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# 2014-15

## ANNUAL REPORT



# CERTIFICATION

At OBL, we believe in the religion of excellence and our customers look to us with the anticipation that our next move will yield another inspired more stunning creation. It is not surprising that such devotion has earned us not only the patronage of our customers but also the accreditation of ISO 9001:2008 for our quality control management systems. Our manufacturing units employ the latest technology to manufacture products that adhere to international standards. We strive to raise our own benchmark, thus meeting the demands of both aesthetic appeal and durable functionality of our customers.

Our manufacturing units are also certified in accordance with ISO 14001:2004 International standard, the most complete and global expression for an environment friendly industrial company. In May 2000, OBL was awarded the prestigious ISO 14001 certification by the internationally recognized BSI Management Systems, U.K.



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# Corporate information

## BOARD OF DIRECTORS

Mr. Mahendra K. Daga, Chairman & Managing Director  
 Mr. Madhur Daga, Joint Managing Director  
 Mr. K.M. Pai, Executive Director & Chief Financial Officer  
 Mr. Dhruv M. Sawhney  
 Mr. N.R. Srinivasan  
 Mr. P.M. Mathai  
 Mr. R.N. Bansal  
 Ms. Tanuja Joshi

## AUDIT COMMITTEE

Mr. R.N. Bansal (Chairman)  
 Mr. Mahendra K. Daga  
 Mr. K.M. Pai  
 Mr. N.R. Srinivasan  
 Mr. P.M. Mathai

## STAKEHOLDERS RELATIONSHIP AND GRIEVANCE COMMITTEE

Mr. N.R. Srinivasan (Chairman)  
 Mr. Mahendra K. Daga  
 Mr. Madhur Daga

## NOMINATION AND REMUNERATION COMMITTEE

Mr. N.R. Srinivasan (Chairman)  
 Mr. R.N. Bansal  
 Mr. P.M. Mathai

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Madhur Daga (Chairman)  
 Mr. K.M. Pai  
 Mr. N.R. Srinivasan  
 Mr. R.N. Bansal  
 Ms. Tanuja Joshi

## COMPENSATION COMMITTEE

Mr. Madhur Daga  
 Mr. P.M. Mathai  
 Mr. N.R. Srinivasan  
 Mr. R.N. Bansal

## COMPANY SECRETARY & HEAD-LEGAL

Mr. Yogesh Mendiratta

## STATUTORY AUDITORS

M/s S.R. Dinodia & Co. LLP, New Delhi

## BANKERS / LENDERS

State Bank of India  
 Punjab National Bank  
 Axis Bank  
 IndusInd Bank  
 IDBI Bank  
 Export Import Bank of India  
 Tata Capital Financial Services Limited

## REGISTRAR & SHARE TRANSFER AGENT

M/s MCS Share Transfer Agent Limited  
 F-65, Okhla Industrial Area, Phase-I,  
 New Delhi – 110 020  
 Tel: +91 11 41406149-52

## REGISTERED OFFICE

8, Industrial Area, Sikandrabad – 203 205  
 Distt. Bulandshahr (U.P.)  
 Tel : +91 5735 222203/22424, +91 8191004575 / 76  
 Fax : +91 5735 222642

## CORPORATE OFFICE

IRIS House, 16, Business Centre,  
 Nangal Raya, New Delhi – 110 046  
 Tel : +91 11 47119100  
 Fax : +91 11 28521273

## PLANTS

1. Industrial Area  
 Sikandrabad,  
 Bulandshahr (U.P.)
2. Village Dora, Taluka Amod,  
 Dist. Bharuch – 392230, Gujarat.
3. Village Chokkahalli,  
 Taluka Hoskote,  
 Bengaluru (Rural)- 562114  
 Karnataka

CIN: L14101UP1977PLC021546

# BOARD'S REPORT

*Dear Members,*

Your Directors take pleasure in presenting the Thirty Eighth Annual Report and the audited accounts for the financial year ended March 31, 2015.

## Financial Results

(₹ in lakhs)

Particulars	Year ended March 31, 2015	Year ended March 31, 2014*
Gross Income	75,458.72	63,617.41
Profit before finance cost, depreciation, taxation and exceptional item	4,870.51	4,819.92
Finance Cost	2,068.03	2,419.80
Depreciation	1,776.01	1,941.39
Exceptional Item (Loss on sale of investment in Subsidiary)	1.32	-
Profit before taxation	1,025.15	458.73
Tax expense	546.78	256.06
Profit after tax	478.37	202.67
Earning per share (₹)	3.50	1.49

\*regrouped

## Operations and Business Review

Your Company closed the financial year 2014-15 on a good note. Gross Income has increased by about 19% over the last year from ₹ 63,617 Lakhs in previous year to ₹ 75,459 Lakhs in current year. The Profit before tax has also increased by 123% over the previous year from ₹ 458.73 Lakhs to ₹ 1025.15 Lakhs. Your Company aims to sell more of bigger size and high value tiles and to reduce the cost of production substantially. Your Company is also trying up additional manufacturing capacities in West Zone to augment supplies.

With the integration of Brand 'Orient' and 'Bell' your Company now has only one Brand i.e. 'Orient Bell'. 'Orient Tile Boutiques' and 'Bell Tile Boutiques' have been renamed as 'Orient Bell Tile Boutiques' (OBTBs).

Your Company has laid stress on acquiring premium customers and increasing the sale of high value products. To boost these higher margin sales, your Company is increasing spends on its branding and advertising and also plans to launch several OBTBs across India this year. Your Company has participated in the ACETECH Exhibitions held at Delhi, Bengaluru and Kolkata where for the first time in the tile industry, your Company has displayed the tile concepts using QR Code technology, which is a convenient and wonderful way to choose a tile for the end user. As a Sales and Marketing tool, your Company has launched a Facebook page <https://www.facebook.com/OrientBellLtd>. Your Company is constantly getting bigger and more prominent dealers in all towns and cities to display and sell tiles. While continuing to sell to large projects, during the year under review your Company acquired several prestigious customers such as Experion - Gurgaon, SARE group – Chennai, Gurgaon and Ghaziabad, DLF – Gurgaon, Delhi and Mahada – Mumbai and Pune. Operating Systems have been further strengthened

and more manpower deployed to increase the share of retail in our total sales. This way, not only will we be able to sell more high value products but also improve the average selling price for all our products. Your Company is confident that with the support of its regular and prospective customers it will further strengthen its sales.

## Dividend

For the year under review, your Directors have recommended a dividend of Re. 0.50 per equity share for the financial year ended March 31, 2015. The total outgo of dividend (inclusive of tax of ₹ 14.06 lakhs) would amount to ₹ 83.14 lakhs as against ₹ 79.40 lakhs in the previous year. The dividend payout is subject to approval of members at the ensuing Annual General Meeting.

## Particulars of Loans, Guarantees or Investments

Loans, Guarantees and Investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

## Public Deposits

Your Company has neither invited nor accepted deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

## Transfer to Reserves

We propose to transfer ₹ 70,20,900/- to Securities Premium and ₹ 68,66,168/- from Revaluation Reserve to General Reserve and ₹ 3,28,033/- from Employee Stock Option Reserve to General Reserve.

## Particulars of Contracts or Arrangements made with Related Parties

All Related Party Transactions entered during the year were in the ordinary course of business and on arm's length basis. No material Related Party Transactions, i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions to be provided under section 134(3)(h) of the Companies Act, 2013 in form AOC-2 is not applicable.

## Directors and Key Managerial Personnel

During the year under review pursuant to withdrawal of nomination of Mr. Satish Chandra by IDBI Bank, Mr. Chandra resigned and Board approved the same effective 12<sup>th</sup> February, 2015.

The Board of Directors in their meeting held on 03<sup>rd</sup> November, 2014 appointed Ms. Tanuja Joshi as an Additional Director in the category of Independent-Non-Executive Director of the Company with effect from 03<sup>rd</sup> November, 2014 to hold office up to the forthcoming Annual General Meeting. The above appointment was based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Shareholders of the Company at the forthcoming Annual General Meeting. The Nomination and Remuneration Committee and the Board of Directors have in their respective meetings held on 13<sup>th</sup> August, 2015 subject to the approval of shareholders in the forthcoming Annual General Meeting, recommended the appointment of Ms. Tanuja Joshi as Independent- Non Executive Director for a period ending on 02<sup>nd</sup> November, 2019.

To comply with the provisions of Section 149 and other applicable provisions of the Act, the Board has recommended the appointment of Ms. Tanuja Joshi to hold office as per her tenure of appointment mentioned in the notice of the forthcoming Annual General Meeting of the Company. Details of the proposal for the appointment of Ms. Tanuja Joshi as an Independent Director are also mentioned in the Explanatory Statement under Section 102 of the Companies Act, 2013 of the Notice of the 38<sup>th</sup> Annual General Meeting of the Company. Her appointment is appropriate and in the best interest of the Company.

Mr. Dhruv M. Sawhney's term of office as Independent Director of the Company shall end on 29<sup>th</sup> September, 2015 and he shall fulfill his term of appointment till the said date. Till now, the Company has not received any proposal intending to propose him as Independent Director either from him or from any other member in terms of section 160 of the Companies Act, 2013. In case, the said proposal is not received at least fourteen days before the ensuing Annual General Meeting, Mr. Dhruv M. Sawhney shall not be re-appointed as Director of the Company.

The first term of appointment of Mr. N.R. Srinivasan shall also expire on 29<sup>th</sup> September, 2015. Mr. Srinivasan has given his consent to act as Independent director for a further term of one year from 30<sup>th</sup> September, 2015 to 29<sup>th</sup> September, 2016.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Mr. Mahendra K. Daga shall retire at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

The present term of Mr. Mahendra K. Daga as Chairman & Managing Director of the Company will expire on 30<sup>th</sup> November 2015. The Nomination and Remuneration Committee and the Board of Directors have, in their respective meetings held on 13<sup>th</sup> August, 2015 subject to the approval of the members vide special resolution at the ensuing Annual General Meeting and such other approvals as may be necessary in this regard, approved the reappointment and remuneration of Mr. Mahendra K. Daga as Chairman & Managing Director for a further period from 01<sup>st</sup> December, 2015 to 31<sup>st</sup> March, 2018.

## Number of meetings of the Board

The Board met six times during the financial year, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

## Directors' Responsibility Statement

Pursuant to Section 134(3) (c) of the Companies Act, 2013, your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, make the following statement:

- that in the preparation of annual accounts for the financial year ended March 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at March 31, 2015 and of the profit of your Company for the year ended on that date;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the accounts for the financial year ended March 31, 2015 have been prepared on a 'going concern' basis;
- that internal financial controls were in place and that such internal financial controls were adequate and were operating effectively;
- that proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## Audit Committee

The Audit Committee comprises of three Independent Directors namely Mr. R.N. Bansal (Chairman), Mr. N.R. Srinivasan (Member) and Mr. P.M. Mathai (Member) and two Non Independent-Executive Directors namely Mr. Mahendra K. Daga (Member) and Mr. K.M. Pai (Member). All the recommendations made by the Audit Committee were accepted by the Board.

## Remuneration Policy

The Policy of the Company on Director's appointment and remuneration namely Nomination and Remuneration Policy, specifying criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub section (3) of section 178 of the Companies Act, 2013 was adopted by the Board on 03<sup>rd</sup> November, 2014. The said Policy was amended by the Board on 13<sup>th</sup> August, 2015 and the same is appended as **Annexure 1 to the Board's Report**. We affirm that the remuneration paid to the Directors is as per the terms laid and put in the Nomination & Remuneration Policy of the Company. The Nomination and Remuneration Policy and Nomination and Remuneration (Amended) Policy, 2015 may be accessed at the Company's website.

## Risk Management Policy

Pursuant to the requirement of Clause 49 of the Listing Agreement, the Company has formed a Risk Management Policy. This policy seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The policy defines the risk management approach across the enterprise at various levels including documentation and reporting.

The Risk Management Policy as approved by the Board is uploaded on the Company's website and may be accessed at the website of the Company at <http://www.orientbell.com>.

## Vigil Mechanism cum Whistle Blower Policy

The Company has formulated a Vigil Mechanism cum Whistle Blower Policy to deal with the instances of unethical behavior, actual or suspected, fraud or violation of the Company's Code of Conduct. It provides for a mechanism for Directors and Employees of the Company to approach the Chairman of the Audit Committee of the Company or the Director nominated to play the role of Audit Committee as the case may be, to report such cases. The Vigil Mechanism cum Whistle Blower Policy of the Company is uploaded on the Company's website and may be accessed at the website of the Company at <http://www.orientbell.com>.

## Corporate Social Responsibility

The Corporate Social Responsibility Committee comprises Mr. Madhur Daga (Chairman), Mr. K.M. Pai, Mr. N.R. Srinivasan, Mr. R.N. Bansal and Ms. Tanuja Joshi (Members). The Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy may be accessed on the Company's website at <http://www.orientbell.com>

The CSR activities, as per the provisions of the Companies Act, 2013, may also be undertaken through a Registered Trust. The Company has identified and the CSR Committee has approved to undertake the CSR activities through M/s Godavari Foundation, a Trust registered under Section 12A of the Income Tax Act, 1961 (registration no. DIT(E) 268-69/8E/196/90-91).

The Company undertakes initiatives in compliance with Schedule VII to the Act, as amended from time to time.

During the year, the Company has spent ₹ 19,77,742/- (around 2% of the average net profits of last three financial years) on CSR activities.

The Annual Report on CSR activities is appended as **Annexure 2 to the Board's Report**.

## Code for prevention of Insider Trading Practices

The Company had instituted a comprehensive Code of Conduct for Prevention of Insider Trading for its Designated Employees, in compliance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time (the "old Regulations"). The Code lays down Guidelines, which advise them on procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautions them of the consequences of violations. The Securities and Exchange Board of India (SEBI) on 15th January, 2015 notified the SEBI (Prohibition of Insider Trading) Regulations, 2015 (the "new Regulations") which have come into force from 15th May, 2015, thereby revamping the two-decade old Regulations. In accordance with the provisions of the new Regulations, your Company has formulated and adopted 'Code of Conduct for prevention of Insider Trading' and 'Code of practices and procedures for fair disclosure of Unpublished Price Sensitive Information' (hereinafter collectively referred to as "OBL Code of Conduct") w.e.f. 15th May, 2015.

OBL Code of Conduct has been formulated to regulate, monitor and ensure reporting of trading by the Employees and Connected Persons designated on the basis of their functional role in the Company towards achieving compliance with the new Regulations and is designed to maintain the highest ethical standards of trading in Securities of the Company by persons to whom it is applicable.

## Information pursuant to Section 134(3)(m) of the Companies Act, 2013

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under section 134(3)(m) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014 is appended as **Annexure 3 to the Board's Report**.

## Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual evaluation of its own performance and that of its Committees as well as performance of the Directors individually. Feedback was sought covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance and the evaluation was carried out based on responses received from the Directors.

A separate exercise was carried out by the Nomination and Remuneration Committee of the Board to evaluate the performance of individual Directors. The performance evaluation of the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The performance

evaluation of the Chairman of the Company was also carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

### Employee Stock Option Scheme

The information required to be disclosed in terms of the provisions of SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 is appended as *Annexure 4 to the Board's Report*.

### Management Discussion and Analysis Report

'Management Discussion and Analysis Report', as stipulated under Clause 49 of the Listing Agreement with Stock Exchanges forming part of this report, has been given under separate section in the Annual Report.

### Corporate Governance Report

As per Clause 49 of the Listing Agreement with the Stock Exchanges, a separate section on corporate governance practices followed by the Company, together a certificate for compliance of the provisions of Corporate Governance from the Statutory Auditors forms an integral part of this Report.

### Extract of Annual Return

The details forming part of the extract of the Annual Return in Form MGT-9 is appended as *Annexure 5 to the Board's Report*.

### Subsidiary Company

During the year under review, your Company has sold off its entire shareholding held by it in its wholly owned subsidiary, Elit International Trading (HK) Pvt. Ltd. The Company has presently no subsidiary.

### Particulars of Employees

The information as per Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be provided upon request. However, as per the provisions of Section 136 of the Act, the Report and Accounts are being sent to all the members excluding the information on particulars of employees which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. Any member interested in obtaining a copy thereof, may write to the Company Secretary in this regard.

### Auditors

#### Statutory Auditors

M/s S. R. Dinodia & Co. LLP, Chartered Accountants, New Delhi Statutory Auditors of your Company hold office till the conclusion of ensuing Annual General Meeting and being eligible, offer themselves for reappointment. The Company has received a letter from M/s S.R. Dinodia & Co. LLP, confirming that their appointment, if made, would be within the limits prescribed under section 139 and 141 of the Companies Act, 2013 and that they are not disqualified for re-appointment.

The Board of Directors recommends the re-appointment of M/s S.R. Dinodia & Co. LLP as Statutory Auditors from the conclusion of ensuing Annual General Meeting till the conclusion of 39<sup>th</sup> Annual General Meeting in accordance with the provisions of Section 139 of the Companies Act, 2013 and rules there under at such remuneration as shall be fixed by the Board of Directors of the Company.

### Auditors' Report

The Auditor's Report read with notes to the accounts referred to in the Auditor Report are self-explanatory and therefore do not call for any further comments. The Auditor's Report does not contain any qualification, reservation or adverse remark.

### Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Vivek Arora, Company Secretaries to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is appended as *Annexure 6 to the Board's Report*.

### Material changes and commitments between the end of the financial year and date of report

Your Company has entered into an Agreement with a Ceramic Tile Manufacturing Company at Morbi (Gujarat) and its Promoters to acquire its 19.5% equity stake. The plant shall have manufacturing capacity of about 46 (forty six) lakhs square meters of tiles (polished and glazed) per annum and likely to start commercial production by the end of December, 2015.

### General

The Company has a Policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace and matters connected therewith or incidental thereto covering all the aspects as contained under the "The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013". Your Directors further states that during the year under review, no complaint was received and there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

### Acknowledgement

Your Directors gratefully acknowledges the assistance, support and co-operation received from banks, government authorities, dealers, project customers, vendors, business associates and members during the year under review. Your Directors would also like to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

On behalf of the Board

Place: New Delhi  
Date: 13<sup>th</sup> August, 2015

**Mahendra K. Daga**  
Chairman & Managing Director

# ANNEXURE – 1 TO BOARD'S REPORT

## NOMINATION AND REMUNERATION (AMENDED) POLICY, 2015

### 1. Introduction

As mandated by the statutory provisions contained under section 178 of the Companies Act, 2013 and the Listing Agreement with Stock Exchanges, Nomination & Remuneration Committee of the Company has formulated this policy and on its recommendation the Board of Directors has approved the same vide Board Resolution dated 03rd November, 2014. This policy contains guidelines on nomination and remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel of the Company. This policy may be treated as a benchmark for determining the qualifications, positive attributes and independence of a Director, criteria for evaluation of Independent Directors and the Board, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel and Senior Management Personnel of the Company.

### 2. Objective

- i. To formulate the eligibility criteria for determining qualifications, positive attributes and independence of a Director and to formulate the criteria for evaluating Directors and Senior Management;
- ii. To identify and select for Board's consideration the persons who are qualified to become directors and who may be appointed in senior management in accordance with criteria laid down;
- iii. To carry out the evaluation of Directors, Key Managerial Personnel and Senior Management of the Company and to provide them rewards linked directly to their efforts, performance, dedication and achievement relating to the Company's operations;
- iv. To determine the remuneration taking into account parameters like financial position of the Company, industry size, company size and general practice on remuneration payout in the Tile Industry;
- v. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage; and
- vi. To lay down criteria for appointment, removal of directors, Key Managerial Personnel and Senior Management Personnel and evaluation of their performance.

### 3. Effective Date

This policy shall be effective from 01st April, 2014.

### 4. Definitions

In this Policy unless the context otherwise requires:

- i. 'Act' means Companies Act, 2013 and rules made there under.
- ii. 'Board of Directors' or 'Board', in relation to the Company, means the collective body of the directors of the Company.
- iii. 'Committee' means Nomination and Remuneration Committee of the Company as constituted or re-constituted by the Board.

- iv. 'Company' means Orient Bell Limited.
- v. 'Directors' means Directors of the Company.
- vi. 'Independent Director' means a director referred to in Section 149 (6) of the Companies Act, 2013.
- vii. 'Key Managerial Personnel' (KMP) means:
  - a. Chief Executive Officer and / or Managing Director
  - b. Whole-time Director
  - c. Chief Financial Officer
  - d. Company Secretary
  - e. Such other officer as may be prescribed under the applicable statutory provisions/ regulations.
- viii. 'Senior Management Personnel' for this purpose shall mean employees of the company occupying the position of Functional / Department Heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

### 5. Nomination and Remuneration Committee

The Board has on 24.04.2014, in compliance with the provisions of Section 178 of the Companies Act, 2013 and applicable provisions of Listing Agreement, changed the name of the existing Remuneration committee to Nomination and Remuneration Committee and re-constituted the same to include the members as under:

- (i) Mr. N.R. Srinivasan – Chairman
- (ii) Mr. P.M. Mathai
- (iii) Mr. R.N. Bansal

The Committee shall function in accordance with the statutory provisions laid down from time to time. The Board has the power to reconstitute the Committee consistent with the Company's Policy and applicable statutory requirements.

### 6. Applicability

This policy is applicable to:

- (i) Directors (Whole Time as well as Non Whole Time)
- (ii) Key Managerial Personnel
- (iii) Senior Management

### 7. Appointment of Director, KMP and Senior Management

- i. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment on the basis of criteria laid down from time to time.
- ii. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.



- iii. Appointment of Independent Directors is subject to compliance of provisions of section 149 of the Companies Act, 2013, read with schedule IV and rules made there under.
- iv. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

## 8. Term/ Tenure of Appointment

### a) Managing Director/ Whole Time Director

The Company shall appoint or re-appoint any person as its Chairman & Managing Director, Joint Managing Director or Executive Director or Whole Time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

### b) Independent Director

An Independent Director shall hold office for such term which should not exceed a maximum of five consecutive years on the Board of the Company, as may be recommended by the Committee and approved by the Board and shareholders and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed Company or such prescribed period by the Statutory Authority from time to time.

## 9. Evaluation

The Committee shall carry out evaluation of performance of every Director at regular interval (yearly). The criteria of such an evaluation may be considered as under:

- a) **Non Whole Time Directors except Nominee Directors:**
  - i. Attendance in the Board and/or Committee meetings.
  - ii. Positive attitude and promptness.
  - iii. Contribution in improving financial and other functions of the Company.
  - iv. Inputs on inclusion of matters to be discussed at Board Meetings to improvise the operating procedures.
  - v. Understanding of laws having impact on Company's business and Tile industry as a whole.
  - vi. Clear sense of values and integrity.

### b) Whole Time Directors:

In addition to the criteria mentioned above the following may also be considered as additional parameters for evaluation of performance of Whole Time Directors:

- i. Implementation of policies and procedures as set out by the Board.
- ii. Efforts in promoting and expanding the business.
- iii. Brand Building and establishing a respectable place in the market.
- iv. Controlling of various functions across the Company and ensuring their proper functioning.
- v. Ensuring smooth business operations across all the units of Company.
- vi. Clear sense of values and integrity.

### c) Senior Management:

The parameters of the assessment will be the same as applicable to the Whole Time Directors but in the case of Senior Management, their Key Result Areas (KRA's) may be different based on the uniqueness and domain responsibility of the function. The 360 degree Performance Management System (PMS) adopted by the Company is also applicable to Senior Management. Their Competencies include:

- i. Achievement of Goals / KRA's assigned to him/her;
- ii. Demonstrated understanding of his/her area of operation;
- iii. Integrity;
- iv. Credibility;
- v. Excellent communication skills;
- vi. Competence;
- vii. Leadership;
- viii. Pro-active;
- ix. Quality decision making.

## 10. Removal

The Committee may recommend to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions of the Companies Act, 2013, and all other applicable Acts, Rules and Regulations.

## 11. Retirement

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

## 12. Provisions regarding payment of Remuneration, perquisites to the Managing Director / Wholetime Directors, KMP and Senior Management Personnel

### a) General Provisions

- i. The remuneration / perquisites / commission etc. to the Managing Director/ Whole-time Directors, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval.

- ii. The remuneration / perquisite/ commission etc. shall be in accordance with the percentage / slabs / conditions laid down in the Companies Act, 2013 and shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required.
- iii. Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managing Director/ Whole Time Directors. The decision of the Committee as to increment shall be final.
- iv. Where any insurance is taken by the Company on behalf of its Managing Director/ Whole-time Directors, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying any of them against any liability in respect of a deed for which they may be held guilty in relation to the Company, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

**b) Remuneration to the Managing Director/Whole-time Directors, KMP and Senior Management Personnel Remuneration**

The Managing Director/ Whole-time Directors shall be eligible for remuneration as may be approved by the Shareholders of the Company on the recommendation of the Committee and the Board of Directors. The break-up of the pay scale, performance bonus / commission and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and shall be within the overall remuneration approved by the shareholders and Central Government, wherever required.

**Minimum Remuneration**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director/ Whole-time Director in accordance with the provisions of the Companies Act, 2013 and if it is not able to comply with such provisions, then with the previous approval of the Central Government.

**Provisions for Excess Remuneration**

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

**c) Remuneration to Non Whole Time Director (including Independent Director)**

**Sitting Fees**

The Non Whole Time Directors (Including Independent

Directors) of the Company shall be paid sitting fees as per the approval of the Board of Directors from time to time. The quantum of sitting fees will be determined on the recommendation of Nomination and Remuneration Committee and approval of the Board of Directors of the Company from time to time subject to the relevant provisions contained under Companies Act, 2013 and applicable rules made there under.

**Profit Linked Commission**

The Non Whole Time Directors (Including Independent Directors) of the Company may be paid profit-linked Commission within the monetary limit as may be recommended by the Board of Directors from time to time and also approved by the shareholders of the Company and by the Central Government, wherever required.

**Stock Options**

Pursuant to the provisions of the Act, an Independent Director shall not be entitled to any stock option of the Company.

**Insurance**

Where any insurance is taken by the Company on behalf of its Non Whole Time Directors (including independent directors) for indemnifying any of them against any liability in respect of a deed for which they may be held guilty in relation to the Company, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such Non Whole Time Directors (including independent directors).

**d) Remuneration to KMP and Senior Management Personnel**

The KMP and Senior Management Personnel of the Company shall be paid monthly remuneration as per their appointment terms, Increment Letters and Company's HR policies. The Committee may direct restructure of their Salary in such manner as it may deem fit and proper.

The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F., pension scheme, medical expenses, club fees etc. shall be as per the Company's HR policies. The KMP and Senior Management Personnel may also be issued Employees Stock Options to reward them for their performance and to motivate and retain them.

**13. Amendments to the Policy**

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant Statutory authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

By order of the Board of Directors  
For Orient Bell Ltd.

Place: New Delhi  
Date: 13<sup>th</sup> August, 2015

**Madhur Daga**  
Joint Managing Director

# ANNEXURE – 2 TO BOARD’S REPORT

## ANNUAL REPORT ON CSR ACTIVITIES

A Brief outline of Company’s CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.

The basic objective of the CSR policy of the Company is to help and enrich the quality of life and also to provide benefit to nearby area of its plants viz. Sikandrabad (U.P.), Hoskote (Karnataka) and Dora (Gujarat). Poor and needy section of the society living in different parts of locations of these States would be second beneficiaries. OBL’s CSR policy is further aimed to be integrated with the business plan so that environment and social concerns are well addressed along with growth in business. CSR Policy provides for the areas that can be covered for the purpose of CSR activities which are in line with the Companies Act, 2013 and rules made there under.

The Company’s CSR policy has been uploaded in the website of the Company under the web-link: <http://www.orientbell.com/pdf/CSR-Policy.pdf>

### Composition of the CSR Committee:

Mr. Madhur Daga, Chairman	-	Joint Managing Director
Mr. K.M. Pai	-	Executive Director & CFO
Mr. N.R. Srinivasan	-	Independent Director
Mr. R.N. Bansal	-	Independent Director
Ms. Tanuja Joshi	-	Independent Director

Average net profit of the Company for last three financial years: ₹ 9,76,43,234/-.

Prescribed CSR Expenditure (2% of the average net profits of last three financial years): ₹ 19,52,865/-.

### Details of CSR spent during the financial year:

- Total amount to be spent for the financial year: ₹ 19,77,742/- was spent against ₹ 19,52,865/-.
- Amount unspent: Nil
- Manner in which the amount spent during the financial year: During F.Y. 2014-15, as per the approval of CSR Committee in its meeting dated 13.02.2015, an amount of ₹ 19,77,742/- was transferred to M/s Godavari Foundation, a Registered Trust which fulfils the criteria for being appointed as an implementing agency in terms of Companies (Corporate Social Responsibility Policy) Rules, 2014. The said Trust was entrusted by the Committee to carry out CSR activities on behalf of the Company in the areas specified in the CSR policy of the Company.

### Responsibility Statement by the Corporate Social Responsibility Committee:

The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.

Place: New Delhi  
Date: 13<sup>th</sup> August, 2015

**Madhur Daga**  
Joint Managing Director

**Tanuja Joshi**  
Independent Director

## ANNEXURE – 3 TO BOARD'S REPORT

INFORMATION PURSUANT TO SECTION 134 (3)(M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014.

### A. CONSERVATION OF ENERGY

#### (a) Energy Conservation measures taken:

##### At Sikandrabad Plant:

1. Press (Double Layer) dryer exit table and Pre kiln dryer entry table of MF-3 modified from double line to single line for reducing the power consumption. This has resulted in saving of 70 Kwh/day.
2. Installed Variable Frequency Drives (VFDs) at multiple locations to save electrical energy, power saving 605 Kwh/day.
3. Replaced Sodium Vapor and Metal Halide Lamps with LEDs saving power by 20 Kwh/day.
4. Successfully started Fluidized bed combustion chamber for Nasseti spray dryer which has replaced expensive Natural gas to Biomass fuel.

