

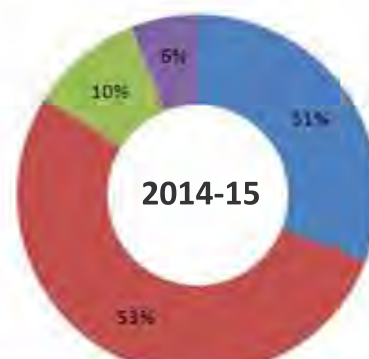
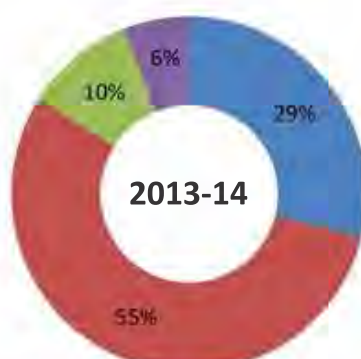
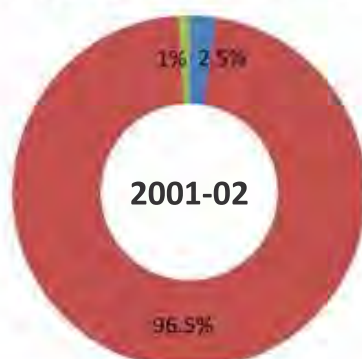


Suprajit Engineering Limited
Thirtieth Annual Report 2014-2015

THE TRANSFORMATION CONTINUES

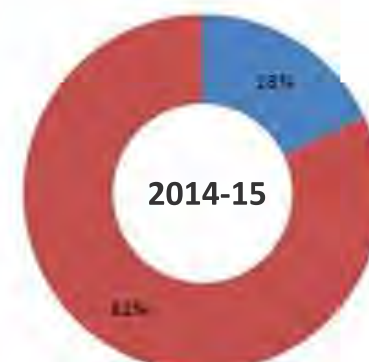
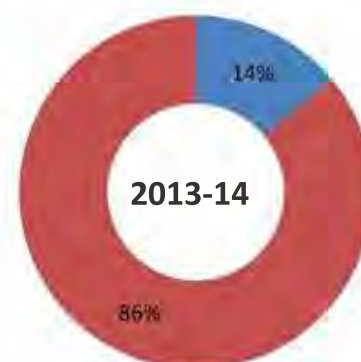
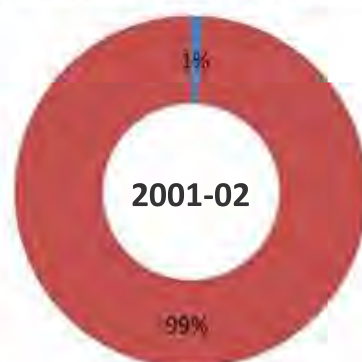
SEGMENT TRANSFORMATION

■ Two Wheeler ■ Aftermarket ■ Non-automotive ■ Automotive



GEOGRAPHIC TRANSFORMATION

■ Domestic ■ Export



STANDALONE FINANCIAL HIGHLIGHTS AND KEY INDICATORS

₹ in Million

Description	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Gross Income	1098.92	1378.12	1531.74	1594.11	1854.30	2268.94	3304.46	4149.83	4740.90	5360.50	5806.35
Profit after tax (PAT)	97.88	128.00	124.80	48.83	116.27	218.10	304.95	392.21	474.51	476.55	446.18
Equity and Reserves	301.33	395.15	485.20	490.04	576.40	734.92	978.30	1279.85	1649.37	1992.53	2300.9
Asset Turnover Ratio	3.01	3.43	3.40	2.35	2.37	2.66	3.05	3.22	3.09	2.91	2.82
Debt Equity Ratio	0.47	0.31	0.74	0.70	0.50	0.30	0.36	0.29	0.26	0.24	0.37
Current Ratio	1.46	1.51	1.78	1.41	1.28	1.22	1.43	1.30	1.48	1.51	1.65
EBIDTA %	16.59	16.53	15.90	11.49	15.19	18.63	16.28	16.55	17.07	16.49	15.06
Return on net worth - %	49.14	47.51	37.62	20.71	31.37	43.62	43.59	42.94	39.45	34.73	28.88
ROCE %	31.88	36.26	21.57	12.14	20.83	33.40	32.15	33.13	30.07	27.90	20.90
Book Value of shares (Rs.)	2.51	3.29	4.04	4.08	4.80	6.12	8.15	10.26	13.74	17.18	19.17
EPS (Rs.)	0.82	1.07	1.04	0.41	0.97	1.82	2.54	3.27	3.95	3.97	3.72
Pay out Ratio (%) to PAT	27.85	26.72	27.84	43.65	25.71	27.31	20.19	23.11	22.12	27.98	30.26

GROUP HIGHLIGHTS

₹ in Million

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Turnover	2,658	3,792	4,612	5,159	6,007	6,718
EBIDTA	461	614	716	851	961	1,001
Profit before tax	329	468	548	668	744	747

MARCHING AHEAD WITH CONFIDENCE



My Dear Shareholder,

I have pleasure in sharing with you yet another year of satisfying performance by your Company, despite the continued challenging environment. The enclosed Report of your Board of Directors and the financial statements give succinctly, the highlights of your Company's performance.

The year started with euphoria of "Acche Din" with the new Government at the Centre winning an absolute majority, a scenario not witnessed in decades. The hopes and aspirations were high that the new Government would usher in stability in governance and transformational new policies, which can rapidly boost the Indian economy. During the year, inflation was reined in, interest rates started coming down and a few policy measures were taken. Commodity prices started easing, particularly oil prices coming down significantly. A stage appeared to have been set for a sustained growth in Indian economy from a longer-term perspective.

However, the year just ended had muted growth. The Indian automotive industry grew at 8%. Most auto component companies continue to face headwinds with cost-push inflation, currency crosswinds and an overall competitive landscape. Your Company was not an exception to this. While on a consolidated basis, the sales grew, as expected, ahead of industry growth, margins came under marginal pressure during the year.

The current year's outlook at this moment appears to be challenging. The rural economy is sluggish, impacting the automotive industry's growth. Tight monetary conditions and stock rationalization at various levels of industry seem to be having a negative effect on aftermarket sales. Non-automotive business is facing headwinds in view of certain customers having temporary setbacks. Automotive exports appear to be stable, while significant depreciation of the Euro had its toll on our exports. The domestic automotive sector is expected to grow in a low single digit, this year.

In view of all these, I foresee that the first half of the year will be challenging. With interest rates coming down, commodity prices moderating, good monsoon and low inflation, I hope that the second half of the year will start seeing the much-awaited sustainable growth for the coming years.

Your Company's plan to increase the Group's annual cable capacity from 150 million to 225 million is progressing as per plan and should be in place by March 2016, with new plants in Gujarat and Tamilnadu. With this, your Company will have a presence in 7 states with 15 plants in India.

Subsidiaries have performed commendably with significant growth in sales and profitability. I expect this to consolidate in the current year.

In line with the vision of Suprajit 2.0, I am happy to inform you that during the year gone by, your Company acquired the cable division from Pricol Limited on a slump sale basis, and integrated its operations into the Company's cable division. Further, I am delighted to inform you that during the current year, your Company has signed Share Purchase Agreement and acquired majority stake in Phoenix Lamps Limited. Phoenix is the leader in the Indian Automotive industry for halogen headlamps with significant market share in every segment. It has two European subsidiaries - Trifa and Luxlite, through which it has a good market share of Europe and many other countries in South America, Africa and the Middle East. This is an exciting new range of products to de-risk Suprajit's growth model, so far dependent on one product, cables. I believe that the acquisition of Phoenix brings multiple synergies, and offers Suprajit group a strong presence in the Indian auto component industry.

Perhaps all of you are aware that Suprajit had initiated CSR activities much before the laws made it mandatory. Suprajit Foundation continues to carry out CSR activities of the group. Activities of Suprajit Foundation are elaborated elsewhere in this report.

Team Suprajit continues to focus on customers as a 'value for money supplier' and enjoys strong customer confidence in the OEM market. Your Company will continue to focus on growing the OEM business, make inroads in the aftermarket businesses, increase the presence in the nonautomotive sector and enhance business in the automotive export markets. With focused de-risking of business in every vertical, and the recent acquisition of Phoenix, I am confident that Team Suprajit will continue to deliver a good and robust performance, going forward.

To this end, I seek your continued support and good wishes.

With warm personal regards,

Yours sincerely,

K. Ajith Kumar Rai

Chairman & Managing Director



TOP MANAGEMENT SPEAKS



Dr. Mohan Chelliah
Executive Director
Suprajit Engineering Ltd

Profitable Growth has always been Suprajit's mantra. The company believes in the principle: Consistent value-creating revenue growth through best practices in Strategy, Marketing, Operations and Organization.

The revenue growth has been ensured every year aided by the foundational mantra of Suprajit: 'Grow the core business of cables and position Suprajit in the top-league of global cable manufacturers'. Having achieved critical mass through its sizable revenue and capacity few years back, the management turned its attention towards entering new product lines and acquisition.

A good acquisition has been just completed for halogen bulbs which will derisk single product status of Suprajit.

Technology and Organizational Redesign will find their relevant place inside Suprajit. We should integrate Structure, Processes and People in order to not lose track of the strategic impetus that is in place now.

I am confident that Suprajit Management Team will rise to this immediate need.



N.S. Mohan
President
Suprajit Engineering Ltd

A focussed approach with a strategic intent and an eye for detail in execution is key to success. At Suprajit all these three aspects have been demonstrated time and again.

While the supervisory board and the executive management teams take a lead on the first two, the executive management and the operating team strives to excel in the later two.

Formation of Suprajit tech centre, making in-roads into American market, emphasis on low cost automation, expanding our managerial talent in terms of depth and breadth have been some of the new initiatives at Suprajit.

While these help us in maintaining the leadership role in the Automotive cable market, recent acquisition of Phoenix Lamps Ltd has provided a great opportunity to diversify beyond cables.

We, Team Suprajit, believe in delivering great value to all our stake holders to grow our business successfully.



Peter Greensmith
Managing Director
Suprajit Europe Ltd

Our supply model of manufacturing in India and warehousing in the UK Tech Centre (SEU) is working effectively due to the positive integration of the two remote teams.

Both ends of the business grew significantly in the last year mainly due to new contracts with BMW and Nissan. We strengthened the customer facing teams located in UK and in mainland Europe to support increased activity levels both in terms of engineering and plant quality functions. The good performance at Nissan has resulted in the first spin off contracts with Renault. Having recently achieved a higher R&D certification at VW the door is open to deliver similar performance within VW group in the coming year. BMW, one of our key customers, continues to provide new business opportunities.

The operational essence of Team Suprajit is quick and timely response to customers. We have mastered this art and improved on the same, year after year, and it has become our proverbial personality.

Our operations over the years has become highly simplified, flexible and nimble. We are capable of taking any challenge in the manufacturing technology of cables for volumes, cost, quality and delivery.

The year that has gone by saw a large thrust on automation and TPM efforts with success. The current year will see the creation of Bench marked units and horizontal deployment of Best Practices.

Team Suprajit shall strive to Create Best Value for all stake holders.



Narayan Shankar
Executive VP
Suprajit Engineering Ltd

Our healthy Balance sheet and strong cash flows support the organic and inorganic growth plans of the Company. With our strong internal control systems and robust MIS we are agile and able to manage any changing trends.

We are a stakeholder friendly Company with a transparent, ethical and professional approach and this approach has certainly increased the confidence level with investors, customers, vendors, Banks and associates year on year. Prudent cash management, conservative accounting and efficient capital allocation, will certainly deliver value to our stakeholders. Maintaining key financial ratios like ROCE, asset turnover and gearing ratios, constantly, though challenging, demonstrates our commitment to stake holders.

We at Suprajit, maintain the highest level of Corporate Governance.



Medappa Gowda
VP Finance
& Company Secretary

HR practices of the Company continued to be customer centric and met all the critical demands of the customer and the company.

The year witnessed aggressive up-gradation of knowledge and skill to meet the ever increasing aspirations of the auto industry. Various employees were trained in customer driven TPM clusters and our TPM practices have been commended by the customer.

Another customer demanded we upgrade a unit's Manufacturing process and Quality systems to meet the challenge of an advanced vehicle launch. The challenge was successfully met with Team effort and continuous up-gradation of talent. The new unit was commissioned within the shortest time by Team Suprajit.

