surplus in Profit and Loss Account		
	Opening Balance	(836.26)	(722.23)
	Add: Depreciation for earlier years		(159.79)
	Add: Deferred Tax earlier years		49.38
	Add: Amount Transferred	37.57	(3.62)
	Closing Balance	(798.70)	(836)
	Total Reserves and Surplus	(795.87)	(833.43)

5 Non Current Liabilities

Sr. No	Particulars	As on 31-03-2016	As on 31-03-2015
	Sundry Creditors (Outstanding more than 1 Year) Advance from Customers		
		-	-

6 Short Term Borrowings

Sr. No	Particulars	As on 31-03-2016	As on 31-03-2015
	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

0.01

0.73

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 31.03.2016

8 Other Current Liabilities

Sr. No	Particulars	As on 31-03-2016	As on 31-03-2015
	Advance from Customers	0.12	0.43
	Expenses Payable	2.20	1.64
	Other Liabilities	0.10	0.92
	Advance from Group Coy for land sale	-	150.80
	Advance from Parent Company	-	-
	TOTAL	2.42	153.75

9 Short Term Provisions

Sr. No	Particulars	As on 31-03-2016	As on 31-03-2015
	For Bonus	-	0.20
		-	0.20

11 Deferred Tax Assets / (Liabilities)

Sr. No	Particulars	Balance as of 31.03.2015	Charge / Credit	Closing Balance as of 31.03.2016
	Depreciation	(37.57)	29.49	(8.07)
	Loss	295.42	(39.93)	255.49
	Others	0.01	(0.07)	(0.06)
	Add: Adjusted in opening Balance	-	-	-
	Total Assets / (Liabilities)	257.86	(10.51)	247.36

12 Non Current Assets

Sr. No	Particulars	As on 31-03-2016	As on 31-03-2015
	R&D Expenses	2.46	4.92
		2.46	4.92

13 Inventories

Sr. No	Particulars	As on 31-03-2016	As on 31-03-2015
	Valued at Cost or Net Realisable value whichever is lower		
	Raw Materials	14.31	16.80
	Work in Process	5.00	4.95
	Finished Goods	9.49	16.48
	Trading Goods	1.00	1.00
	Total	29.81	39.23

14 Trade Receivables

Sr. No	Particulars	As on 31-03-2016	As on 31-03-2015
	(Unsecured, considered good)		
	Outstanding for a period exceeding six months	172.44	178.93
	Others	0.00	5.86
	Total	172.44	184.79

15 Cash and Cash Equivalents

Sr. No	Particulars	As on 31-03-2016	As on 31-03-2015
	Balance with Banks	7.35	16.38
	Cash on Hand	0.05	0.23
	Total	7.39	16.61

16 Short Term Loans and Advances

Sr. No	Particulars	As on 31-03-2016	As on 31-03-2015
	Unsecured, considered good		
	Advance for purchases	6.63	8.08
	Deposit with Excise and Customs Authorities	0.63	0.15
	Advance payment of taxes	18.95	19.99
	Other Deposits	119.89	41.59
	Total	146.10	69.80

17 Revenue from Operations

Sr. No	Particulars	For the year ended 31-03-2016	For the year ended 31- 03-2015
	Sale of products	47.70	239.49
	Other operating revenues	0.10	0.45
	Less: Excise duty	(5.29)	(26.17)
	Total	42.51	213.76

18 Other Income

Sr. No	Particulars	For the year ended 31-03-2016	For the year ended 31- 03-2015
	Interest Income(Refer Note 18.1 below)	2.27	0.10
	Other Non-operating Income(Refer Note 18.2 below)	90.43	7.26
	Total	92.71	7.35

18.1 Interest Income

Sr. No	Particulars	For the year ended 31-03-2016	For the year ended 31- 03-2015
	Interest on Fixed Deposits	2.19	-
	Interest on Income tax Refunds	0.09	0.10
	Total	2.27	0.10

15.2 Other Non Operating Income

Sr. No	Particulars	For the year ended 31-03-2016	For the year ended 31-03-2015
	Rent Receipts	-	6.94
	Misc. Receipts	-	0.32
	Profit/Loss on Sale of Assets	90.43	-
	Total	90.43	7.26

19.a Cost of Materials Consumed

Sr. No	Particulars	For the year ended 31-03-2016	For the year ended 31-03-2015
	Opening Stock	16.80	21.13
	Add: Purchases	15.94	116.07
	Less: Closing Stock	(14.31)	(16.80)
	Total	18.42	120.41