##### At Hoskote Plant:

1. Replaced Sodium Vapor and Metal Halide Lamps with energy efficient (low wattage) lighting.
2. Continuously maintaining the Time of the Day (TOD) metering to take advantage of cheaper Non-peak hour energy pricing.
3. Continuously purchasing power from Open Access Trade through Indian Energy Exchange to reduce cost of electricity.

##### At Dora Plant:

1. Replaced the existing biscuit kiln with 5 Layer Press dryer for fuel saving. It has resulted gas saving of 2500 scm/day.
2. Replaced existing 4 nos of small transformers by on load tape changer based another transformer to avoid voltage fluctuation.
3. Installed variable frequency drives at various locations for better efficiency of machine and to conserve electricity.
4. Reduced kiln feeding gaps to improve power and fuel efficiency.

#### (b) Additional investment on energy conservation equipment:

##### At Sikandrabad Plant:

1. Replacement of under-load motors with right capacity motors, expected saving will be 400 Kwh/day.
2. Servo valve for dust collector operation for effective utilization of system, proposed saving will be 300 Kwh/day.
3. Installation of Titanium burners, expected fuel saving in kiln between 6% to 10%.

##### At Hoskote Plant:

1. Introduction of Energy Management System (EMS)

for monitoring and control of machine wise power consumption.

2. Installation of 55KW VFD for SACMI kiln hot air blower.
3. Installation of 30KW VFD for SITI kiln smoke suction blower.

##### At Dora Plant:

1. Utilization of waste heat of gas generator into spray dryer.
2. Provision of more LED lights.
3. Installation of EMS (Energy Management System) for power monitoring & saving thereafter.
4. Replacement of existing 6 head Squaring machine with 12 head squaring machine to improve production and power saving.

### B. TECHNOLOGY ABSORPTION

#### (a) Efforts made towards technology absorption:

##### At Sikandrabad Plant:

The production of forever tiles increased after using hot air from kiln to Press dryer by providing one extra blower.

##### At Hoskote Plant:

1. Low cost tile body for all the sizes of tile.
2. Replaced large size mould with smaller size mould in manufacture of 300x300 mm size tile to have better output and cost benefit.

##### At Dora Plant:

1. Modified the software at various machine like press, dryer, kiln for better controlling & to improve production.
2. Converted silica grinding media into alumina in slip house ball mills to reduce grinding hours and power saving.

#### (b) Benefit derived as a result of the above efforts:

As a result of these efforts, cost reduction, improved yield, energy saving, and quality up gradation became possible.

#### (c) Technology Imported: Nil

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

1. Foreign Exchange earned : ₹ 5.31 Lakhs
2. Foreign Exchange outgo : ₹ 1,051.41 Lakhs

On behalf of the Board

Place: New Delhi  
Date: 13<sup>th</sup> August, 2015

**Mahendra K. Daga**  
Chairman & Managing Director

## ANNEXURE – 4 TO BOARD'S REPORT

### DISCLOSURES REQUIRED UNDER THE SEBI (EMPLOYEE STOCK OPTION SCHEME AND EMPLOYEE STOCK PURCHASE SCHEME) GUIDELINES, 1999

	Nature of Disclosure	Particulars
a.	Options granted: i. on 02.09.2013 and in force as on 31.03.2014 ii. on 02.09.2014.	2,59,500 1,94,950 <u>4,54,450</u>
	Total	
b.	Pricing formula	Exercise Price is Nil.
c.	Options vested (Out of 2,59,500 options granted on 02.09.2013 and in force as on 31.03.2014)	2,45,850 (Out of 2,45,850 vested options 900 options lapsed which is mentioned and included in point f(i) below)
d.	Options exercised	2,42,100
e.	Total number of shares arising as a result of exercise of options	2,42,100
f.	Options lapsed: i. Out of 2,59,500 options granted on 02.09.2013 and in force as on 31.03.2014 ii. Out of 1,94,950 options granted on 02.09.2014.	14,550 5,925 <u>20,475</u>
	Total	
g.	Variation of terms of options	None
h.	Money realized by exercise of options	N.A.
i.	Total number of options in force	a (-) d (-) f = 1,91,875
j.	Employee wise details of options granted to:- i) senior managerial personnel	Mr. Anil Agarwal-14000; Mr. Ashish Mehta-10500; Mr. Jaywant M. Puri-7000; Mr. Sanjeev Gupta-7000; Mr. Satyendra Pal Sharma-7000; Mr. S. Sasindran Nair-6000; Mr. Shekhar Chandra Sati-6000; Mr. Yashpal Soni - 6000.
	ii) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year.	Mr. Anil Agarwal - 14000; Mr. Ashish Mehta - 10500.
	iii) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	None
k.	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 'Earnings Per Share'.	₹ 3.50
l.	Method of calculation of employee compensation cost  Difference between the employee compensation cost computed using the intrinsic value of the stock options and the employee compensation cost that shall have been recognized if the fair value of the options had been used and its impact on profits and EPS of the Company.	Employee Compensation cost has been calculated using Intrinsic Value of Stock Options.  The Employee Compensation Cost would have been higher by ₹ 56.02 Lakhs and the profits would have been decreased by ₹ 56.02 Lakhs and the EPS would have been decreased by 0.41 paise if the Fair Value method had been adopted.
m.	(i) Weighted average exercise prices and weighted average fair values of options whose exercise price equals the market price of the stock.	N.A.
	(ii) Weighted average exercise prices and weighted average fair values of options whose exercise price exceeds the market price of the stock.	N.A.
	(iii) Weighted average exercise prices and weighted average fair values of options whose exercise price is less than the market price of the stock.	Weighted average exercise price: Nil Weighted average fair value: ₹ 81.68.
n.	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted average information: i) Risk-free interest rate ii) Expected life iii) Expected volatility iv) Expected Dividend v) The price of the underlying share in market at the time of option grant	Black - Scholes Method  8.80% 1 year 3.96% 0.61% ₹ 82.18 per share.

# ANNEXURE – 5 TO BOARD'S REPORT

## EXTRACT OF ANNUAL RETURN

Form No. MGT-9

As on the financial year ended on 31<sup>st</sup> March, 2015

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

### I. REGISTRATION AND OTHER DETAILS:

CIN	:	L14101UP1977PLC021546
Registration Date	:	18 <sup>th</sup> May, 1977
Name of the Company	:	Orient Bell Limited
Category / Sub-Category of the Company	:	Public Company/ Limited by Shares
Address of the Registered office and contact details	:	8, Industrial Area, Sikandrabad -203 205, Distt. -Bulandshahr (U.P.) Tel.: +91-5735-222203, 222424 Fax: +91-5735-222642
Whether listed company	:	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	:	MCS Share Transfer Agent Limited F-65, Okhla Industrial Area, Phase-I New Delhi – 110 020. Tel.: +91-11-41406149 Fax: +91-11-41709881 e-mail: admin@mcsdel.com

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Ceramic Tiles	23939	100%

\*As per National Industrial Classification (NIC) Code, 2008

### 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
Nil	Nil	Nil	Nil	Nil	Nil

## 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 <sup>st</sup> April, 2014]				No. of Shares held at the end of the year [as on 31 <sup>st</sup> March, 2015]				% Change during the year*
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individuals / HUF	48,27,759	-	48,27,759	35.57	50,77,759	-	50,77,759	36.75	1.18
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Governments	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	30,06,428	-	30,06,428	22.15	30,06,428	-	30,06,428	21.76	-0.39
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other (specify)									
Trust	20,79,100	-	20,79,100	15.32	20,79,100	-	20,79,100	15.05	-0.27
<b>Sub Total (A) (1)</b>	<b>99,13,287</b>	<b>-</b>	<b>99,13,287</b>	<b>73.04</b>	<b>1,01,63,287</b>	<b>-</b>	<b>1,01,63,287</b>	<b>73.56</b>	<b>0.52</b>
<b>(2) Foreign</b>									
a) NRIs -Individuals	-	-	-	-	-	-	-	-	-
b) Other -Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other (specify)	-	-	-	-	-	-	-	-	-
<b>Sub Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoter (A)= (A) (1)+(A)(2)</b>	<b>99,13,287</b>	<b>-</b>	<b>99,13,287</b>	<b>73.04</b>	<b>1,01,63,287</b>	<b>-</b>	<b>1,01,63,287</b>	<b>73.56</b>	<b>0.52</b>
<b>B. Public shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds/ UTI	16	5,966	5,982	0.04	16	5,966	5,982	0.04	-
b) Banks / FI	200	4,809	5,009	0.04	200	4,697	4,897	0.04	-
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Governments	-	-	-	-	-	-	-	-	-
e) Venture Capita Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	2,902	-	2,902	0.02	2,811	-	2,811	0.02	-
g) FIs	-	478	478	0.00	-	478	478	-	-
h) Foreign Venture Capital fund	-	-	-	-	-	-	-	-	-
i) Other (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B) (1)</b>	<b>3,118</b>	<b>11,253</b>	<b>14,371</b>	<b>0.10</b>	<b>3,027</b>	<b>11,141</b>	<b>14,168</b>	<b>0.10</b>	<b>-</b>

Category of Shareholders	No. of Shares held at the beginning of the year [as on 1 <sup>st</sup> April, 2014]				No. of Shares held at the end of the year [as on 31 <sup>st</sup> March, 2015]				% Change during the year*
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Non- institutions</b>									
a) Bodies Corporate	5,74,067	9,580	5,83,647	4.30	5,15,077	9,580	5,24,657	3.80	-0.50
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i.) Individual shareholders holding nominal share capital up to Rs 1 lakh	18,14,048	3,68,507	21,82,555	16.08	17,60,413	3,42,702	21,03,115	15.22	-0.86
ii.) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	7,62,501	66,150	8,28,651	6.10	8,64,773	50,400	9,15,173	6.63	0.53
c) Any Other (specify)									
i) Trust & Foundation	145	-	145	-	145	-	145	-	-
ii) Non Resident Indians	50,738	57	50,795	0.37	94,949	57	95,006	0.69	0.32
<b>Sub-Total (B) (2)</b>	<b>32,01,499</b>	<b>4,44,294</b>	<b>36,45,793</b>	<b>26.86</b>	<b>32,35,357</b>	<b>4,02,739</b>	<b>36,38,096</b>	<b>26.34</b>	<b>-0.52</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>32,04,617</b>	<b>4,55,547</b>	<b>36,60,164</b>	<b>26.96</b>	<b>32,38,384</b>	<b>4,13,880</b>	<b>36,52,264</b>	<b>26.44</b>	<b>-0.52</b>
<b>C. Shares held by Custodians for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>1,31,17,904</b>	<b>4,55,547</b>	<b>1,35,73,451</b>	<b>100.00</b>	<b>1,34,01,671</b>	<b>4,13,880</b>	<b>1,38,15,551</b>	<b>100.00</b>	<b>-</b>

**(ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year [as on 1 <sup>st</sup> April, 2014]			Share holding at the end of the year [as on 31 <sup>st</sup> March, 2015]			% 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	Mahendra K. Daga	28,78,079	21.20	-	28,78,079	20.83	-	-0.37
2	Good Team Investment & Trading Co. Pvt. Ltd.	23,62,914	17.42	-	23,62,914	17.11	-	-0.31
3	Orient Bell Holding Trust	20,79,100	15.32	-	20,79,100	15.05	-	-0.27
4	Madhur Daga	10,23,264	7.54	-	12,73,264	9.22	-	1.68
5	Freesia Investment and Trading Co. Ltd.	5,36,479	3.95	-	5,36,479	3.88	-	-0.07
6	Sarla Daga	4,82,702	3.56	-	4,82,702	3.49	-	-0.07
7	Mahendra K. Daga (HUF)	3,43,714	2.53	-	3,43,714	2.49	-	-0.04
8	Roma Monisha Sakraney Daga	1,00,000	0.74	-	1,00,000	0.72	-	-0.02
9	Morning Glory Leasing & Finance Ltd.	87,370	0.64	-	87,370	0.63	-	-0.01
10	Iris Designs Pvt. Ltd.	19,665	0.14	-	19,665	0.14	-	0.00
	<b>Total</b>	<b>99,13,287</b>	<b>73.04</b>	<b>-</b>	<b>1,01,63,287</b>	<b>73.56</b>	<b>-</b>	<b>0.52</b>

\*The change in percentage has the impact of increase in Paid up equity share capital during the year.



## (iii) Change in Promoters' Shareholding

Sl. No.	Particulars	Shareholding at the beginning of the year [as on 1 <sup>st</sup> April, 2014]		Increase/ Decrease in no. of shares	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company		No. of shares	% of total shares of the company
1	At the beginning of the year -as on 1 <sup>st</sup> April 2014	99,13,287	73.04			
2	Increase -02.04.2014*	-	-	2,50,000	1,01,63,287	73.56
3	At the end of the year - as on 31 <sup>st</sup> March 2015				1,01,63,287	73.56

\* Off Market Purchase by Mr. Madhur Daga.

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

Sl. No.	For each of the Top Shareholders	Shareholding at the beginning of the year [as on 01.04.2014]		Increase or Decrease/ reasons	Date of Increase/ Decrease	Increase/ decrease in no. of Shares	Cumulative Share holding during the year	
		No. of Shares	% of total Shares of the Company*				No. of Shares	% of total Shares of the Company**
1	DSE Financial Services Limited <sup>#</sup>	2,50,000	1.8418					
				Decrease - Transfer	04-04-14	-2,50,000	-	-
At the end of the year (as on 31.03.2015)							-	-
2	Vijay Shankar Sharma	2,50,000	1.8418					
				Decrease - Transfer	14-11-14	-1,44,500	1,05,500	0.7636
				Decrease - Transfer	21-11-14	-8,117	97,383	0.7049
				Decrease - Transfer	28-11-14	-55,714	41,669	0.3016
				Decrease - Transfer	05-12-14	-13,238	28,431	0.2058
				Decrease - Transfer	12-12-14	-17,423	11,008	0.0797
				Decrease - Transfer	19-12-14	-4,735	6,273	0.0454
				Decrease - Transfer	31-12-14	-5,057	1,216	0.0088
				Decrease - Transfer	02-01-15	-1,116	100	0.0007
				Decrease - Transfer	27-02-15	-2	98	0.0007
At the end of the year (as on 31.03.2015)							98	0.0007
3	Girija Shankar Tripathy	92,288	0.6799					
				Decrease - Transfer	13-06-14	-88	92,200	0.6674
				Decrease - Transfer	16-01-15	-242	91,958	0.6656
				Decrease - Transfer	30-01-15	-30	91,928	0.6654
				Decrease - Transfer	13-03-15	-600	9,1328	0.6611
At the end of the year (as on 31.03.2015)							91,328	0.6611
4	Raju Ajit Bhandari <sup>#</sup>	50,000	0.3684					
At the end of the year (as on 31.03.2015)							50,000	0.3619
5	Shakti Agarwalla	45,060	0.3320					
				Decrease-Transfer	22-08-14	360	44,700	0.3235
At the end of the year (as on 31.03.2015)							44,700	0.3235

Sl. No.	For each of the Top Shareholders	Shareholding at the beginning of the year [as on 01.04.2014]		Increase or Decrease/ reasons	Date of Increase/ Decrease	Increase/ decrease in no. of Shares	Cumulative Share holding during the year	
		No. of Shares	% of total Shares of the Company*				No. of Shares	% of total Shares of the Company**
6	Sangeetha S	38,850	0.2862					
				Increase - Purchase	23-05-14	3,324	42,174	0.3053
				Increase - Purchase	30-05-14	2,826	45,000	0.3257
				Increase - Purchase	06-06-14	1,000	46,000	0.3330
				Decrease - Transfer	13-03-15	-4,000	42,000	0.3040
				Decrease - Transfer	20-03-15	-6,110	35,890	0.2598
				Decrease - Transfer	27-03-15	-21	35,869	0.2596
At the end of the year (as on 31.03.2015)							35,869	0.2596
7	Dilshad Trading Company Private Limited	35,532	0.2618					
At the end of the year (as on 31.03.2015)							35,532	0.2572
8	Raju Bhandari#	32,599	0.2402					
				Decrease - Transfer	11-04-14	-2,000	30,599	0.2215
				Decrease - Transfer	18-04-14	-2,000	28,599	0.2070
				Decrease - Transfer	30-05-14	-4,000	24,599	0.1781
				Decrease - Transfer	06-06-14	-4,000	20,599	0.1491
				Decrease - Transfer	20-06-14	-2,000	18,599	0.1346
				Decrease - Transfer	11-07-14	-3,000	15,599	0.1129
				Decrease - Transfer	01-08-14	-2,500	13,099	0.0948
				Decrease - Transfer	22-08-14	-2,500	10,599	0.0767
				Decrease - Transfer	19-09-14	-1,000	9,599	0.0695
				Decrease - Transfer	30-09-14	-1,000	8,599	0.0622
				Decrease - Transfer	10-10-14	-1,000	7,599	0.0550
				Decrease - Transfer	24-10-14	-1,360	6,239	0.0452
				Decrease - Transfer	07-11-14	-6,000	239	0.0017
				Decrease - Transfer	14-11-14	-230	9	0.0001
At the end of the year (as on 31.03.2015)							9	0.0001
9	Pisces Portfolios Private Limited	25,535	0.1881					
				Increase - Purchase	02-05-14	10,000	35,535	0.2572
				Increase - Purchase	23-05-14	5,000	40,535	0.2934
				Decrease - Transfer	06-06-14	-23,950	16,585	0.12
				Decrease - Transfer	13-06-14	-16,585	-	-
At the end of the year (as on 31.03.2015)							-	-
10	Seetha Kumari	22,172	0.1633					
				Decrease - Transfer	13-06-14	22,172	-	-
At the end of the year (as on 31.03.2015)							-	-
11	Ajay Relan	-	-					
				Increase - Purchase	27-02-15	1,16,672	1,16,672	0.8445
At the end of the year (as on 31.03.2015)							1,16,672	0.8445

Sl. No.	For each of the Top Shareholders	Shareholding at the beginning of the year [as on 01.04.2014]		Increase or Decrease/ reasons	Date of Increase/ Decrease	Increase/ decrease in no. of Shares	Cumulative Share holding during the year	
		No. of Shares	% of total Shares of the Company*				No. of Shares	% of total Shares of the Company**
12	DSE Financial Services Limited#	-	-					
				Increase - Purchase	04-04-14	65,349	65,349	0.4730
				Increase - Purchase	18-04-14	343	65,692	0.4755
				Decrease - Transfer	25-04-14	-342	65,350	0.4730
				Increase - Purchase	09-05-14	400	65,750	0.4759
				Decrease - Transfer	06-06-14	-1,000	64,750	0.4687
				Increase - Purchase	13-06-14	1,000	65,750	0.4759
				Decrease - Transfer	30-06-14	-401	65,349	0.4730
				Increase - Purchase	14-08-14	746	66,095	0.4784
				Decrease - Transfer	22-08-14	-746	65,349	0.4730
				Increase - Purchase	29-08-14	200	65,549	0.4745
				Increase - Purchase	05-09-14	405	65,954	0.4774
				Decrease - Transfer	12-09-14	-5	65,949	0.4774
				Decrease - Transfer	26-09-14	-600	65,349	0.4730
				Increase - Purchase	30-09-14	200	65,549	0.4745
				Decrease - Transfer	31-10-14	-200	65,349	0.4730
				Increase - Purchase	07-11-14	200	65,549	0.4745
				Increase - Purchase	26-12-14	12	65,561	0.4745
				Decrease - Transfer	06-03-15	-212	65,349	0.4730
				Decrease - Transfer	31-03-15	-6,000	59,349	0.4296
At the end of the year (as on 31.03.2015)							59,349	0.4296
13	Lalit Mohan	-	-					
				Increase - Purchase	04-04-14	55,000	55,000	0.3981
At the end of the year (as on 31.03.2015)							55,000	0.3981
14	Jyoti Haresh Shah	-	-					
				Increase - Purchase	12-09-14	1,162	1,162	0.0084
				Increase - Purchase	30-09-14	5,823	6,985	0.0506
				Increase - Purchase	10-10-14	3,015	10,000	0.0724
				Increase - Purchase	31-10-14	1,808	11,808	0.0855
				Increase - Purchase	07-11-14	20,399	32,207	0.2331
At the end of the year (as on 31.03.2015)							32,207	0.2331
15	Poonam Maheshwari	-	-					
				Increase - Purchase	04-04-14	31,000	31,000	0.2244
At the end of the year (as on 31.03.2015)							31,000	0.2244

\*calculated on the basis of paid up share capital of Rs. 13,57,34,510/- as on 01.04.2014 i.e. 1,35,73,451 shares of Rs. 10/- each.

\*\*calculated on the basis of paid up share capital of Rs. 13,81,55,510/- as on 31.03.2015 i.e. 1,38,15,551 shares of Rs. 10/- each.

# Shareholders with multiple folios within top 10 shareholder list.

## (v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Shareholding of each of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year [as on 1 <sup>st</sup> April, 2014]		Increase/Decrease in no. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company		No. of Shares	% of total Shares of the company
<b>I.</b>	<b>Directors</b>					
1	<b>Mr. Mahendra Kumar Daga</b> Chairman and Managing Director					
	At the beginning of the year – 01.04.14	28,78,079	21.20			
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/bonus/sweat equity etc.)			-		
	At the end of the year – 31.03.2015				28,78,079	20.83
2	<b>Mr. Madhur Daga</b> Joint Managing Director					
	At the beginning of the year – 01.04.2014	10,23,264	7.54			
	Increase – Off Market purchase on 02.04.2014			2,50,000	12,73,264	9.22
	At the end of the year - 31.03.2015				12,73,264	9.22
3	<b>Mr. Ram Nath Bansal, Director</b>					
	At the beginning of the year – 01.04.2014	-	-			
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/bonus/sweat equity etc.)			-		
	At the end of the year – 31.03.2015				-	-
4	<b>Mr. Dhruv Manmohan Sawhney, Director</b>					
	At the beginning of the year – 01.04.2014	-	-			
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/bonus/sweat equity etc.)			-		
	At the end of the year – 31.03.2015				-	-
5	<b>Mr. Narasinganatha Rajagopala Srinivasan</b> Director					
	At the beginning of the year – 01.04.2014	-	-			
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/bonus/sweat equity etc.)			-		
	At the end of the year – 31.03.2015				-	-
6	<b>Mr. K.M. Pai</b> Executive Director & CFO*					
	At the beginning of the year – 01.04.2014	-	-			
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/bonus/sweat equity etc.)			-		
	At the end of the year – 31.03.2015				-	-

Sl. No.	Shareholding of each of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year [as on 1 <sup>st</sup> April, 2014]		Increase/Decrease in no. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company		No. of Shares	% of total Shares of the company
7	Mr. P. M. Mathai, Director					
	At the beginning of the year –01.04.2014	-	-			
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/bonus/sweat equity etc.)			-		
	At the end of the year – 31.03.2015				-	-
8	Ms. Tanuja Joshi, Director					
	At the beginning of the year –01.04.2014	-	-			
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/bonus/sweat equity etc.)			-		
	At the end of the year – 31.03.2015				-	-
<b>I.</b>	<b>Key Managerial Personnel</b>					
9	Mr. K. M. Pai Executive Director & CFO*					
	At the beginning of the year –01.04.2014	-	-			
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/bonus/sweat equity etc.)			-		
	At the end of the year – 31.03.2015				-	-
10	Mr. Yogesh Mendiratta Company Secretary & Head Legal					
	At the beginning of the year – 01.04.14	400	0.00			
	Increase – Allotted under Orient Bell Stock Option Scheme, 2013 on 07.10.14	-	-	2,400	2,800	0.02
	Decrease – Sold in open market on 28.11.14			-400	2,400	0.02
	Decrease – Sold in open market on 10.03.15			-400	2,000	0.01
	At the end of the year – 31.03.2015				2,000	0.01

\*Mr. K. M. Pai is the Executive Director & CFO of the Company. His Shareholding is therefore depicted as Director as well as Key Managerial Personnel.

## V. INDEBTEDNESS

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

(₹ in lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year – 01.04.2014</b>				
i) Principal Amount	14,258.56	3,798.70	-	18,057.26
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	134.31	-	-	134.31
<b>Total (i+ii+iii)</b>	<b>14,392.87</b>	<b>3,798.70</b>		<b>18,191.57</b>
<b>Change in Indebtedness during the financial year (Net)</b>				
· Addition	-	28.70	-	28.70
· Reduction	1639.06	-	-	1,639.06
<b>Net Change</b>	<b>(1,639.06)</b>	<b>28.70</b>		<b>(1,610.36)</b>
<b>Indebtedness at the end of the financial year – 31.03.2015</b>				
i) Principal Amount	12,749.20	3,827.40	-	16,576.60
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	4.61	-	-	4.61
<b>Total (i+ii+iii)</b>	<b>12,753.81</b>	<b>3,827.40</b>	<b>-</b>	<b>16,581.21</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in lakhs)

Sl. No	Particulars of Remuneration	Name of MD/WTD/ Manager			
		Mr. Mahendra K. Daga	Mr. Madhur Daga	Mr. K.M Pai <sup>#</sup>	Total Amount
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	144.00	114.75	74.70	333.45
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	2.20	2.01	-	4.21
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission (as a % of profit)	-	-	-	-
5.	Others – contribution to provident fund	0.17	0.17	0.16	0.50
	<b>Total (A)</b>	<b>146.37</b>	<b>116.93</b>	<b>74.86</b>	<b>338.16</b>
	<b>Ceiling as per the Act</b>				<b>144.76</b>
		(being 10% of the net profits of the Company calculated as per section 198 of the Companies Act, 2013)			

<sup>#</sup> Mr. K.M. Pai is the Executive Director & CFO of the Company. His Remuneration is therefore also depicted in Point no. VI(C).

**B. Remuneration to other Directors:**

(₹ in lakhs)

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Mr. R.N. Bansal	Mr. Satish Chandra#	Mr. N.R. Srinivasan	Mr. P.M. Mathai	Ms. Tanuja Joshi	Mr. Dhruv M. Sawhney	
1.	Independent Directors							
	• Fee for attending board /committee meetings	2.60	0.40*	2.85	3.10	0.70	0.30	9.95
	• Commission**	2.50	-	2.50	2.50	-	2.50	10.00
	- others, please specify	-	-	-	-	-	-	-
	<b>Total (1)</b>	<b>5.10</b>	<b>0.40</b>	<b>5.35</b>	<b>5.60</b>	<b>0.70</b>	<b>2.80</b>	<b>19.95</b>
2.	Other Non Executive Directors				None			
	<b>Total (2)</b>	-	-	-	-	-	-	-
	<b>Total (B)=(1+2)</b>	<b>5.10</b>	<b>0.40</b>	<b>5.35</b>	<b>5.60</b>	<b>0.70</b>	<b>2.80</b>	<b>19.95</b>
	<b>Total Managerial Remuneration@</b>							<b>358.11</b>
	<b>Overall Ceiling as per the Act</b>							<b>14.48</b>
		(being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)						

# Mr. Satish Chandra, Nominee Director of IDBI Bank Limited has, pursuant to withdrawal of nomination by the said Bank, resigned and ceased to be the Director of the Company w.e.f.12.02.2015.

\* The sitting fee was paid in the name of IDBI Bank Limited.

\*\* The Board of Directors has, in its meeting held on 29.05.2015, approved the payment of Commission to Mr. R.N. Bansal, Mr. N.R. Srinivasan, Mr. P.M. Mathai and Mr. Dhruv M. Sawhney out of the Profits of FY 2014-15 subject to the approval of shareholders and Central Government. A sum of Rs. 10 Lakhs has been provided accordingly in the financial accounts for the year 2014-15. In the meantime Mr. Dhruv M. Sawhney vide letter dated 15.06.2015 shown his unwillingness to receive the said Commission.

@ Total remuneration to Managing Director, Whole Time Director and other Directors (being the total of A and B).

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

(₹ in lakhs)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO#	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	16.35	74.70	91.05
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-
2.	Stock Option*	1.88	-	1.88
3.	Sweat Equity	-	-	-
4.	Commission -as % of profit	-	-	-
5.	Others – contribution to provident fund	0.17	0.16	0.33
	<b>Total</b>	<b>18.40</b>	<b>74.86</b>	<b>93.26</b>

\* The amount indicates perquisite value of ESOPs of the Company exercised during the year.

# Mr. K.M. Pai is the Executive Director & CFO of the Company. His Remuneration is therefore also depicted in Point no. VI(A).

## VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act, 2013	Brief Description	Details of Penalty/Punishment/Compounding Fees imposed	Authority [RD/NCLT/COURT]	Appeal made, if any (give details)
<b>A. Company</b>					
Penalty					
Punishment					
Compounding					
<b>B. Directors</b>					
Penalty					
Punishment					
Compounding					
<b>C. Other Officers in Default</b>					
Penalty					
Punishment					
Compounding					

On behalf of the Board

Place: New Delhi  
Date: 13th August, 2015

**Mahendra K. Daga**  
Chairman & Managing Director



# ANNEXURE – 6 TO BOARD'S REPORT

## Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31-03-2015

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

To,

The Members  
Orient Bell Limited  
8, Industrial Area,  
Sikandrabad,  
Distt.Bulundshahr-203205  
U.P.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Orient Bell Limited. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Orient Bell Limited ("the Company") books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31-03-2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Orient Bell Limited ("the Company") for the financial year ended on 31-03-2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) (i) There is no specific law ,which is exclusively applicable to the Company, however the following general laws significant to the Company, were examined and audited for ensuring their compliance mechanism:
  - (a) The Factories Act, 1948
  - (b) The Environment (Protection) Act, 1986

- (c) The Air (Prevention & Control of Pollution) Act, 1981
  - (d) The Water (Prevention & Control of Pollution) Act, 1974
- (II) The Company voluntarily obtained BIS (Bureau of Indian standards) certification on 27-03-2015 in respect of certain plant and processes in respect of its manufactured product category of Pressed Ceramic tiles (glazed and non modular size), conforming to Indian standards, which was also examined.
- (III) I have also examined compliance with the applicable clauses of the following:
- (a) Secretarial Standards issued by The Institute of Company Secretaries of India were not mandatorily required to be complied by the Company upto 31-03-2015 and therefore only voluntary compliances thereof were examined.
  - (b) The Listing Agreements entered into by the Company with The National Stock Exchange of India Ltd (NSE) and BSE Ltd (BSE).

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

**I further report that -**

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

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

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

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

I further report that during the audit period the Company has :-

- (a) passed a special resolution in the Annual General Meeting held on 30-09-2014 under Section 180(1) (c) of the Companies Act 2013 whereby borrowing limits of the Company were approved of ₹ 300 crores.
- (b) got approved issuance of shares to its employees ,equity shares under Employees Stock Options Scheme from the stock exchanges where the equity shares of the Company are listed. Equity shares were also allotted during the reporting audit period in terms of the scheme.
- (c) amended the Articles of Association.

Place : New Delhi  
Date : 04<sup>th</sup> August, 2015

for VIVEK ARORA  
COMPANY SECRETARIES

VIVEK ARORA  
(PROPRIETOR)  
CP NO 8255; ACS 12222

Note: This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

## Annexure 'A'

To,

The Members  
Orient Bell Limited  
8, Industrial Area,  
Sikandrabad , Distt.Bulundshahr-203205  
U.P.

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

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

Place : New Delhi  
Date : 04<sup>th</sup> August, 2015

for VIVEK ARORA  
COMPANY SECRETARIES

VIVEK ARORA  
(PROPRIETOR)  
CP NO 8255; ACS 12222

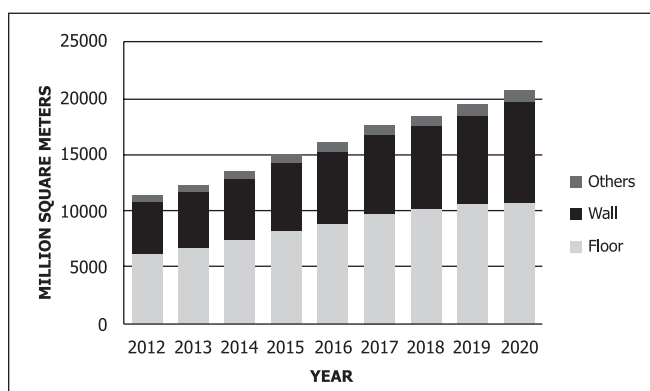
## MANAGEMENT DISCUSSION AND ANALYSIS

As per the requirement of Clause 49 of the Listing Agreement the Management Discussion and Analysis Report is provided as under:

### GLOBAL REVIEW

Global ceramic tiles market is fragmented in nature due to presence of numerous companies operating across the world. Global ceramic tiles market demand was 12,328.3 million square meters in 2013 and is expected to reach 21,822.7 million square meters by 2020, growing at a CAGR of 8.5% from 2014 to 2020. Growth of construction activities around the world is expected to remain a key driving factor for the market over the next six years. Construction industry growth coupled with rising demand for new residential structures in emerging markets of China and India due to urbanization is expected to drive market demand for ceramic tiles over the forecast period. Residential replacement was the largest application, accounting for more than 50% of market volume in 2013. Growing demand for durable material coupled with rising awareness towards personal hygiene is expected to augment ceramic tiles demand in residential replacement over the forecast period. As per [www.globeneswire.com](http://www.globeneswire.com), Asia Pacific was the largest ceramic tiles market, exceeding 60% of global volume in 2013. Government of India and China have increased spending on infrastructure improvement, which is expected to promote the demand for residential and commercial structures and boost ceramic tiles market over the forecast period.

Chart showing the Global ceramic tiles market expected volumes by product (wall tile, floor tile and other) during 2012-2020 (Million square meters)



Data Source: [www.globenewswire.com](http://www.globenewswire.com)

### INDUSTRY STRUCTURE AND DEVELOPMENT

The ceramic tiles industry in India has followed similar trends internationally which have been characterized by excess capacities and falling margins. Countries like Malaysia, Thailand, Indonesia, Sri Lanka and Vietnam are setting up their own plants. China has emerged as a major competitor. Rising

disposable incomes of the growing middle class coupled with housing shortage hold out a great potential for tiles in Indian scenario. The key driver for ceramic tile consumption in India is the boom in housing sector coupled with government policies fuelling strong growth in building materials. The retail boom in the Indian economy has also influenced the demand for higher end products. Overall the bullish growth estimates in the Indian economy has significantly influenced the growth of the Indian Ceramic tile industry.

Ceramic tiles are used in both residences and commercial spaces, in homes, offices, malls, airports, hospitals, resorts and restaurants. While ceramic tiles are the predominant option for walls, they have consistently taken away the share of alternate flooring options like natural stones and hard wood owing to their superior properties, such as high durability, frost and thermal shock resistance as well as aesthetic beauty. This has helped ceramic tiles achieve greater share of the floor and wall market and brought consistently higher annual growth rates to the industry. The high growth rates have also brought in significant new capacities thereby increased competition among the manufacturing units, distributor, dealer network and branding play increasingly important role in marketing and sale of ceramic tiles. A Company with a strong distribution network (like your Company) is able to get the tiles manufactured from pure play manufacturing units and sell them under the umbrella of their brands. Floor tiles are the largest product segment of ceramic tiles market accounting for nearly 60% of the volume in 2013.

### OUTLOOK

Government of India's new initiatives on 'Swachh Bharat and Housing for all' would definitely give a boost to the demand for ceramic tiles. The kick-start to the infrastructure sector would also have immediate beneficial impact on the ceramic tile industry.

The sustained 7%+ growth in India's GDP that is expected in the near term would lead to higher per capita income and faster pace of urbanization which in turn stimulate demand for housing, entertainment, healthcare and other industrial and commercial real estate. This would result in sustained growth in demand for ceramic tiles in the coming years.

### RISKS AND CONCERNS

Competition from various organised and unorganised sectors is a major risk to the tile industry and affects the revenues. To combat such risk your Company's R&D and Design team is continuously doing efforts to introduce unique and exclusive designs. Also, wide distribution network and huge sales force makes a difference between unorganized and organized sectors.

Freight, supply of power and gas remain the key cost-related issues impacting the industry. Availability, consistency and cost-efficiency are imperative for the growth of the ceramic tile industry. The tiles industry suffers from frequent price hikes of Natural Gas which in turn is linked to FOREX fluctuations. To

mitigate such risks your Company ensures optimum use of Fuel in manufacturing process by keeping a sharp check on all its technical processes. The Company has arrangements with a fleet of transporters across the country to curb the possibility of monopoly of transporters. The Company does surveys at regular intervals to keep the transportation costs within limits.

Due to the severe competition among the tile manufacturers, there is always a risk of employee attrition. The Company's Employee Stock Option Scheme is rolling and is aimed at retention of appropriate key human talent and to reward the employees for their association. The attrition rate of the Company is within acceptable limit. The employer-employee relations in the Company are cordial and working environment is healthy.

'Imported' Tiles always attract Indian customers and hence a threat to the Indian Tile manufacturers. Your Company has developed the capability to manufacture quality and cost efficient products to compete with 'Imported' tiles.

## OPPORTUNITIES & THREATS

Your Company is quite optimistic that demand for tiles in India will continue to grow in the years to come. India's urban population which was 286 million in 2001 and grew to 377 million in 2011 is expected to grow to 814 million by 2050. Another opportunity lies in the growth and development of construction industry and infrastructure industry which is rapidly increasing. Metro Rail Corporation is on its job to connect the main cities with sub urban areas which will give a boost to the construction industry. Your Company sees further opportunities in the increasing demand of tiles in office spaces, shopping malls, luxury residential complexes, hotels, airports and hospitals. Currently usages of ceramic tiles have become core activities in construction and real estate industry because ceramic tiles are considered as status symbol and life style product.

Uncontrolled Imports and the unorganized tile sector persist as the major threats to the Organized tile sector. Paradoxically, the contracted price of gas is much higher than the spot price of gas. The customer attrition to superior brand is another threat to your Company and in order to mitigate such a threat your Company is working on more branding and advertisements. Another threat is the risk of fluctuations in US Dollar and Euro that would render imports costlier and affect cost of production indirectly.

## SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

Your Company deals with products which come under one segment only i.e. 'ceramic tiles'.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a separate internal audit department with experienced staff headed by an Internal Auditor, placed under the supervision and control of the Audit Committee. The organisational set up and the system control have been functioning efficiently. The internal controls are constantly

upgraded based on Audit Committee recommendations. Every quarter, significant audit findings, internal audit reports as per audit plan, recommended corrective steps and their implementation status are placed before the Audit Committee for their information and review. The Company is continuously upgrading its internal control systems under valuable guidance of the Audit Committee and the Board.

## DISCUSSION OF FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial statements have been prepared in compliance with the requirements of the Companies Act and the Accounting Standards issued by the Institute of Chartered Accountants of India.

1. **Sales:** The Company's gross turnover increased by 19% during the financial year 2014-15.
2. **Finance charges:** Finance charges for the year amounted to ₹ 2,068 lakhs as against the previous year of ₹ 2,423 lakhs.
3. **Depreciation:** The current year depreciation amounted to ₹ 1,776 lakhs as against ₹ 1,941 lakhs of previous year.
4. **Profit:**
  - (a) Profit before Depreciation and Taxation amounted to ₹ 2,801 lakhs as against the previous year of ₹ 2,400 lakhs.
  - (b) Net Profit after tax for the year amounted to ₹ 478 lakhs as against the previous year of ₹ 203 lakhs.
  - (c) Cash from Operation: During the year ₹ 4,283 lakhs were generated from operations as against the previous year figure of ₹ 4,925 lakhs.
5. **Fixed Assets:** Gross Block of fixed assets increased from ₹ 54,275 lakhs in the previous year to ₹ 54,483 lakhs in the year 2014-15.
6. **Net Working Capital:**

**Inventories** decreased to ₹ 10,173 lakhs from ₹ 12,469 lakhs of previous year.

**Sundry Debtors** increased to ₹ 9,342 lakhs as against ₹ 7,231 lakhs of previous year.

**Loans and advances** of ₹ 3,022 lakhs representing advances paid for raw materials, stores and spares, advance taxes, Customs duty, un-utilised Cenvat/ Service Tax credit, export entitlement benefit receivable, sundry deposits etc.

**Current liabilities and provisions:** The amount of ₹ 14,981 lakhs includes creditors for suppliers of raw materials, stores and spares, provisions for expenses and taxes, dividend and tax payable thereon, liabilities for gratuity and leave encashment.
7. **Borrowed funds:** As on 31.03.2015, the total borrowings of the Company were ₹ 16,581 lakhs as against ₹ 18,192 lakhs in the previous year.

## HUMAN RESOURCE / INDUSTRIAL RELATIONS

The Company believes that human resources comprise the most important asset of the organisation. During the year under review, the Company has concentrated on enhancing individual and organisational capabilities for being future-ready, driving greater employee engagement and strengthening employee relations further. The Company has been investing in progressive employee relations practices to ensure that it invests in capability-building at the grassroots level. The Company recognises people as the primary source of its competitiveness and continues to focus on people development by leveraging technology and developing a continuously learning human resource base to unleash their potential and fulfill their aspirations.

At the end of F.Y. 2015, Orient Bell had 984 permanent employees on its rolls.

## CAUTIONARY STATEMENT

Statement in this report on Management Discussion and Analysis describing the projections, estimates, expectations or predictions may be "Forward looking statements" within the meaning of applicable securities law or regulations. These statements are based on certain assumptions and expectations of future events. Actual result could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand supply conditions, finished goods prices, raw material cost, changes in Government regulations, tax regimes, economic developments within India and other factors such as litigation and industrial relations.

# CORPORATE GOVERNANCE REPORT

Corporate Governance is an ethically driven business process that is committed to values aimed at enhancing an organization's wealth generating capacity. An effective and good Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control management of an Organization and lead to long term shareholder value and enhances interest of other stakeholders. Orient Bell Limited (OBL) believes that Corporate Governance is a journey for constantly improving sustainable value creation and is an upward moving target. In addition to complying with the statutory requirements, OBL believes in constantly effective and robust governance systems and practices towards improving transparency, disclosures, internal controls and promotion of ethics at work place. OBL believes in its core values of Integrity, Quality, Customers, Agility, Partners and Performance (IQ CAPP), which are fundamental to your Company. Your Company has complied with the requirements of Corporate Governance as

laid down under clause 49 of the Listing Agreement with Stock Exchanges.

## Board of Directors

### I. Composition of Board

OBL's Board has a very pivotal role in the Company's operations and in ensuring that the Company should run on sound and ethical business practices and that its resources are utilized for creating sustainable and healthy growth.

The Board comprises of 8 (eight) Directors out of which 3 (three) are Executive Directors (one Executive Chairman & Managing Director and two Whole Time Directors) and 5 (five) Independent & Non-Executive Directors including one woman director. The size and composition of the Board conforms to the requirements of Clause 49 of the Listing Agreement with the Stock Exchanges.

The Composition of Directors and their other Directorships/Committee Memberships in other Companies are as follows:

Sl. No.	Name of Director	Category	Directorship in other companies*	Committee chairmanship**	Committee membership**
1.	Mr. Mahendra K. Daga	P-E-CMD	3	None	1
2.	Mr. Madhur Daga	P-E-WTD	None	None	None
3.	Mr. K. M. Pai@	E-WTD	None	None	None
4.	Mr. R. N. Bansal	I-NED	1	None	1
5.	Mr. Dhruv M. Sawhney	I-NED	5	1	None
6.	Mr. N. R. Srinivasan	I-NED	None	None	None
7.	Mr. P. M. Mathai	I-NED	None	None	None
8.	Ms. Tanuja Joshi***	I-NED	None	None	None
9.	Mr. Satish Chandra#	Nominee Director – IDBI Bank Limited	None	None	None

P-E-CMD Promoter & Executive Chairman and Managing Director

P-E-WTD Promoter & Executive Whole Time Director

I-NED Independent Non-Executive Director

NI-NED Non-Independent Non-Executive Director

None of the Directors on the Board is a member of more than 10 Committees or Chairman of more than five Committees as specified in Clause 49, across all the companies in which he/she is a Director.

\* Excludes the directorship held in private limited companies, foreign companies and companies incorporated under Section 25/8 of the Companies Act, 1956/2013.

\*\* For this purpose only the membership/chairmanship in Audit Committee and Stakeholders Relationship and Grievance Committee in all other public limited companies has been considered.

\*\*\* Ms. Tanuja Joshi has been appointed as additional director of the Company w.e.f. 03.11.2014.

@ The Members of the Company has, in its Annual General Meeting held on 30.09.2014 approved the appointment and change the designation of Mr. K. M. Pai, as Whole Time Director (designated as Executive Director and Chief Financial Officer) for the period 24.04.2014 to 31.03.2017.

# Mr. Satish Chandra, Nominee Director of IDBI Bank Limited has, pursuant to withdrawal of nomination by the said Bank, resigned and ceased to be the Director of the Company w.e.f.12.02.2015.

## II. Attendance of Directors at the Board Meetings held during the financial year 2014-2015 and at the last Annual General Meeting (AGM)

The attendance record of each Director at the Board Meetings held during the year 2014-2015 and at the last Annual General Meeting is as follows:

Sl. No.	Name of Director	No. of meetings		Whether attended last AGM
		Held	Attended	
1.	Mr. Mahendra K. Daga	6	3	Yes
2.	Mr. Madhur Daga	6	5	Yes
3.	Mr. R. N. Bansal #	6	5	No
4.	Mr. Dhruv M. Sawhney	6	2	No
5.	Mr. N. R. Srinivasan	6	5	Yes
6.	Mr. K. M. Pai	6	6	No
7.	Mr. P. M. Mathai	6	6	No
8.	Ms. Tanuja joshi	6	2	No
9.	Mr. Satish Chandra	6	2	No

# Mr. R.N. Bansal has not attended the AGM due to illness. However, Mr. N. R. Srinivasan, Ex-Officio Chairman and Mr. Mahendra K. Daga member of Audit Committee were available at the AGM to answer the queries of members.

## III. Meetings of the Board of Directors

Six Board Meetings were held during the financial year 2014 – 15 on 24<sup>th</sup> April 2014, 28<sup>th</sup> May 2014, 29<sup>th</sup> July 2014, 3<sup>rd</sup> November 2014, 13<sup>th</sup> February 2015 and 27<sup>th</sup> February 2015 respectively. The maximum time gap between any two meetings was 101 days and the minimum time gap was 13 days. The necessary quorum was present at all the meetings. The agenda papers were circulated well in advance of each meeting of the Board of Directors.

### COMMITTEES OF THE BOARD

#### (i) Audit Committee

Audit Committee of the Board is entrusted with the powers and the role that are in accordance with Clause 49 of the Listing Agreement as well as Section 177 of the Companies Act, 2013. The terms of reference of the Audit Committee, *inter alia*, include overseeing financial reporting processes, reviewing

periodic financial results, reviewing with the management the financial statements and adequacy of internal control systems, reviewing the adequacy of internal control function, discussions with the Internal and Statutory Auditors about the scope of audit including the observations of Auditors and discussion with them on any significant findings.

All the members of Audit Committee are financially literate. Mr. R. N. Bansal, a senior fellow member of the Institute of Chartered Accountants of India and Independent Director of the Company, is the Chairman of the Audit Committee with Mr. N. R. Srinivasan, Ex Officio Chairman and Mr. Mahendra K. Daga, Mr. P. M. Mathai and Mr. K. M. Pai as its members. The Company Secretary acts as the Secretary of the Committee.

During the financial year ended on 31<sup>st</sup> March 2015, four Audit Committee Meetings were held on 28<sup>th</sup> May 2014, 29<sup>th</sup> July 2014, 3<sup>rd</sup> November 2014 and 13<sup>th</sup> February 2015 respectively. The summary of attendance is as under:

Sl. No.	Name of Director	Category	No. of meetings	
			Held	Attended
1.	Mr. R. N. Bansal	Independent, Non-Executive	4	3
2.	Mr. N. R. Srinivasan	Independent, Non-Executive	4	3
3.	Mr. Mahendra K. Daga	Promoter, Executive	4	2
4.	Mr. P. M. Mathai	Independent, Non-Executive	4	4
5.	Mr. K. M. Pai	Executive Director & CFO	4	4



## (ii) Stakeholders Relationship and Grievance Committee

The Stakeholders Relationship and Grievance Committee comprises of Mr. N.R. Srinivasan as its Chairman and Mr. Mahendra K. Daga and Mr. Madhur Daga as its other two members. The Company Secretary acts as the Secretary of the Committee. The Committee is entrusted with the power to approve the share transfers, issue of duplicate share certificates,

issue of new share certificates upon consolidation of shares, split of shares and also to resolve the grievances of members including complaints relating to transfer of shares, non receipt of balance sheet, non receipt of declared dividends etc.

During the year ended 31<sup>st</sup> March 2015, 2 (two) Committee Meetings were held on 28<sup>th</sup> May 2014 and 13<sup>th</sup> October 2014 respectively. The summary of attendance is as under:

Sl. No.	Name of Director	No. of meetings	
		Held	Attended
1.	Mr. N. R. Srinivasan	2	2
2.	Mr. Mahendra K. Daga	2	1
3.	Mr. Madhur Daga	2	1

To expedite the process of share transfers, the Board has delegated the power of share transfers to Company Secretary and to M/s MCS Share Transfer Agent Ltd., Registrar and Share Transfer Agents, who attend to the share transfers, promptly.

No complaint was pending at the beginning of the financial year i.e. on 01<sup>st</sup> April 2014. During the year, the Company has received 1 (one) complaint from a member which was resolved and no complaint is pending for disposal as on 31<sup>st</sup> March, 2015.

## (iii) Nomination and Remuneration Committee

During the financial year 2014-15 the Nomination and

Remuneration Committee was reconstituted as Mr. K.M. Pai and Mr. Dhruv M. Sawhney have stepped out from the membership of the Committee and Mr. P.M. Mathai was appointed as its member. The composition of the Committee as on 31<sup>st</sup> March, 2015 was Mr. N. R. Srinivasan as Chairman and Mr. R. N. Bansal and Mr. P.M. Mathai as its members. All the members are independent directors. The Company Secretary acts as the Secretary of the committee.

During the year under review 5 (Five) meetings of members of 'Nomination and Remuneration Committee' were held on 24<sup>th</sup> April 2014, 29<sup>th</sup> July 2014, 7<sup>th</sup> October 2014, 1<sup>st</sup> November 2014 and 27<sup>th</sup> February 2015 respectively. The summary of attendance is as under:

Sl. No.	Name of Director	No. of meetings	
		Held	Attended
1.	Mr. N. R. Srinivasan	5	4
2.	Mr. R.N. Bansal	5	4
3.	Mr. P.M. Mathai	5	5
4.	Mr. Dhruv M. Sawhney	5	1

The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under clause 49 of the Listing Agreement and Section 178 of the Companies Act, 2013, besides other terms as may be referred by the Board of Directors. The role includes formulation of criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees formulation of criteria for evaluation of Independent Directors and the Board devising a policy on Board's diversity and identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

## Remuneration Policy

In accordance with the principles of transparency and consistency, the Company has adopted a Nomination and Remuneration Policy for Directors, Key Managerial Personnel and Senior Management which has been approved by the Board of Directors of the Company at its meeting held on 03.11.2014, based on the recommendations made by the Nomination and Remuneration Committee. The objective and broad framework of the Nomination and Remuneration policy inter alia, is to determine the remuneration taking into account parameters like financial position of the Company, industry size, company size and general practice on remuneration payout in the Tile Industry to identify and select for Board's consideration the persons who are qualified to become directors and who may be appointed in

senior management in accordance with the criteria laid down; to carry out the evaluation of Directors, Key Managerial Personnel and Senior Management of the Company and to provide them rewards linked directly to their efforts, performance, dedication and achievement relating to the Company's operations. The Nomination and Remuneration Committee recommends the remuneration of Directors and Key Managerial Personnel which

is approved by the Board of Directors subject to approval of shareholders and such other approvals wherever necessary. The level and composition shall be reasonable and sufficient to attract, retain and motivate the directors, key managerial personnel and other employees required to run the Company successfully.

The details of remuneration paid to the directors during the financial year 2014-15 are as follows:

(In ₹)

Name of Director	Salary	Provident Fund	Perquisites	Commission <sup>#</sup>	Sitting fee	Total
Mr. Mahendra K. Daga	1,44,00,000	16,500	2,20,553	-	-	1,46,37,053
Mr. Madhur Daga	1,14,75,000	16,500	2,00,750	-	-	1,16,92,250
Mr. K. M. Pai	74,70,167	15,902	-	-	-	74,86,069
Mr. R. N. Bansal	-	-	-	2,50,000	2,60,000	5,10,000
Mr. Dhruv M. Sawhney	-	-	-	2,50,000	30,000	2,80,000
Mr. N. R. Srinivasan	-	-	-	2,50,000	2,85,000	5,35,000
Mr. P. M. Mathai	-	-	-	2,50,000	3,10,000	5,60,000
Ms. Tanuja Joshi	-	-	-	-	70,000	70,000
Mr. Satish Chandra*	-	-	-	-	40,000	40,000

\* Sitting fees was paid in the name of IDBI Bank Limited. Mr. Satish Chandra resigned w.e.f. 12.02.2015 pursuant to withdrawal of nomination by IDBI Bank Limited.

# The Board of Directors has, in its meeting held on 29<sup>th</sup> May, 2015, approved the payment of Commission of Rs. 2.50 lakhs each to Mr. R.N. Bansal, Mr. N.R. Srinivasan, Mr. Dhruv M. Sawhney and Mr. P.M. Mathai, Independent Directors of the Company out of the Profits of FY 2014-15 subject to the approval of shareholders and Central Government. A sum of Rs. 10 Lakhs has been provided accordingly in the financial accounts for the year 2014-15. In the meantime Mr. Dhruv M. Sawhney vide letter dated 15.06.2015 shown his unwillingness to receive the said Commission.

#### Details of shareholding of Non-Executive Directors as on 31<sup>st</sup> March 2015

Name of Non-Executive Director	No. of shares held
Mr. R. N. Bansal	Nil
Mr. Dhruv M. Sawhney	Nil
Mr. N. R. Srinivasan	Nil
Mr. P. M. Mathai	Nil
Ms. Tanuja Joshi	Nil

#### (iv) Finance and Borrowing Committee

The Finance and Borrowing Committee of the Board has been delegated with the powers to manage the banking operations, to open/close bank accounts, decide on the operational limits/matrix of the authorised signatories in addition to borrow secured/unsecured funds, otherwise than by way of debentures from potential lenders to meet out the funding needs of the Company as may be arising from time to time.

The Committee comprise of three Directors viz. Mr. Mahendra K. Daga as Chairman, Mr. Madhur Daga and Mr. N.R. Srinivasan as its members. The Company Secretary acts as the Secretary of the Committee. No meeting of Finance and Borrowing Committee held during the financial year ended 31<sup>st</sup> March 2015.

#### (v) Compensation Committee

The Company has Compensation Committee of the Board of Directors for the purpose of finalizing, administering, and supervising the matters applicable to grant, vest and exercise of options and allotment of shares under the Employees Stock Option Scheme and the matters prescribed under the SEBI Guidelines. The Committee comprise of the following Directors:

- Mr. Madhur Daga, Promoter-Executive
- Mr. N.R. Srinivasan, Independent-Non Executive
- Mr. R.N. Bansal, Independent-Non Executive
- Mr. P.M. Mathai, Independent-Non Executive

During the financial year 2014-15, the Committee met 5 (Five) times on 24<sup>th</sup> April 2014, 26<sup>th</sup> May 2014, 14<sup>th</sup> August 2014, 7<sup>th</sup>

October 2014 and 13<sup>th</sup> February 2015 respectively. The summary of attendance is as under:

Sl. No.	Name of Director	No. of meetings	
		Held	Attended
1.	Mr. N. R. Srinivasan	5	5
2.	Mr. Madhur Daga	5	5
3.	Mr. R.N. Bansal	5	3
4.	Mr. P.M. Mathai	5	5

#### (vi) Corporate Social Responsibility Committee

During FY 2014-15 Ms. Tanuja Joshi has been appointed as a member of the Corporate Social Responsibility Committee. The composition of the Committee as on 31<sup>st</sup> March, 2015 was as under:-

- |  |          |
|--|----------|
| (i) Mr. Madhur Daga, Promoter-Executive              | Chairman |
| (ii) Mr. K.M. Pai, Executive Director & CFO@         | Member   |
| (iii) Mr. N.R. Srinivasan, Independent-Non Executive | Member   |
| (iv) Mr. R.N. Bansal, Independent – Non Executive    | Member   |
| (v) Ms. Tanuja Joshi, Independent-Non Executive*     | Member   |

@ The Members of the Company has, in its Annual General Meeting held on 30.09.2014 approved the appointment and change the designation of Mr. K. M. Pai, as Whole Time Director (designated as Executive Director and Chief Financial Officer) for the period 24.04.2014 to 31.03.2017.

\* Ms. Tanuja Joshi has been appointed as member of the Committee w.e.f. 03.11.2014.

The Committee is authorized to formulate and recommend to the Board, a CSR policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 recommend the amount to be spent on such activities, monitor the Company's CSR policy periodically and institute a transparent monitoring mechanism for the implementation of CSR projects.

The CSR Policy of the Company as approved by the Board of Directors in its meeting held on 03.11.2014 is displayed on the Company's website: <http://www.orientbell.com>.

The Committee met twice during the year in the meetings held on 03.11.2014 and 13.02.2015 only. The summary of attendance is as under:

Sl. No.	Name of Director	No. of meetings	
		Held	Attended
1.	Mr. Madhur Daga	2	2
2.	Mr. N. R. Srinivasan	2	2
3.	Mr. R.N. Bansal	2	2
4.	Mr. K.M. Pai	2	2
5.	Ms. Tanuja Joshi	2	1

#### General Body Meetings

Detail of last three Annual General Meetings:

Year	Location	Day and Date	Time	Special Resolutions
2011-12	Regd Off.: 8, Industrial Area, Sikandrabad-203 205, Distt. Bulandshahr (U.P.)	Friday, 28 <sup>th</sup> Sept., 2012	11.30 a.m.	I. Reappointment of Mr. Mahendra K. Daga as Managing Director of the Company II. Increase/revision in remuneration of Mr. Madhur Daga as Executive Director
2012-13	-do-	Friday, 27 <sup>th</sup> Sept., 2013	11.30 a.m.	Re-appointment and Re-designation of Mr. Madhur Daga, Whole Time Director (designated as Joint Managing Director) of the Company for a further term of 3 years.
2013-14	-do-	Tuesday, 30 <sup>th</sup> Sept., 2014	11.30 a.m.	(i) Borrowings of Funds up to a limit of ₹ 300 Crores. (ii) Modification in the terms of appointment of Mr. Mahendra K. Daga. (iii) Modification in the terms of appointment of Mr. Madhur Daga. (iv) Appointment, re-designation and payment of remuneration to Mr. K.M. Pai. (v) Amendment in Articles of Association.