People practices in Suprajit continue to be conducive to the business demands of the company and Team Suprajit is well aware of the challenges to be met in days to come.



Shankar
Associate VP
Human Resources

Suprajit continues to be on the forefront of IT in the industry while keeping costs at a minimum. Applications are deployed from our head office to all locations, ensuring standardized business processes, quick transparent information access and productivity across all plants.

European customers now send 3 years of schedules every week and receive electronic invoices including bar codes, a direct integration that is a pioneering functionality (EDI) for an Oracle ERP instance in India. Through MRP, all units ensure accurate planning and efficient inventory.

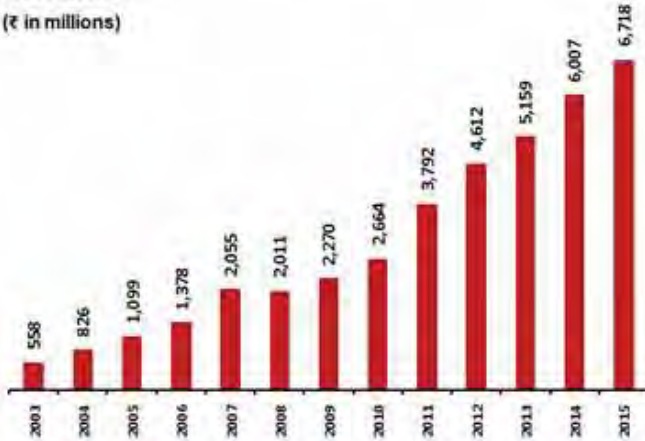
This year we will be moving non-critical open-source applications to a secure private cloud and implementing state of the art applications aimed at user productivity and knowledge sharing.



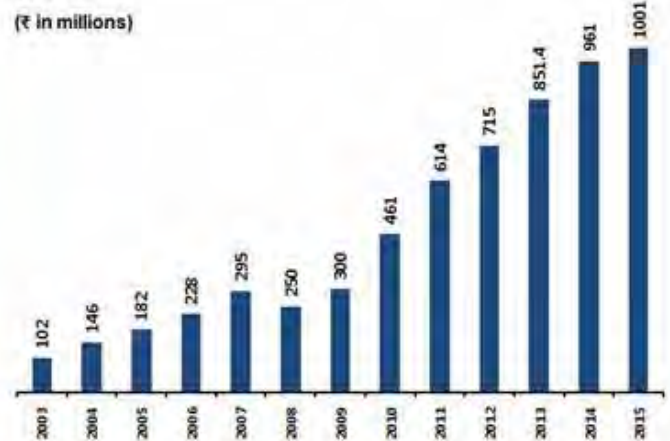
Akhilesh Rai
Head IT

KEY FINANCIAL INDICATORS - GROUP

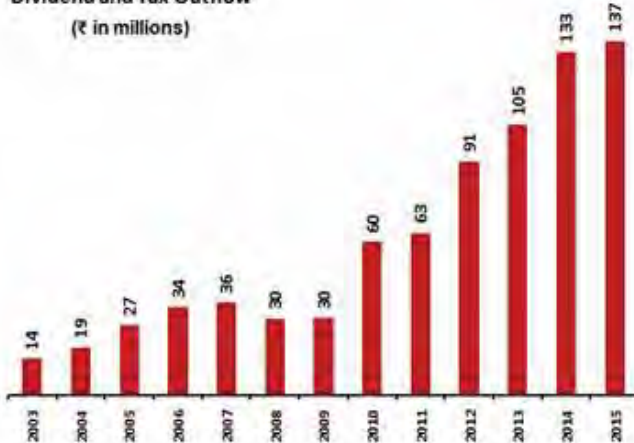
Gross Income
(₹ in millions)



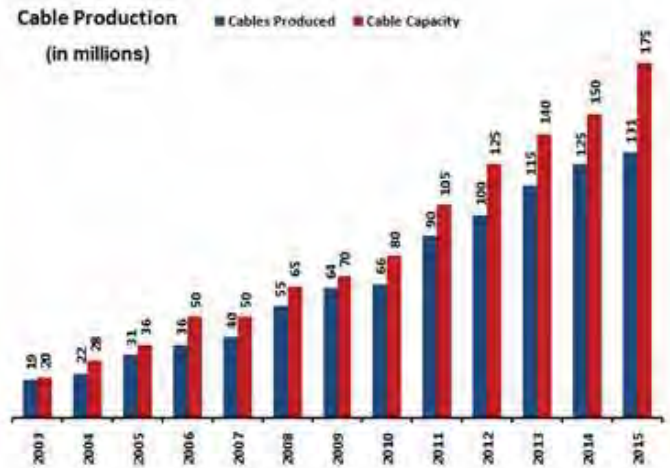
EBIDTA
(₹ in millions)



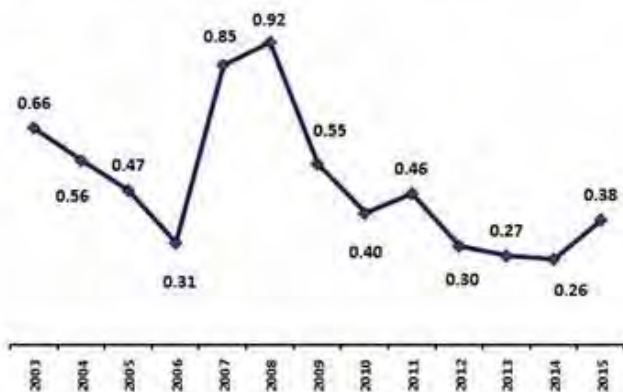
Dividend and Tax Outflow
(₹ in millions)



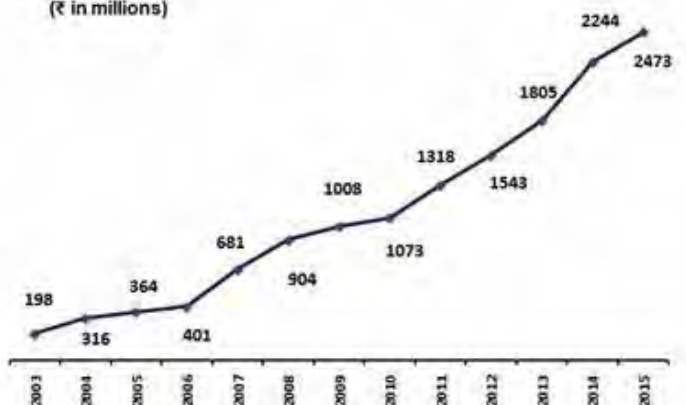
Cable Production
(in millions)



Long Term Debt Equity Ratio



Gross Fixed Assets
(₹ in millions)



contents

Notice _____	07
Board's Report _____	15
Independent Auditors' Report _____	45
Balance Sheet _____	48
Profit and Loss Statement _____	49
Cash Flow Statement _____	50
Notes forming part of Accounts _____	54
Statement in AOC - 1 _____	74
Independent Auditors' Report on Consolidated Financial Statements _____	76
Consolidated Balance Sheet _____	80
Consolidated Profit and Loss Statement _____	81
Consolidated Cash Flow Statement _____	82
Consolidated Notes forming part of Accounts _____	87

BOARD OF DIRECTORS

K Ajith Kumar Rai

Chairman & Managing Director - CEO

Dr. C Mohan

Executive Director

Diwakar S Shetty

Director

Ian Williamson

Director

B S Patil, IAS (Retd.)

Director

Suresh Shetty

Director

M Jayarama Shetty

Director

Dr. Supriya A Rai

Director

COMPANY SECRETARY & CFO

Medappa Gowda J

STATUTORY AUDITORS

Varma & Varma

Chartered Accountants

INTERNAL AUDITORS

K S Aiyar & Company

Chartered Accountants

SECRETARIAL AUDITOR

Parameshwar G Bhat

Company Secretary

STOCK EXCHANGES

The Stock Exchange Mumbai (BSE)

The National Stock Exchange (NSE)

REGISTRAR AND SHARE TRANSFER AGENT

Integrated Enterprises (India) Limited,

No. 30, Ramana Residency,

4th Cross, Sampige Road,

Malleswaram, Bangalore - 560 003.

Phone: 080-23460815-18,

Fax: 080-23460819,

E-mail : irg@integratedindia.in

BANKERS

State Bank of India

Citi Bank N.A.

HSBC

Syndicate Bank

ICICI Bank Limited

REGISTERED OFFICE

Plot No. 100, Bommasandra Indl. Area,

Bangalore – 560 099.

Phone : 080-43421100,

Fax : 080-27833279

E-mail : info@suprajit.com

investors@suprajit.com

PLANTS AT :

Bommasandra and Doddaballapur, Bangalore (Karnataka)

Chakan (Maharashtra)

Vapi and Sanand (Gujarat)

Manesar (Haryana)

Pathredi, Bhiwadi (Rajasthan)

Haridwar and Pantnagar (Uttarakhand)

Vallam - Vadagal, Chennai (Tamilnadu) Under Implementation

SUBSIDIARIES AT:

Suprajit Automotive Private Limited (100% EOU)

Doddaballapur Indl. Area, Bangalore.

Suprajit Europe Limited

Tamworth, United Kingdom.

NOTICE

Notice is hereby given that the Thirtieth Annual General Meeting of Suprajit Engineering Limited will be held at Plot No. 101, Bommasandra Industrial Area, Bangalore-560 099 at 11.00 a.m. on Saturday, the 19th September, 2015 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company including Audited Balance Sheet as at 31st March, 2015 and the Statement of Profit and Loss of the Company for the year ended as on that date together with the Auditors' Report thereon and Report of Board of Directors including Secretarial Audit Report.
2. To appoint Dr. Supriya A. Rai, Non Executive Director (DIN: 01756994) who retires by rotation and being eligible, offers herself for re-appointment.
3. To confirm the payment of Interim Dividend and to declare Final Dividend.
4. To consider and to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and The Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Messrs. Varma & Varma, Chartered Accountants, having ICAI Firm Registration No. 0045325, who have offered themselves for re-appointment and have confirmed their eligibility to be appointed as Auditors, in terms of provisions of Section 141 of the Act, and Rule 4 of the Rules, be and are hereby re-appointed as Statutory Auditors of the Company for the Company's financial years 2015-16 to 2016-17 and to hold office from the conclusion of this Annual General Meeting until the conclusion of the 32nd Annual General Meeting of the Company on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to service tax and re-imburement of out of pocket expenses incurred by them in connection with the audit of Accounts of the Company".

SPECIAL BUSINESS:

5. To consider and to pass the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof) the appointment of Messrs. G N V and Associates, Cost Accountants, Bangalore, as Cost Auditors of the Company for conducting the cost audit of the accounts for the financial year ending 31st March, 2016 on a remuneration of ` 85,000/- (Rupees Eighty Five Thousand only) plus applicable service tax and reimbursement of out of pocket, at actuals, be and is hereby ratified".

6. To consider and to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. B S Patil (DIN: 00061959), be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to February 2, 2020".

7. To consider and to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Ian Williamson (DIN: 01805348), be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to February 2, 2020".

8. To consider and to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Suresh Shetty (DIN: 00316830), be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to February 2, 2020".

9. To consider and to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 & 198 and other applicable provisions, if any, of the Companies Act, 2013 and provisions of The Articles of Association, the Company hereby approves the payment of commission to the Directors of the Company, Commission to be divided in such proportion as the Directors may think fit at a rate not exceeding 1% of the net profits of the Company (or such other limits as may be prescribed by the concerned authorities of the Government of India) to be computed in the manner laid down in Section 198 of the Companies Act, 2013 commencing from the financial year 1st April, 2014.

RESOLVED FURTHER THAT approval of the members be and is hereby accorded to the Board to make such variations in payment of Commission to Directors without any further reference to the Company in General Meeting subject however to the overall commission not exceeding 1% of the net profits of the Company from time to time".