19.b Changes in Inventories

Sr. No	Particulars	For the year ended 31-03-2016	For the year ended 31-03-2015
	Change in inventories of Finished goods, Work-in Process & Stock in Trade Inventories at the end of the year		
	Finished goods	9.49	16.48
	Work-in Progress	5.00	4.95
	Stock in Trade	1.00	1.00
	Total	15	22
	Inventories at the beginning 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
	Net (Increase) / Decrease	6.94	13.74

20 Employee Expenses Benefits

Sr. No	Particulars	For the year ended 31-03-2016	For the year ended 31-03-2015
	Salaries	5.54	7.89
	Contributions to		
	- Provident Funds	0.28	0.29
	- Super Annuation Funds	-	-
	Gratuity Fund Contributions	(1.01)	0.02
	Welfare Expenses	0.13	0.36
	Total	4.94	8.56

21 Finance Cost

Sr. No	Particulars	For the year ended 31-03-2016	For the year ended 31-03-2015
	Interest Expense	0.00	0.01
	Other Borrowing cost	0.11	1.54
	Total	0.11	1.55

22 Other Expenses

Sr. No	Particulars	For the year ended 31-03-2016	For the year ended 31- 03-2015
	Power and Fuel	13.75	21.04
	Stores	-	0.12
	Repairs and Maintenance	1.54	2.07
	Selling Expenses	0.29	0.36
	Rent	5.27	4.80
	Insurance Charges	0.48	0.74
	Postage, Telephone and Printing	0.21	0.24
	Travelling and Transport charges	1.04	0.52
	Taxes and Licenses	0.31	2.07
	Professional Charges	0.98	1.19
	Audit Fees	0.55	0.83
	Director sitting fees	0.44	0.38
	R & D Expenses WRITTEN OFF	2.46	2.46
	Others	3.03	10.62
	Total	30.35	47.45

22.1 Auditors' Remuneration:

Sr. No	Particulars	For the year ended 31-03-2016	For the year ended 31- 03-2015
	As Auditor	0.55	0.58
	For other services	-	0.25
		-	83,090

23 Additional Information to the Financial Statements

23.1	Contingent Liabilities:	For the year ended 31-03-2016	For the year ended 31- 03-2015
	Disputed Sales tax liability	18.77	18.77

23.2	Earnings per Share: The following reflects the income and share data	For the year ended 31-03-2016	For the year ended 31- 03-2015
	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	37.57	(3.62)
	No. of ordinary shares used as denominator applicable:		
	Balance at the beginning of the year	71.96	71.96
	Issue of shares	71.96	71.96
	Nominal value per share(Rs.)	10.00	10.00
	No. of Equity Shares(Weighted Average)	72	72
	Basic Earnings per Share(Rs.)	0.52	(0.05)

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 commr for all the employees of the company.

b Reconciliation in respect of the changes in the present value of the obligation:

Particulars	31.03.2016	31.03.2015
Present value of the Obligation as on 1st April	41250	28957
Current Service Cost	10257	9569
Interest Cost	3300	2317
Actuarial Gains and Losses	-20653	407
Benefits Paid	0	-
Present value of the Obligation as on 31st March	34154	41250

The liability of the company as of 31st of March 2016 has been funded to the extent of Rs. 1.35 lakhs.

c Reconciliation in respect of the changes in the Fair Market Value of the Plan Assets:

Particulars	31.03.2016	31.03.2015
Fair value of the Plan Assets as on 1st April	124411	114474
Expected Rate of Return	10518	10558
Contributions by the Employer	0	-621
Benefits paid	0	0
Fair value of the Plan Assets as on 31st March	134929	124411

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	31.03.2016	31.03.2015
Current Service Cost	10257	9569
Interest Cost	3300	2317
Expected Return on Plan Assets	-10518	-10557
Post Service tax	0	0
Actuarial Gains and Losses	-20653	407
Amount recognised in the Profit and Loss Account	-17614	1736

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

e Investment Details: LIC Group Gratuity(Cash Accumulation) Policy - 100% invested in Debt instruments.

f Principal Actuarial Assumptions used at the Balance Sheet date is as follows:

Particulars	31.03.2016	31.03.2015
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	31.03.2016	31.03.2015
Present value of the Defined Benefit Obligation	34154	41250
Fair value of Plan Assets	134929	124411
Deficit in Plan Assets	100775	83161
Experience Adjustments arising on Plan Liabilities as an amount	(100,775)	(83,161)
Experience Adjustments arising on Plan Assets as an amount	-	-