All the above mentioned special resolutions were passed unanimously and no resolution was put through postal ballot.

## Postal ballot

During the year ended 31<sup>st</sup> March, 2015, no resolution was passed through postal ballot. No resolution whether Special/ Ordinary Resolution is proposed to be passed through postal ballot at the ensuing Annual General Meeting.

## Disclosures

- (i) The Company does not have any material related party transactions that may have potential conflict with the interests of the Company at large. The details of related party information and transactions are placed before the Audit Committee from time to time. The disclosures regarding the transactions with the related parties are disclosed in note no. 26 forming part of the Accounts. The Company has formulated a Related Party Transactions Policy which specify the manner of entering into related party transactions. This policy has been posted on the website of the Company at <http://www.orientbell.com>.
- (ii) The Company has formulated a Policy for determining 'material' subsidiaries as defined under clause 49 of the Listing Agreement. This policy has been posted on the website of the Company at <http://www.orientbell.com>.
- (iii) The Company has complied with all the guidelines provided by Stock Exchanges and SEBI or any other statutory authority and no penalties or strictures were imposed on the Company on any matter relating to the capital markets, during the last three years.
- (iv) As mandated under Section 177 and Clause 49 of the Listing Agreement, the Company has formulated and adopted a Vigil Mechanism cum Whistle Blower Policy. Under the said policy, any communication that discloses or demonstrates information that may evidence unethical or improper activity shall be addressed to the Chairman of the Audit Committee. A copy of the same may also be addressed to the Executive Director. No personnel has been denied access to the audit committee. The Vigil Mechanism cum Whistle Blower Policy is available on the website of the Company at <http://www.orientbell.com>.
- (v) The Company is complying with all mandatory requirements of Clause 49 of the Listing Agreement. The Internal Auditor reports directly to the Audit Committee.

## Subsidiary companies

During the year under review, your Company has sold off its entire shareholding held by it in its wholly owned subsidiary, Elit International Trading (HK) Pvt. Ltd. The Company has no subsidiary as on 31<sup>st</sup> March, 2015.

## Means of communication

The quarterly, half-yearly and annual results of the Company are submitted with Bombay Stock Exchange and National Stock Exchange where the equity shares of the Company are listed and the same are published in leading newspapers viz. Financial Express (English) and Rashtriya Sahara (Hindi) in compliance with the Listing Agreement.

The results are also posted on Company's website viz. <http://www.orientbell.com>. The website of the Company also displays the information of the Company's products, dealers, availability among others. Presentations are also made to the institutional investors and analysts, which are also uploaded on the website of the Company.

The Company also dedicated an e-mail ID exclusively for redressal of investor complaints in compliance of Clause 47 (f) of the Listing Agreement namely [investor@orientbell.com](mailto:investor@orientbell.com) which is also displayed on the Company's website [www.orientbell.com](http://www.orientbell.com).

## Auditors' certificate on Corporate Governance

As required by clause 49 of the listing agreement, the auditors' certificate is enclosed as **Annexure-A** to this Report.

## CEO / CFO Certification

A certificate as stipulated in clause 49(IX) of the Listing Agreement duly signed by the Joint Managing Director and Executive Director & CFO, on financial statements of the Company is enclosed as **Annexure-B** to this report.

## Code of Conduct

The Board has adopted a Code of Conduct for the Board Members and Senior Management of the Company. The same has also been posted on the website of the Company. All Board Members and Senior Management personnel have affirmed their compliance with the code. A declaration signed by the Chairman & Managing Director is given below:

"I, Mahendra K. Daga, Chairman & Managing Director of Orient Bell Limited, do hereby confirm that all the members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management Personnel in respect of the financial year ended on 31<sup>st</sup> March, 2015."

Place: New Delhi  
Date: 13<sup>th</sup> August, 2015

**Mahendra K. Daga**  
Chairman & Managing Director

## General Shareholder Information

### Annual General Meeting

Date	30th September, 2015
Time	11.30 a.m.
Venue	8, Industrial Area, Sikandrabad-203 205, Distt. Bulandshahr (U.P.)
Financial Year	1 <sup>st</sup> April to 31 <sup>st</sup> March
<b>Financial reporting for financial year 2015-16 is as follows:</b>	
Un-audited financial results for the first three quarters	Will be announced within 45 days of the end of respective quarter.*
Fourth/last quarter financial results	Audited financial results will be announced within 60 days of the end of the financial year.*

\*subject to change of law

### Book closure dates for the purpose of dividend and Annual General Meeting

To determine the entitlement of members to receive the dividend for the year ended 31<sup>st</sup> March 2015, the Register of Members and Share Transfer Books of the Company will remain closed from 26<sup>th</sup> September, 2015 to 30<sup>th</sup> September, 2015 (both days inclusive) as well as for the purpose of Annual General Meeting.

### Dividend payment for 2014-15

Dividend on equity shares as recommended by the Directors for the year ended 31<sup>st</sup> March 2015 when declared at the Annual

General Meeting will be paid within stipulated period:

- To the members, whose names appear in the Register of Members of the Company, after giving effect to all valid share transfers in physical form lodged with the Company on or before 25<sup>th</sup> September, 2015.
- in respect of shares held in electronic form, to those 'deemed members' whose names appear in the statements of beneficial ownership furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) as at the end of the business hours on 25<sup>th</sup> September, 2015.

### Listing

Presently, the Equity Shares of the Company are listed on the following Stock Exchanges:

NAME OF STOCK EXCHANGE	STOCK CODE
<b>BSE Ltd. (BSE)</b> Floor 25, PJ Towers, Dalal Street, Mumbai – 400001	530365
<b>National Stock Exchange of India Ltd. (NSE)</b> Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400051.	ORIENTBELL

The Company has paid the requisite Annual Listing Fee to BSE and NSE for the financial year 2015–16 within stipulated time.

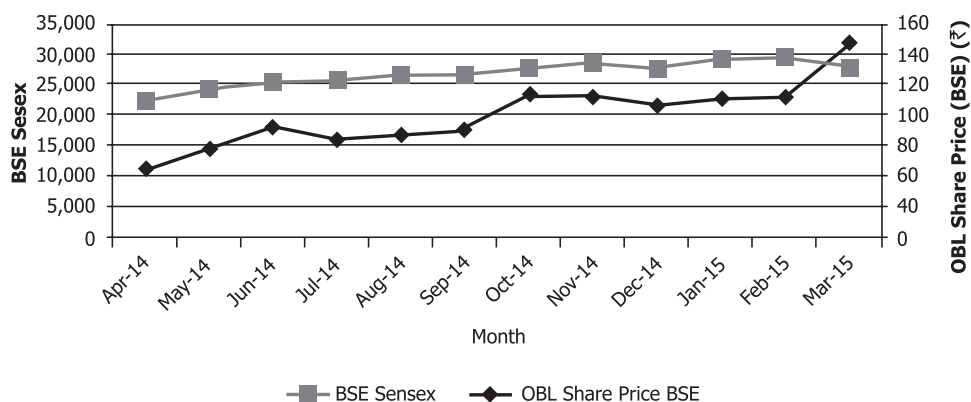
### Market price data

The monthly high and low price of shares traded on the BSE Ltd and the National Stock Exchange of India Ltd are as follows:

Month	BSE Limited				BSE Sensex Month Close	National Stock Exchange of India Limited			
	High Price (₹)	Low Price (₹)	Close Price (₹)	No. of Shares Traded		High Price (₹)	Low Price (₹)	Close Price (₹)	No. of Shares Traded
Apr-14	53.35	45.85	51.50	52,993	22,417.80	53.80	47.10	50.95	61,315
May-14	83.50	49.30	66.50	1,67,825	24,217.34	83.00	50.00	65.50	2,49,447
Jun-14	104.00	63.00	83.40	3,18,234	25,413.78	104.80	62.40	84.80	6,07,733
Jul-14	86.40	74.00	74.00	61,046	25,894.97	87.35	72.45	74.25	98,876
Aug-14	87.00	70.00	77.10	36,799	26,638.11	86.95	69.90	77.35	98,672
Sep-14	100.00	75.55	81.00	92,284	26,630.51	101.50	76.10	81.10	2,10,473
Oct-14	118.40	77.10	107.85	1,54,656	27,865.83	118.80	76.55	107.65	3,47,186
Nov-14	125.75	91.30	105.75	2,65,743	28,693.99	125.85	89.15	106.05	6,63,362
Dec-14	119.50	87.00	98.45	1,56,543	27,499.42	119.80	85.35	98.20	4,62,104
Jan-15	112.60	97.10	103.70	1,06,041	29,182.95	113.00	96.55	103.45	3,60,196
Feb-15	114.85	93.05	105.50	75,457	29,361.50	113.50	93.00	106.10	2,53,025
Mar-15	179.30	105.30	146.00	5,72,990	27,957.49	179.40	105.00	147.15	11,89,318

## Stock price performance

The performance of Company's Equity Shares during 2014-15 in comparison to BSE's Sensitive Index was as follows:



## Registrar and Share Transfer Agent

M/s. MCS Share Transfer Agent Ltd.

F-65, Okhla Industrial Area, Phase-I

New Delhi-110 020

Phone No. : (011) 41406149

Fax No. : (011) 41709881

E-mail : [admin@mcsdel.com](mailto:admin@mcsdel.com)

## Share transfer system

Trading in equity shares of the Company through recognised Stock Exchanges is permitted only in dematerialised form. Shares sent for transfer in physical form are registered and returned within a period of fifteen days from the date of receipt of the documents, provided the documents are valid and complete in all respects. With a view to expedite the process of share transfers, Mr. Yogesh Mendiratta, Company Secretary of the Company and/or Registrar and Share Transfer Agent of the Company have been severally authorised to approve the transfer of shares.

## Distribution of shareholding as on 31<sup>st</sup> March 2015

No. of Shares	Total members	% Total members	Total shares	% Total shares
Up to 500	12,183	92.60	8,01,851	5.80
501 to 1,000	452	3.43	3,46,681	2.51
1,001 to 2,000	227	1.72	3,21,006	2.32
2,001 to 3,000	100	0.76	2,49,681	1.81
3,001 to 4,000	36	0.27	1,27,854	0.93
4,001 to 5,000	35	0.27	1,60,593	1.16
5,001 to 10,000	59	0.45	4,13,009	2.99
10,001 to 50,000	52	0.40	9,28,905	6.72
50,001 to 1,00,000	5	0.04	3,93,047	2.85
1,00,001 and above	8	0.06	1,00,72,924	72.91
<b>Total</b>	<b>13,157</b>	<b>100.00</b>	<b>1,38,15,551</b>	<b>100.00</b>

## Shareholding pattern as on 31<sup>st</sup> March 2015

Category	No. of shares	% of total shares
Promoter and promoter group	1,01,63,287	73.56
Public - Bodies corporate	5,24,657	3.80
Public – other than Bodies Corporate	30,32,601	21.95
Public - NRIs/OCBs	95,006	0.69
<b>Total</b>	<b>1,38,15,551</b>	<b>100.00</b>

## Dematerialisation of shares and liquidity

The Equity Shares of the Company are in compulsory DEMAT mode. In order to enable the members to hold their shares in electronic form and to facilitate scriptless trading, the Company has enlisted its shares with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

## Status of dematerialisation as on 31<sup>st</sup> March 2015

Electronic holdings			Physical holdings			Total		
No. of folios	No. of shares	%	No. of folios	No. of shares	%	No. of folios	No. of shares	%
9,706	1,34,01,671	97.00	3,451	4,13,880	3.00	13,157	1,38,15,551	100.00

The Company is making efforts to increase the dematerialisation of shares.

ISIN number allotted by NSDL and CDSL: INE607D01018

CIN: L14101UP1977PLC021546

## Outstanding GDRs/ADR /Warrants

There are no Global Depository Receipts (GDRs)/American Depository Receipt (ADRs) or any convertible instrument pending for conversion.

### Registered Office:

8, Industrial Area,  
Sikandrabad-203 205  
Distt. Bulandshahr (U.P.)

### Corporate office

Iris House,  
16, Business Centre  
Nangal Raya  
New Delhi-110 046  
Phone : (011) 47119100  
Fax : (011) 28521273  
E-mail : [investor@orientbell.com](mailto:investor@orientbell.com)  
Website: [www.orientbell.com](http://www.orientbell.com)

### Address for correspondence:

Shareholder Services  
Orient Bell Limited  
Iris House, 16, Business Centre  
Nangal Raya, New Delhi-110 046  
Phone: (011) 47119100  
Fax: (011) 28521273  
E-mail : [investor@orientbell.com](mailto:investor@orientbell.com)  
Website: [www.orientbell.com](http://www.orientbell.com)

### Plants:

- (i) Industrial Area,  
Sikandrabad-203 205,  
Bulandshahr (U.P.)
- (iii) Village Chokkahalli,  
Taluka Hoskote,  
Bengaluru (Rural) - 562 114,  
Karnataka

- (ii) Village Dora, Taluka Amod,  
Dist. Bharuch – 392 230,  
Gujarat

## Annexure 'A'

### AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE AS PER CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGE

To the Members of

M/s. ORIENT BELL LIMITED

We have examined the compliance of the conditions of Corporate Governance by **Orient Bell Limited**, for the year ended on 31<sup>st</sup> March, 2015, as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchange.

The compliance of the conditions of the Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedure and implementations thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing agreement.

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

For S.R. Dinodia & Co. LLP  
*Chartered Accountants*

**Sandeep Dinodia**  
*Partner*  
M. No. 083689  
Place: New Delhi  
Dated : 28<sup>th</sup> July, 2015



## Annexure 'B'

The Board of Directors  
Orient Bell Limited  
Iris House, 16, Business Centre,  
Nangal Raya,  
New Delhi-110046

Sirs,

Pursuant to the provisions of Clause 49 of the Listing Agreement with the Stock exchanges, We Madhur Daga, Joint Managing Director and K.M. Pai, Executive Director & CFO of the Company, hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year 2014-2015 and that to the best of our knowledge and belief:
  - (i) these statements do not contain any untrue statement or omit any fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee
  - (i) there were no significant changes in internal control over financial reporting during the year;
  - (ii) that there have been no significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
  - (iii) that there have been no instances of any fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control systems over financial reporting.

Place : New Delhi  
Date : 29<sup>th</sup> May, 2015

**Madhur Daga**  
Joint Managing Director

**K.M. Pai**  
Executive Director & CFO

## Independent Auditor's Report

To the Members of M/S ORIENT BELL LIMITED

### Report on the Financial Statements

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

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation 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 a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - 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 further proper returns adequate for the purpose of audit has been received from the branches not visited by us;
  - c. The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - 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; and
  - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. the Company has disclosed the impact of pending litigation on its financial position in its financial statements as referred to in Note 8(a) of the financial statements;
    - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **S.R. Dinodia & Co. LLP**  
Chartered Accountants  
Firm's Regn. No. 001478N/N500005

(**Sandeep Dinodia**)  
Partner

Place: New Delhi  
Dated: 29<sup>th</sup> May, 2015

M. No. 083689

## Re: Orient Bell Limited

### Annexure to the Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for year ended March 31, 2015, we report that:

- i) a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner. In accordance with this programme, certain fixed assets are verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets.
- ii) a) On the basis of information and explanation provided by the management, the inventory has been physically verified during the year by the management except the inventories in transit.
- b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of business.
- c) In our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- iii) The Company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of clause 3(iii) (a) to (b) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and for the sale of goods. The activities of the Company do not involve sale of services. Further, on the basis of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices, there is no continuing failure to correct the weaknesses in the aforesaid internal control systems.
- v) In our opinion and according to the information and explanation given to us, since the Company has not accepted any deposits therefore the question of the compliance of any directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under does not arise.
- vi) The Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Act read with the Companies (Cost Records and Audit) Amendment Rules, 2015 dated January 16, 2015 for any of the product manufactured by the Company. Therefore, the provisions of clause 3(vi) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
- vii)(a) According to the information and explanation given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities. Further no undisputed amounts payable in respect of outstanding statutory dues were in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, there are no material dues of wealth tax, service tax and cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to the information and explanation given to us, the following dues of income tax, sales tax, value added tax, duty of customs and duty of excise have not been deposited by the Company on account of disputes:

Name of the Statute	Nature of Dispute	Amount (in ₹)	Period	Forum where dispute is pending
U.P. Vat Act	Entry tax and other dues	11,91,100	2000-01 & 2003-04	Allahabad High Court
U.P. Vat Act	Sales Tax	27,40,918	2002-03	Allahabad High Court
U.P. Vat Act	Entry tax and other dues	3,20,813	2002-03	Ghaziabad Tribunal
U.P. Vat Act	Sales Tax	34,594	2003-04	Allahabad High Court
U.P. Vat Act	Sales Tax	10,98,623	2003-04	Allahabad High Court
U.P. Vat Act	Sales Tax	18,94,965	2003-04	Allahabad High Court
U.P. Vat Act	Sales Tax	9,73,790	2004-05	Allahabad High Court

Name of the Statute	Name of Dispute	Amount (in ₹)	Period	Forum where dispute is pending
U.P. Vat Act	Sales Tax	12,08,757	2005-06	Allahabad High Court
U.P. Vat Act	Sales Tax	7,65,898	2006-07	Allahabad High Court
A.P. VAT Act	Sales Tax	4,89,768	2005-06 & 2006-07	High Court of A.P.
A.P. VAT Act	Sales Tax	5,34,158	2009-10	Commissioner (Appeals)
A.P. VAT Act	Sales Tax	9,34,777	2009-10	Commissioner (Appeals)
Delhi Vat Act	Sales Tax	1,11,732	2009-10	Vato Officer
Delhi Vat Act	Sales Tax	2,89,470	2010-11	Vato Officer
Mumbai Vat Act	Sales Tax	27,246	2006-07	Vato Officer
Kerala Vat Act	Sales Tax	2,83,774	2005-06	Assistant commissioner, Ernakulam
Kerala Vat Act	Sales Tax	70,87,329	2009-10	Assistant commissioner, Ernakulam
West Bengal Vat Act	Sales Tax	1,47,45,867	2011-12	Jt. Commissioner (Appeal)
Central Excise & Customs Act	Excise & other dues	6,80,440	2005-2010	CESTAT, Noida
Central Excise & Customs Act	Excise & other dues	6,70,460	2005-2010	Excise Tribunal, Noida
Central Excise & Customs Act	Excise & other dues	1,75,946	2008-09	Commissioner (Appeals) Noida
Central Excise & Customs Act	Excise & other dues	1,73,833	2010-2011	Commissioner (Appeals) Noida
Central Excise & Customs Act	Excise & other dues	43,66,321	2011-2012	Commissioner (Appeals) Noida
Central Excise & Customs Act	Excise & other dues	19,52,518	2010-11	Commissioner (Appeals) Noida
Central Excise & Customs Act	Excise & other dues	21,53,688	2007-08	Commissioner (Appeals), Vadodra
Central Excise & Customs Act	Excise & other dues	2,32,056	2005-2010	CESTAT, Ahmedabad
Central Excise & Customs Act	Excise & other dues	1,56,151	2007-2010	CESTAT, Ahmedabad
Central Excise & Customs Act	Excise & other dues	1,11,02,931	2011-12	CESTAT, Bangalore
Custom Tariff Act, 1975	Custom Duty	85,00,000	2001-02	CEGAT, New Delhi
Income Tax Act, 1961	Income Tax	16,92,841	AY:1990-91	ITAT, Ahmedabad
Income Tax Act, 1961	Income Tax	22,37,194	AY:1995-96	Gujarat High Court
Income Tax Act, 1961	Income Tax	7,62,880	AY:2003-04	ITAT, Ahmedabad
Income Tax Act, 1961	Income Tax	16,30,483	AY:2003-04	ITAT, Ahmedabad
Income Tax Act, 1961	Income Tax	3,10,57,825	AY:2011-12	CIT (Appeals), Ahmedabad
Income Tax Act, 1961	Income Tax	10,97,511	AY:2009-10	ITAT, Delhi
Income Tax Act, 1961	Income Tax	15,74,700	AY:2010-11	ITAT, Delhi
Income Tax Act, 1961	Income Tax	8,34,757	AY:2010-11	ITAT, Delhi
Income Tax Act, 1961	Income Tax	92,557	AY:2012-13	CIT (Appeals), Delhi

- (c) According to the information and explanations given to us the amounts which were required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under has been transferred to such fund within time.
- viii) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
- ix) Based on our audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks and financial institutions during the year. There were no dues payable to debenture holders.
- x) According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions. Therefore, the provisions of clause 3(x) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
- xi) In our opinion and according to the information and explanation given to us, the term loans were applied for the purposes for which the loans were obtained.
- xii) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year nor have we been informed of such case by the management.

For **S.R. Dinodia & Co. LLP**  
*Chartered Accountants*  
 Firm's Regn. No. 001478N/N500005

**(Sandeep Dinodia)**  
 Partner  
 M. No. 083689

Place: New Delhi  
 Dated: 29<sup>th</sup> May, 2015

## Balance Sheet as at March 31, 2015

(Amount in ₹)

Particulars	Note No.	As at March 31, 2015	As at March 31, 2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
(a) Share Capital	3	13,81,55,510	13,57,34,510
(b) Reserves and Surplus	4	167,49,97,759	163,05,94,990
		181,31,53,269	176,63,29,500
<b>Non-Current Liabilities</b>			
(a) Long-Term Borrowings	5	62,00,67,871	88,50,43,933
(b) Deferred Tax Liabilities (Net)	6	9,75,22,157	9,04,29,627
(c) Other Long Term Liabilities	7	1,36,25,360	1,11,90,654
(d) Long-Term Provisions	8	1,45,81,353	1,28,78,892
		74,57,96,741	99,95,43,106
<b>Current Liabilities</b>			
(a) Short-Term Borrowings	9	77,83,22,075	73,96,68,808
(b) Trade Payables	7	103,66,83,617	110,53,60,966
(c) Other Current Liabilities	7	44,62,88,882	39,31,26,220
(d) Short-Term Provisions	8	1,51,45,035	1,12,81,119
		227,64,39,609	224,94,37,113
<b>TOTAL</b>		<b>483,53,89,619</b>	<b>501,53,09,719</b>
<b>II. ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Fixed Assets	10		
(i) Tangible Assets		222,66,98,726	233,52,80,395
(ii) Intangible Assets		25,02,224	39,61,639
(iii) Capital Work-in-Progress		69,99,124	4,80,01,632
(b) Non-Current Investments	11	20,22,75,807	20,24,08,206
(c) Long-Term Loans and Advances	12	13,04,88,128	21,12,19,783
(d) Other Non-Current Assets	14.2	2,74,21,766	2,39,35,294
		259,63,85,775	282,48,06,949
<b>Current Assets</b>			
(a) Inventories	13	101,72,55,798	124,68,51,274
(b) Trade Receivables	14.1	93,42,34,184	72,31,27,909
(c) Cash and Bank Balance	15	11,04,08,616	8,13,12,025
(d) Short-Term Loans and Advances	12	17,17,44,043	13,34,41,680
(e) Other Current Assets	14.2	53,61,203	57,69,882
		223,90,03,844	219,05,02,770
<b>TOTAL</b>		<b>483,53,89,619</b>	<b>501,53,09,719</b>
Significant Accounting policies	2		
The accompanying notes are an integral part of the financial statements			

As per our Report of even date attached

For S R DINODIA &amp; CO. LLP.

Chartered Accountants

Firm's Regn. No. 001478N/N500005

for and on behalf of Board of Directors of Orient Bell Limited

(Sandeep Dinodia)  
Partner  
M.NO. 083689

Mahendra K. Daga  
Chairman & Managing Director  
DIN 00062503

Madhur Daga  
Joint Managing Director  
DIN 00062149

R.N. Bansal  
Director  
DIN 00270908

Place : New Delhi  
Dated : 29<sup>th</sup> May, 2015

K M Pai  
Executive Director & CFO  
DIN 011711860

Yogesh Mendiratta  
Company Secretary & Head-Legal

## Statement of Profit and Loss for the year ended March 31, 2015

(Amount in ₹)

Particulars	Note No.	For the Year ended March 31, 2015	For the Year ended March 31, 2014
I. Revenue from Operations (Gross)	16	751,71,96,009	634,86,66,623
Less: Excise duty		58,49,50,663	49,74,87,665
Revenue from Operations (Net)		693,22,45,346	585,11,78,958
II. Other Income	17	2,86,76,460	1,30,74,072
III. Total Revenue (I + II)		696,09,21,806	586,42,53,030
IV. Expenses:			
(a) Cost of Materials Consumed	18	119,76,14,666	96,60,12,366
(b) Purchases of Stock-in-Trade	19	161,58,68,808	142,07,97,338
(c) Decrease/ (Increase) in Inventories	19	21,18,00,262	7,26,94,626
(d) Employee Benefits Expense	20	61,69,52,570	56,30,21,951
(e) Finance Costs	21	20,68,02,500	24,19,79,858
(f) Depreciation and Amortization Expense	22	17,76,01,566	19,41,38,646
(g) Other Expenses	23	283,16,34,078	235,97,34,977
Total expenses		685,82,74,450	581,83,79,762
V Profit before exceptional and extraordinary items and tax (III-IV)		10,26,47,356	4,58,73,268
VI Exceptional items (Loss on sale of investment in Subsidiary)		(1,32,392)	-
VII Profit before tax (V - VI)		10,25,14,964	4,58,73,268
VIII Tax expense:			
Current Tax		4,62,70,000	97,64,000
Less:- MAT Credit Entitlement		-	(97,64,000)
		5,62,44,964	-
Deferred Tax		70,92,530	2,29,88,646
Income Tax Adjustment for Earlier Years		13,15,190	26,17,994
IX Profit (Loss) after tax (VII-VIII)		4,78,37,244	2,02,66,628
X Earnings per share:	24		
(1) Basic		3.50	1.49
(2) Diluted		3.50	1.49
Significant Accounting Policies	2		
The accompanying notes are an integral part of the financial statements			

As per our Report of even date attached

For S R DINODIA &amp; CO. LLP.

Chartered Accountants

Firm's Regn. No. 001478N/N500005

for and on behalf of Board of Directors of Orient Bell Limited

(Sandeep Dinodia)  
Partner  
M.NO. 083689

Mahendra K. Daga  
Chairman & Managing Director  
DIN 00062503

Madhur Daga  
Joint Managing Director  
DIN 00062149

R.N. Bansal  
Director  
DIN 00270908

Place : New Delhi  
Dated : 29<sup>th</sup> May, 2015

K M Pai  
Executive Director & CFO  
DIN 011711860

Yogesh Mendiratta  
Company Secretary & Head-Legal

## Cash Flow Statement for the year ended March 31, 2015

(Amount in ₹)

Particulars	For the Year ended March 31, 2015	For the Year ended March 31, 2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net profit before tax	10,25,14,964	4,58,73,268
Adjustments for:		
Depreciation and amortization	17,76,01,566	19,41,38,646
Interest Paid	20,68,02,500	24,19,79,858
Provision for employee benefit	73,00,562	78,08,142
Provision for diminution in value of asset	-	50,31,977
Loss/(Gain) on sale of fixed assets	7,92,911	18,38,733
Loss/(Gain) on sale of investments (sale of subsidiary)	1,32,399	-
Other non operating income	-	(31,59,149)
Loss/(Gain) on exchange fluctuation	3,64,532	(53,133)
Interest Income	(1,22,60,999)	(87,77,771)
Sundry Balance Written Off	2,44,00,803	75,13,160
Excess Provision Written Back	(1,16,87,740)	-
<b>Operating profit before working capital changes</b>	<b>49,59,61,499</b>	<b>49,21,93,732</b>
<b>Movement in working capital:</b>		
Increase/(Decrease) in Trade Payables & Other Current Liabilities	(1,55,14,687)	4,39,25,856
Increase/(Decrease) in Provisions	(3,71,72,197)	(35,45,490)
(Increase)/Decrease in Trade Receivables	(21,11,06,275)	1,01,09,730
(Increase)/Decrease in Loans and advances	4,24,29,292	(2,01,55,454)
(Increase)/Decrease in Inventories	22,95,95,476	7,59,83,088
(Increase)/Decrease in Other Current Assets and other bank balances	(5,41,59,303)	(1,30,07,765)
(Increase)/Decrease in Other Non-Current Assets	(34,86,472)	(1,80,05,898)
<b>Cash generated from operations</b>	<b>44,65,47,332</b>	<b>56,74,97,799</b>
Direct Tax paid (Net of Refunds)	1,82,98,118	2,50,03,606
<b>Net cash inflow from/(used in) operating activities (A)</b>	<b>42,82,49,214</b>	<b>54,24,94,193</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of CWIP and Fixed Assets	(2,77,96,694)	(11,20,05,529)
Asset held for disposal	-	53,61,977
(Increase)/Decrease in Capital advances	-	10,09,274
Sale of Fixed Assets	4,45,809	13,13,607
Dividend receipt	-	31,18,650
Rent receipt	-	40,498
Interest Income	1,22,60,999	87,77,771
<b>Net cash from/ (used in) investing activities (B)</b>	<b>(1,50,89,886)</b>	<b>(9,23,83,752)</b>



(Amount in ₹)

Particulars	For the Year ended March 31, 2015	For the Year ended March 31, 2014
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase/ (Decrease) in Borrowings and Other Long Term Liabilities	(22,38,88,089)	(19,15,56,905)
Dividend Paid	(79,40,130)	(2,38,20,388)
Interest paid (net)	(20,68,02,500)	(24,19,79,858)
<b>Net cash inflow from/(used in) financing activities (C)</b>	<b>(43,86,30,719)</b>	<b>(45,73,57,151)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(2,54,71,391)</b>	<b>(72,46,710)</b>
Opening Balance of Cash and Cash Equivalents	2,85,91,803	3,58,38,514
<b>Total Cash and Cash equivalent (Note no. 15)</b>	<b>31,20,413</b>	<b>2,85,91,803</b>
Significant Accounting Policies		
The accompanying notes are an integral part of the financial statements		

As per our Report of even date attached

For S R DINODIA &amp; CO. LLP.