By Order of the Board
For **Suprajit Engineering Limited**

Place : Bangalore
Date : 11th August, 2015

Medappa Gowda J
Company Secretary

NOTES

1. **A Member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself / herself and such proxy need not be a member of the Company. Proxies in order to be effective, must be received at the Registered Office of the Company at least 48 hours before the meeting.**
2. Explanatory Statement as per Section 102 of the Companies Act, 2013 which sets out details relating to Special Business at the meeting is attached hereto.
3. The Register of Members and the Share Transfer books of the Company will remain closed from 12th September, 2015 to 19th September, 2015 (both days inclusive).
4. An Interim Dividend of ` 0.45 (45%) as recommended at the Board Meeting held on 3rd February, 2015 was paid to those members, whose names appeared on the Company's Register of Members/ beneficial owners as per the records of the depositories as on 13th February, 2015. (Record Date).
5. Final Dividend of ` 0.50 (50%) per Equity Share as recommended by the Board, if approved at the Meeting, will be paid to those members whose names appear on the Register of Members of the Company/ beneficial owners as per the records of depositories as on 19th September, 2015.
6. All correspondences relating to Change of Address, Transfer and Demat of Shares may be addressed to Integrated Enterprises (India) Limited, No.30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore - 560 003, Phone : 080-23460815 to 818, Fax: 080-23460819, E-mail: irg@integratedindia.in.
7. Members are requested to quote the Folio Numbers or Demat Account Numbers and Depository Participant ID (DPID) in all correspondence to the Registrar and Share Transfer Agents of the Company.
8. Members holding shares in physical form are requested to consider converting their holding to dematerialized to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or Integrated Enterprises (India) Limited for assistance in this regard.
9. Members holding shares in physical form in identical orders of names in more than one folio are requested to send to the Company, or Integrated Enterprises (India) Limited, the details of such folio together with the shares certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
10. In case of joint holders attending the meeting, the Member whose name appears first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
11. Members seeking any information with regard to the Annual Accounts, are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.
12. Pursuant to SEBI notification no. MED/ DOP/ Circular/05/2009, dated May 20, 2009, it has become mandatory for the transferee(s) to furnish copy of PAN Card to the Company / RTA to enable/effect transfer of Shares in physical form.
13. The Equity Shares of the Company are available for trading in dematerialized form (electronic form) through depository participants. The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). ISIN Code No. INE399CO1030. All Shareholders holding Shares in physical form are requested to make use of this facility. Members are requested to open Demat account with any of the depository participants to enable transacting in the Stock Exchanges.
14. Members are requested to bring copy of the Annual Report along with them to the Annual General Meeting.
15. Pursuant to Sections 124 & 125 of the Companies Act, 2013 (Corresponding to Sections 205A, 205B & 205C of the Companies Act, 1956), the total dividend amount which remain unpaid/unclaimed for a period of seven years, is required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. After such transfer, no claim of the members whatsoever shall subsist on the said amount. The last date for claiming unclaimed dividend for the dividend declared for financial year 2007- 08 expires on 12th September, 2015. Therefore, shareholders are requested to claim dividend before the expiry of said period.

Further, the particulars of unpaid/unclaimed dividend etc. are being uploaded on the Company's website, www.suprajit.com in compliance of the Investor Education and Protection Fund (Uploading of Information Regarding Unpaid And Unclaimed Amounts Lying With Companies) Rules, 2012.
16. As regards re-appointment of Dr. Supriya A Rai, referred to, in item No.2 of the notice, the necessary disclosures are made for the information of the Shareholders:
17. **For the convenience of the Members, the Company will provide a coach service from Bangalore on the day of the Annual General Meeting; Members are requested to report at 10.30 A.M near Bangalore Stock Exchange, No.51, 1st cross, J.C. Road, Bangalore - 560 002.**

Contact persons:
 1. Mr. K S Ranganath, Cellphone No. 9945108318
 2. Mr. S L Satish, Cellphone No. 9342135877
18. The notice of the Annual General Meeting along with the Annual Report 2014-15 is being forwarded in electronic mode to those Members whose e-mail address are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail address, physical copies are being sent by the permitted mode.
19. To support the 'Green Initiative', the Members who have not registered their e-mail address are requested to register the same with Integrated Enterprises (India) Limited /Depositories.

20. Voting through electronic means :

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to the members to cast their votes electronically on all resolutions set forth in the Notice convening the Thirtieth Annual General Meeting to be held on Saturday the 19th September, 2015 at 11.00 a.m.

The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facility.

The voting period begins on Wednesday, 16th September, 2015 (9.00 a.m.) and ends on Friday 18th September, 2015 (upto 5.00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 11th September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

21. The instructions for E- voting are as under:

- (i) Log on to the e-voting website www.evotingindia.com.
- (ii) Click on "Shareholders" tab.
- (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat Shareholders as well as Physical Shareholders)</p> <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the sequence number in the PAN field.
	<ul style="list-style-type: none"> • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

For Members holding shares in Demat Form and Physical Form	
DOB	Enter the Date of Birth as recorded in your Demat Account or in the Company records for the said Demat Account or Folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your Demat Account or in the Company records for the said Demat Account or Folio.</p> <p>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the Depository or Company please enter member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</p>

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

(xvii) Note for Non – Individual Shareholders and Custodians

- Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the Scrutinizer to verify the same.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com

(xviii) Further, members may note the following:

- a. Remote e-voting shall not be allowed beyond the said date and time.

- b. The Company is providing facility to vote on a poll to the members present at the meeting.
- c. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- d. A person whose name is recorded in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting in the General Meeting.

22. The results of Annual General Meeting shall be declared within three (3) days from the conclusion of the Annual General Meeting. The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website (www.suprajit.com) and on the website of CDSL and shall be communicated to BSE and NSE Limited.

23. Mr. Parameshwar G. Bhat, Practising Company Secretary (Membership No. ACS-25167), Bangalore has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period of not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of atleast two witnesses not in the employment of the Company and make his report of the votes cast in favour or against and shall submit to the Chairman of the meeting.

By Order of the Board
For **Suprajit Engineering Limited**

Place : Bangalore
Date : 11th August, 2015

Medappa Gowda J
Company Secretary

Additional Information on Directors Seeking Re-Appointment at the Annual General Meeting, as per Clause 49 (Iv)(G) of the Corporate Governance Guidelines

Particulars	Dr. Supriya A Rai	Mr. B S Patil	Mr. Ian Williamson	Mr. Suresh Shetty
Date of Birth	03.11.1962	20.01.1944	27.03.1951	11.06.1949
Date of Appointment	30.05.2014	19.06.2006	23.06.2007	31.01.2011
Qualification	Master of Dental Surgery	IAS (Retd).	Degree in Electrical Science from Cambridge University	Commerce Graduate and qualified Chartered Accountant
Experience	More than 28 years	More than 35 Years	More than 35 years	More than 35 years
Other Directorships	<ul style="list-style-type: none"> • Suprajit Chemicals Private Limited 	<ul style="list-style-type: none"> • Shetron Limited • Anushka Business Consulting • International Power Corporation Limited • Prasanna Power Limited • Trinetra Energy Conversion Limited • B R S Precision Manufacturing Private Limited • Sadbhavana Energy Private Limited 	Nil	<ul style="list-style-type: none"> • Suprajit Automotive Private Limited • Emerging Securities Private Limited • Emerging Financial Services Limited • Sona Fuji Kiko Automotive Limited • Horizon Blue Ventures, LLP • Cutting Edge Realty, LLP
Other Committee Memberships in the Company.	Corporate Social Responsibility Committee	Nomination & Remuneration Committee	Corporate Social Responsibility Committee and Investment Committee	Audit Committee and Investment Committee
Number of shares held directly or indirectly	1,56,27,958	Nil	Nil	7,19,883

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

Item No. 5:

In terms of Section 148 of the Companies Act, 2013 ('Act') and the Rules made thereunder, the Company is required to maintain Cost Audit records and to have the same audited by a Cost Auditors. Further, Rule 14 of Companies (Audit and Auditors) Rules 2014, requires that the remuneration payable to the Cost Auditors shall be ratified by the shareholders.

Based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on 29th May, 2015, has appointed Messrs. G N V and Associates as Cost Auditor, for conducting the Cost Audit for the year 2015-16 on a remuneration of ` 85,000/- plus reimbursement of out of pocket expenses at actuals.

The Company has received a Certificate from the Cost Auditor confirming its independence and arm's length relationship with the Company and their willingness to act as Cost Auditor of the Company.

The Board recommends the proposed resolution for approval by the shareholders.

None of the Directors, Key Managerial Personnel of the Company, and relatives of any of the Directors or Key Managerial Personnel of the Company may be deemed to be concerned or interested in resolution set out at Item No. 5.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchanges.

Item No. 6:

Mr. B S Patil (DIN: 00061959): As regards appointment of Mr. B S Patil as an Independent Director referred to, in item No.6 of the notice, the following necessary disclosures are made for the information of the Shareholders:

Mr. B S Patil, aged 71 years, retired as Chief Secretary to Government of Karnataka in January, 2004. He belongs to 1966 batch of Indian Administrative Services (IAS). He held very important assignments during his service. He has wide ranging experience of heading State financial Institutions and various Government departments. His brilliant career helped to establish contacts with eminent people and institutions across the Country. Mr. B S Patil was appointed Chief Secretary to the

Government of Karnataka in the year 2002 and he retired in January, 2004.

He does not hold any equity shares in the Company.

Name of the Company/Firms	Nature of Interest
Shetron Limited	Director
Anushka Business Consulting	Managing Partner
International Power Corporation Limited	Chairman
Prasanna Power Limited	Chairman
Trinetra Energy Conversion Limited	Chairman

Private Limited Companies

B R S Precision Manufacturing Private Limited	Director
Sadbhavana Energy Private Limited	Director

Considering the knowledge and experience of Mr. B S Patil, the Board recommends the resolution for your approval.

Except Mr. B S Patil himself, none of the Directors, Key Managerial Personnel of the Company, and relatives of any of the Directors or Key Managerial Personnel of the Company may be deemed to be concerned or interested in resolution set out at Item No. 6.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchanges.

Item No. 7:

Mr. Ian Williamson (DIN: 01805348): As regards appointment of Mr. Ian Williamson as an Independent Director referred to, in item No.7 of the notice, the following necessary disclosures are made for the information of the Shareholders:

Mr. Ian Williamson, aged 64 years, recently retired as Chief Executive of Carclo Plc, a Public Company, listed on the London Stock Exchange. Carclo has global operations located in the UK, the USA, China, India and Eastern Europe and manufactures technical plastic components for medical, automotive and electronics markets worldwide. Mr. Ian Williamson has a first class degree in Electrical Science from Cambridge University. He has broad experience of managing engineering businesses in the UK, Europe, the USA, China and India and specialized in M & A activities.

He does not hold any equity Shares in the Company.

Name of the Company	Nature of Interest
Nil	Nil

Considering the knowledge and experience of Mr. Ian Williamson, the Board recommends the resolution for your approval.

Except Mr. Ian Williamson himself, none of the Directors, Key Managerial Personnel of the Company, and relatives of any of the Directors or Key Managerial Personnel of the Company may be deemed to be concerned or interested in resolution set out at Item No. 7.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchanges.

Item No. 8:

Mr. Suresh Shetty (DIN: 00316830): As regards appointment of Mr. Suresh Shetty as an Independent Director referred to, in item No. 8 of the notice, the following necessary disclosures are made for the information of the Shareholders:

Mr. Suresh Shetty, aged 66 years, is a Commerce Graduate and a qualified Chartered Accountant and underwent management education programme (M.E.P.) in IIM, Ahmedabad. He has vast industrial experience in leading automobile companies. He was the first Chief Financial Officer of Hero Honda Motors Limited. At present he is a financial and management consultant, rendering services, in investment banking, mergers and amalgamations and other corporate advisory services.

He holds 7,19,883 Equity Shares in the Company.

Name of the Company	Nature of Interest
Suprajit Automotive Private Limited	Director
Emerging Securities Private Limited	Whole time Director
Emerging Financial Services Limited	Managing Director
Sona Fuji Kiko Automotive Limited	Director
Horizon Blue Ventures, LLP	Designated Partner
Cutting Edge Realty, LLP	Designated Partner

Considering the knowledge and experience of Mr. Suresh Shetty, the Board recommends the resolution for your approval. Except Mr. Suresh Shetty himself, none of the Directors, Key Managerial Personnel of the Company, and relatives of any of the Directors or Key Managerial Personnel of the Company may

be deemed to be concerned or interested in resolution set out at Item No. 8.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchanges.

Item No. 9:

Your Company has been growing steadily year on year, earning good profits and distributing the surplus profit as dividend continuously. As the Shareholders are aware, the Management of the affairs of the Company vests in the Board of Directors who delegates the powers to Managing Director and the Board acts through various Committees of Directors also. With the more stringent statutes and rules, the responsibilities being shouldered by the Directors have only enhanced significantly in recent times.