23.4 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 Thirumorthy, Director
- b) Holding Company
 SARA ELGI ARTERIORS LIMITED
- d) 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	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Purchase of goods	2.49	3.94			2.49	3.94
Sales of goods	33.79	113.68		77.56	33.79	191.24
Purchase of Fixed Assets						
Rent paid			5.87	5.39	5.87	5.39
Rent receipts				7.79		7.79
Sale of Fixed Assets			220.00		220.00	
Other Expenses			0.60	1.74	0.60	1.74
Other Receipts			70.29	150.00	70.29	150.00
Amount outstanding at year end - Dr	68.28	39.83			68.28	39.83
Amount outstanding at year end - Cr				145.40		145.40

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

23.6 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

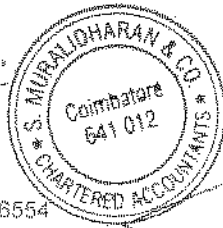
Registration No.009617S

S.M.

S Murali Dharan

Partner, Membership No.026554

Coimbatore, 20th May,2016



P.Nagarajan
 Manager

For and on behalf of the Board

[Signature]

Sumanth Ramamurthi

Director

[Signature]

A S Thirumorthy

Director

ELGI BUILDING PRODUCTS LIMITED

CASH FLOW STATEMENT FOR THE YEAR 2015-16

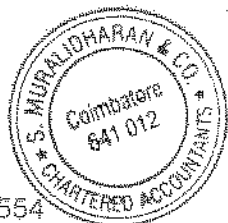
Particulars	Rs.	
	2015-16	2014-15
A. Cash Flow from operating activities :		
Net Profit before tax and extraordinary items	48.08	(5.11)
Adjustment for :		
Depreciation	17.45	34.53
PROFIT ON SALE OF ASSETS	(90.43)	0.00
(Interest Income)	0.00	0.00
Interest Payments	0.00	0.01
Operating Profit before working capital changes	(24.90)	29.42
Adjustments for :		
Trade receivables	12.36	31.34
Other receivables	(73.84)	26.46
Inventories	9.43	18.08
Trade and other payables	(152.05)	66.06
Cash generated from operations	(229.02)	13.68
Direct taxes paid		
Net Cash Flow from operating activities	(229.02)	13.68
B Cash Flow from Investing activities :		
Purchase of fixed assets		
Sale of fixed assets	220.00	
Purchase of investments		
Miscellaneous Income		
Insurance Claim		
Interest received		
Net cash used for investing activities	220.00	
C Cash Flow from financing activities :		
Long term borrowings		
Short term borrowings	(0.20)	(0.12)
Interest paid	(0.00)	(0.01)
Share Capital		
Unsecured loans & deposits		
Net cash flow from financing activities	(0.20)	(0.12)
Net Increase / (Decrease) in cash and cash equivalent	(9.22)	(13.80)
Cash and cash equivalents - Opening	16.61	30.41
Cash and cash equivalents - Closing	7.39	16.61

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.0096,17S

S.M. Dharan
S Murali Dharan
Partner, Membership No.026554

Coimbatore, 20 th May 2016



For and on behalf of the Board

Sumanth Ramamurthi
Sumanth Ramamurthi
Director

P. Nagarajan
P. Nagarajan
Manager

A S Thirumoorthy
A S Thirumoorthy
Director

ELGI BUILDING PRODUCTS LIMITED

DEPRECIATION FOR THE YEAR 2015-16

S.NO.	PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		AS ON 01.04.2015	ADDITIONS	DELETIONS	AS ON 01.04.2016	AS ON 01.04.2015	FOR THE PERIOD	Disposal	UPTO 31.03.2016	AS ON 31.03.2016
1	LAND	8.82	0	8.82	0.00	0.00	0.00	0.00	0.00	8.82
2	BUILDING- Combatores	263.15	0	263.15	0.00	1.16	142.40	0.00	0.00	0.00
3	PLANT & MACHINERY	995.67	0	0.00	995.67	16.29	0.00	928.15	67.52	83.81
4	OFFICE EQUIPMENTS	34.11	0	0.00	34.11	0.00	0.00	32.40	1.71	1.71
5	FUR. & FIXTURES	19.54	0	0.00	19.54	0.00	0.00	18.56	0.98	0.98
6	VEHICLES	8.33	0	0.00	8.33	7.91	0.00	7.91	0.42	0.42
	TOTAL	1329.61	0	271.97	1057.64	17.45	142.40	987.03	70.62	217.64
	Previous Year	1329.61	0	0	1329.61	917.66	0.00	1111.98	217.64	411.95