Chartered Accountants

Firm's Regn. No. 001478N/N500005

for and on behalf of Board of Directors of Orient Bell Limited

(Sandeep Dinodia)

Partner

M.NO. 083689

**Mahendra K. Daga**

Chairman &amp; Managing Director

DIN 00062503

**Madhur Daga**

Joint Managing Director

DIN 00062149

**R.N. Bansal**

Director

DIN 00270908

Place : New Delhi

Dated : 29<sup>th</sup> May, 2015**K M Pai**

Executive Director &amp; CFO

DIN 011711860

**Yogesh Mendiratta**

Company Secretary &amp; Head-Legal

## Notes to Financial Statements for the year ended March 31, 2015

### NOTE 1 : CORPORATE INFORMATION

Orient Bell Limited (the Company) is engaged in the manufacturing, trading and selling of ceramic wall and floor tiles. Company is a public company incorporated and domiciled in India and has its registered office at Sikandrabad, Uttar Pradesh, India. The Company has its primary listings on BSE Limited and on the National Stock Exchange of India.

### NOTE 2 : BASIS OF PREPARATION OF FINANCIAL STATEMENTS

#### Note 2.1 Accounting Convention

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### NOTE 2.2: SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNT

##### a) Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires the management to make judgement, estimates and assumptions that affect the reported amounts of revenues, expenses, assets & liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

##### b) Tangible Assets and Capital Work-In-Progress

Tangible Assets are recorded at their original cost of acquisition less accumulated depreciation and impairment, if any. Cost is net of recoverable taxes and inclusive of freight, duties, taxes and other directly attributable costs incurred to bring the assets to their working condition for intended use. Glow-sign Boards, which have no salvage value are charged to the Statement of Profit & Loss. Capital work-in-progress comprises the cost of fixed assets that are not yet ready for their intended use at the reporting date.

##### c) Intangible Assets

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment. All expenditures, qualifying as Intangible Assets are amortized over estimated useful life. Specialized softwares are amortized over a period of 3 years.

##### d) Depreciation and Amortization

Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets estimated by the Management. Depreciation for assets purchased / sold during a period is proportionately charged. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use. The Management estimates the useful lives for the other fixed assets as follows:

Buildings	10-60 years
Plant and machinery*	18 years
Office equipment	5 years
Computer equipment	3-6 years
Furniture and fixtures	10 years
Electrical installations	10 years
Vehicles	8-10 years

\*For these classes of assets, based on internal assessment and independent technical evaluation carried out by external valuers, the Management believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Certain plants, subassemblies at Dora and Hoskote units having limited life span of three years which have been written off over such life span.

## Notes to Financial Statements for the year ended March 31, 2015

Till March 31, 2014 in accordance with the option given in the Guidance Note on Accounting for Depreciation in Companies, the Company recoups additional depreciation out of Revaluation reserve. However during the year, as per Schedule II of the Companies Act, 2013 read with para 36 of "Application Guide on the Provisions of Schedule II to the Companies Act, 2013 issued by Institute of Chartered Accountants of India, the depreciation on revalued amount has been charged to statement of the profit and loss and the amount of depreciation which relates to the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on its original cost has been transferred from the revaluation reserve to the general reserves of the company.

Depreciation and amortization methods, useful lives and residual values are reviewed periodically, including at each financial year end (Refer Note 10).

### e) Revenue/Purchase Recognition

Revenue is recognized to the extent that it is Probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

#### Sale of goods

Revenue from sale of goods is recognised when all the significant risk and rewards of ownership of the goods have been passed to the buyer, usually on the delivery of the goods. The company collects sales tax and value added tax on behalf of the government, therefore, these are not economic benefits flowing to the company, hence, these are excluded from the revenue. Further Trade discounts are excluded from the Revenue. Excise duty deducted from Revenue (Gross) is the amount that is included in the revenue (Gross) and not the entire amount of liability arising during the year.

#### Interest

Interest income is recognized on time proportion basis taking into account the amount outstanding and the applicable rate. Interest income is included under the head "Other Income" in the Statement of Profit and Loss.

#### Dividend

Dividend income from investments is recognised when the company's right to receive dividend is established by the reporting date.

#### Other Income

Export incentives and Rental Incomes are accounted on accrual basis. Claims are accounted on acknowledgement from the appropriate authority. Purchase of indigenous material is recognized on the basis of receipt of material in the factory premises.

### f) Borrowing Cost

Borrowing costs include Interest, Amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are attributable to the acquisition or construction of qualifying fixed assets are capitalized as part of the cost of assets. All other borrowing costs are recognized as expense in the year in which they are incurred.

### g) Investments

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as Current Investments. All other investments are classified as Long Term Investments.

#### Initial Recognition

All investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

#### Carrying Amount of Investments

- Current Investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis.
- Long Term Investments are carried at cost. However, provision for diminution in value is made to recognised a decline other than temporary in the value of the investments.

## Notes to Financial Statements for the year ended March 31, 2015

### Disposal of Investments

The difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

### h) CENVAT and Excise Duty

Excise duty has been accounted for on the basis of payments made in respect of goods cleared from the factory premises and provision made in the accounts for goods manufactured, which are lying in the bonded warehouses of the company as at the end of financial year. CENVAT credit availed has been credited to the respective cost of stores & spares and capital goods.

### i) Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of various components of inventory is determined as follows:

Raw Materials, Stores, Spares and Packing Material	Cost includes purchase price, non refundable duties, taxes and all other costs incurred in bringing the inventories to their present location. Cost is determined on First In First Out (FIFO) basis.
Stock-in-process and Finished Goods	Cost includes material cost and also includes an appropriate portion of allocable overheads.
Traded Goods	Cost includes purchase cost, duties, taxes and all other costs incurred in bringing the inventory to their present location. Cost is determined on First In First Out (FIFO) basis.

### j) Translation of Foreign Currency items

#### Initial Recognition

Transactions denominated in Foreign Currencies are recorded at the exchange rate prevailing at the time of the transaction.

#### Exchange Differences

Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss in the period in which they arise except in case of long term foreign currency monetary items, where the exchange differences arising on reporting of long term foreign currency monetary items, in so far as they relate to the acquisition of a depreciable capital asset, is added to or deducted from the cost of the asset and depreciated over the balance life of the asset, and in other cases, is accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortised over the balance period of such long term asset or liability, by recognition as income or expense in each of such periods.

#### Conversion

Items denominated in foreign currency at the year end and not covered by forward exchange contracts are translated at year end rates and those covered by forward exchange contracts are translated at the rate ruling on the date of transaction as increased or decreased by the proportionate difference between the forward rate and exchange rate on the date of transaction, such difference having been recognized over the life of the contract.

### k) Taxes on Income

Tax expense comprises current tax and deferred tax.

#### Current Tax

Current Tax is measured and expected to be paid to the tax authorities in accordance with the provisions of the Income Tax Act, 1961, and based on the expected outcome of assessment/appeals. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current Income Tax relating to the items recognised directly in equity is recognised in equity and not in the statement of Profit and Loss.

#### Deferred Tax

Deferred tax reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current Income Tax relating to the items recognised directly in equity is recognised in equity and not in the statement of Profit and Loss. Deferred

## Notes to Financial Statements for the year ended March 31, 2015

tax assets subject to consideration of prudence, are recognized and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Such assets are reviewed as at each balance sheet date to re-assess realization.

### Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in the year is charged to the statement of profit and loss as current tax. The company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which company recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the statement of Profit and Loss and shown as "MAT Credit entitlement". The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

### l) Employee Benefits

#### (a) Short-term employee benefit

Short-term employee benefits including short term compensated absences are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which related service is rendered. Terminal benefits are recognized as an expense immediately.

#### (b) Defined Contribution Plan

Contributions payable to recognised provident fund, employee state insurance scheme and superannuation scheme, which are substantially defined contribution plans, are recognised as expense in the Statement of Profit and Loss, as they incurred.

In addition to the provident fund contribution to Govt provident funds, the Company is also having its own provident fund irrevocable trust to which contributions of certain employees along with the corresponding employer contributions are deposited within the specified time.

Certain employees of Dora and Hoskote Unit are covered by a superannuation fund benefit of Life Insurance Corporation of India at a company contribution 15% of basic salary. This is a defined contribution scheme and the contributions are charged to Statement of Profit and Loss of the year when the contribution to the fund is due. There are no obligations other than the contribution payable to the fund.

#### (c) Defined Benefit Plan

The obligation in respect of defined benefit plans, which cover Gratuity, are provided for on the basis of an actuarial valuation, using the projected unit credit method, at the end of each financial year. Actuarial gains/losses, if any, are recognised immediately in the Statement of Profit and Loss.

The Company through its trust has taken a policy, for employees of Head Office and Sikandrabad Unit, with Kotak Mahindra Old Mutual Life Insurance Ltd. to cover the gratuity liability of the employees.

For the employees at Dora and Hoskote unit, Company has taken an Employees' Gratuity Scheme which is a defined benefit plan of Life Insurance Corporation of India.

#### (d) Other Long-term Benefits

Long term compensated absences are provided for on the basis of actuarial valuation, using the projected unit credit method, at the end of each financial year. Actuarial gains/losses, if any, are recognised immediately in the Statement of Profit and Loss.

On the basis of Company's policy, compensated absences up to 60 days are recognised as long term employee benefit and compensated absences beyond 60 days, if any are to be recognised as short term employee benefit.

#### (e) Share-based payments

The Company accounts for equity settled stock options as per the accounting treatment prescribed by Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as amended from time to time and the Guidance Note on Employee Share-based Payments issued by the Institute of Chartered Accountants of India using the intrinsic value method.

## Notes to Financial Statements for the year ended March 31, 2015

### m) Impairment of Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the recoverable amount is determined. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

Impairment losses of continuing operations, including impairment on Inventories, are recognised in the statements of profit and loss, except for previously revalued tangible fixed assets, where the revaluation was taken to Revaluation Reserve. In this case, the impairment is also recognised in the revaluation reserve upto the amount of any previous revaluation.

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the assets's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as revaluation increase.

### n) Provision, Contingent Liabilities and Contingent Assets

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

### o) Lease

Lease under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets acquired are capitalized at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense on a straight-line basis in the Statement of Profit and Loss over the lease term.

### p) Earning Per Share

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues, including for changes effected prior to the approval of the financial statements by the Board of Directors.

### q) Cash flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

### r) Cash and cash equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

## Notes to Financial Statements for the year ended March 31, 2015

## NOTE 3 : SHARE CAPITAL

Particulars	(Amount in ₹)	
	As at March 31, 2015	As at March 31, 2014
<b>Authorised:</b>		
4,00,00,000 (March 31,2014 : 4,00,00,000) Equity Shares of ₹ 10/- each	40,00,00,000	40,00,00,000
1,50,00,000 (March 31,2014 : 1,50,00,000) Non Convertible Redeemable Cumulative Preference Shares of ₹10/- each	15,00,00,000	15,00,00,000
	<b>55,00,00,000</b>	<b>55,00,00,000</b>
<b>Issued, Subscribed &amp; Paid-up:</b>		
1,38,15,551 (March 31,2014: 1,35,73,451) Equity Shares of ₹10/- each fully paid up	13,81,55,510	13,57,34,510
	<b>13,81,55,510</b>	<b>13,57,34,510</b>

## (a) Reconciliation Statement of Equity Share Capital

Particulars	March 31, 2015		March 31, 2014	
	No. of Shares	Amount	No. of Shares	Amount
Balances of Shares at the beginning of the year	1,35,73,451	13,57,34,510	1,35,73,451*	13,57,34,510
Add:- Addition during the year	2,42,100	24,21,000	-	-
Less:- Buy back during the year	-	-	-	-
Balances of Shares at the end of the year	<b>1,38,15,551</b>	<b>13,81,55,510</b>	<b>1,35,73,451</b>	<b>13,57,34,510</b>

\* The above includes equity shares 30,43,451 nos (₹ 3,04,34,510) which were allotted during 2012-13 pursuant to the schemes of amalgamation without payments being received in cash.

## (b) Terms/right attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting [During the year ended March 31, 2015, the amount of per share dividend recognized as distributions to equity shareholders was ₹ 0.50 per share (March 31, 2014: ₹ 0.50 per share)]. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## (c) Details of shareholder holding more than 5 percent shares in the company

Particulars	March 31, 2015		March 31, 2014	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity shares of ₹ 10/- each fully paid up				
Mr. M K Daga	28,78,079	20.83%	28,78,079	21.20%
Mr. Madhur Daga	12,73,264	9.22%	10,23,264	7.54%
Good Team Investment & Trading Company Pvt Limited	23,62,914	17.10%	23,62,914	17.41%
Orient Bell Holding Trust	20,79,100	15.05%	20,79,100	15.32%

## (d) Shares reserved for issue under Options

Particulars	As at March 31, 2015	As at March 31, 2014
	No. of Shares	No. of Shares
Equity Shares of ₹ 10/- each	6,97,900	9,40,000

## Notes to Financial Statements for the year ended March 31, 2015

### Terms and Conditions of Options Granted

- (i) Each Option entitles the holder thereof to apply for and be allotted one equity share of the company of ₹ 10/- each on payment of the exercise price during the exercise period. The exercise period commences from the date of vesting of the options and expires at the end of 3rd year from the date of vesting in respect of options granted under the Orient Bell Employees Stock Option Scheme-2013.
- (ii) The Employees Stock Options will be granted in three annual tranches of 30%, 35% and 35% of the total options per employee provided such employee shall fulfill the eligibility criteria for each year as decided by Compensation Committee from time to time.
- (iii) The details of the grant is as under:

	First Tranche	Second Tranche of old employees	First Tranche of new employees
Grant Date	Sept. 2, 2013	Sept. 2, 2014	Sept. 2, 2014
No. of options granted	2,63,100	1,54,000	40,950
No. of options not accepted by the employees	3,600	-	-
No. of options accepted by the employees	2,59,500	1,54,000	40,950
Exercise Price	Nil	Nil	Nil
Vesting commenced on	Sept. 2, 2013	Sept. 2, 2014	Sept. 2, 2014
Vesting end on	Sept. 1, 2014	Sept. 1, 2015	Sept. 1, 2015
No of Options (granted and accepted) outstanding at the beginning of the year	2,59,500	-	-
No. of Options granted and accepted during the year	-	1,54,000	40,950
No of Options Lapsed during the year due to employees left pertaining to option earlier granted	14,550	3,675	2,250
No of Options (granted and accepted) during the year and exercised	2,42,100	-	-
No of Options (granted and accepted) during the year but not exercised. To be exercised till Sept. 1,2017	2,850	-	-
No of Options (granted and accepted) outstanding at the end of the year	-	1,50,325	38,700
of which-			
Options vested	2,44,950	-	-
Options yet to be vested	-	1,50,325	38,700

- (iv) In respect of stock options granted pursuant to the Company's stock options scheme, the intrinsic value of the options (excess of market price of the share over the exercise price of the option) is treated as discount and accounted as employee compensation over the vesting period.
- (v) Expense on Employee Stock Option Schemes debited to the Statement of Profit and Loss during 2014-15 is ₹ 73,00,562 (2013-14 : ₹ 78,08,142) pursuant to employee stock option scheme. (refer Note:20)
- (vi) Had fair value method been adopted for expensing the compensation arising from employee share-based payment plans:  
The employee compensation charge debited to the Statement of Profit and Loss for the year 2014-15 would have been higher by ₹ 56,01,574 [In FY 2013-14 expenses would have been lower by : ₹ 20,32,667].  
Basic EPS before extraordinary items would have decreased by ₹ 0.41 (2013-2014 higher by ₹ 0.12).  
Basic EPS after extraordinary items would have decreased by ₹ 0.41 (2013-2014 higher by ₹ 0.12).  
Diluted EPS before extraordinary items would have decreased by ₹ 0.41 (2013-2014 higher by ₹ 0.12).  
Diluted EPS after extraordinary items would have decreased by ₹ 0.41 (2013-2014 higher by ₹ 0.12).



## Notes to Financial Statements for the year ended March 31, 2015

(vii) Weighted average fair values of options granted during the year is ₹ 81.68. (2013-14: ₹ 38.50)

(viii) The Fair value has been calculated using the Black-Scholes Option Pricing Model and the significant assumptions and inputs to estimate the fair value of options granted during the year are as follows:

S.No.	Particulars	2014-2015	2013-2014
1	Weighted average risk -free interest rate	8.80%	7.57%
2	Weighted average expected life of options	1 year	1 year
3	Weighted average expected volatility	3.96%	3.14%
4	Weighted average expected dividend yield of the option	0.61%	1.28%
5	Weighted average share price (₹)	82.18	39.00
6	Weighted average exercise price (₹)	Nil	Nil
7	Method used to determine expected volatility	Expected volatility is based on the historical cost of the Company's share price applicable to the total expected life of each option	

## Notes to Financial Statements for the year ended March 31, 2015

## NOTE 4 : RESERVES AND SURPLUS

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Capital Reserve</b>		
Balances at the beginning of the year	25,57,050	25,57,050
Add:- Addition on account of Amalgamation	-	-
Add:- Addition on consolidation	-	-
Less:- Deletion / Utilization during the year	-	-
Balances at the end of the year (A)	25,57,050	25,57,050
<b>Capital Restructuring</b>		
Balances at the beginning of the year	46,15,903	46,15,903
Add:- Addition on account of Amalgamation	-	-
Less:- Deletion / Utilization during the year	-	-
Balances at the end of the year (B)	46,15,903	46,15,903
<b>Amalgamation Reserve</b>		
Balances at the beginning of the year	9,13,03,550	9,13,03,550
Add:- Addition on account of Amalgamation	-	-
Less:- Deletion / Utilization during the year	-	-
Balances at the end of the year (C)	9,13,03,550	9,13,03,550
<b>Securities Premium</b>		
Balances at the beginning of the year	10,00,00,000	10,00,00,000
Add:- Addition during the year	70,20,900	-
Less:- Deletion / Utilization during the year	-	-
Balances at the end of the year (D)	10,70,20,900	10,00,00,000
<b>Revaluation Reserve</b>		
Balances at the beginning of the year	62,64,54,230	63,41,65,202
Add:- Addition on account of Amalgamation	-	-
Less:- Deletion during the year	-	-
Less:- Adjusted against depreciation for the year with Statement of Profit & Loss Account	-	77,10,972
Less:- Adjusted against depreciation for the year with General Reserve	68,66,168	-
Balances at the end of the year (E)	61,95,88,062	62,64,54,230
<b>Share Options Outstanding account:</b>		
Balances at the beginning of the year	1,35,06,975	-
Add:- Addition during the year	54,17,149	1,35,06,975
Less:- Lapse during the year (transfer to General Reserve)	3,28,033	-
Less:- Issued during the year	94,41,900	-
Balances at the end of the year	91,54,191	1,35,06,975
<b>Less: Deferred employee compensation expense:</b>		
Balances at the beginning of the year	56,98,833	-
Add:- Addition during the year	38,15,420	56,98,833
Less:- Cancelled during the year	3,28,033	-
Less:- Amortised during the year	53,70,800	-
Balances at the end of the year (F)	38,15,420	56,98,833
	53,38,771	78,08,142
<b>General Reserve</b>		
Balances at the beginning of the year	47,36,09,961	47,36,09,961
Add:- Addition during the year on account of transfer from Share Options Outstanding account	3,28,033	-
Add:- Transfer from Revaluation Reserve	68,66,168	-
Less:- Deletion / Utilization during the year	-	-
Balances at the end of the year (G)	48,08,04,161	47,36,09,961
<b>Surplus / (Deficit) in the statement of Profit &amp; Loss</b>		
Balances as per last Financial statements	32,42,46,154	31,19,19,656
Add:- Profit for the year	4,78,37,244	2,02,66,628
Less:- Appropriations during the year		
- Proposed Dividend on Equity Shares	69,07,776	67,86,726
(Dividend per share ₹ 0.50 (March 31, 2014: ₹ 0.50))		
- Tax on Proposed Dividend	14,06,261	11,53,404
- Transfer to General Reserve	-	-
Balance at the end of the year (H)	36,37,69,362	32,42,46,154
<b>Total Reserves &amp; Surplus (A+B+C+D+E+F+G+H)</b>	<b>167,49,97,759</b>	<b>163,05,94,990</b>

## Notes to Financial Statements for the year ended March 31, 2015

## NOTE 5 : LONG TERM BORROWINGS

(Amount in ₹)

Particulars	Non-current		Current Maturities	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
<b>Term Loans</b>				
<b>From Banks</b>				
Corporate loans (secured)	19,07,27,789	37,35,09,789	18,08,11,500	16,68,69,000
Vehicle loans (secured)	73,24,140	30,88,421	49,93,664	44,24,100
Corporate loans (unsecured)	6,00,20,725	2,47,44,490	82,24,181	97,20,076
<b>From Financial Institutions</b>				
Buyers Credit (secured)	4,75,00,000	13,82,96,016	6,52,41,098	-
Corporate loans (unsecured)	5,86,00,000	8,86,00,000	-	-
<b>Other Loans And Advances</b>				
From Related Parties (unsecured) (Refer Note No.26)	15,00,00,000	15,00,00,000	-	-
Trade Deposits (Unsecured)	10,58,95,217	10,68,05,217	-	-
	<b>62,00,67,871</b>	<b>88,50,43,933</b>	<b>25,92,70,443</b>	<b>18,10,13,176</b>
<b>The above amounts includes -</b>				
Secured Borrowings	24,55,51,929	51,48,94,226	25,10,46,262	17,12,93,100
Unsecured Borrowings	37,45,15,942	37,01,49,707	82,24,181	97,20,076
Amount disclosed under "Other Current Liabilities" (Note 7)	-	-	(25,92,70,443)	(18,10,13,176)
<b>Total Borrowings</b>	<b>62,00,67,871</b>	<b>88,50,43,933</b>	<b>-</b>	<b>-</b>

## a. The nature of Security for Secured Loans are :

- The above secured corporate loan, ₹ 37,15,39,289 (March 31, 2014: ₹ 54,03,78,789) is secured by way of first pari passu charge on entire fixed assets excluding assets having specific charge, both present and future, and collaterally by way of second pari passu charge on the current assets of the Company. These pertains to various bankers and financial institution namely, IDBI Bank, Axis Bank and Exim Bank.
- The buyer's credit of ₹ 11,27,41,098 (March 31, 2014: ₹ 13,82,96,016) is secured by way of first pari passu charge on entire fixed assets excluding assets having specific charge, both present and future, and collaterally by way of second pari passu charge on the current assets of the Company. The said facility is provided by Tata Capital Financial Services Ltd. arranged through ING Vysya Bank Ltd (Now Kotak Mahindra Bank).
- Vehicle loans are secured by way of hypothecation of respective vehicles.

## b. Maturity profile of Secured Term Loans are as set out below :

(Amount in ₹)

Particulars	2015-16	2016-17	2017-18	Beyond 2018-19
(i) Term loan from Banks and Financial Institution are repayable in monthly/quarterly/yearly installments.	24,60,52,598	16,07,27,789	5,75,00,000	2,00,00,000
(ii) Vehicle loans from banks are repayable in monthly installments.	49,93,664	45,35,152	27,88,987	-

## c. The nature of guarantee for Unsecured Loans are :

- Unsecured loan from Bank is secured against property of Promoter at Kolkata.
- Unsecured loan from financial institution is secured by pledge of the shares belonging to Promoters, other than their holding in the Company.

## Notes to Financial Statements for the year ended March 31, 2015

d. Maturity profile of Unsecured Term Loans are as set out below :

(Amount in ₹)

Particulars	2015-16	2016-17	2017-18	Beyond 2018-19
(i) Term loan from bank is repayable in monthly/ quarterly installments.	82,24,181	92,21,441	1,03,39,628	4,04,59,656
(ii) Loan from Financial Institutions is repayable on maturity.	-	-	-	5,86,00,000

(iii) Loans & Advances from Related Parties are repayable at the prerogative of the Company.

(iv) Trade deposits are repayable on cessation of business transaction with dealers.

### NOTE 6 : DEFERRED TAX LIABILITIES / (ASSETS) (NET)

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Deferred Tax Liabilities</b>		
Fixed assets: Impact of difference between tax depreciation and depreciation charged for the financial reporting	11,54,98,055	10,87,10,352
<b>Gross Deferred Tax Liability</b>	<b>11,54,98,055</b>	<b>10,87,10,352</b>
<b>Deferred Tax Assets</b>		
Unabsorbed Depreciation / Business Loss	-	12,91,674
Provision for Doubtful Debts	43,56,775	63,18,202
Provision for diminution in value of assets	-	16,32,625
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	1,36,19,123	90,38,224
<b>Gross Deferred Tax Assets</b>	<b>1,79,75,898</b>	<b>1,82,80,725</b>
<b>Net Deferred Tax Liabilities/ (Assets)</b>	<b>9,75,22,157</b>	<b>9,04,29,627</b>

### NOTE 7 : OTHER LIABILITIES

(Amount in ₹)

Particulars	Non-current		Current	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
<b>Trade Payables</b> (refer note (a) below for details of dues to micro and small enterprises)	<b>94,16,946</b>	<b>83,41,516</b>	<b>103,66,83,617</b>	<b>110,53,60,966</b>
<b>Others</b>				
Current maturities of long-term borrowings (Refer note 5)	-	-	25,92,70,443	18,10,13,176
Interest Accrued but not due	-	-	4,60,789	1,34,31,273
Advance from customers	-	-	5,58,73,894	7,69,60,189
Unpaid dividends (refer note (b) below)	-	-	15,93,070	16,57,161
<b>Other Payables</b>				
Statutory Dues Payable	-	-	12,65,55,109	11,95,01,116
Other Liabilities	42,08,414	28,49,138	25,35,578	5,63,305
	<b>42,08,414</b>	<b>28,49,138</b>	<b>44,62,88,882</b>	<b>39,31,26,220</b>
	<b>1,36,25,360</b>	<b>1,11,90,654</b>	<b>148,29,72,499</b>	<b>149,84,87,186</b>

## Notes to Financial Statements for the year ended March 31, 2015

### a) Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Principal amount due to micro and small enterprises	-	-
Interest due on above	-	-
	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payments made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

(b) It does not include any amount due to be transferred to Investor Education and Protection Fund.

### NOTE 8 : PROVISIONS

(Amount in ₹)

Particulars	Non-current		Current	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
<b>Provisions for Employee Benefits</b>				
Leave Encashment	1,33,70,378	1,12,80,877	35,47,354	24,05,056
<b>Other Provisions</b>				
Proposed Dividend	-	-	69,07,776	67,86,726
Provision for tax on Proposed dividend	-	-	14,06,261	11,53,404
Provision for equalised rent	12,10,975	15,98,015	5,96,761	7,75,733
Provision for Income Tax [Net of Advance Tax: ₹1,82,98,118]	-	-	25,02,484	-
Provision for Wealth Tax	-	-	1,84,400	160,200
	<b>1,45,81,353</b>	<b>1,28,78,892</b>	<b>1,51,45,035</b>	<b>1,12,81,119</b>

### a) Contingent liabilities

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Claims against company not acknowledged as debt *	19,23,28,743	32,35,839
- interest on above	49,66,946	-
Letter of Credit	13,60,80,221	17,95,54,105
Bank Guarantee (Net of Margin)	77,39,190	78,04,595
<b>Other money for which the Company is contingently liable</b>		
Disputed liability under Income Tax	4,09,80,748	4,00,53,434
Disputed liability under Sales Tax	3,35,42,479	4,87,71,810
Disputed liability under Excise/Service Tax	3,01,64,344	2,19,89,754

\* The Company has been advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.

## Notes to Financial Statements for the year ended March 31, 2015

b) In terms of Long-term Gas Supply Agreements (GSA) with GAIL (India) Limited (referred to as "seller"), which is valid till period ending April; 2028, there are underdrawn quantities of Re-Liquefied Natural Gas (RLNG) for the calendar year 2014, against this the company has received demand notice from seller aggregating to ₹ 1,653 lakhs. If this demand is paid the same will be treated as advance in accounts as the company will be eligible to take un-drawn quantities of RLNG including that for calendar year 2014 in subsequent contract years subject to sellers operational flexibility and price adjustments. The company has also represented to seller that there is requirement of RLNG at Company's Hoskote (Karnataka) plant. The company had already approached the seller to shift the delivery point to Hoskote plant for certain quantities of RLNG . This request is pending for approval. Further, there is generally a decreasing trend in pricing of the said RLNG in recent months, management is confident about utilization of under-drawn RLNG as above in subsequent contracted years. Accordingly pending approval and in view of proposed use of RLNG in future as stated above, no effect of the same has been given in these accounts.

### c) Commitments

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	Nil

## NOTE 9 : SHORT TERM BORROWINGS

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Loans from Banks (secured)</b>		
Cash Credit	13,83,22,075	40,46,68,808
Working Capital demand loan	64,00,00,000	33,50,00,000
<b>Total Short Term Borrowings</b>	<b>77,83,22,075</b>	<b>73,96,68,808</b>

The nature of Security for borrowings are as under:

- The Company has a consortium of Various bankers namely State Bank of India, Punjab National Bank, IDBI Bank, Axis Bank, Kotak Mahindra Bank, IndusInd Bank (hereafter called the "Consortium") for secured loans borrowings.
- The above loans are primarily secured by way of first pari passu charge on entire current assets of the company and collaterally by way of second pari passu charge on the entire fixed assets excluding assets having specific charge, both present & future.
- Loans from Banks is repayable on demand and carries interest rate ranges from 10.70% to 12.25% p.a.