The contribution of the non Whole-time Directors of Suprajit, all of whom are highly educated and experienced is large. Their involvement and the responsibilities shouldered by them are significant. Keeping in mind the role and responsibilities of these Directors and comparing the same with those of other respectable and comparable companies, the Shareholders had earlier approved the payment of commission. In view of the passage of time and as requirement of law, approval is once again sought from the Shareholders for this proposal it is therefore proposed that they be paid commission at the rate of not exceeding to 1% of the net profits of the Company from 1st April, 2014 and also to authorize the Board to apportion the commission yearly based on various criteria and make such variations in making payment of commission to Directors subject however to the overall commission not exceeding to 1% of the net profits of the Company from time to time .

The proposed resolution therefore seeks authority for such payment of commission to the Directors.

The Directors may be deemed to be concerned or interested in the Resolution to the extent of commission payable to them.

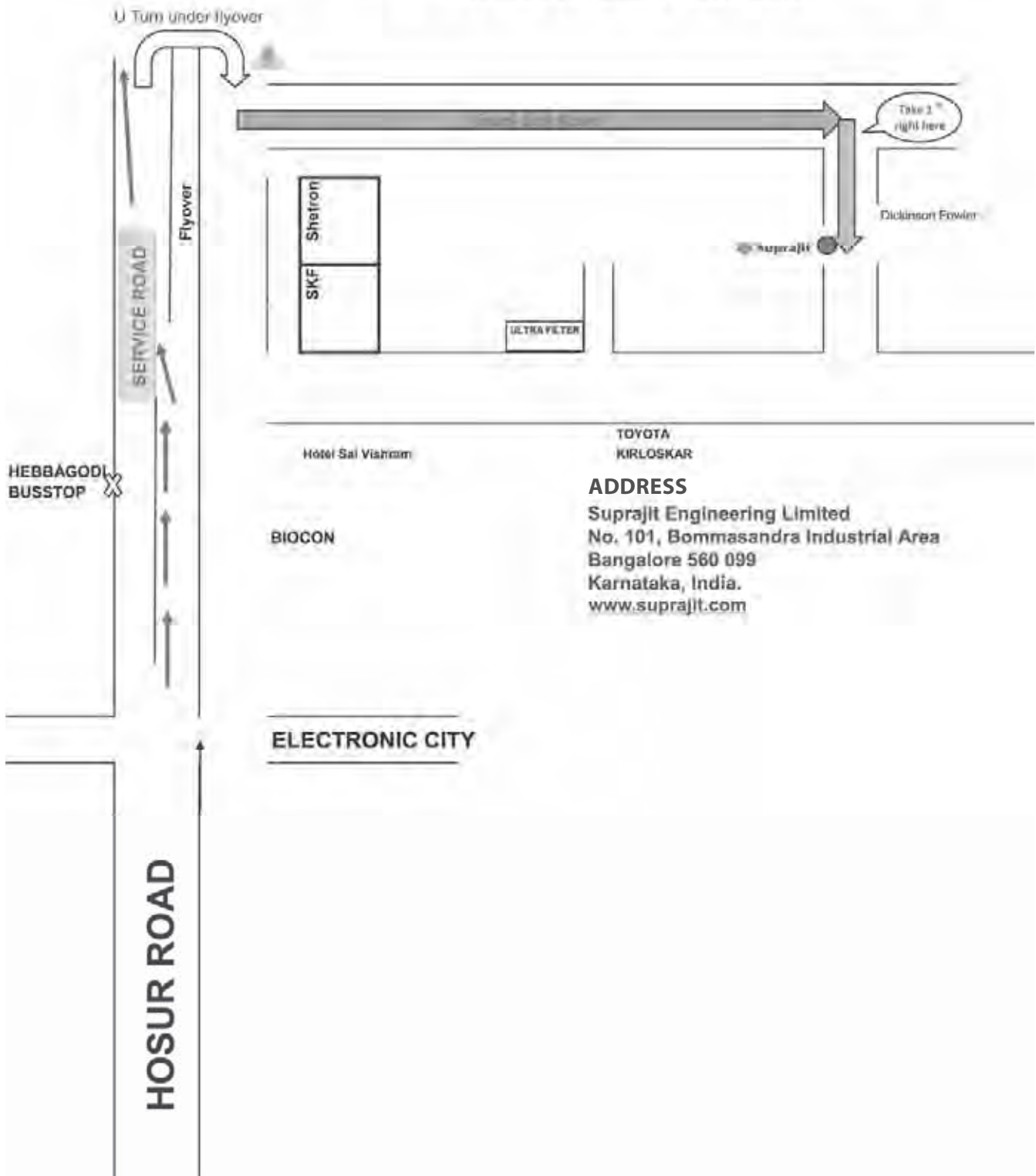
This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchanges.

By Order of the Board
For **Suprajit Engineering Limited**

Place : Bangalore
Date : 11th August, 2015

Medappa Gowda J
Company Secretary

ROUTE MAP OF VENUE AS PER SECRETARIAL STANDARDS
EFFECTIVE FROM 1ST JULY, 2015



BOARD'S REPORT

Your Directors have pleasure in presenting their Thirtieth Annual Report and the Audited Statement of Account for the Year ended 31st March, 2015 together with the Independent Auditors' Report.

FINANCIAL RESULTS:

₹ in Lacs

Particulars	2014-15	2013-14
Gross Income	58,063.53	53,605.81
Profit before tax	6,646.98	6,921.64
Less: Provision for taxation	2,185.60	2,156.10
Profit after tax before prior period adjustment	-	-
Current Tax relation to prior year	-	-
Profit after tax	4,461.38	4,765.54
Add: Surplus from last year	2,863.24	2,831.66
Profit available for appropriation after adjustments prior period taxes	7,324.61	7,597.20
APPROPRIATIONS:		
1 Interim Dividend 45% (last year interim 45%)	540.09	540.09
Tax on Interim Dividend	88.09	91.78
2 Proposed final Dividend 50 % (last year 50 %)	600.10	600.10
Provision for tax on Final Dividend	122.16	101.98
3 Transfer to General Reserve	2,800.00	3,400.00
Additional depreciation under Schedule II of Companies Act, 2013	26.58	-
4 Balance carried to Balance Sheet	3,147.58	2,863.25

DIVIDEND:

An Interim Dividend of ₹ 0.45/- per Share of ₹ 1/- each (45%) was declared and paid during the year under report. In view of the satisfactory financial performance of your Company, your Directors have pleasure in recommending a Final Dividend of ₹ 0.50 per Share of ₹ 1/- each (50%). The total outgo, considering the interim dividend including taxation, stands at ₹ 1350.44 Lacs as against ₹ 1333.96 Lacs during the last year.

RESERVES:

The Company proposes to transfer ₹ 2,800 Lacs to the General Reserve.

SHARE CAPITAL:

The Company has increased its Authorised Share Capital from ₹ 125,000,000 (Rupees Twelve Crores Fifty Lacs only) divided into 125,000,000 (Twelve Crores Fifty Lacs) Equity Shares of ₹ 1/- (Rupee One only) each to ₹ 150,000,000 (Rupees Fifteen Crores only) divided into 150,000,000 (Fifteen Crores) Equity Shares of ₹ 1/- (Rupee One only) each by passing resolution through Postal Ballot by the Members of the Company during the year under report.

During the year under review the Company has not issued shares with/without differential voting rights nor granted stock options nor sweat Equity Shares.

CHANGE IN NATURE OF BUSINESS:

There were no changes in the nature of business during the year under review as prescribed in Rule 8(ii) of the Companies (Accounts) Rules, 2014.

OPERATIONS –MANAGEMENT DISCUSSION AND ANALYSIS:

Indian automotive industry grew at 8.30 % as against 4.00 % of the previous year, showing continued sluggishness. After years of coalition governments, a government with absolute majority was formed at the centre. This has led to the belief that a stable and forward looking changes in the Indian economic landscape will be in place for the next 5 years.

Your Company recorded an income of ₹ 58,063 Lacs during the year 2014-15 as against ₹ 53,593 Lacs during the year 2013-14, recording a growth of 8.34%. The Profit after tax was ₹ 4,461 Lacs during the year 2014-15 as against the Profit after tax of ₹ 4,765 Lacs during the year 2013-14. The consolidated group income was ₹ 67,181 Lacs for the year 2014-15 against ₹ 60,073 Lacs for the year 2013-14, recording a growth of 11.83 %. The consolidated Profit after tax was ₹ 5,029 Lacs during the year 2014-15 as against ₹ 5,080 Lacs during the year 2013-14. You will note that, your Company's revenue growth is ahead of Industry growth, as in the past. However, due to inflationary pressures, restructuring costs, cross currency effects,

changes in the depreciation requirement etc., had certain impacts on the profitability of your Company, when compared to previous year. Your Company's overall performance has been satisfactory, despite difficult market conditions.

During the year, your Company has acquired, on a slump sale basis, the cable division of Pricol Limited. This has been now fully integrated with your Company's operations. Your Company's capacity expansion plan from 150 million to 225 million cables per year, is progressing smoothly and is expected to be complete by March 2016. The building construction at Pathredi was completed. Construction is in advanced stage for the plant in Vallam Vadagal area, Chennai. Groundbreaking for the new plant at Charal Industrial Estate, Sanand, Gujarat took place in January, 2015.

CURRENT YEAR:

The Indian GDP grew at 7.4% in 2014-15. The raging inflation was reined in, interest rates started coming down along with global oil and other commodity prices. There has been continued sluggishness in the Indian economy and the automotive industry is expected to grow only in single digit during the current year as well. If the new Government pushes through various transformational legislations including GST and land reforms, and if the monsoon is normal, it is hoped that during the second half of this year, a revival can be expected in the Indian automotive industry.

The downward trend noticed in the aftermarket during the second half of last year has continued in this year. Non-automotive export business is also facing certain sectoral pressures. Automotive business, both local and exports is expected to be steady. Your Directors believe that overall prospects for the year appears to be satisfactory.

ACQUISITION OF PHOENIX LAMPS LIMITED

Your Company has been assessing inorganic growth opportunities in line with its long term vision of de-risking single product, cables. Your Directors are pleased to inform that your Company has signed a Share Purchase Agreement to acquire 61.88% stake in Phoenix Lamps Limited. An Open Offer for the shareholders of Phoenix Lamps Limited to acquire an additional 26% was launched. All requisite formalities are in the process of being completed. Phoenix Lamps Limited will become a subsidiary of your Company. Phoenix Lamps Limited is the largest automotive halogen lamp manufacturer in India. Your Directors believe that the product range of Phoenix Lamps Limited will greatly complement the core product of cables.

CREDIT RATING

The Company's financial discipline and prudence is reflected in the strong credit ratings ascribed by rating agencies as given below:

Instrument	Rating Agency	Rating	Outlook
Long Term Debt	CRISIL	AA-	Stable
Long Term Debt	ICRA	AA-	Stable
Long Term Debt	Indian Ratings & Research	AA-	Stable
Short Term	CRISIL	A1+	Stable
Short Term	ICRA	A1+	Stable
Short Term	Indian Ratings & Research	A1+	Stable
Term Deposit	Indian Ratings & Research	tAA	Stable

WHOLLY OWNED SUBSIDIARIES:

The wholly owned subsidiaries Suprajit Automotive Private Limited and Suprajit Europe Limited, have performed well during the year gone by.

The consolidated sales of the subsidiaries were ` 9,587 Lacs against ` 6,702 Lacs previous year, an increase of 43%. The EBIDTA was ` 1,245 Lacs against ` 796 Lacs previous year an increase of 56%. The Profit before tax was ` 807 Lacs against ` 496 Lacs previous year an increase of 62%. The Subsidiaries are expected to perform satisfactorily this year.

A separate statement in form AOC-1, "Annexure-VI" containing the salient features of the financial statement of its subsidiaries has also been attached along with the financials of the Company. The Annual Accounts and related documents of the Subsidiary Companies shall be kept open for inspection at the Registered Office of the Company. The aforesaid documents will also be made available to the Members of the Company upon receipt of written request from them.

GROSS WORKING CAPITAL

Gross working capital represented by inventory, sundry debtors, loans and advances increased from ` 24,951 Lacs to ` 28,544 Lacs as at 31st March, 2015.

GROSS BLOCK

The gross block during the year increased from ` 18,409 Lacs to ` 20,577 Lacs. This was largely due to the ongoing projects and other sustaining capex.

CHANGE IN DEPRECIATION POLICY

With effect from April 1, 2014, the Company has revised the estimated useful lives of certain assets resulting in additional depreciation on opening WDV of fixed assets consequent to application of Schedule II of Companies Act, 2013. (Refer Note 6.4 of Notes forming part of Balance Sheet).

CAPITAL EXPENDITURE:

As on 31st March, 2015, the gross tangible and intangible assets stood at ` 20,577 Lacs and the net tangible and intangible assets, at ` 14,712 Lacs. Net additions during the year amounted to ` 2,167 Lacs, including industrial land under lease ` 907.19 Lacs.

DEPOSITS:

The approval of the shareholders was accorded to accept and renew Fixed Deposits pursuant to the provisions of Section 73 and 76 of the Companies Act, 2013 and accordingly the Company has accepted deposits pursuant to the provisions of the said Sections read with the Companies (Acceptance of Deposits) Rules, 2014 during the year.

MATERIAL CHANGES & COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY, BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT:

There are no material changes and commitments between the end of the Financial Year and the Date of the Report, which affect the financial position of the Company.

EXTRACT OF THE ANNUAL RETURN :

The extract of the annual return in Form MGT-9 is enclosed as a part of this report in compliance with Section 134 (3) of the Companies Act, 2013. **"Annexure -I"**

PARTICULARS OF LOANS, INVESTMENTS, GUARANTEES GIVEN OR SECURITY PROVIDED BY THE COMPANY:

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013.:

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All related party transactions, wherever applicable, are placed before the Audit Committee. The quarterly disclosures of transactions with related parties are made to the Audit Committee and also disclosed to the Stock exchanges under Clause 49 of the Listing Agreement. In compliance with Section 134 (3) of the Companies Act, 2013, particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 are enclosed, in the Form AOC-2, as part of this report. **"Annexure-II"**

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

The Meetings of the Board are held at regular intervals with a time gap of not more than 120 days between two consecutive

Meetings. Additional Meetings of the Board of Directors are held when necessary. During the year under review 4 (Four) Meetings were held on 30th May, 2014, 31st July, 2014, 30th October, 2014 and 3rd February, 2015.

The Agenda of the Meeting is circulated to the Directors in advance. Minutes of the Meetings of the Board of Directors are circulated amongst the Members of the Board for their perusal.

DIRECTORS' RESPONSIBILITY STATEMENT:

In pursuance of Section 134 (3) (c) of the Companies Act, 2013 the Board of Directors of the Company confirms and submits that:

- i. in the preparation of the annual accounts, the applicable Accounting Standards have been followed and there have been no material departure;
- ii. the selected accounting policies were applied consistently and the judgments and estimates made are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2015 and of the profits of the Company for the year ended on that date;
- iii. 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;
- iv. the annual accounts have been prepared on a 'going concern basis';
- v. adequate system of internal financial controls has been laid down, and the said system is operating effectively; and
- vi. proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and are operating effectively.

CORPORATE GOVERNANCE AND BUSINESS RESPONSIBILITY REPORT:

As a Listed Company, necessary measures are taken to comply with the Listing Agreements of the Stock Exchanges. A report on Corporate Governance, along with a certificate of compliance from the statutory auditors, forms part of this report. Further, Business Responsibility Report, describing the initiatives taken by your Company from an Environmental, Social and Governance perspective, also forms a part of this report. Various disclosures as required under Section 134 and 135 of the Companies Act, 2013 are annexed to this report or covered in the Corporate Governance Report, such as related party transactions; Information and details on conservation of energy, technology absorption, foreign exchange earnings and outgo, extract of annual return, constitution of various Board level Committees, CSR Policy and initiatives taken during the year, Board evaluation, remuneration of the Managerial Personnel, Secretarial Audit Report etc.

RISK MANAGEMENT POLICY:

The Company has Risk Management Policy in place. The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The development and implementation of risk management policy has been covered in the management discussion and analysis, which forms part of this report.

The Company has taken Directors and officers liability Insurance Policy.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

As you are aware, your Company has been active in CSR activities through Suprajit Foundation for the last 4 years. The recent change in the Companies Act mandates profitable companies to contribute 2% of the net profits on CSR. Your Company has paid `135.74 Lacs to Suprajit Foundation for various activities undertaken by them. The detailed activities of Suprajit Foundation have been provided elsewhere in this report. A provision as mandated has been made for `127.58 Lacs in the books of accounts of 2014-15, which will be paid to Suprajit Foundation in due course to further augment its CSR activities.

The details of the amounts to be spent during the current financial year and the manner in which it was spent are annexed herewith "Annexure -III".

CONSERVATION OF ENERGY:

Conservation of energy is one of the highest priority measures directly supervised by the senior management of the Company.

As and when new units are getting added in the Company, the Unit Managers and Unit HR-Heads see to that various measures like rain-water harvesting, STP, water usage control, planting of trees, discarding of old gen-sets and minimum usage of lighting power during day time are very well adopted from day one.

In addition, the following new initiatives have been undertaken during the year :-

- Automatic Water Level Controllers have been deployed along with the water pumps which are used for pumping water to the storage tanks.
- The Company has provided gen-sets with higher KVA rating as well as lower KVA rating in all the units so that gen-set power is selectable depending upon actual power requirement in case of power shutdown by which the units only generate the power what is required and not more thereby avoiding wastage.

- Electrical systems in all the new units have been provided with individual controls in place of bulk controls so that the user can exercise selection of, say, a particular fan, light or anything depending upon requirement at that particular point of time. Thus avoids indiscriminate and mindless bulk selection of electrical systems though the actual requirement could be met by selecting few.
- Shop floors having roofing sheets have been provided with thermal vents on top of the roofing sheets (circulating fans operating with wind) in order to reduce the heat effect in summer and also to reduce usage of electrically operated fans in the shop floor.
- Rain water harvesting has been modified to properly channelize the rain water into earth in a manner borewell gets adequate water for its re-generation.

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

- Research and Development (R&D):
 - The Company has taken the initiative to set up a centralised Tech Centre at Bangalore. This centre will have Engineers for R&D work, testing and validation of products as per customers' requirements. The centre will have product-, process- and material- specialists in order to offer latest technology products to the customers.
 - Development cells in every unit have been upgraded with more Engineers and latest equipments.
 - The Company's R&D has developed many specialized cables for Customers as per the end user requirements. This is being successfully deployed by the customer with significant cost savings.
 - The Company has developed many equipments specialised for cable making with significant energy savings and increased productivity.
- Expenditure on Research and Development:

Particulars	2014-15	2013-14
Salaries & Wages	133.41	124.42
Material, Consumables & Stores	22.05	22.26
Other Direct Expenditures	14.70	14.85
TOTAL	170.16	161.53

- Technology Absorption, Adaptation, Innovation and particulars of imported technology:
 - The Company has not imported any technology during the year.
 - The Company has developed innovative and path-breaking processes for certain Cable Manufacturing for which patents are pending.

- 3) The Company has successfully adapted a customer's design for a new types of cables and also other products.

GREEN INITIATIVES

The Company has initiated a sustainability initiative with the aim of going green and minimizing our impact on the environment. Like the previous years, this year too, the Company is publishing only the statutory disclosures in the print version of the Annual Report.

FOREIGN EXCHANGE EARNINGS AND OUTFLOW:

The Company earned ` 3424.99 Lacs in foreign exchange and expended ` 5495.63 Lacs in foreign exchange during the year under review.

INDUSTRIAL RELATIONS:

Industrial relations have been cordial and constructive, which have helped your Company to achieve production targets.

DIRECTORS:

In terms of the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Dr. Supriya A Rai, Director, retires by rotation at the forthcoming Annual General Meeting and is eligible for re-appointment.

All the 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.

Appointments of three Independent Directors for the next tenure up to February, 2020 are for your consideration and these are in line with the requirements of the revised laws.

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 performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees.

TRAINING OF INDEPENDENT DIRECTORS

Every new Independent Director of the Board attends an orientation program. To familiarize the new inductees with the strategy, operations and functions of the Company, the Executive Directors / Senior Managerial Personnel make presentations to the inductees about the Company's strategy, operations, product and service offerings, markets, organization structure, finance, human resources, technology, quality facilities and risk management.

RE-APPOINTMENTS

As per the provisions of the Companies Act 2013, Dr. Supriya A Rai, retires at the ensuing Annual General Meeting and being eligible, seeks re-appointment. The Board recommends her re-appointment.

The Companies Act, 2013, provides for the appointment of Independent Director, Sub-Section (10) of Section 149 of the Companies Act, 2013 provides that Independent Directors shall hold office for a term of up to five consecutive years on the board of a Company; and shall be eligible for re-appointment on passing a Special Resolution by the shareholders of the Company. Accordingly, all the Independent Directors were appointed by the shareholders either at the General Meeting according to Sub-section (13) states that the provisions of retirement the Act shall not apply to such Independent Directors.

REMUNERATION POLICY:

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

COMPOSITION OF AUDIT COMMITTEE:

Your Company has an Audit Committee comprising of Mr. Diwakar S Shetty as the Chairman of the Committee, Mr. M Jayarama Shetty and Mr. Suresh Shetty, as other Members of the Committee. The Composition of the Committee is in compliance with the provisions of Section 177 of the Companies Act, 2013.

VIGIL MECHANISM

Your Company has formulated the Whistle Blower Policy with a view to provide a mechanism for Employees and Directors of the Company to approach the Whistle Blower Compliance Officers/ the Audit Committee of the Company in compliance with Section 177(9) of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Details of the Whistle Blower Policy are explained in the Report on Corporate Governance and Whistle Blower policy of the Company is available on the website of the Company i.e. www.suprajit.com.

AUDITORS:

Statutory Auditors:

The Auditors, Messrs. Varma and Varma, FRN No. 004532S, Chartered Accountants, Bangalore, retire at the ensuing Annual General Meeting. The Company has received a certificate under Section 141 of the Companies Act, 2013 from them that their appointment would be within the limits specified therein. In terms of requirements of Companies

Act, 2013, it is proposed to appoint Auditors for a period of 2 years subject to the approval of Shareholders at every Annual General Meeting.

Your Directors recommend their appointment.

Cost Auditors:

Messrs. GNV Associates, Cost Accountants, had been appointed as the Cost Auditors of your Company for the financial year 2014-15. The previous year's report has been filed within due date.

Secretarial Auditor:

The Board has appointed Mr. Parameshwar G. Bhat, Practicing Company Secretary (Membership No. ACS-25167) as the Secretarial Auditor as per the Section 204 of the Companies Act, 2013 and the Secretarial Audit Report is furnished in a separate. **"Annexure-IV"**.

SUPRAJIT FOUNDATION

The Suprajit Foundation was established in 2011 as a not-for-profit trust to conduct social welfare activities. Over the years, the Foundation has initiated, guided and conducted several programs in education, healthcare, disaster relief and rural development.

Your Directors would like to thank the honorary trustees of the Foundation, who continue to devote their valuable time and energy in planning, directing and monitoring its activities.

HEALTH, SAFETY AND ENVIRONMENTAL PROTECTION (HSE):

The Company's efforts towards reinforcing a positive safety culture have resulted in reduction of total lost time due to Injuries this year. Similarly, the Lost Time Injury Frequency Rate reduced from a year ago.

During the year, no occupational illness case was reported. Due to continued efforts to conserve water and energy, specific water and energy consumption also reduced.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place a Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2014-2015:

No of complaints received	: NIL
No of complaints disposed off	: NIL

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars 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. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are forming part of this report as **"Annexure - V"**.

CAUTIONARY NOTE

Management Discussion and Analysis forming part of this Report is in compliance with Corporate Governance Standards incorporated in the listing agreement with Stock Exchanges and such statements may be "forwardlooking" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand / supply and price conditions in the domestic and overseas markets/currency fluctuations in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

ACKNOWLEDGEMENT

The Directors place on record their appreciation for valuable contribution made by employees at all levels, active support and encouragement received from various Governmental agencies, Company's Bankers, Customers, vendors, distributors, Business Associates and other Acquaintances.

Your Directors recognize the continued support extended by all the Shareholders and gratefully acknowledge with a firm belief that the support and trust will continue in the future.

For and on behalf of the Board

Place : Bangalore	K. Ajith Kumar Rai
Date : 29 th May, 2015	Chairman & Managing Director

ANNEXURE TO THE BOARD'S REPORT REPORT ON CORPORATE GOVERNANCE MANDATORY REQUIREMENTS

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's philosophy is sustained profitable growth and increase in stakeholders' value. This will be done through proper transparency and disclosures, adequate internal controls in its business practices and risk management, proper communication and good standards in safety, health, environment management, highest standards in accounting fidelity, product and service quality. The Company complies with the listing requirements of the Stock Exchanges, where its shares are listed and endeavors to meet necessary listing guidelines. The Company has complied with all the provisions of Companies Act, SEBI guidelines and also those of the Stock Exchanges guidelines and is committed to good Corporate Governance. The Board fully understands and takes responsibility for its commitments to stakeholders, employees, vendors, customers and the communities where it operates. The primary objective of Customer Satisfaction is relentlessly pursued. Following is a report on the status and progress on various aspects of Corporate Governance of the Company.