## Notes to Financial Statements for the year ended March 31, 2015

### NOTE 10 : FIXED ASSETS

Particulars	GROSS BLOCK			DEPRECIATION / AMORTIZATION			NET BLOCK		
	As at April 1, 2014	Additions During the Year	Deductions / Adjustments During the Year	As at March 31, 2015	For the Year	Deductions / Adjustments During the Year	Unplanned Adjustments as per Schedule II	As at March 31, 2015	As at March 31, 2014
<b>A. Tangible Assets</b>									
Land									
- Freehold	58,17,66,273	23,82,185	-	58,41,48,458	-	-	-	58,41,48,458	58,17,66,273
- Leasehold	2,25,40,061	-	-	2,25,40,061	2,73,925	-	-	1,86,33,782	1,89,07,707
<b>Buildings</b>									
- Factory	76,16,55,265	11,94,985	-	76,28,50,250	2,30,73,459	-	10,521	45,11,65,630	47,30,54,624
- Others	6,04,90,260	-	-	6,04,90,260	11,54,716	-	4,47,801	4,64,05,067	4,80,07,584
- Roads	1,78,70,162	-	-	1,78,70,162	9,65,475	-	73,15,963	52,01,892	1,34,83,329
Leasehold Improvements	4,96,37,984	21,78,830	-	5,18,16,814	1,22,93,278	-	-	3,76,86,749	2,42,44,513
Plant and Equipment (Refer note (b) below)	369,67,26,896	6,71,21,388	2,51,68,792	373,86,79,492	10,98,35,972	8,058	(51,52,898)	269,47,72,839	110,66,29,073
Furniture and fixtures	3,83,72,224	1,77,217	88,440	3,84,61,001	35,16,339	10,432	12,54,256	2,72,50,431	1,12,10,570
Vehicles	4,08,44,835	1,66,57,119	41,22,412	5,33,79,542	66,29,978	30,90,341	1,30,715	1,93,58,096	3,40,21,446
Office Equipments	2,05,23,142	7,03,451	29,972	2,11,96,621	26,22,954	29,972	25,88,500	1,52,73,623	59,22,998
Electrical Installations & Equipment	97,80,256	8,14,230	-	1,05,94,486	18,52,957	-	2,34,149	68,55,332	37,39,154
Computers	5,01,65,448	15,56,578	27,47,057	4,89,74,969	48,54,391	26,18,761	10,66,095	4,07,61,958	82,13,011
<b>Total</b>	<b>535,03,72,807</b>	<b>9,27,85,983</b>	<b>3,21,56,673</b>	<b>541,10,02,117</b>	<b>16,70,73,445</b>	<b>57,57,564</b>	<b>78,95,100</b>	<b>318,43,03,391</b>	<b>222,66,98,726</b>
<b>B. Intangible Assets</b>									
Computer software	2,91,72,092	1,173,606	-	3,03,45,698	26,33,021	-	-	2,78,43,474	25,02,224
<b>Total</b>	<b>2,91,72,092</b>	<b>1,173,606</b>	<b>-</b>	<b>3,03,45,698</b>	<b>26,33,021</b>	<b>-</b>	<b>-</b>	<b>2,78,43,474</b>	<b>39,61,639</b>
<b>C. Capital Work in Progress</b>									
CWIP (Refer Note (c) below)	4,80,01,632	3,35,96,627	7,45,99,135	69,99,124	-	-	-	-	69,99,124
<b>Total</b>	<b>4,80,01,632</b>	<b>3,35,96,627</b>	<b>7,45,99,135</b>	<b>69,99,124</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,80,01,632</b>
<b>Previous Year</b>	<b>530,79,70,190</b>	<b>40,86,73,257</b>	<b>28,90,96,916</b>	<b>542,75,46,531</b>	<b>19,41,38,645</b>	<b>55,90,878</b>	<b>-</b>	<b>304,03,02,865</b>	<b>238,72,43,666</b>

#### Notes:

- Assets acquired on account of Amalgamation includes Land & Building (Dora & Hoskote units) of Bell Ceramics Limited which was revalued based on the report by a certified valuers as at December 31, 2010 (Other Land & Buildings being insignificant and not having change in value). The historical cost of Land and Building was ₹ 2,24,65,291 and ₹ 31,87,04,446 and their fair values were determined as ₹ 44,49,02,600 and ₹ 56,11,59,900 respectively and therefore an equivalent amount has been credited to Revaluation Reserve account. The method adopted by the certified valuer for both the units for revaluation purpose, was Fair Market Value Method. Till March 31, 2014, in accordance with the option given in the Guidance Note on Accounting for Depreciation in Companies, the Company recoups additional depreciation out of Revaluation reserve. However during the year, as per Schedule II of the Companies Act, 2013 read with para 36 of "Application Guide on the Provisions of Schedule II to the Companies Act, 2013" issued by Institute of Chartered Accountants of India, the depreciation on revalued amount has been charged to statement of profit and loss and the amount of depreciation which relates to the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on its original cost has been transferred from the revaluation reserve to the general reserves of the company.
- Plant and Machinery includes ₹ 2,51,60,387 (net profit) [March 31, 2014: ₹ 2,16,76,005 (net loss)] on account of exchange difference during the year.
- Details of Capital Work in Progress:

Particulars	(Amount in ₹)	
	As at March 31, 2015	As at March 31, 2014
Buildings- Others	-	1,35,357
Plant and Equipment	41,54,546	4,37,77,181
Lease Hold Improvement	2,38,461	11,27,269
Roads	5,81,367	-
Royalty	13,38,750	11,55,000
Patents	6,86,000	6,86,000
Furniture and fixtures	-	78,325
Software	-	10,42,500
<b>Total</b>	<b>69,99,124</b>	<b>4,80,01,632</b>

- Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II, except in respect of certain assets as disclosed in Accounting Policy on Depreciation and Amortisation. Accordingly, in case of any asset whose entire life has completed, the carrying value, net of residual value as at April 1<sup>st</sup>, 2014 amounting to ₹ 78,95,100 has been charged off to Statement of Profit & Loss and in the other cases the carrying value has been depreciated over the remaining revised life of the assets and recognized in the Statement of Profit & Loss. Had there been no change, depreciation charged for the year ended March 31<sup>st</sup>, 2015 would have been higher by ₹ 191.99 lakhs.

## Notes to Financial Statements for the year ended March 31, 2015

## NOTE 11 : NON-CURRENT INVESTMENTS

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Trade investments (Valued at Cost, unless stated otherwise)		
Investment In equity instruments of subsidiaries		
Unquoted		
NIL shares of HKD 1 each fully paid-up of ELIT International Trading (HK) Pvt. Ltd. (March 31 2014: 20,000 nos of HKD 1each)	-	1,32,400
Non- Trade investments (Valued at Cost, unless stated otherwise)		
Investment in Controlled Entity		
Investment in Orient Bell Holding Trust	20,22,75,807	20,22,75,806
	20,22,75,807	20,24,08,206

## NOTE 12 : LOANS AND ADVANCES

(Amount in ₹)

Particulars	Non-current		Current	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Security Deposits				
Unsecured, considered good*	3,46,40,195	5,55,44,730	5,93,69,221	5,52,80,156
(A)	3,46,40,195	5,55,44,730	5,93,69,221	5,52,80,156
Loan and Advances to Related Parties (Refer Note No. 26)				
Unsecured, considered good	-	-	-	-
(B)	-	-	-	-
Advance Recoverable in cash or in Kind				
Unsecured - considered good	-	-	1,29,32,011	2,24,84,616
Unsecured - Considered Doubtful	-	-	-	-
	-	-	1,29,32,011	2,24,84,616
Less: Provision for doubtful advances	-	-	-	-
(C)	-	-	1,29,32,011	2,24,84,616
Other Loans and Advances				
Advance Income Tax [Net of Provisions ₹ NIL (March 31, 2014 : ₹ 6,87,06,684)]	1,74,41,945	1,87,41,288	-	-
Advance Wealth Tax	50,516	50,516	-	-
Balance with Government Authorities	5,38,60,808	5,42,04,234	1,16,15,697	42,44,734
MAT Credit Entitlement	2,40,17,047	8,25,83,482	4,97,57,703	1,69,28,419
Prepaid expenses	4,77,617	95,533	1,65,81,208	1,70,43,299
Advances to Suppliers	-	-	1,90,59,241	1,35,62,420
Advances to Employees	-	-	24,28,962	38,98,036
(D)	9,58,47,933	15,56,75,053	9,94,42,811	5,56,76,909
Total Loans & Advances (A+B+C+D)	13,04,88,128	21,12,19,783	17,17,44,043	13,34,41,680

\* Out of the above security deposit ₹ 8,38,035 (March 31, 2014: ₹ 8,38,035) pertains to the related parties.



## Notes to Financial Statements for the year ended March 31, 2015

## NOTE 13 : INVENTORIES

(Amount in ₹)

Particulars	As at March 31, 2015	As at March 31, 2014
Raw Materials	10,05,13,048	9,46,90,800
Work In Progress	2,90,75,455	4,67,22,280
Finished Goods	66,30,24,514	77,49,81,956
Traded Goods	8,64,40,918	16,86,36,913
Packing Material	1,69,53,439	1,67,71,374
Stores and Spares	12,06,41,654	13,51,40,999
Goods In Transit- Others	6,06,769	99,06,953
	<b>101,72,55,798</b>	<b>124,68,51,274</b>

## NOTE 14 : TRADE RECEIVABLES &amp; OTHER ASSETS

(Amount in ₹)

Particulars	Non-current		Current	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
<b>14.1 - TRADE RECEIVABLES</b>				
(Unsecured, considered good unless stated otherwise)				
Outstanding for a period exceeding six months from the date they are due for payment				
Secured, considered good	-	-	26,66,530	1,13,94,395
Unsecured, considered good	-	-	62,97,891	1,09,43,610
Unsecured, Doubtful	-	-	1,28,17,814	1,94,73,576
	-	-	2,17,82,236	4,18,11,581
Less: Provision for doubtful receivables	-	-	1,28,17,814	1,94,73,576
(A)	-	-	<b>89,64,422</b>	<b>2,23,38,006</b>
<b>Other Receivables</b>				
Secured, considered good	-	-	3,48,15,814	3,30,20,431
Unsecured, considered good	-	-	89,04,53,948	66,77,69,472
(B)	-	-	<b>92,52,69,762</b>	<b>70,07,89,903</b>
Total (A+B)	-	-	<b>93,42,34,184</b>	<b>72,31,27,909</b>
<b>14.2 - OTHER ASSETS</b>				
(Unsecured, considered good unless stated otherwise)				
Non-current bank balances (refer note 15)	2,49,92,860	2,26,05,665	-	-
<b>Others</b>				
Interest accrued on fixed deposits	24,28,906	13,29,629	36,04,516	18,79,727
Interest Accrued on Security Deposit	-	-	17,56,687	32,65,067
Export incentive recoverable	-	-	-	2,95,088
Fixed assets held for sale	-	-	-	53,61,977
Less: Provision for diminution in value	-	-	-	(50,31,977)
	<b>2,74,21,766</b>	<b>2,39,35,294</b>	<b>53,61,203</b>	<b>57,69,882</b>

## Notes to Financial Statements for the year ended March 31, 2015

## NOTE 15 : CASH &amp; BANK BALANCES

(Amount in ₹)

Particulars	Non-current		Current	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
<b>Cash &amp; Cash Equivalents</b>				
Balances with Banks :				
In Current Account	-	-	4,95,197	2,60,70,127
Deposits with original maturity of less than three months	-	-	2,22,000	-
In Unpaid Dividend Account	-	-	15,96,983	16,61,074
Cash on hand	-	-	7,96,266	8,44,074
Foreign Currency on Hand	-	-	9,968	16,528
	-	-	<b>31,20,413</b>	<b>2,85,91,804</b>
<b>Others Bank Balances</b>				
Deposits with original maturity of more than 3 months but less than 12 months	-	-	49,58,915	4,48,99,540
Deposits with original maturity of more than 12 months	2,49,92,860	2,26,05,665	10,23,29,288	78,20,681
	<b>2,49,92,860</b>	<b>2,26,05,665</b>	<b>10,72,88,203</b>	<b>5,27,20,221</b>
Amount disclosed under non-current assets (refer note 14.2)	2,49,92,860	2,26,05,665	-	-
	-	-	<b>10,72,88,203</b>	<b>5,27,20,221</b>
	-	-	<b>11,04,08,616</b>	<b>8,13,12,025</b>

- a) Fixed Deposits with a carrying amount of ₹ 13,21,34,649 (March 31, 2014: ₹ 7,49,66,808) are subject to first charge to secure the Company's loans from banks.
- b) Fixed Deposits with a carrying amount of ₹ 3,68,414 (March 31, 2014: ₹ 3,59,078) are pledged with Government Authorities.

## NOTE 16 : REVENUE FROM OPERATIONS

(Amount in ₹)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>Sale of Product</b>		
Finished Goods	566,13,53,333	472,66,11,292
Traded Goods	183,58,87,458	160,80,82,977
<b>Other Operating Revenues</b>		
Miscellaneous Sale	98,11,731	94,95,679
Export Incentives	17,507	983
Insurance Claim (Net)	1,01,25,981	44,75,693
<b>Revenue from operations (gross)</b>	<b>751,71,96,009</b>	<b>634,86,66,623</b>
Less: Excise duty*	58,49,50,663	49,74,87,665
<b>Revenue from operations (Net)</b>	<b>693,22,45,346</b>	<b>585,11,78,958</b>

\*Excise Duty on Sales amounting to ₹ 58,49,50,663 (March 31, 2014: ₹ 49,74,87,665) has been reduced from Sales and Excise Duty on increase/(decrease) in stock amounting to ( ₹ 1,78,34,215 ) (March 31, 2014: ( ₹ 2,21,55,803)) has been considered as Expense in Note No. 23 of Financial Statement.

## Notes to Financial Statements for the year ended March 31, 2015

Particulars	(Amount in ₹)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
a) Details of products sold		
Finished goods sold		
Tiles	566,13,53,333	472,66,11,292
Traded goods sold		
Tiles	183,58,87,458	160,80,82,977
b) FOB Value of exports	5,30,667	22,294

## NOTE 17 : OTHER INCOME

Particulars	(Amount in ₹)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest Income		
On Fixed deposits	1,00,89,670	61,91,367
On Income Tax Refund	-	3,60,938
Others	21,71,329	22,25,466
Other non-operating income	47,27,721	42,96,302
Excess Provision written back	50,31,977	-
Excess Provision written back	66,55,763	-
	2,86,76,460	1,30,74,072

## NOTE 18 : COST OF RAW MATERIAL CONSUMED

Particulars	(Amount in ₹)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Raw Material		
Balances of Raw Material at the beginning of the Year	9,46,90,800	9,39,57,147
Add:- Purchases during the year	120,34,36,914	96,67,46,019
Less:- Balances of Raw Material at the end of the Year	10,05,13,048	9,46,90,800
<b>Total Raw Material Consumption</b>	<b>119,76,14,666</b>	<b>96,60,12,366</b>
a) Details of Raw Materials Consumed		
Clay & Minerals	50,34,00,982	37,92,84,455
Chemicals & Glaze Materials	69,42,13,684	58,67,27,911
	119,76,14,666	96,60,12,366
b) C.I.F. Value of Imports		
Raw Material	6,33,71,699	4,49,64,195
Traded Goods	-	2,71,090
Capital Goods & Others	-	1,73,47,499
Stores & Spares	3,82,74,675	3,01,75,776
	10,16,46,374	9,27,58,560

## c) Consumption of indigenous &amp; imported raw material

Particulars	(Amount in ₹)			
	For the year ended March 31, 2015		For the year ended March 31, 2014	
	Percentage	Amount	Percentage	Amount
Indigenous	94.52	113,20,42,027	92.96	89,80,48,290
Imported	5.48	6,55,72,639	7.04	6,79,64,076

## Notes to Financial Statements for the year ended March 31, 2015

## NOTE 19 : (INCREASE) / DECREASE IN INVENTORIES

Particulars	(Amount in ₹)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>Inventories at the beginning of the year</b>		
Work-in-progress	4,67,22,280	2,23,20,137
Finished goods		
Manufacturing Goods	77,49,81,956	83,40,39,504
Traded Goods	16,86,36,913	20,66,76,134
<b>(A)</b>	<b>99,03,41,149</b>	<b>106,30,35,775</b>
<b>Inventories at the end of the year</b>		
Work-in-progress	2,90,75,455	4,67,22,280
Finished goods		
Manufacturing Goods	66,30,24,514	77,49,81,956
Traded Goods	8,64,40,918	16,86,36,913
<b>(B)</b>	<b>77,85,40,887</b>	<b>99,03,41,149</b>
<b>(Increase) / Decrease in Inventory</b>	<b>(B-A)</b>	<b>7,26,94,626</b>
<b>a) Details of Purchases of Traded Goods</b>		
<b>Indigenous Goods</b>		
Tiles	161,58,68,808	142,04,47,339
<b>Imported Goods</b>		
Tiles	-	3,49,999
	<b>161,58,68,808</b>	<b>142,07,97,338</b>
<b>b) Details of Inventories</b>		
<b>Work In Progress</b>		
Tiles	2,90,75,455	4,67,22,280
<b>Traded Goods</b>		
Tiles	8,64,40,918	16,86,04,812
Others	-	32,101
<b>Manufactured</b>		
Tiles	66,30,24,514	77,49,81,956

## NOTE 20 : EMPLOYEE BENEFIT EXPENSE

Particulars	(Amount in ₹)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Salaries, Wages & Bonus	54,82,10,283	51,73,34,657
Contribution to Provident and Other fund	2,22,36,432	1,81,19,194
Expense on employee stock option schemes	73,00,562	78,08,142
Gratuity Expense (Refer note below)	1,38,68,707	2,08,633
Staff Welfare Expenses	2,53,36,587	1,95,51,325
	<b>61,69,52,570</b>	<b>56,30,21,951</b>

## Notes to Financial Statements for the year ended March 31, 2015

### a) Employees Benefits

The company has classified the various benefit provided to employees as under

#### (i) Defined Contribution Plans

The company makes contribution towards Employees Provident Fund and Employee's State Insurance scheme. Under the rules of these schemes, the company is required to contribute a specified percentage of payroll costs. The company during the year recognised the following amount in the Statement of profit and loss account under company's contribution to defined contribution plan.

(Amount in ₹)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Employer's Contribution to Provident Fund/ Pension Fund	1,81,33,120	1,41,20,539
Employer's Contribution to State Insurance	33,21,648	34,42,723

The contribution payable to these schemes by the Company are at the rates specified in the rules of the schemes.

#### (ii) Defined Benefit plans and Other Long term Benefits

- a) Contribution to Gratuity Funds- Employee's Gratuity Fund.
- b) Leave encashment/ Compensated absence (Long Term)

In accordance with Accounting Standard 15 (revised 2005), an actuarial valuation was carried out in respect of the aforesaid defined benefit plans and other long term benefits based on the following assumptions.

#### Note:

- (1) Actuarial's valuation is based on escalation in future salary on account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- (2) On account of short term leave encashment benefit, which is being recognised on the basis of actual eligibility of earned leave beyond 60 days, an expense of ₹ 19,32,376 (year ended March, 31 2014: ₹ 8,75,000) has been recognised in addition to the expense recognised by Actuarial and a provision of ₹ Nil (year ended March, 31 2014: ₹ NIL) has been recognised in addition to the obligation recognised by Actuarial.

## Notes to Financial Statements for the year ended March 31, 2015

Actuarial Valuation is as under:-

	As at / for the year ended on March 31, 2015					Gratuity (funded)					Earned Leave (unfunded)					(Amount in ₹)
	2015	2014	2013	2012*	2011	2015	2014	2013	2012*	2011	2015	2014	2013	2012*	2011	
<b>I. Change in Defined Benefit Obligations (DBO)</b>																
Present value of DBO at beginning of year	4,69,82,964	4,96,63,100	4,95,34,779	5,16,01,998	2,70,97,237	1,36,85,933	1,62,10,818	1,50,82,130	1,46,18,616							
Current service cost	56,93,388	48,06,759	49,91,518	59,41,936	34,46,062	36,15,702	30,25,772	36,16,246	19,38,250							
Interest cost	36,50,576	44,69,679	39,62,782	42,57,165	22,35,522	10,63,397	14,58,974	12,06,570	12,15,506							
Actuarial (gains)/losses	96,42,869	(69,01,808)	28,82,058	(1,05,63,339)	(19,97,198)	41,03,403	(32,196)	33,77,513	(9,17,212)							
Benefits paid	(65,44,512)	(50,54,766)	(1,17,08,037)	(17,02,981)	14,59,597	(55,50,703)	(69,77,435)	(70,71,641)	(17,29,755)							
Present value of DBO at the end of year	5,94,25,285	4,69,82,964	4,96,63,100	4,95,34,779	3,22,41,220	1,69,17,732	1,36,85,933	1,62,10,818	1,51,25,405							
<b>Change in fair value of assets</b>																
Plan assets at beginning of year	3,86,41,498	3,72,45,389	3,64,87,290	3,53,41,323	1,55,74,823	N.A.	N.A.	N.A.	N.A.							
Actual return on plan assets	34,77,735	32,58,972	29,55,470	29,15,660	12,84,923	-	-	-	-							
Actual company contributions	30,116	299	3,25,981	16,57,071	31,60,677	-	-	-	-							
Benefits paid	(3,68,244)	(7,70,187)	(25,23,029)	(17,02,981)	-	-	-	-	-							
Actuarial gain/(loss) on plan assets	16,40,391	(10,92,975)	(323)	(17,35,169)	(1,36,986)	-	-	-	-							
Plan assets at the end of year	4,34,21,496	3,86,41,498	3,72,45,389	3,64,75,904	1,98,83,437	N.A.	N.A.	N.A.	N.A.							
<b>III. Net asset/(liability) recognised in Balance Sheet</b>																
Present value of Defined Benefit Obligation	5,94,25,285	4,69,82,964	4,96,63,100	4,95,34,779	3,22,41,220	1,69,17,732	1,36,85,933	1,62,10,818	1,51,25,405							
Fair value of plan assets	4,34,21,496	3,86,41,498	3,72,45,389	3,64,75,904	1,98,83,437	N.A.	N.A.	N.A.	N.A.							
<b>Net asset/(liability) recognised in Balance Sheet</b>	(1,60,03,789)	(83,41,466)	(1,24,17,711)	(1,30,58,875)	(1,23,57,783)	(1,69,17,732)	(1,36,85,933)	(1,62,10,818)	(1,51,25,405)							
<b>IV. Components of employer expense recognised during the year</b>																
Current service cost	56,93,388	48,06,759	49,91,518	59,41,936	34,46,062	36,15,702	30,25,772	36,16,246	19,38,250							
Interest cost	36,50,576	44,69,679	39,62,782	42,57,165	22,35,522	10,63,397	14,58,974	12,06,570	12,15,506							
Expected return on plan assets	34,77,735	32,58,972	(29,55,470)	(29,15,660)	(12,84,923)	-	-	-	-							
Past service cost	-	-	-	-	14,59,597	-	-	-	-							
Actuarial losses / (gains)	80,02,478	(58,08,833)	28,82,381	(88,28,170)	(18,60,212)	41,03,403	(32,196)	61,69,589	(9,17,212)							
<b>Total expense recognised in the Profit and Loss Statement</b>	1,38,68,707	2,08,633	88,81,211	(15,44,729)	39,96,046	87,82,502	44,52,550	1,09,92,405	22,36,544							
<b>V. Actual contribution and benefit payments</b>																
Actual benefit payments	(3,68,244)	(7,70,187)	(25,23,029)	(17,02,981)	-	N.A.	N.A.	N.A.	N.A.							
Actual contributions	30,116	299	3,25,981	16,57,071	31,60,677	-	-	-	-							
<b>VI. Actuarial assumptions</b>																
Discount rate (p. a.)	7.77%	9.00%	8.00%	8.50%	8.25%	7.77%	9.00%	8.00%	8.50%							
Future increase in compensation	4.50%	5.60%	5.50%	6.00%	6.00%	4.50%	5.60%	5.50%	6.00%							
Expected return on plan assets	9.00%	8.75%	8.10%	8.50%	8.25%	N.A.	N.A.	N.A.	N.A.							
In Service Mortality	IALM(2006-08)	IALM(2006-08)	IALM(1994-96)	IALM(1994-96)	IALM(1994-96)	IALM(2006-08)	IALM(2006-08)	IALM(1994-96)	IALM(1994-96)							
Retirement age	58 years	58 years	55 years	55 years	55 years	58 years	58 years	55 years	55 years							
Withdrawal Rates (p.a.)	5%	3% to 1%	3% to 1%	1%	1%	5%	3% to 1%	3% to 1%	1%							

Note :

\* : In 2012, the effect of merger of erstwhile Bell Ceramics Limited has been taken into consideration.

The salary has been escalated after considering inflation, seniority, promotion, demand &amp; supply in employment market and other related factors on long term basis.

## Notes to Financial Statements for the year ended March 31, 2015

## NOTE 21 : FINANCE COST

Particulars	(Amount in ₹)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest Expense	18,76,87,492	22,51,87,531
Other borrowing costs	1,91,15,008	1,67,92,327
	<b>20,68,02,500</b>	<b>24,19,79,858</b>

## NOTE 22 : DEPRECIATION AND AMORTISATION EXPENSE

Particulars	(Amount in ₹)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Depreciation and Amortisation	17,76,01,566	20,18,49,618
Less: Transferred from Revaluation Reserve (Refer Note 4)	-	(77,10,972)
	<b>17,76,01,566</b>	<b>19,41,38,646</b>

## NOTE 23 : OTHER EXPENSES

Particulars	(Amount in ₹)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Stores & Spares consumed	13,85,98,412	10,81,79,595
Packing Material Consumed	24,14,36,819	17,27,79,533
Increase/(Decrease) in Excise Duty	(1,78,34,215)	(2,21,55,803)
Gas & fuel	146,97,51,525	123,65,32,716
Electricity	19,56,01,177	15,95,46,290
Rent (Refer Note (d) below)	4,99,01,733	5,37,67,705
Hire Charges	3,43,16,336	3,40,40,015
Rates & Taxes	53,78,660	59,18,420
Insurance	34,69,836	24,64,835
Repair & Maintenance		
Plant & Machinery	1,82,69,357	1,72,14,427
Buildings	31,03,027	50,01,589
Other	1,33,32,896	1,29,49,815
Designing & Processing	25,96,418	55,88,906
Freight & Forwarding Charges	17,21,15,408	17,04,22,549
Advertisement and Sales Promotion	8,08,85,005	5,23,42,944
Discount	17,77,39,205	12,54,52,196
Sales Commission	5,87,80,453	5,84,27,954
Travelling & Conveyance	8,55,85,117	7,31,93,230
Communication Costs	1,37,75,215	1,47,32,657
Director Sitting fees	19,95,000	7,75,000
Printing & Stationery	42,22,691	47,74,381
Bank charges	3,42,319	3,32,772
Legal & Professional Expenses	1,40,84,912	1,16,60,707
Payment to the Auditors (refer note (b) below)	16,71,930	14,92,104
Bad debts written off	2,44,00,803	75,13,160
Loss on sale of fixed assets	7,92,911	18,38,733
Loss on sale of vehicle held for sale	50,31,977	-
Provision for diminution in value of asset held for sale	-	50,31,977
Corporate Social Responsibility ( Refer Note No. 29)	19,77,742	-
Miscellaneous expenses	3,03,11,408	3,99,16,569
	<b>283,16,34,078</b>	<b>235,97,34,977</b>

## Notes to Financial Statements for the year ended March 31, 2015

## a) Consumption of Imported stores and spares

(Amount in ₹)

Particulars	For the year ended March 31, 2015		For the year ended March 31, 2014	
	Percentage	Amount	Percentage	Amount
Indigenous	70.16	9,72,33,721	75.61	8,17,97,218
Imported	29.84	4,13,64,691	24.39	2,63,82,377

## b) Payment to the Auditors:

(Amount in ₹)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
As Auditors	10,00,000	9,50,000
For Tax Audit Fees	2,00,000	1,50,000
For other services	4,32,500	3,35,000
Reimbursement of Expenses	39,430	57,104
	16,71,930	14,92,104

## c) Gross expenditure in foreign currency

(Amount in ₹)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Travelling	9,64,860	9,72,353
Designing & Processing	21,69,160	47,02,636
Software Maintenance expense	1,66,602	-
Sales Promotion expense	1,93,930	-
Legal & Professional	8	-
	34,94,560	56,74,989

## d) Operating Lease

The Company's significant lease agreements are in the nature of operating leases for premises used at various depots and showrooms. These lease agreements are cancellable by either parties thereto as per the terms and conditions of the agreements. In respect of these leases, lease rent of ₹ 4,99,01,733 (March 31, 2014: ₹ 5,37,67,705) including ₹ 18,07,736 (March 31, 2014: ₹ 23,73,748) not leviable for the year as per the lease agreement, has been recognised on a straight line basis and the corresponding amount is accounted as provision under Note 8.