2. BOARD OF DIRECTORS :

a) THE BOARD OF DIRECTORS AND THE MEETINGS ATTENDED BY RESPECTIVE DIRECTORS ARE AS UNDER :-

NAME OF THE DIRECTOR	DIN	CATEGORY	BOARD MEETINGS ATTENDED	ATTENDED LAST AGM
Mr. K Ajith Kumar Rai	01160327	Chairman & Managing Director / CEO	4	Yes
Dr. C Mohan	05229359	Executive Director	4	Yes
Mr. M Jayarama Shetty	00303743	Director – Non Executive & Independent	4	Yes
Mr. B S Patil	00061959	Director – Non Executive & Independent	3	No
Dr. Supriya A Rai	01756994	Director – Non Executive & Non Independent	3	Yes
Mr. Diwakar S Shetty	00432755	Director – Non Executive & Independent	3	No
Mr. Ian Williamson	01805348	Director – Non Executive & Independent	3	No
Mr. Suresh Shetty	00316830	Director – Non Executive & Independent	4	Yes

Mr. K Ajith Kumar Rai and Dr. C Mohan are Whole time Directors i.e. Managing Director and Executive Director respectively; others are Non-Executive Directors.

(b) DETAILS OF BOARD MEETINGS HELD DURING THE YEAR:

The Meetings of the Board are held at regular intervals with a time gap of not more than 120 days between two consecutive Meetings.

The Board of Directors duly met 4 (Four) times during the year as below:

30th May, 2014,
31st July, 2014,
30th October, 2014 and
3rd February, 2015

None of the Non-executive Directors has any material pecuniary relationship or transactions with the Company.

3. OUTSIDE DIRECTORSHIPS / COMMITTEE POSITIONS AS ON 31ST MARCH, 2015:

Name of the Directors	In Listed Companies	Unlisted Public Limited Companies	As Chairman / Member of Board Committees
Mr. K Ajith Kumar Rai	Nil	Nil	Nil
Dr. C Mohan	Nil	Nil	Nil
Dr. Supriya A Rai	Nil	Nil	Nil
Mr. M Jayarama Shetty	Nil	Nil	Nil
Mr. B S Patil	1	3	3
Mr. Diwakar S Shetty	1	3	Nil
Mr. Ian Williamson	Nil	Nil	Nil
Mr. Suresh Shetty	Nil	Nil	Nil

NOTES:

1. Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 are excluded for the above purpose.
2. Only Audit Committee and Stakeholders' Relationship Committee are considered for the purpose of Committee positions as per Listing Agreement. None of the Directors is a member in more than 10 Committees, nor a Chairman in more than 5 Committees across all Companies in which he is a Director.

4. AUDIT COMMITTEE:

The Audit Committee comprises of Mr. Diwakar S Shetty, Mr. M Jayarama Shetty and Mr Suresh Shetty, all being Non-Executive Directors, Chairman & Managing Director, Executive Director, Executive Vice President, Head of Finance, Internal Auditor and Statutory Auditors are invitees to the Meeting. Company Secretary acts as the Secretary of the Committee.

The Company has complied with the requirements of Clause 49(II) (A) of the Listing Agreement relating to the composition of the Audit Committee.

The Chairman of the Audit Committee, Mr. Diwakar S Shetty, was not present at the Annual General Meeting held on 31st July, 2014.

The Audit Committee met on 29th May, 2015 to review the Annual Accounts for the year ended 31st March, 2015 before finalization and recommended for acceptance of the Annual Accounts by the Board of Directors of the Company.

The terms of reference of the Audit Committee as per guidelines set out under Clause 49(III) of the Listing Agreement with the Stock Exchanges read with Section 177 of the Companies Act, 2013, are explained below:

1. The Audit Committee shall have minimum three Directors as members. Two-thirds of the members of Audit Committee shall be Independent Directors.
2. All members of Audit Committee shall be financially literate and at least one member shall have accounting or related financial management expertise.
3. Chairman of the Audit Committee shall be an Independent Director.
4. The Chairman of the Audit Committee shall be present at Annual General Meeting to answer shareholder queries.
5. The Audit Committee may invite such Executives of the Company as it considers appropriate to be present at the meetings of the Committee. The Statutory and the Internal Auditors will be invitees for the meetings of the Audit Committee.

6. The Company Secretary shall act as Secretary of the Audit Committee.
7. The Audit Committee shall meet at least four times in a year and not more than four months shall elapse between two meetings. The quorum shall be either two members or one-third of the members of the Audit Committee, whichever is higher but there shall be a minimum of two Independent Directors present.

5. NOMINATION AND REMUNERATION COMMITTEE (NRC)

In compliance with Section 178 of the Companies Act, 2013 and Clause 49 (IV) of the Listing Agreement the Board has constituted Nomination and Remuneration Committee.

The terms of reference of the Committee inter alia, the following:

- (a) **Chairman:** Chairman of the Committee shall be an Independent Director as may be elected by the members of the Committee.
- (b) **Quorum:** Quorum for meeting of the Committee shall be a minimum of two members provided one of them shall always be an Independent Director.
- (c) **Frequency of meetings:** The Committee may meet at such times as may be deemed necessary.
- (d) **Role:** The Role of the Committee shall include *inter-alia* the following:
 - Formulation of criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
 - Formulation of criteria for evaluation of Independent Directors and the Board including carrying out evaluation of every director's performance;
 - Devising a policy on Board diversity;
 - Identifying 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.
 - Such other matters as may be prescribed under the Companies Act, 2013, listing agreement and by the Board of Directors of the Company from time to time.
- (e) **Invitees:** The Committee may invite such executives of the Company and such other persons as it may consider appropriate.
- (f) **Secretary to the Committee:** The Company Secretary shall be the Secretary of the Committee who shall flag actions and serve as executive support to the Committee.

This Committee has three Non-Executive Directors:

Mr. B S Patil	-	Chairman
Mr. Diwakar S Shetty	-	Member
Mr. M Jayarama Shetty	-	Member

Remuneration paid / payable to Directors during 2014-15

(in `)

Sl. No	Name of the Director	Sitting Fees	Salary & PF	Commission	Total
1	Mr. K Ajith Kumar Rai	-	14,040,001	121,09,409	26,149,410
2	Dr. C Mohan	-	80,82,450	-	80,82,450
3	Mr. M Jayarama Shetty	1,00,000	-	3,00,000	4,00,000
4	Mr. B S Patil	50,000	-	3,00,000	3,50,000
5	Dr. Supriya A Rai	Waived	-	Waived	Waived
6	Mr. Diwakar S Shetty	80,000	-	3,00,000	3,80,000
7	Mr. Suresh Shetty	80,000	-	3,00,000	3,80,000
8	Mr. Ian Williamson	Waived	-	Waived	Waived
Total		3,10,000	22,122,451	1,33,09,409	35,741,860

The remuneration paid/payable to Chairman and Managing Director was approved by the Shareholders at the Twenty Ninth Annual General Meeting held on 31st July, 2014 based on the recommendation of the Remuneration Committee and with the approval of the Board. This is reviewed by the Remuneration Committee and the Board. The remuneration consists of fixed salary and commission taking into accounts the economic results and individual performance. The fresh appointment of, and remuneration payable to, Chairman and Managing Director as approved by the Board based on the recommendation of the Remuneration Committee will be subject to the approval of the Shareholders at the ensuing Annual General Meeting.

The Remuneration paid / payable to Dr. C Mohan was approved by the Remuneration Committee and subsequently by the Board at their meeting held on 3rd February 2015 and also was approved by the Shareholders on 23rd March 2015, through Postal Ballot vide notice dated 13th February, 2015.

The information on remuneration paid to Chairman and Managing Director and Executive Director are disclosed in the notes to the accounts.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

As required under Section 135 of the Companies Act, 2013, the Board constituted a Corporate Social Responsibility Committee. The Corporate Social Responsibility (CSR) Committee comprises of Mr. K Ajith Kumar Rai (Chairman) Mr. Ian Williamson and Dr. Supriya A Rai as its

members. The terms of reference of the Committee are in line with provisions of Section 135 of the Companies Act, 2013.

The terms of Reference of the Committee are as under:

- Composition:** The CSR Committee shall have at least one Independent Director. The Committee may invite such other Expert in the relevant field and also such other Executives as may be required to carry out the functions of the Committee.
- Quorum:** Quorum of the CSR Committee shall be minimum of two members provided one of them shall always be an Independent Director.
- Frequency of meetings:** The CSR Committee may meet at such times may deemed necessary.
- Role:** The Role of the CSR Committee shall include inter-alia the following:
 - Formulate and recommend to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company from time to time;
 - Recommend the amount of expenditure to be incurred on the activities undertaken as specified in Schedule VII of the Companies Act, 2013;
 - Monitor the Corporate Social Responsibility Policy of the Company from time to time;
 - Perform such functions as may be statutorily required by the CSR Committee;
 - Other matters as may be assigned by the Board from time to time.

INDEPENDENT DIRECTORS MEETING & PERFORMANCE EVALUATION

During the year under review, the Independent Directors met on 3rd February, 2015, inter alia, and transacted the following business:

- Evaluation of the performance of the Non-Independent Directors and the Board in general
- Evaluation of the performance of the Chairman of the Company taking into account the views of the Executive and Non- Executive Directors.
- Evaluation of the process of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors viz., Mr. Diwakar S Shetty, Mr. M Jayarama Shetty, Mr. Suresh Shetty, Mr. B S Patil and Mr. Ian Williamson were present at the Meeting.

7. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Company has Stakeholders' Relationship Committee, comprising of Mr. M Jayarama Shetty, Mr. Diwakar S Shetty, Mr. K Ajith Kumar Rai and Mr. Medappa Gowda J, Secretary. This Committee monitors and addresses investors complaints, transfer of shares, transmission etc. Based on the information provided by the Company's Registrars and Share Transfer Agents, no queries / complaints were received from the shareholders during the period except change of address and non-receipt of dividend warrants. All of them have been addressed to the satisfaction of the

Shareholders. As of 31st March, 2015, no transfer of shares was pending.

8. SHARES HELD BY NON-EXECUTIVE DIRECTORS:

The Non-Executive Directors as on 31st March, 2015, who held shares in Suprajit Engineering Limited, are as under:-

Name of Director	Number of Shares held as on 31 st March, 2015
Mr. M Jayarama Shetty	399,800
Mr. Suresh Shetty	719,883
Mr. Diwakar S Shetty	10,000

9. GENERAL MEETINGS:

The last three Annual General Meetings were held at the Factory Office at Bommasandra as detailed below:

Annual General Meetings:

YEAR	DATE	DAY	TIME	MEETING
2012	31 st July	Tuesday	12.30 p.m	Twenty Seventh Annual General Meeting
2013	31 st July	Wednesday	12.00 noon.	Twenty Eighth Annual General Meeting
2014	31 st July	Thursday	12.00 noon.	Twenty Ninth Annual General Meeting

Postal Ballot

During the year, the Company passed the following resolutions through postal ballot :

Resolutions	Votes cast in favor		Votes cast against		Date of declaration of results
	No. of votes	%	No. of votes	%	
Acceptance of Deposits	69,270,881	98.97	722,175	1.03	March 23, 2015
Increase in Borrowing Powers	69,991,155	99.99	1,301	0.002	March 23, 2015
Loans and Investments.	69,268,182	98.97	724,774	1.04	March 23, 2015
Increase in Authorized Share Capital of the Company and Alteration of Memorandum of Association	69,991,280	99.99	1,676	0.002	March 23, 2015
Further issue of Share Capital Under Section 62 by way of QIP / Preferential Issue / Share SWAP	69,990,780	99.99	2,176	0.003	March 23, 2015
Amendments to Articles of Association of the Company	70,008,280	99.99	676	0.001	March 23, 2015
Appointment of Executive Director	69,991,633	99.99	1,323	0.002	March 23, 2015

The Company has successfully completed the process of obtaining approval of its Shareholders for resolutions on the items detailed above vide Postal Ballot.