## NOTE 24 : EARNING PER SHARE (EPS)

(Amount in ₹)

Particulars		For the year ended March 31, 2015	For the year ended March 31, 2014
<b>Basic Earnings per share</b>			
Profit/Loss attributable to the equity shareholders	(A)	4,78,37,244	2,02,66,628
Weighted Average number of equity shares outstanding at the end of the year	(B)	1,36,54,564	1,35,73,451
<b>Basic Earnings per share</b>	(A/B)	3.50	1.49
<b>Diluted Earnings per share</b>			
Profit/Loss attributable to the equity shareholders		4,78,37,244	2,02,66,628
<b>Diluted Earnings</b>	(C)	4,78,37,244	2,02,66,628
Weighted Average number of equity shares in calculating basic EPS		1,36,54,564	1,35,73,451
<b>Effect of Dilution:</b>			
Diluted no. of employee stock options		1,655	-
<b>Weighted Average number of equity shares in calculating Diluted EPS</b>	(D)	1,36,56,220	1,35,73,451
<b>Diluted Earnings per share</b>	(C/D)	3.50	1.49



## Notes to Financial Statements for the year ended March 31, 2015

### NOTE 25 :

In the opinion of the Board, the Current Assets, Loans & Advances are approximate to the value stated, if realised in the ordinary course of business.

### NOTE 26 :

#### RELATED PARTY DISCLOSURE

As per Accounting Standard 18 "Related Party Disclosures" issued by the Companies (Accounting Standard) Rules, 2006 related parties and transactions with related parties are as follows:

#### (i) Related Parties :

##### A Subsidiary Company

(a) ELIT International Trading (HK) Pvt. Ltd.\*

##### B Relatives and Associates

- (a) Freesia Investment and Trading Co. Ltd.  
 (b) Goodteam Investment & Trading Co. Pvt. Ltd.  
 (c) Alfa Mercantile Ltd.  
 (d) Morning Glory Leasing & Finance Ltd.  
 (e) Iris Designs Pvt. Ltd.  
 (f) Mahendra K. Daga (HUF)

##### C Key Managerial Personnel

- (a) Mahendra K. Daga, Chairman and Managing Director  
 (b) Madhur Daga, Joint Managing Director  
 (c) Kashinath Martu Pai, Executive Director and Chief Financial Officer  
 (d) Yogesh Mendiratta, Company Secretary

##### D Relatives of Key Managerial Personnel

- (a) Sarla Daga w/o Mahendra Kumar Daga  
 (b) Roma Monisha Sakraney Daga w/o Madhur Daga

\* M/s ELIT International Trading (HK) Pvt. Ltd was subsidiary of the Company till March 20,2015.

#### (ii) Disclosure of transactions between the Company and related parties and status of outstandings as on 31st March 2015

(Amount in ₹)

Particulars	Subsidiary Company	Enterprises owned or significantly influenced by KMP or their relatives	Key Managerial Personnel	Relatives of Key Managerial Personnel
<b>Nature of Transaction</b>				
(i) Loan received	-	36,50,000	82,50,000	76,00,000
	(-)	(-)	(6,00,000)	(39,00,000)
(ii) Loan repaid (Loan Given)	-	-	1,95,00,000	-
	(-)	(-)	(1,78,99,400)	(-)
(iii) Interest payment	-	20,95,520	88,96,356	41,62,301
	(-)	(19,70,000)	(1,01,59,954)	(33,31,150)
(iv) Hire Charges paid	-	37,000	-	-
	(-)	(4,82,000)	(-)	(-)
(v) Rent paid	-	25,51,503	12,00,000	24,000
	(-)	(24,30,000)	(12,00,000)	(24,000)
(vi) Managerial Remuneration	-	-	3,56,55,205	-
	(-)	(-)	(2,59,09,200)	(-)
(vii) Security Deposit Received	-	-	-	-
	(-)	(1,55,000)	(-)	(-)
(viii) Legal & Professional	-	-	-	-
	(1,60,800)	(-)	(-)	(-)

## Notes to Financial Statements for the year ended March 31, 2015

(Amount in ₹)

Particulars	Subsidiary Company	Enterprises owned or significantly influenced by KMP or their relatives	Key Managerial Personnel	Relatives of Key Managerial Personnel
Outstanding as on March 31, 2015				
(i) Unsecured Loans Payable	-	2,33,50,000	8,37,50,000	4,29,00,000
	(-)	(1,97,00,000)	(9,50,00,000)	(3,53,00,000)
(ii) Other Current Liabilities	-	-	-	-
	(1,60,800)	(40,000)	(-)	(-)
(iii) Other Current Assets	-	8,38,035	-	-
	(-)	(8,38,035)	(-)	(-)
(iv) Investment	-	-	-	-
	(1,32,400)	(-)	(-)	(-)

Figures in brackets represents amounts for the year ended March 31, 2014.

## Disclosure in respect of Material transactions with related parties

(Amount in ₹)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>a) Loan received</b>		
<b>Key Managerial Persons ('KMP')</b>		
Mr. Mahendra K. Daga	73,00,000	-
Mr. Madhur Daga	9,50,000	6,00,000
<b>Relatives of Key Managerial Persons</b>		
Mrs. Sarla Daga	51,00,000	39,00,000
Mrs. Roma Monisha Sakraney Daga	25,00,000	-
<b>Enterprises owned or significantly influenced by KMP or their relatives</b>		
M/s Mahendra K. Daga - HUF	36,50,000	-
<b>b) Loan Given/Repaid</b>		
<b>Key Managerial Persons</b>		
Mr. Mahendra K. Daga	48,50,000	33,00,000
Mr. Madhur Daga	1,46,50,000	1,45,99,400
<b>c) Interest Payments</b>		
<b>Key Managerial Persons</b>		
Mahendra K. Daga	86,59,767	82,33,676
Madhur Daga	2,36,589	19,26,187
<b>Relative of Key Managerial Persons</b>		
Sarla Daga	38,69,398	32,31,151
Roma Monisha Sakraney Daga	2,92,903	99,999
<b>Enterprises owned or significantly influenced by KMP or their relatives</b>		
M/s Mahendra K. Daga - HUF	20,95,520	19,70,000
<b>d) Hire Charges Paid</b>		
<b>Enterprises owned or significantly influenced by KMP or their relatives</b>		
M/s Freesia Investments and Trading Co. Pvt Ltd	37,000	4,82,000

## Notes to Financial Statements for the year ended March 31, 2015

(Amount in ₹)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
e) Rent Paid		
<b>Key Managerial Persons</b>		
Mahendra K. Daga	12,00,000	12,00,000
<b>Enterprises owned or significantly influenced by KMP or their relatives</b>		
Freesia Investments and Trading Co. Ltd.	17,54,157	16,70,625
Alfa Mercantile Ltd.	3,18,939	3,03,750
Morning Glory Leasing & Finance Ltd.	1,59,468	1,51,875
Iris Designs Pvt Limited	3,18,939	3,03,750
<b>Relative of Key Managerial Persons</b>		
Sarla Daga	24,000	24,000
f) Security Deposit Received		
<b>Enterprises owned or significantly influenced by KMP or their relatives</b>		
Freesia Investments and Trading Co. Ltd.	-	1,55,000
g) Legal & professional Exp		
<b>Subsidiary Company</b>		
ELIT International Trading (HK) Pvt. Ltd.	-	1,60,800
h) Managerial & KMP Remuneration		
Mr. Mahendra K. Daga (CMD)		
Salary	1,44,00,000	1,23,79,998
Contribution to Provident Fund	16,500	9,360
Perquisites	2,20,553	1,92,297
Mr. Madhur Daga (JMD)		
Salary	1,14,75,000	1,17,00,000
Contribution to Provident Fund	16,500	9,360
Perquisites	2,00,750	1,76,740
Mr. K.M.Pai (ED & CFO)		
Salary	74,70,167	-
Contribution to Provident Fund	15,902	-
Mr. Yogesh Mendiratta (CS)		
Salary	16,35,353	14,32,085
Contribution to Provident Fund	16,500	9,360
Perquisites	1,87,980	-

**NOTE 27 :**

Managerial Remuneration includes ₹ 10,00,000 as provision for payment of commission to be paid to the Independent Directors pertaining to financial year 2014 - 2015 which is in excess of prescribed percentage of net profits as specified under the Companies Act, 2013. This amount is subject to the approval of members of the Company and Central Government.

**NOTE 28 : DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE**

a. Particulars of Unhedged foreign currency exposures as at the reporting date

Particulars	Purpose
(Euro 16,84,362 (March 31, 2014 Euro 17,13,235) against INR amounting to ₹ 11,38,24,839 (March 31, 2014 , ₹ 14,14,72,950))	Import of Raw Material, Stores and Capital items
(US \$ 65,001 (March 31, 2014 US \$ 1,088.44) against INR amounting to ₹ 40,49,678 (March 31, 2014 ₹ 60,917))	

## Notes to Financial Statements for the year ended March 31, 2015

### NOTE 29 :

The details of Corporate Social Responsibility as per Section 135 of the Companies Act 2013 read with Schedule VII thereof is as under:

(a) Gross amount required to be spent by the company during the year: 19,52,865  
(i.e. 2% of Average Net profits of last three years)

(b) Amount spent during the year on:

S No.	Purpose for which expenditure incurred	In cash/Cheque	Remarks	Yet to be paid	Total
1	Construction/acquisition of any asset	-	-	-	-
2	On purposes other than (i) above	19,77,742	Paid to Godavari foundation	-	19,77,742

### NOTE 30 :

(i) The Company is engaged in manufacture of Ceramic and Vitrified tiles. The entire operations are governed by same set of risk and returns. Hence, the same has been considered representing a single primary segment. The said treatment is in accordance with the guiding principles enunciated in the Accounting Standard-17 on Segment Reporting.

(ii) The Company sells its products mostly within India with insignificant export income and does not have any operations in economic environments with different risk and returns, hence, its considered operating in single geographical segment.

### NOTE 31 :

Figures have been rounded off to the nearest rupee.

### NOTE 32 :

Balances of Sundry Creditors and Debtors are subject to confirmation.

### NOTE 33 :

Figures for the previous year have been reclassified/ regrouped wherever considered necessary.

for and on behalf of Board of Directors of Orient Bell Limited

**Mahendra K. Daga**  
Chairman & Managing Director  
DIN 00062503

**Madhur Daga**  
Joint Managing Director  
DIN 00062149

**R.N. Bansal**  
Director  
DIN 00270908

Place : New Delhi  
Dated : 29<sup>th</sup> May, 2015

**K M Pai**  
Executive Director & CFO  
DIN 011711860

**Yogesh Mendiratta**  
Company Secretary & Head-Legal

# NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 38<sup>th</sup> Annual General Meeting of the members of Orient Bell Limited will be held on Wednesday, the 30<sup>th</sup> day of September, 2015 at 11.30 a.m. at the Registered Office of the Company at 8, Industrial Area, Sikandrabad-203 205, Distt. Bulandshahr (U.P.) to transact the following businesses:

## ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March 2015, the Profit & Loss Account and Cash Flow Statement for the financial year ended on that date and the reports of Directors' and Statutory Auditors' thereon.
2. To appoint a director in place of Mr. Mahendra K. Daga (DIN: 00062503), who retires by rotation and being eligible has offered himself for re-appointment.
3. To declare dividend on equity shares.
4. To appoint M/s S.R. Dinodia & Co. LLP, Chartered Accountants (firm registration no. 01478N) as Statutory Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting and to authorize Board of Directors to fix their remuneration.

## SPECIAL BUSINESS:

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

"RESOLVED that pursuant to the provisions of section 149, 152, 161 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ("Act") and Companies (Appointment and Qualification of Directors) Rules, 2014 ("Rules") (including any statutory modification(s) or re-enactment thereof for the time being in force) and Articles of Association of the Company and the applicable provisions of the Listing Agreement with the Stock Exchanges including any modifications or re-enactment for the time being in force, Nomination & Remuneration Policy, Policy on Board Diversity, Ms. Tanuja Joshi (DIN 02065607), who was appointed as additional director (category – Independent Director) of the Company w.e.f. 03.11.2014 and who holds office up to the date of this Annual General Meeting and who has submitted necessary declarations under relevant provisions of the Act and Rules and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retirement by rotation for a period up to 02.11.2019."

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

"RESOLVED that pursuant to the provisions of section 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ("Act") and Companies (Appointment and Qualification of Directors) Rules, 2014 ("Rules") (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. N.R.Srinivasan (DIN: 00062317), Independent Director of the Company, whose first term of appointment shall expire on 29.09.2015, and who has submitted necessary declarations and consent under relevant provisions of the Act and Rules with regard to his re-appointment and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company not liable to retire by rotation for the period of 1 (one) year with effect from 30.09.2015 to 29.09.2016."

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

"RESOLVED that pursuant to the provisions of section 180(1) (a) and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) (the Act), approval of the Members of the Company be and is hereby accorded to authorize the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution) to create mortgages, charges and hypothecations, in addition to the existing mortgages, charges and hypothecations, on all or any of the movable and/or immovable properties, both present and future, and/or on the whole or substantially the whole of the undertaking or the undertakings of the Company, in such manner as the Board may deem fit, to or in favour of all or any of the banks, financial institutions, bodies corporate, trusts, Mutual Fund(s), Foreign Institutional Investors (FIIs), Non-Resident Indians (NRIs), any other person(s), for securing any loan(s), debentures, bonds, or any other type of borrowing obtained or to be obtained from the banks, financial institutions, bodies corporate, trusts, Mutual Fund(s), Foreign Institutional Investors (FIIs), Non-Resident Indians (NRIs), any other person(s), including but not restricted to securing those facilities which have already been sanctioned, including any enhancement therein together with interest, costs, charges, liquidated

damages, expenses and any other moneys payable by the Company (hereinafter referred to as "loans") provided that the total amount for which the charge is to be created in respect of loans, under the arrangements entered into/ to be entered into by the Company shall not, at any time exceed ₹ 300 crores (Rupees Three Hundred Crores only).

FURTHER RESOLVED that approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard."

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

"RESOLVED that pursuant to the provisions of section 14 and all other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft Regulations contained in the Articles of Association submitted to this Meeting, be approved and adopted in substitution, and to the entire exclusion, of the Regulations contained in the existing Articles of Association of the Company.

FURTHER RESOLVED that approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard."

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

"RESOLVED that pursuant to the provisions of Section 152, 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (hereafter called the 'Act'), if any and rules made there under and any amendments thereto or statutory modifications or re-enactment thereof, Articles of Association of the Company, recommendation of Nomination & Remuneration Committee and the approval of the Board of Directors and subject to the approval of the Central Govt., if necessary and such other approvals, permissions and sanctions as may be required in this regard, consent of the Company is hereby accorded for the re-appointment of Mr. Mahendra K. Daga (DIN: 00062503) as Chairman and Managing Director of the Company for a further period from 1<sup>st</sup> December 2015 to 31<sup>st</sup> March 2018, liable to retire by rotation, on the remuneration and terms and conditions

as set out below, with liberty and powers to the Board of Directors (hereinafter referred to as 'the Board' which terms shall be deemed to include any committee which the Board may constitute to exercise its powers, including the powers conferred by this resolution) to alter and vary the terms and conditions in such manner as the Board may deem fit and is acceptable to Mr. Mahendra K. Daga and/ or to change his remuneration, within the overall limits specified in Schedule V to the Act or any statutory amendment, modification, re-enactment thereof:-

- A) Salary: In the scale of ₹ 8,80,000/- to ₹ 10,40,000/- per month;
- B) Rent free furnished / unfurnished residential accommodation or HRA of maximum of 50% of salary or such other suitable amount as may be decided by the Board of Directors.
- C) Commission: On net profits of the Company computed in accordance with relevant provisions of the Act, to be determined by the Board from time to time provided that the total remuneration including salary, commission and other perquisites shall be subject to the overall ceilings laid down in the relevant provisions of the Act or any amendments thereto;
- D) In addition to the above, Mr. Mahendra K. Daga shall be entitled, as per rules of the Company, to the following perquisites (not exceeding ₹ 2 Lakhs p.m. during 01.12.2015 to 31.03.2016 and ₹ 24 Lakhs p.a. thereafter till 31.03.2018) with an authority to the Board to grant, alter or vary from time to time, the amount and type of perquisites payable to him:
  - i. The expenditure pertaining to gas, electricity, water and other utilities will be borne / reimbursed by the Company;
  - ii. Such furniture and furnishings as may be required by Mr. Mahendra K. Daga;
  - iii. Full reimbursement of all medical expenses incurred for self and family, including hospitalization, membership of any hospital and / or doctors' scheme and medical insurance. Facility of medical checkup / treatment abroad, if and when needed, the total cost of which include travel to and fro and for the stay in the foreign country, with an attendant, shall be borne by the Company in addition to the aforesaid remuneration;
  - iv. Leave Travel Concession for self and family once in a year;
  - v. Reimbursement of membership fee/ Subscription to clubs, subject to a maximum of two clubs, in India and/or abroad including admission and life membership fee. Use of Corporate credit card facility;
  - vi. Personal accident insurance premium;

- vii. Company maintained car with driver, telephones, computers, printers, internet and all other communication instruments / devices / services at residence. Use of telephones, computers, printers, internet and all other communication instruments/devices/services and car with driver for official purposes shall not be considered as a perquisite. The valuation of personal use of car would be as per prevalent Income-tax Rules and personal use of telephone for long distance calls will be charged on actual basis;
- viii. Mr. Mahendra K. Daga shall be entitled to such other benefits or amounts as may be approved by the Board and permissible under Schedule V to the Companies Act, 2013 or otherwise;

The following perquisites shall also be allowed and they will not be included in the computation of the ceiling on perquisites:

- i. Company's contribution to Provident Fund, Superannuation Fund, annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961;
- ii. Payment of Gratuity and other retiral benefits as per policies/ rules of the Company;
- iii. Encashment of leave as per policy of the Company;

The above perquisites shall be valued as per Income Tax Rules, 1962.

#### E) Other Terms and Conditions:

##### Minimum Remuneration:

Notwithstanding anything contained herein, in case of no profits or inadequate profits in any financial year, the payment of salary, perquisites and other allowances as aforesaid shall be subject to any statutory approval (s) under the Act and/or the limits as prescribed under Section II of Part II of Schedule V to the Act or any other statutory modifications therein, substitutions or re-enactment thereof, as applicable.

##### Others:

- a) The Company shall reimburse traveling, entertainment and other business promotion expenses actually incurred for the business of the Company.
- b) For the purpose of Gratuity and other benefits, the services of Mr. Mahendra K. Daga will be considered continuous service with the Company from the date he joined the services of this Company in any capacity including renewal of his agreement with the Company as Chairman & Managing Director or in any other capacity as may be decided by the Board of Directors from time to time.
- c) Mr. Mahendra K. Daga shall not be paid sitting fee for attending meetings of the Board or Committee(s).

- d) Subject to the provisions of the Companies Act, 2013, Mr. Mahendra K. Daga shall while he continues to hold office as Chairman & Managing Director, be subject to retirement by rotation. However, the Chairman & Managing Director re-appointed as a Director of the Company immediately on retirement by rotation, shall continue to hold his office of Chairman & Managing Director and such re-appointment as such director shall not be deemed to constitute a break in his appointment / service as Chairman and Managing Director of the Company.

RESOLVED FURTHER that the Board of Directors/ Nomination & Remuneration Committee be and is hereby authorized to grant increments and other perquisites so as not to exceed the maximum limit for payment of remuneration specified in Schedule V to the Companies Act 2013 or any amendments thereto and / or alter and vary the terms and conditions of his appointment and / or change his designation as may be agreed to between the Board of Directors/ Nomination & Remuneration Committee and Mr. Mahendra K. Daga.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do and perform all such acts, deeds and things as may be considered necessary to give effect to the above resolution."

#### 10. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and Rules made there under, as amended from time to time, Articles of Association of the Company, resolution passed by the members in Annual General Meeting held on 30.09.2014 and subject to approval of Central Government and/ or such other statutory approval(s) as may be necessary, Mr. R.N. Bansal, Mr. N.R. Srinivasan and Mr. P.M. Mathai, Independent Directors of the Company, be paid remuneration by way of Commission out of net profits of financial year 2014-15, of Rs. 7,50,000/- (Rs. 2,50,000/- to each of the above said three Directors).

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do and perform all such acts, deeds and things as may be considered necessary to give effect to the above resolution."

By order of the Board  
For Orient Bell Limited

Place : New Delhi

Dated : 13<sup>th</sup> August, 2015

**Yogesh Mendiratta**

Company Secretary & Head- Legal

**NOTES:**

- i. A MEMBER ENTITLED TO ATTEND AND VOTE IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF /HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE APPOINTMENT OF PROXY IN ORDER TO BE EFFECTIVE MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING, IN THE FORM ENCLOSED HERETO, DULY FILLED AND AUTHENTICATED. IT IS ADVISABLE THAT THE PROXY HOLDER'S SIGNATURE MAY ALSO BE FURNISHED IN THE PROXY FORM, FOR IDENTIFICATION PURPOSES.

A PERSON CAN ACT AS PROXY ON BEHALF OF THE MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY, CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

- ii. 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.
- iii. In case of joint holders attending the meeting, only the first holder will be entitled to vote.
- iv. The explanatory statement pursuant to section 102(1) of the Companies Act, 2013 in respect of special business is annexed hereto.
- v. The register of members and share transfer books will remain closed from 26<sup>th</sup> September, 2015 to 30<sup>th</sup> September, 2015 (both days inclusive) for the purpose of determining the names of members eligible for dividend on equity shares, if declared by the members at the Meeting.
- vi. The dividend, if declared, will be paid to those members whose name appear on the register of members of the Company after giving effect to all valid transfers in physical form lodged with the Company on or before 25<sup>th</sup> September, 2015; in respect of shares held in electronic form, the dividend will be paid to members whose names appear as beneficial owners as at the end of business hours on 25<sup>th</sup> September, 2015 as per the list to be furnished by the National Securities Depository Limited and Central Depository Services (India) Limited ("Depositories").
- vii. Members holding shares in physical form who have not yet provided their Bank details are requested to provide their Bank Account Number, name and address of the Bank, folio number, so that the same can be printed on dividend instrument, to avoid the incidence of fraudulent encashment of the instrument. In respect of members who

are holding shares in electronic form, their bank particulars registered against their respective depository accounts, will be used by the Company for payment of dividend. Any change in bank particulars, will therefore be intimated to Depository Participants.

- viii. The shares of the Company are traded in DEMAT segment only. Members who still hold the shares of Company in physical form are advised to contact their Depository Participant for dematerialization of their holdings in their own interest. The ISIN No. allotted to Company is INE607D01018.
- ix. The Annual Report 2014-15 of the Company circulated to the Members of the Company, will be made available on the Company's website at [www.orientbell.com](http://www.orientbell.com) and also on the website of the respective Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).
- x. Members holding equity shares in physical form are requested to notify any change in address, bank mandate or e-mail ID to the Company's Registrar i.e. MCS Share Transfer Agent Ltd. at F-65, Okhla Industrial Area, Phase-I, New Delhi 110020 or at Company's Corporate Office at IRIS House, 16, Business Centre, Nangal Raya, New Delhi-110 046. Members holding equity shares in electronic form are requested to notify any change in address, bank mandate or e-mail ID to their Depository Participants (DPs).
- xi. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days except Sundays and Holidays during business hours up to the date of Annual General Meeting.
- xii. Pursuant to section 124 of the Companies Act, 2013 (Corresponding section of 205A of the Companies Act, 1956) any money transferred to unpaid dividend, which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred to the Investor Education and Protection Fund. Accordingly, the money will be transferred to the said fund as and when it becomes due and no claim relating to such amount shall lie against the Company or the said fund after such transfer.

The details of unpaid dividend, which is due for transfer in the next seven years, are as follows:

Period	Date of Declaration	Due date for Transfer
2007-2008	12.09.2008	11.10.2015
2008-2009	25.09.2009	24.10.2016
2009-2010	31.08.2010	29.09.2017
2010-2011	02.09.2011	01.10.2018
2011-2012	28.09.2012	27.10.2019
2012-2013	27.09.2013	26.10.2020
2013-2014	30.09.2014	29.10.2021



Members who have not encashed their dividend cheque(s)/ warrant(s) pertaining to the aforesaid years may approach the Company's Corporate Office.

- xiii. Members are entitled to make nomination in respect of shares held by them in physical form as per the provisions of section 72 of the Companies Act, 2013. Members desirous of making nomination are requested to send Form SH.13 either to the Company or its Registrar and Share Transfer Agent. Members holding shares in DEMAT form may contact their respective Depository Participant for recording nomination in respect of their shares.
- xiv. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. However, the members having their shareholding in the Demat form are requested to provide their PAN details to their respective DPs and those who have in physical mode are requested to provide their PAN details to the company or its registrar.
- xv. Members (Transferees) who wish to get the shares held by them in physical form transferred in their name are advised to send copy of their PAN card along with the request for share transfer.
- xvi. The Annual Report for the FY 2014-15 has been sent electronically to those members whose e-mail IDs are registered with the Company/ Depositories Participant(s) for communication purpose unless any such member has requested for a hard copy of the same. For members who have not registered their email address with Company/ Depository Participant(s), physical copies of the Annual Report for FY 2014-15 is being sent through permitted mode and the same is also placed on the website of the company viz. [www.orientbell.com](http://www.orientbell.com).
- xvii. Members who have not registered their e-mail addresses with Company/ Depository Participant(s) so far are requested to register their e-mail address with the Company/ Depository Participant(s).
- xviii. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Company / MCS Share Transfer Agent Limited (R&TA), for consolidation into a single folio.
- xix. In compliance with the provisions of section 108 of the Act and Rules framed there under, the members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by NSDL, on all resolutions set forth in this Notice.

"Electronic voting system" means a secured system based process of display of electronic ballots, recording of votes of the Members and the number of votes polled in favour or against, in such a manner that the entire voting exercised by way of electronic means gets registered and counted in an electronic registry in a centralised server with adequate cyber security.

"Remote e-voting" means the facility of casting votes by a Member using an electronic voting system from a place other than venue of a general meeting.

The facility for voting, through ballot/polling paper shall be made available at the meeting and Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.

The instructions for remote e-voting are as under:

- A. In case an e-mail from NSDL is received (for Members whose e-mail addresses are registered with the Company/ Depositories),
  - a) Open e-mail and also open PDF file namely "Orient evoting.pdf" with Client ID or Folio No. as password. The said PDF file contains user ID and password for e-voting. The password is an initial password.
  - b) Launch internet browser by typing the URL: <https://www.evoting.nsdl.com>.
  - c) Click on Shareholder – Login.
  - d) Type User ID and password as initial password/PIN noted in step (a) above. Click Login.
  - e) Password Change Menu will appear on screen. Change the password / PIN with a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both.
  - f) Home page of remote e-voting opens. Click on remote e-voting> Active Voting Cycles.
  - g) Select "EVEN" (Remote e-Voting Event Number) of Orient Bell Limited.
  - h) Now you are ready for remote e-voting as cast vote page opens.
  - i) Cast your vote by selecting appropriate option and click on "Submit" button and also "Confirm" when prompted.
  - j) Upon confirmation, the message "Vote cast successfully" will be displayed.
  - k) Once the vote on the resolution is cast, you shall not be allowed to change it subsequently.
  - l) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/ Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [pcsehagupta@gmail.com](mailto:pcsehagupta@gmail.com), with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  - m) In case of any queries, the member may refer the Frequently Asked Questions (FAQs) - Shareholders and e-voting user manual - Shareholders, available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

- B. In case a physical copy of the Notice of AGM is received (for Members whose email addresses are not registered with the Company/Depositories):
- a) EVEN (Remote e-Voting Event Number), user ID and password are provided in the enclosed Remote e-voting instruction sheet.
  - b) Follow all steps from Sl. No. A (b) to (m) above in order to cast your vote.
- C. Other Instructions:
- a) If you are already registered with NSDL for e-voting then you can use your existing User ID and password/PIN for casting your vote.
  - b) The "cut-off date" for determining the eligibility for voting either through remote electronic voting system or ballot is fixed as 23<sup>rd</sup> September, 2015. The remote e-voting period commences on 27<sup>th</sup> September, 2015 at 9.00 a.m. and ends on 29<sup>th</sup> September, 2015 at 5.00 p.m. The remote e-voting module shall be disabled by NSDL for voting thereafter. During this period shareholders of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date, i.e., 23<sup>rd</sup> September, 2015, shall be entitled to avail the facility of remote e-voting.
  - c) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut off date i.e. 23<sup>rd</sup> September, 2015.
  - d) Members who have already exercised their voting through Remote e-voting can attend the Annual General Meeting but cannot vote again.
  - e) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 23<sup>rd</sup> September, 2015, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [admin@mcsdel.com](mailto:admin@mcsdel.com).  
However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the Toll Free no.: 1800-222-990.
  - f) Ms. Neha Gupta, Company Secretary in whole time practice (Membership No. ACS 30152; CP No. 11264), has been appointed as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.
  - g) The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
  - h) As per Clause 35A of the Listing Agreement, the results of the remote e-voting are to be submitted to the Stock Exchange(s) within 48 hours of the conclusion of the AGM. The results declared along with Scrutinizer's Report shall be placed on the Company's website [www.orientbell.com](http://www.orientbell.com) and the website of NSDL.
  - i) The results on resolutions so declared at or after the Annual General Meeting of the Company will be deemed to have been passed on the Annual General Meeting date subject to receipt of the requisite number of votes cast in favour of the Resolutions.
  - xx. Members are requested to send their queries, if any, to the Company Secretary at Corporate Office at least 10 days before the date of the Annual General Meeting.
  - xxi. Members are requested to bring their copy of the Annual Report to the Annual General Meeting. Members/Proxies/Representatives are requested to bring the attendance slip enclosed to the Annual Report for attending the meeting.
  - xxii. The route map of the venue of the meeting is given in the notice. The prominent landmark for the venue is near to over bridge in Sikandrabad industrial area and 1 K.M. from Sikandrabad toll collection centre on NH-91.
  - xxiii. E-mail Registration:  
Members who have not registered their e-mail ID are requested to update the same with the Company, if held in physical form (or) to the Depository, if held in demat mode.
  - xxiv. As usual, no gifts will be distributed at the meeting.

By order of the Board  
For Orient Bell Limited

Place : New Delhi  
Dated : 13<sup>th</sup> August, 2015

**Yogesh Mendiratta**  
Company Secretary & Head- Legal

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

### Item No. 5

Ms. Tanuja Joshi was appointed as an Additional Director at the Board Meeting held on 03<sup>rd</sup> November, 2014.

Ms. Tanuja Joshi, aged about 52 years, Diploma holder from the Institute of Hotel Management, Catering and Nutrition, PUSA, New Delhi, is the Managing Director of Venu Eye Institute - an Eye Institute unparalleled in professionalism, charity, outlook and most importantly 'care' for those who entered its portals. She has been the President of the Eye Bank Association of India during the period 2002-2006, wherein she handled the contentious issues with great élan, earning her the accolades of all stakeholders. Ms. Joshi is also a social person having expert knowledge in the field of Corporate Social Responsibility (CSR) activities.

The Board based on the experience/expertise declared by Ms. Tanuja Joshi, is of the opinion that Ms. Tanuja Joshi has the requisite qualification to act as an Independent Director of the Company.

In terms of Sections 149, 150, 152 and its related and applicable provisions of the Companies Act, 2013, read with the Rules made there under, Ms. Tanuja Joshi being eligible and offers herself for appointment, is proposed to be appointed as an Independent Director of the Company for a period up to 02<sup>nd</sup> November, 2019. The Nomination and Remuneration Committee and the Board of Directors have, in their respective meetings held on 13<sup>th</sup> August, 2015 recommended the appointment of Ms. Tanuja Joshi for a period upto 02<sup>nd</sup> November, 2019 as Independent Director not liable to retire by rotation. A candidature under section 160 of the Companies Act, 2013 along with the requisite fee has been received from a member of the Company proposing Ms. Tanuja Joshi for the office of Independent Director of the Company.

Ms. Tanuja Joshi has given declaration under Section 149(7) of the Companies Act, 2013 that she fulfills the conditions specified in Section 149(6) of the Companies Act, 2013 read with Rules made there under for her appointment as an Independent Director of the Company and is independent of the management. Copy of the letter of appointment of Ms. Tanuja Joshi as an Independent Director setting out the terms and conditions are available for inspection of the Members in physical or in electronic form at the Registered Office of the Company between 10.00 a.m. to 12.00 noon, on all working days (except Saturdays, Sundays and Public Holidays), up to the date of the Annual General Meeting (AGM) and copies thereof shall also be made available for inspection in physical or electronic form at the Corporate Office of the Company situated at IRIS House, 16, Business Centre, Nangal Raya, New Delhi – 110046 as well as during the AGM at the venue thereof.

Members are further requested to note that Ms. Tanuja Joshi has given declarations that she is not disqualified to become a Director under Section 164(2) of the Companies Act, 2013 and her consent to hold office as Director.

The Board deliberated and decided that owing to the rich and varied experience, her association would be of immense benefit to the Company and it is desirable to avail services of Ms. Tanuja Joshi as an Independent Director. Accordingly, the Board recommends the resolution for the appointment of Ms. Tanuja Joshi as an Independent Director, for the approval by the members of the Company. The total remuneration of Ms. Tanuja Joshi for the Financial Year 2014-15 was ₹ 70,000/- paid by way of sitting fee only.

Ms. Tanuja Joshi does not hold directorship in any other Company or any shares either by herself or for any other person on a beneficial basis as per declaration given by her.

Ms. Tanuja Joshi has no relationship with any managerial personnel, Director, Key Managerial Personnel of the Company. None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in this resolution except Ms. Tanuja Joshi.

The Board recommends the passing of the Resolution at Item No. 5 as **Ordinary Resolution**.

### Item No. 6

Section 149 of the Companies Act, 2013 provides that subject to the provisions of Section 152, an independent director shall hold office for an initial term of up to five consecutive years on the Board of a Company but shall be eligible for re-appointment on passing of a special resolution by the Company. It further provides that no independent director shall hold office for more than two consecutive terms of up to five years each.

The members had in the Annual General Meeting held on 30.09.2014, pursuant to the provisions of Sections 149, 152 read with Schedule IV of the Companies Act, 2013 and Rules made there under, approved the appointment of Mr. N. R. Srinivasan as Independent Director of the Company for an initial term of one year from 30.09.2014 to 29.09.2015. Mr. Srinivasan has submitted the necessary declarations and consents with regard to his re-appointment for another consecutive term of one year from 30.09.2015 to 29.09.2016. In the opinion of the Board, Mr. N.R. Srinivasan fulfills the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and he is independent of the management.

The Nomination and Remuneration Committee and the Board of Directors have, in their respective meetings held on 13<sup>th</sup> August, 2015 recommended the re-appointment of Mr. N. R. Srinivasan for another consecutive term of 1 year effective from 30.09.2015 to 29.09.2016 as Independent Director not liable to retire by rotation. A candidature under section 160 of the Companies Act, 2013 along with the requisite fee has been received from a member of the Company proposing Mr. N. R. Srinivasan for the office of Independent Director of the Company.

Copy of the letter of appointment of Mr. N.R. Srinivasan as

an Independent Director setting out the terms and conditions are available for inspection of the Members in physical or in electronic form at the Registered Office of the Company between 10.00 a.m. to 12.00 noon, on all working days (except Saturdays, Sundays and Public Holidays), up to the date of the Annual General Meeting (AGM) and copies thereof shall also be made available for inspection in physical or electronic form at the Corporate Office of the Company situated at IRIS House, 16, Business Centre, Nangal Raya, New Delhi-110046 as well as during the AGM at the venue thereof.

The Board deliberated and decided that owing to the rich and varied experience of Mr. Srinivasan in ceramics technology, his association would be of immense benefit to the Company and it is desirable to avail services of Mr. N.R. Srinivasan as an Independent Director. The total remuneration of Mr. N.R. Srinivasan for the Financial Year 2014-15 was ₹ 2,85,000/- paid by way of sitting fee only.

Mr. N.R. Srinivasan does not hold directorship in any other Company or any shares either by himself or for any other person on a beneficial basis as per declaration given by him.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the re-appointment of Mr. N.R. Srinivasan as Independent Director is now being placed before the Members for their approval.

Mr. N.R. Srinivasan has no relationship with any managerial personnel, Director, Key Managerial Personnel of the Company. None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in this resolution except Mr. N.R. Srinivasan.

The Board recommends the passing of the Resolution at Item No. 6 as **Special Resolution**.

### Item No. 7

Section 180(1) (a) of the Companies Act, 2013 provides, inter alia, that the Board of Directors of a public company shall not, without the consent of a public company in general meeting, sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking(s) of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking.

The Company may be required to secure some of the borrowings by creating mortgage/charge on all or any moveable and immovable assets of the Company, in the form and manner as may be determined by the Board, from time to time, in consultation with the lender.

As per the provisions of the Companies Act, 2013, a Company can borrow money up to aggregate of the paid-up share capital and free reserves (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) without the shareholders' approval. As on 31st March, 2015, the aggregate of the paid-up capital and free reserves of the Company stood at ₹ 98.28 crores. As on 31st March, 2015, the

Company had outstanding borrowings of ₹ 165.81 crores. The Company may need to fund both organic as well as inorganic growth opportunities, including but not limited to capital expenditure, branding, advertisements, long term / short term corporate / term loans, foreign currency loans (FCNR), loans for working capital (fund based/ non fund based) and general corporate purposes. At any future point of time, it may also be prudent to borrow to take advantage of the low levels keeping in mind the future growth requirements of the Company. The Company had approved the resolution set out at Item No. 7 under the relevant section 293 of Companies Act, 1956. As per requirement of new provisions, it is necessary to obtain fresh approval of Members under section 180(1)(a) of the Companies Act, 2013 by way of a Special Resolution for creation of charges/ mortgages/ hypothecations in respect of loans, under the arrangements entered into/to be entered into by the Company for an amount which shall not, at any time exceed ₹ 300 crores (Rupees Three Hundred Crores) only.

None of the Directors, Key Managerial Personnel of the Company and their relatives is/are in any way, concerned or interested, financially or otherwise, in the Special Resolution except to the extent of their shareholding, if any, in the Company.

The Board recommends the passing of the Resolution at Item No. 7 as **Special Resolution**.

### Item No. 8

The existing Articles of Association (AoA) are based on the Companies Act, 1956 and as such several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956. Moreover, some regulations in the existing AoA are no longer in conformity with the Companies Act, 2013 ("the Act"). The Act is now in force (barring certain provisions). As substantive sections of the Act which deal with the general working of companies stand notified, several regulations of the existing AoA of the Company require alteration or deletions.

Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles to make it consistent with the provisions of the Act including the Rules framed there under. The new AoA to be substituted in place of the existing AoA are largely based on Table 'F' of the Act which sets out the model Articles of Association for a company limited by shares.

The proposed draft AoA are being uploaded on the Company's website at [www.orientbell.com](http://www.orientbell.com) for perusal by the Members and is also available for inspection of the Members in physical or in electronic form at the Registered Office of the Company between 10.00 a.m. to 12.00 noon, on all working days (except Saturdays, Sundays and Public Holidays), up to the date of the Annual General Meeting (AGM) and copies thereof shall also be made available for inspection in physical or electronic form at the Corporate Office of the Company situated at IRIS House, 16, Business Centre, Nangal Raya, New Delhi – 110046 as well as during the AGM at the venue thereof.

None of the Directors, Key Managerial Personnel of the Company

and their relatives is/are in any way, concerned or interested, financially or otherwise, in the Special Resolution except to the extent of their shareholding, if any, in the Company.

The Board recommends the passing of the Resolution at Item No. 8 as **Special Resolution**.

## Item No. 9

Mr. Mahendra K. Daga was appointed as Chairman and Managing Director for a period of three years effective 01<sup>st</sup> December 2012 and his tenure would end on 30<sup>th</sup> November 2015. The Nomination & Remuneration Committee and the Board of Directors have at their respective meetings held on 13<sup>th</sup> August, 2015 have, subject to the approvals of Members, Central Government and such other approvals as may be necessary, approved the re-appointment of Mr. Mahendra K. Daga as Chairman and Managing Director of the Company for a further period from 01<sup>st</sup> December 2015 to 31<sup>st</sup> March, 2018 and also the remuneration as enumerated in the Special Resolution which is commensurate with his qualification, experience and the responsibilities entrusted on him.

Section 196 of the Companies Act, 2013, inter-alia, provides that no company shall appoint or continue the employment of any person as managing director, who has attained the age of 70 years, unless his appointment is approved by a special resolution. Mr Mahendra K. Daga, aged about 76 years, has vast experience in erecting, commissioning and successfully managing various multi location tiles plants, and is acclaimed as an authority in this field. He takes an active part in overall functional areas of the Company. Under the overall supervision of the Board of Directors, he has been instrumental in taking the company from strength to strength. Mr. Mahendra K. Daga is at the helm of affairs of the Company as Chairman and Managing Director. Under his valuable guidance and leadership since 1993 when Mr. Daga became the Managing Director, the Company turned into a profitable venture and became a regular dividend paying company. The Company has acquired Bell Ceramics Limited in 2010 and became a merged entity in 2012. The role and responsibility of Mr Daga has become three fold as the Company now owns three plants at three different locations at Sikandrabad (U.P.), Hoskote (Karnataka) and Dora (Gujarat). It is in the interest of the Company and justified to continue Mr. Mahendra K. Daga as Chairman & Managing Director of the Company.

Subject to the provisions contained under sections 152, 196, 197, 198 and 203 read with Schedule V of the Companies Act, 2013, member's approval by way of Special Resolution is required for the appointment and payment of remuneration for an amount as stated in the Special Resolution at item no. 9 of the accompanying notice.

None of the Directors except Mr. Mahendra K. Daga and Mr. Madhur Daga (who is son of Mr. Mahendra K. Daga) are concerned or interested in the resolution.

In terms of Section 190 of the Companies Act, 2013, this

may be construed as a memorandum setting out the terms of appointment of Mr. Mahendra K. Daga and shall be open for inspection of the members of the Company at its Registered Office between 10.00 am to 12.00 noon on all working days except Saturday, Sunday and public holidays.

The following disclosures are being made in this Explanatory Statement in compliance with Section II in part II of Schedule V to the Companies Act, 2013:

### I. General Information:

1. The Company is engaged in the business of manufacture and trading of Ceramic Tiles. The manufacturing facilities of the Company are situated at Sikandrabad (Uttar Pradesh), Dora (Gujarat) and Hoskote (Karnataka) with an aggregate production capacity of 28 Million sq. meter.
2. The Company commenced commercial production w.e.f. 7<sup>th</sup> October 1977.
3. The Company is an existing entity and has already commenced Commercial Production.
4. Financial performance of the Company for the Financial year 2014-15 is as follows :

Particulars	₹ in Lakhs)	
	2014-15	2013-14
Net Sales & Other Income	69,609	58,643
Profit Before Tax	1,025	459
Profit After Tax	478	203
Paid up Equity Capital	1,382	1,357
Reserves & Surplus	16,750	16,306
Basic / Diluted Earning Per Share (₹)	3.50	1.49

5. The company has earned ₹ 5.31 Lakhs (FOB value of Exports) in foreign Exchange during the financial year 2014-15.

### II. Information about the appointee:

1. Mr. Mahendra K. Daga, BA, FIM (Fellow of the Institute of Management) UK, aged about 76 yrs. has over 47 years of successful experience. His name is synonymous with the tiles industry. Under the overall supervision of the Board of Directors, he has been instrumental in taking the Company from strength to strength to its present position.
2. The total remuneration of Mr. Mahendra K. Daga for the Financial Year 2014-15 was ₹ 1,46,20,553/-.
3. Mr. Daga is the Founder member of the Indian Council of Ceramic Tiles & Sanitary ware (ICCTAS), the apex body in India representing the Ceramic Industry. His expertise in the field has won him the prestigious Fellowship by the British Ceramic Institute. He has also represented India as one of the eight speakers from all over the world at the

“International Meeting on Ceramic Industry” organized by Associazione Costruttori Italiani Macchine Attrezzature per Ceramica, at Modena, Italy on 26th May, 2000. Mr. Mahendra K. Daga, an environmentalist, makes all possible efforts to conserve the precious nature. He was awarded by the Chief Minister of Delhi for maintaining the best rainwater harvesting system in Delhi in the year 2009.

4. Mr. Daga is most suitable for the job of Managing Director of the Company as he has been in this position since December 1993. Under his leadership, the Company has achieved significant growth in a very short span and has carved a niche for itself in the industry.
5. The detail of proposed remuneration is as per special resolution at item no. 9.
6. The remuneration proposed to be paid to Mr. Daga is commensurate with the size of the Company, nature of its operations and is in line with the industry standards.
7. Besides his remuneration, Mr. Daga had pecuniary relationship with the Company as mentioned in note no. 26– Related Party Disclosures. He has no relationship with any managerial personnel, Director, Key Managerial Personnel of the Company, except with Mr. Madhur Daga, Joint Managing Director, who is his son.

### III. Other Information:

1. At present, the performance of the Company is satisfactory as compared to the industry norms. However, in the event of any unforeseen circumstances and conditions beyond its control, the profitability of the Company may be affected.
2. The Company aims to sell more of bigger size and high value tiles and to reduce the cost of production substantially. The Company is also trying up additional manufacturing capacities in West Zone to cater to the demand of relevant market. With the integration of Brand ‘Orient’ and ‘Bell’ your Company own only one Brand i.e. ‘Orient Bell’. ‘Orient Tile Boutique’ and ‘Bell Tile Boutique’ have been replaced with ‘Orient Bell Tile Boutique’. The Company thrust on augmenting more and more high value customers and increase sale of High Value Products. To boost the sales, the Company is increasing spends on its branding and advertising and also to have more of Orient Bell Tile Boutiques this year.
3. It is difficult to forecast the productivity and profitability in measurable terms. However, the productivity and profitability will continue to be above industry average.

### IV. Disclosures:

1. The shareholders are being informed of the remuneration package by way of Special Resolution.
2. The details of remuneration etc. of other Directors are included in the Board’s Report and Corporate Governance Report and forming part of the Annual Report of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives other than Mr. Mahendra K. Daga and Mr. Madhur Daga (son of Mr. Mahendra K. Daga) is/are in any way, concerned or interested, financially or otherwise, in the Special Resolution except to the extent of their shareholding, if any, in the Company.

The Board recommends the passing of the Resolution at Item No. 9 as **Special Resolution**.

### Item No. 10

The Board of Directors of the Company has, in its meeting held on 29.05.2015 approved the payment of ₹ 10,00,000/- towards Commission out of profits of FY 2014-15 to Mr. R.N. Bansal, Mr. N.R. Srinivasan, Mr. P.M. Mathai and Mr. Dhruv M. Sawhney, Independent Directors of the Company (₹ 2,50,000/- to each Director). However Mr. Dhruv M. Sawhney vide his letter dated 15.06.2015 shown his unwillingness to receive the said Commission. The payment of balance commission of ₹ 7,50,000/- is within the permissible limits of 1% of the net profits of the Company but is higher than the overall managerial remuneration limits of 11%. In terms of the provisions of Section 197 of the Companies Act, the approval of members and Central Government is being sought by way of this resolution to authorize such payment.

None of the Directors, Key Managerial Personnel of the Company and their relatives other than Mr. R.N. Bansal, Mr. N.R. Srinivasan and Mr. P.M. Mathai is/are in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution except to the extent of their shareholding, if any, in the Company.

The Board recommends the passing of the Resolution at Item No. 10 as **Ordinary Resolution**.

By order of the Board  
For Orient Bell Limited

Place : New Delhi

Dated : 13<sup>th</sup> August, 2015

**Yogesh Mendiratta**

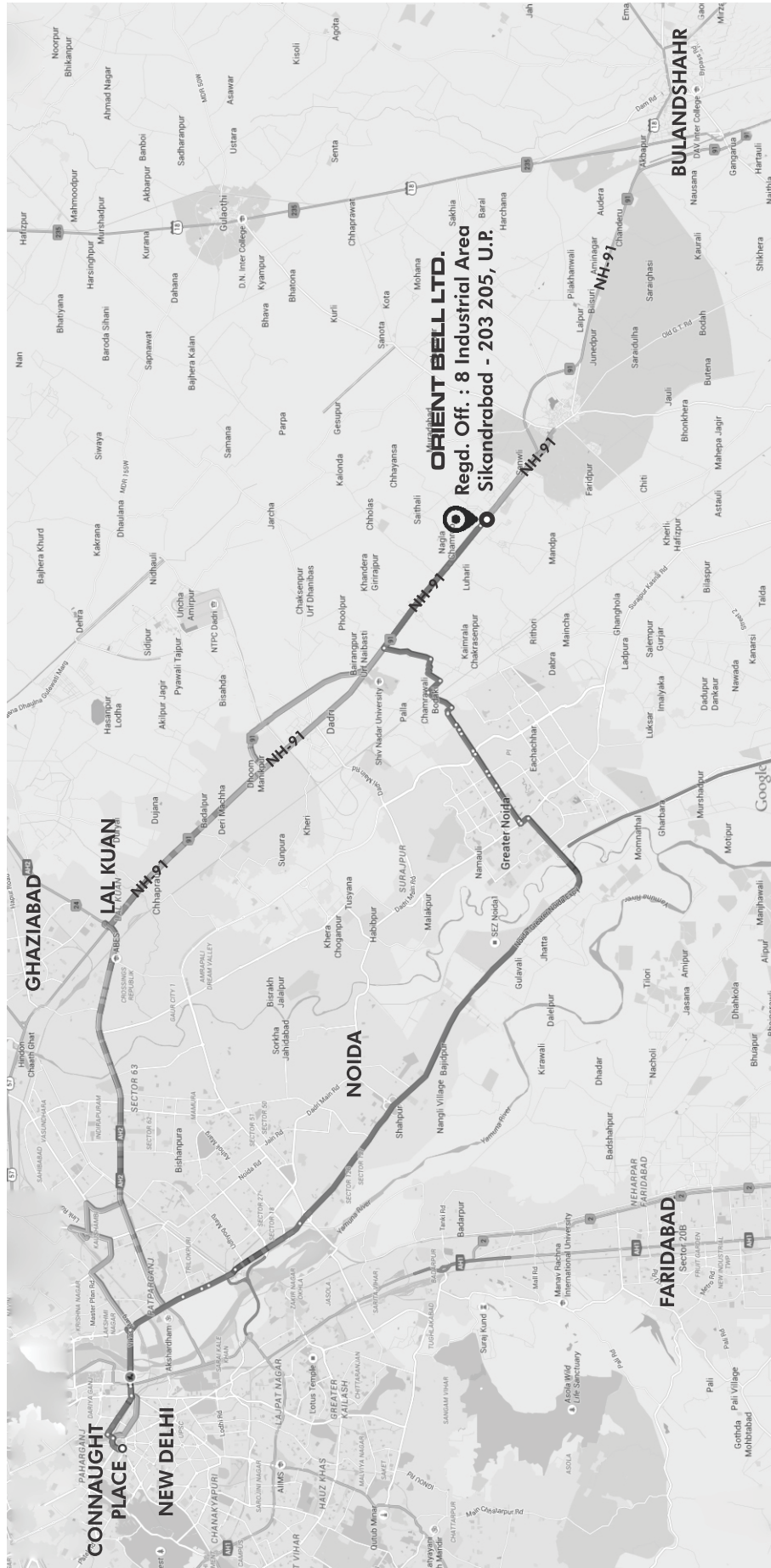
Company Secretary & Head- Legal

### INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT

As required under clause 49 of the Listing Agreement, the particulars of Director seeking appointment / re-appointment in the forthcoming Annual General Meeting are as follows:

Name of Director	Ms. Tanuja Joshi	Mr. N. R. Srinivasan	Mr. Mahendra K. Daga
Date of Birth	23.09.1963	11.10.1925	27.10.1938
Date of Appointment	03.11.2014	16.09.1988	09.12.1993
No. of Shares held	Nil	Nil	28,78,079
Expertise in Specific Functional area	Overall management of a Corporate and Corporate Social Responsibility	Ceramic Consultant having vast experience in Ceramics Industry	Industrialist with vast business experience
Qualification	Diploma holder from the Institute of Hotel Management, Catering and Nutrition, PUSA, New Delhi,	B. Sc. Technologies / M.Sc. Technologies (Ceramic Technology)	BA, FIM (U.K.)
No. of board meetings attended during FY 2014-15.	2	5	3
List of Companies in which outside Directorship held as on 31.03.2015	Nil	Nil	1. Freesia Investment & Trading Co. Ltd. 2. Triveni Engineering & Industries Ltd. 3. Good Team Investment & Trading Pvt. Ltd. 4. Indian Council of Ceramic Tiles and Sanitarywares.
Chairman / Member of the Committee(s) of the Board of Directors of other Companies in which he is a Director	Nil	Nil	<b>Member – Compensation Committee:</b> Triveni Engineering & Industries Ltd.  <b>Member – Audit Committee and Nomination &amp; Remuneration Committee:</b> Freesia Investment & Trading Co. Ltd.

Route Map to the venue of the AGM



**ORIENT BELL LTD.**  
Regd. Off. : 8 Industrial Area  
Sikandrabad - 203 205, U.P.

**BULANDSHAHR**

**NOIDA**

**CONNAUGHT PLACE**

**NEW DELHI**

**GHAZIABAD**

**LAL KUAN**

**FARIDABAD**



## ORIENT BELL LIMITED

Registered Office: 8, Industrial Area, Sikandrabad-203 205, Distt. Bulandshahr (U.P.)  
Corporate Office: Iris House, 16 Business Centre, Nangal Raya, New Delhi-110 046  
CIN: L14101UP1977PLC021546 Tel.: 011-47119100 Fax: 011-28521273  
Email: customercare@orientbell.com Website: www.orientbell.com

### ATTENDANCE SLIP

(To be presented at the entrance)

**38<sup>TH</sup> ANNUAL GENERAL MEETING ON WEDNESDAY, SEPTEMBER 30, 2015 AT 11.30 A.M.**  
at 8, Industrial Area, Sikandrabad – 203 205, Distt. Bulandshahr (U.P.)

Folio No. / Client ID ..... DP ID ..... No. of shares.....

Name of the Member..... Signature.....

Name of the Proxyholder..... Signature.....

1. Only Member/Proxyholder can attend the meeting.
2. Member/Proxyholder should bring his/her copy of the Annual Report for reference at the meeting.
3. No gifts will be distributed at the meeting.

## ORIENT BELL LIMITED

Registered Office: 8, Industrial Area, Sikandrabad-203 205, Distt. Bulandshahr (U.P.)  
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CIN: L14101UP1977PLC021546 Tel.: 011-47119100 Fax: 011-28521273  
Email: customercare@orientbell.com Website: www.orientbell.com

### PROXY FORM

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

Name of the Member(s): .....

Registered address: .....

E-mail Id: .....

Folio No. / Client ID: ..... DP ID : .....

I / We, being the member(s) of ..... Shares of Orient Bell Limited, hereby appoint:

1. Name..... E-mail Id:.....  
Address: .....  
..... Signature:.....

or failing him

2. Name..... E-mail Id:.....  
Address: .....  
..... Signature:.....

or failing him

3. Name..... E-mail Id:.....  
Address: .....  
..... Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 38<sup>th</sup> Annual General Meeting of the Company to be held on Wednesday, September 30, 2015 at 11.30 a.m. at its Registered Office at 8, Industrial Area, Sikandrabad – 203 205, Distt. Bulandshahr (U.P.) and at any adjournment thereof in respect of such resolutions as are indicated below:

1. Adoption of the audited Balance Sheet as at 31<sup>st</sup> March 2015, the Profit & Loss Account and Cash Flow Statement for the financial year ended on that date and the reports of Directors' and Statutory Auditors' thereon.
2. Approval for re-appointment of Mr. Mahendra K. Daga as Director retiring by rotation.
3. Declaration of dividend on equity shares.
4. Approval for appointment of M/s S.R. Dinodia & Co. LLP, Chartered Accountants as Statutory Auditors for F.Y. 2015-16.
5. Approval for appointment of Ms. Tanuja Joshi as Independent Director.
6. Approval for re-appointment of Mr. N.R. Srinivasan as Independent Director for his second term.
7. Approval for creation of mortgages, charges and hypothecations on all or any of the movable and/or immovable properties of the Company.
8. Approval for adoption of new set of Articles of Association to replace the existing ones.
9. Approval for re-appointment and remuneration of Mr. Mahendra K. Daga, Chairman & Managing Director.
10. Approval for payment of commission to non executive directors out of the profits of FY 2014-15.

Signed on this ..... day of ..... 2015

Signature of Member..... Signature of Proxy holder(s).....

Affix  
Revenue  
Stamp

- NOTES: 1. This form in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.  
2. Those members who have multiple folios with different joint holders may use copies of this Attendance slip/Proxy form.

## **ORIENT BELL TILE BOUTIQUE**

### **BANGALORE**

Orient Bell Tile Boutique, Sreevaru Arcade, 1341/33, 2nd floor, 32nd E Cross Road, 4th T Block Jayanagar (Near Sanjay Gandhi Hospital), Bangalore - 560 041

Tel.: +91 888 445 0390 / 0391

### **CHANDIGARH**

Orient Bell Tile Boutique, SCO 812, 1st Floor, NAC, Manimajra, Chandigarh - 160 101

Tel.: +91 172 401 4347 / 4435

### **COCHIN**

Orient Bell Tile Boutique, "SURYA GAYATRI", Building No. 32/8, B3, Puthiya Road, New Junction (Opposite Holiday Inn Hotel), Ernakulam By Pass Road, Cochin - 682 031

Tel.: +91 484 306 4217

### **COIMBATORE**

Orient Bell Tile Boutique, No. 245/1, VJ Centre, Race Course, Coimbatore - 641 018

Tel.: +91 422 433 7122

### **DEHRADUN**

Orient Bell Tile Boutique, Duggal Complex (Near Kamla Palace Hotel), GMS Road, Dehradun - 248 001

Tel.: +91 865 050 4593

### **KOLKATA**

Orient Bell Tile Boutique, 8/1, Burdwan Road, Alipore, Kolkata - 700 027

Tel.: +91 33 4068 4047

### **NEW DELHI**

Orient Bell Tile Boutique, M56-A, M Block Market GK II, New Delhi - 110 048

Tel.: +91 11 4068 7468 / 9

### **PUNE**

Shop No. 1-2-3-4, Santosh Height, Opposite Apsara Talkies, Market Yard Road, Gultekdi, Pune - 411 037

Tel.: +91 855 499 0859

## **ORIENT BELL LIMITED**

### **CORPORATE OFFICE:**

Iris House, 16 Business Centre, Nangal Raya, New Delhi – 110 046, India. Tel.: +91 11 4711 9100, Fax.: +91 11 2852 1273

### **REGD. OFFICE:**

8 Industrial Area Sikandrabad – 203 205 (U.P.), India. Tel.: +91 5735 222 203 / 222 / 424, +91 819 100 4575 / 76, Fax: + 91 5735 222 642

### **CUSTOMER CARE:**

Email : [customercare@orientbell.com](mailto:customercare@orientbell.com)

Toll Free : 1800 208 1015

SMS : TIL to 54242

Website : [www.orientbell.com](http://www.orientbell.com)

CIN : L14101UP1977PLC021546