Mr. Parameshwar G Bhat, a Practicing Company Secretary, Bangalore, was appointed as the Scrutinizer for carrying out the postal ballot voting process in a fair and transparent manner.

10. DISCLOSURES REGARDING SUSPENSE ACCOUNT PURSUANT TO SEBI CIRCULAR NO. SEBI/CFD/DIL/LA/1/2009/24/04, DATED APRIL 24, 2009:

As per the above mentioned Circular, Clause 5A stands for shares issued pursuant to the public issues or any other issue which remain unclaimed and are lying in the

escrow account and any unclaimed benefits like Dividend, Bonus shares etc., which are to be credited to the Demat Suspense Account. The information as required under the above Circular is given in annexure and forms part of this report.

11. COMPLIANCE OFFICER:

Name and Designation of the Compliance Officer:

Mr. Medappa Gowda J - Company Secretary & Vice President – Finance/CFO

He can be contacted for any investor related matters relating to the Company.

His Telephone No. 080-43421138, Fax: 080 - 27833279, E-mail: mgj@suprajit.com

12. DISCLOSURES:

Related party transactions:

Details of material transactions with related parties are disclosed along with the compliance report on corporate governance.

The Company has continued to comply with the requirements of the Stock Exchanges, SEBI and other Statutory Authorities on all matters related to capital markets during the last three years. No penalties have been imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authorities relating to the above.

Accounting Treatment:

The financial statement of the Company is prepared as per the prescribed Accounting Standards and reflects to true and fair view of the business transactions in the Corporate Governance.

CEO and CFO Certification:

The Chairman and Managing Director and Company Secretary and Vice President–Finance/CFO of the Company have certified to the Board of Directors, inter alia, the accuracy of financial statements and adequacy of Internal Controls for the financial reporting purpose as required under clause 49(IX) of the Listing Agreement, for the period ended 31st March, 2015.

Code of Conduct:

The Company has adopted a Code of Conduct which has been implemented. The Code of Conduct is made applicable to the Directors and Senior Management Team.

Whistle Blower Policy

The Board of Directors has laid down Whistle Blower Policy for Directors and employees of the Company, to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. Further, the Company affirms that no employees have been denied access to Audit Committee on any issue related thereto. The copy of Whistle Blower policy has been uploaded on the website of the Company i.e. www.suprajit.com.

13. MEANS OF COMMUNICATION:

The quarterly and annual financial results of the Company are generally published in leading newspapers. These results are sent to the Stock Exchanges immediately after the Board takes them on record, first by fax/scanned copy through e-mail, then followed by courier. Half yearly results were sent to each shareholder along with a review of the business. The website of the Company, www.suprajit.com gives information on the Company including Financial Results.

14. MANDATORY / NON-MANDATORY REQUIREMENTS:

The Company has complied with the requirements relating to Corporate Governance as mandated by the Listing Agreement with the Stock Exchanges.

In addition, the Company has complied with the following non-mandatory requirements.

15. CERTIFICATE ON CORPORATE GOVERNANCE:

The Company has obtained the Certificate from a Practicing Company Secretary regarding compliance with the provisions relating to Corporate Governance set down in clause 49 of the Listing Agreement with the Stock Exchanges.

16. GENERAL SHAREHOLDER INFORMATION:

a. Thirtieth Annual General Meeting :

Date	Time	Venue
19 th September, 2015	11.00 am	Factory Office at Plot No. 101, Bommasandra Industrial Area, Bangalore – 560 099.

b. Financial Calendar:

Financial Year	-	April to March
First Quarter Results	-	In July/August
Half Yearly Results	-	In October /November
Third Quarter Results	-	In January /February
Results for the year ended 31 st March	-	By May, 2015
Book Closure Date	-	12 th September, 2015 to 19 th September, 2015 (Both days inclusive)
Proposed Final Dividend	-	50%

Dividend Payment date(s)	-	September/October 2015
Scrip Code	-	BSE-532509/NSE-SUPRAJIT
Stock Exchange	-	The Stock Exchange, Mumbai National Stock Exchange of India Limited

International Securities Identification Number (ISIN) for National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL): **INE-399C01030**.

c. Share Transfer System:

All the transfers received are processed and approved by the Stakeholders' Relationship Committee at its meeting or by circular resolutions.

The Company's Registrars and Share Transfer Agents, Integrated Enterprises (India) Limited, has adequate infrastructure to process the share transfers. The Committee meets to approve the transfers etc., as may be required by the Registrars and Share Transfer Agents in compliance with Listing Guidelines. Periodically, a Practicing Company Secretary audits

the System and a certificate to that effect is issued and the same is filed with the Stock Exchanges. Additionally, reconciliation on share capital audits and Dematerialization related scrutiny are conducted quarterly by a Practicing Company Secretary.

d. Dematerialization of Shares and Liquidity:

Equity Shares of the total Equity Capital are held in dematerialized form with NSDL and CDSL.

e. Plant Locations:

The Company has Plants located at:

Bangalore - Karnataka	-	5 Plants
Bangalore - Karnataka	-	1 Plant
100% E.O.U		
Manesar - Haryana	-	1 Plant
Chakan - Maharashtra	-	2 Plants
Vapi - Gujarat	-	1 Plant
Pantnagar - Uttarakhand	-	1 Plant
Haridwar - Uttarakhand	-	1 Plant
Sanand - Gujarat	-	1 Plant
Pathredi - Rajasthan	-	1 Plant
Chennai - Tamil Nadu	-	1 Plant
(under implementation)		

f. Registered Office / Address for correspondence:

Suprajit Engineering Limited
No. 100, Bommasandra Indl. Area,
Bangalore - 560 099.
Tel: 080-43421100, Fax: 080-27833279
E-mail: investors@suprajit.com / info@suprajit.com

g. Shareholding Pattern as on 31st March, 2015:

Category	Number of Shares held	Percentage of Shareholding
Promoters	62,213,157	51.84
Institutional investor		
Mutual Funds/ UTI	2,429,514	2.02
Financial Institutions/ Banks	14,649	0.01
Foreign Institutional Investors	5,673,010	4.73
Non-institutions		
Bodies Corporate	15,024,625	12.52
Individuals -		
i. Individual shareholders holding nominal share capital up to ` 1 lakh.	13,682,721	11.40
ii. Individual shareholders holding nominal share capital in excess of ` 1 lakh.	17,686,321	14.74
Any Other (specify)		
NRI	3,074,147	2.56
Clearing Member	141,941	0.12
Trust	79,915	0.07
GRAND TOTAL (A)+(B)+(C)	120,020,000	100.00

Shareholders holding Shares in electronic mode should address all their correspondence to their respective Depository Participant (DP).

h. Distribution of shareholding according to size class as on 31st March, 2015:

Description	Holders	% of Holders	Holding	% of Holdings
1 - 500	7,236	72.58	1,109,750	0.92
501 - 1000	999	10.02	850,381	0.71
1001 - 2000	492	4.93	791,213	0.66
2001 - 3000	228	2.29	589,329	0.49
3001 - 4000	148	1.48	541,290	0.45
4001 - 5000	115	1.15	554,728	0.46
5001 - 10000	349	3.50	2,799,859	2.33
10001 & ABOVE	403	4.04	112,783,450	93.97
Total	9,970	100.00	120,020,000	100.00

i. Shares held in Physical and Electronic mode as on 31st March, 2015:

Categories	Position as on 31 st March, 2015	
	No. of Shares	% to total shareholding
Physical	69,24,660	5.77
Demat NSDL	10,85,51,753	90.44
Demat CDSL	45,43,587	3.79
Total	12,00,20,000	100.00

j. Listing of Shares:

The Company's shares are listed at:

The Stock Exchange Mumbai (BSE)

Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai 400 001.

National Stock Exchange of India Ltd (NSE)

Exchange Plaza,
Bandra Kurla Complex
Bandra (East),
Mumbai 400 051.

k. Registrar and Share Transfer Agent:

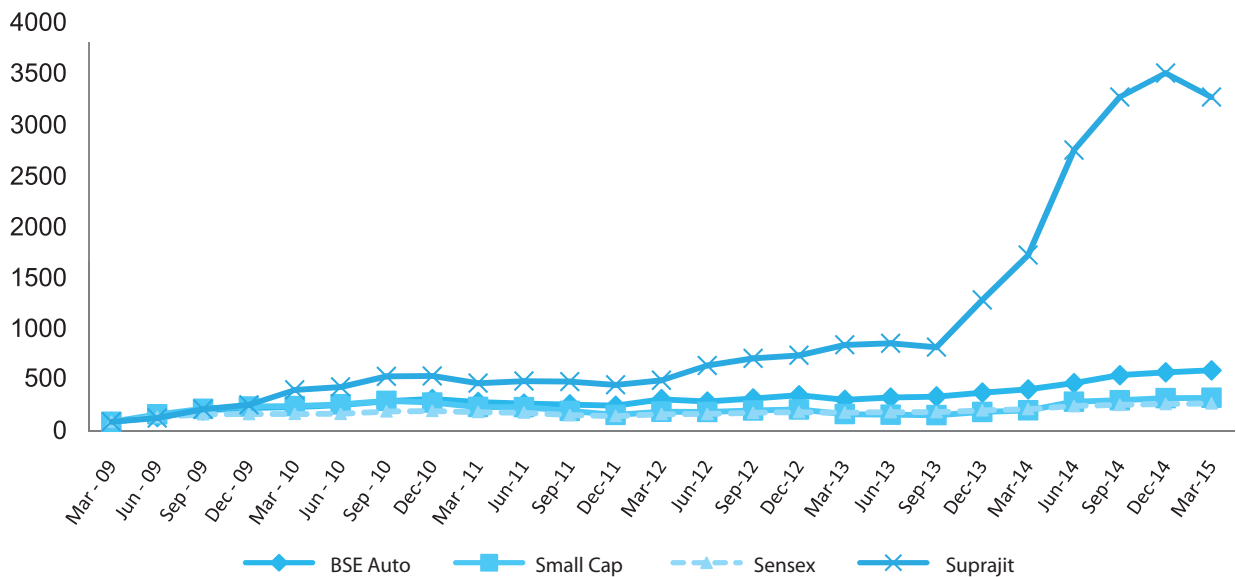
Integrated Enterprises (India) Limited
No. 30, Ramana Residency
4th Cross, Sampige Road
Malleswaram,
Bangalore - 560 003.
Tel: 080-23460815
Fax: 080-23460819
E-mail: alfint@vsnl.com

I. SHARE PRICE MOVEMENTS MARCH 2009 – MARCH 2015

Period	BSE - Auto Index		SMALL CAP		BSE – SENSEX		Suprajit Share Price*	
	Closing	Indexed	Closing	Indexed	Closing	Indexed	Closing	Indexed
Mar - 09	3,061.67	100.00	3,246.63	100.00	9,708.50	100.00	3.75	100.00
Jun - 09	4,558.43	148.89	5,740.04	176.80	14,493.84	149.29	5.20	138.67
Sep - 09	6,664.25	217.67	7,590.04	233.78	17,126.84	176.41	8.60	229.33
Dec - 09	7,435.83	242.87	8,357.62	257.42	17,464.81	179.89	10.30	274.67
Mar - 10	7,671.24	250.56	8,497.43	261.73	17,527.77	180.54	16.05	428.00
Jun - 10	8,323.30	271.85	9,071.20	279.40	17,700.90	182.32	17.20	458.67
Sep - 10	9,527.64	311.19	10,245.71	315.58	20,069.12	206.72	21.25	566.67
Dec-10	10,235.41	334.31	9,670.31	297.86	20,509.09	211.25	21.40	570.67
Mar - 11	9,290.75	303.45	8,175.89	251.83	19,445.22	200.29	18.65	497.33
Jun-11	8,798.48	287.38	8,156.60	251.23	18,845.87	194.12	19.45	518.67
Sep-11	8,498.42	277.57	6,881.08	211.95	16,453.76	169.48	19.25	513.33
Dec-11	8,143.65	265.99	5,550.14	170.95	15,454.92	159.19	18.00	480.00
Mar-12	10,134.88	331.02	6,629.38	204.19	17,404.20	179.27	19.75	526.67
Jun-12	9,457.91	308.91	6,543.75	201.56	17,429.98	179.53	25.45	678.67
Sep-12	10,413.19	340.11	7,017.89	216.16	18762.74	193.26	28.20	752.00
Dec-12	11,426.21	373.20	7,379.94	227.31	19426.71	200.10	29.35	782.67
Mar-13	9,994.23	326.43	5,804.65	178.79	18,835.77	194.01	33.40	890.67
Jun-13	10,715.77	350.00	5,643.52	173.83	19,395.81	199.78	34.00	906.67
Sep-13	10,996.59	359.17	5,466.24	168.37	19,379.77	199.62	32.50	866.67
Dec-13	12,258.83	400.40	6,551.13	201.78	21,170.68	218.06	50.70	1,352.00
Mar-14	13,280.27	433.76	7,071.96	217.82	22,386.27	230.58	67.95	1,812.00
Jun-14	15,249.29	498.07	9,956.41	306.67	25,413.78	261.77	108.40	2,890.67
Sep-14	17,746.90	579.65	10,462.71	322.26	26,630.51	274.30	128.85	3,436.00
Dec-14	18,630.84	608.52	11,156.40	343.63	27,499.42	283.25	138.05	3,681.33
Mar-15	19,258.66	629.02	11,259.73	346.81	27,957.49	287.97	128.80	3,434.67

* Price indexed for :

- Sub division of the original Equity Shares of ` 10/- each into two Equity Shares of ` 5/- each and 1:1 bonus issued during March 2004.
- Sub division of the Equity Shares of ` 5/- each into Five Equity Shares of ` 1/- each and 1:1 bonus issued during March 2010.



m. Nomination Facility:

The Companies (Amendment) Act, 1999 introduced through Section 109A, the facility of nomination to shareholders. The facility is mainly useful for all holders holding the Shares in single name. Investors are advised to avail of this facility, especially investors holding securities in single name, to avoid the lengthy process of transmission formalities.

The nomination form may be had on request from the Company / Registrars & Share Transfer Agents.

However, if the Shares are held in dematerialized form, the nomination has to be conveyed by the Shareholders to their respective Depository Participant (DP) directly, as per the format prescribed by them.

n. Shareholders' Rights:

The quarterly and Annual Financial Results, after they are taken on record by the Board of Directors, are forthwith sent to the Stock Exchanges with whom the Company has listing arrangements. The results, in prescribed proforma, are published in leading Newspapers.

Reporting of Internal Auditors:

The Internal Auditors report to the Audit Committee.

17. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**a. Business Overview**

Indian economy continues to struggle. The automotive industry has grown at 8% in the year gone by. The growth in the current year appears to be even slower. The global economic growth continues to be muted. The crisis in euro zone, instability in the Middle East and the currency fluctuations, particularly Euro, are matters of concern.

Suprajit continues to be a 'value for money supplier' to all its customers. It's focused customer attention and impeccable service has made Suprajit the preferred vendor for cables in the Indian automotive sector. Company has been successful in emulating this in the global markets as well.

The silver lining has been a stable government in the centre with absolute majority and thereby, the hope of the nation for a reform lead government for the country. Commodity prices and inflation have come down. Interest rates have come down to certain extent and the hopes are that it will come down even more in the year ahead. These are all positive signals for the Company's growth.

Currency fluctuations, product recalls, employee unrest continue to be the major threats faced by the industry in general. Suprajit's focus is on quality, cost, delivery and development to its customers. Customers continued loyalty due to the services rendered by Suprajit, makes Suprajit the preferred partner for cables to all its customers. This will lead to satisfactory business performance of the Company.

b. Human Resource Development:

Employee turnover remained low during the year, although getting right people for the right jobs continues to be a challenge faced by the industry in general. Getting skilled manpower at various levels in the operations continues to be a challenge. Company has satisfactory recruitment system in place to address the every challenging requirement of the Company.

For and on behalf of the Board

Place : Bangalore

Date : 29th May, 2015

K. Ajith Kumar Rai

Chairman & Managing Director

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on March 31, 2015
(Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]
I. REGISTRATION AND OTHER DETAILS

i)	CIN	L29199KA1985PLC006934
ii)	Registration Date	24.05.1985
iii)	Name of the Company	Suprajit Engineering Limited
iv)	Category/Sub-Category of the Company	Public Ltd. Company
v)	Address of the Registered office and contact details	No. 100, Bommasandra Industrial Area, Bangalore-560099
vi)	Whether listed company	Yes
vi)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Integrated Enterprises (India) Ltd 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore – 560 003. Phone – 080-23460815

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY Manufacturing of Automotive Cables, Speedometers and Components.

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

Sl. No.	Name and Description of main products/services	NIC Code of the Product/ Service	% to total turnover of the company
1	Automotive Cables	3758	94.43
2	Speedometers	3758	4.27
3	Automotive Components/Parts	3758	1.29

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

Sl. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary Associate	% of Shares Held	Applicable Section
1	Suprajit Automotive Private Limited	U29299KA2004PTC035283	Subsidiary	100%	2(46)
2	Suprajit Europe Limited	NA	Subsidiary	100%	2(46)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
(i) Category –wise Share Holding

Category of Share holders	No. of Shares held at the beginning of the year [As on 01-April-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	62,213,157	-	62,213,157	51.84	62,213,157	-	62,213,157	51.84	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-

Category of Share holders	No. of Shares held at the beginning of the year [As on 01-April-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) (1)									
(2) Foreign									
a) Individual / HUF	-	-	-	-	-	-	-	-	-
b) Bodies Corporate	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) (2)	62,213,157	-	62,213,157	51.84	62,213,157	-	62,213,157	51.84	-
Total Shareholding Promoter & Promoter Group (A)=(A) (1)+(A)(2)	62,213,157	-	62,213,157	51.84	62,213,157	-	62,213,157	51.84	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	1,682,924	-	1,682,924	1.40	2,429,514	-	2,429,514	2.02	0.62
b) Banks / FI	5,469	-	5,496	-	14,649	-	14,649	0.01	0.01
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies-	-	-	-	-	-	-	-	-	-
g) FIs	2,923,698	-	2,923,698	2.44	5,673,010	-	5,673,010	4.73	2.29
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	4,612,118	-	4,612,118	3.84	8,117,173	-	8,117,173	6.76	2.92
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	13,237,668	996,000	14,233,668	11.86	14,028,625	996,000	15,024,625	12.52	0.66
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ` 1 lakh	12,982,775	1,973,060	14,955,835	12.46	11,817,661	1,865,060	13,682,721	11.40	1.06
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	15,686,676	3,983,600	19,670,276	16.39	13,942,721	3,743,600	17,686,321	14.74	1.65
c) Others (specify)									
Non Resident Indians	2,806,703	320,000	3,126,703	2.61	2,754,147	-	3,074,147	2.56	0.05
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	1,198,653	-	1,198,653	1.00	141,941	-	141,941	0.12	0.88
Trusts	9,590	-	9,590	-	79,915	-	79,915	0.07	0.07
Sub-total (B)(2):-	45,922,065	7,272,660	53,194,725	44.32	42,765,010	6,929,160	49,689,670	41.40	2.92
Total Public Shareholding (B)=(B)(1)+ (B)(2)	50,534,183	7,272,660	57,806,843	48.16	50,882,183	6,924,660	57,806,843	48.16	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	112,747,340	7,272,660	120,020,000	100.00	113,095,340	6,924,660	120,020,000	100.00	-

(ii) **Shareholding of Promoters**

Sl. No.	Share holder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Mr. K Ajith Kumar Rai	45,548,399	37.95	-	45,548,399	37.95	-	-
2	Dr. Supriya A Rai	15,627,958	13.02	-	15,627,958	13.02	-	-
3	Mr. Akhilesh Rai	1,036,800	0.86	-	1,036,800	0.86	-	-
	Total	62,213,157	51.84	-	62,213,157	51.84	-	-

(iii) **Change in Promoters' Shareholding**

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	-	-	-	-
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-

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

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year[As 1-April-2014]		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Aninda S Shetty				
	At the beginning of the year (as on 01.04.2014)	1,400,000	1.17	1,400,000	1.17
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	0	0	0	0
	At the end of the year (as on 31.03.2015)	1,400,000	1.17	1,400,000	1.17
2	Bajaj Allianz Life Insurance Company Ltd.				
	At the beginning of the year (as on 01.04.2014)	300,865	0.25	300,865	0.25
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	During (25.04.2014) Purchase 11,408	0.01	312,273	0.26
	During (02.05.2014) Purchase 60,000	0.05	372,273	0.31	
	During (09.05.2014) Purchase 100,000	0.08	472,273,	0.39	
During (16.05.2014) Purchase 91,900	0.08	564,173	0.47		

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year[As 1-April-2014]		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
		During (30.05.2014) Purchase 150,000	0.12	714,173	0.59
		During (06.06.2014) Purchase 96,789	0.08	810,962	0.67
		During (13.06.2014) Purchase 450,000	0.37	1,260,962	1.05
		During (04.07.2014) Sale 10,000	0.01	1,250,962	1.04
		During (05.12.2014) Sale 25,000	0.02	1,225,962	1.02
		During (20.03.2015) Sale 11,205	0.01	1,214,757	1.01
		During (27.03.2015) Sale 22,982	0.02	1,191,775	0.99
	At the end of the year (as on 31.03.2015)	1,191,775	0.99	1,191,775	0.99
3	Emerging Securities Pvt Ltd				
	At the beginning of the year (as on 01.04.2014)	1,701,223	1.42	1,701,223	1.42
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the end of the year (as on 31.03.2015)	1,701,223	1.42	1,701,223	1.42
4	First State Investments (Hongkong) Limited A/C Fir				
	At the beginning of the year (as on 01.04.2014)	0	0	0	0
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	During (11.07.2014) Purchase 82,755	0.07	82,755	0.07
		During (18.07.2014) Purchase 78,200	0.07	160,955	0.13
		During (25.07.2014) Purchase 52,609	0.04	213564	0.18
		During (01.08.2014) Purchase 42,035	0.04	255,599	0.21

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year[As 1-April-2014]		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
		During (08.08.2014) Purchase 15,628	0.01	271,227	0.22
		During (30.09.2014) Purchase 207,422	0.17	478,649	0.40
		During (03.10.2014) Purchase 9,335	0.01	487,984	0.41
		During (10.10.2014) Purchase 54,449	0.05	542,433	0.45
		During (17.10.2014) Purchase 15,973	0.01	558,406	0.46
		During (07.11.2014) Purchase 178,737	0.15	737,143	0.61
		During (30.01.2015) Purchase 158,500	0.13	895,643	0.75
		During (06.02.2015) Purchase 132,597	0.11	1,028,240	0.86
		During (20.02.2015) Purchase 15,257	0.01	1,043,497	0.87
		During (27.02.2015) Purchase 62,562	0.05	1,106,059	0.92
		During (06.03.2015) Purchase 34,262	0.03	1,140,321	0.95
		During (13.03.2015) Purchase 37,774	0.03	1,178,095	0.98
		During (20.03.2015) Purchase 37,761	0.03	1,215,856	1.01
	At the end of the year (as on 31.03.2015)	1,215,856	1.01	1,215,856	1.01

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year [As 1-April-2014]		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	Kula Ramaprasad Rai				
	At the beginning of the year (as on 01.04.2014)	1,800,000	1.50	1,800,000	1.50
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the end of the year (as on 31.03.2015)	1,800,000	1.50	1,800,000	1.50
6	Mulki Ramakrishna Bhasker Punja				
	At the beginning of the year (as on 01.04.2014)	1,400,000	1.17	1,400,000	1.17
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the end of the year (as on 31.03.2015)	1,400,000	1.17	1,400,000	1.17
7	New Edge Group A/C Malabar India Fund Limited				
	At the beginning of the year (as on 01.04.2014)	1,615,817	1.35	1,615,817	1.35
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	During (16.05.2014) Purchase 155,954	0.13	1,771,771	1.48
		During (23.05.2014) Purchase 29,046	0.02	1,800,817	1.50
		During (31.12.2014) Sale 50,000	0.04	1,750,817	1.46
		During (30.01.2015) Sale 60,000	0.05	1,690,817	1.41
		During (27.03.2015) Purchase 2,990	0.00	1,693,807	1.41
		During (31.03.2015) Purchase 7,857	0.01	1,701,665	1.42
	At the end of the year (as on 31.03.2015)	1,701,665	1.42	1,701,665	1.42
8	Shobita Punja				
	At the beginning of the year (as on 01.04.2014)	2,532,500	2.11	2,532,500	2.11
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	During (11.04.2014) Purchase 120,000	0.10	2,652,500	2.21
		During (13.06.2014) Sale 6,00,000	0.50	2,052,500	1.71
		During (30.06.2014) Sale 112,000	0.09	1,940,500	1.62
	At the end of the year (as on 31.03.2015)	1,940,500	1.62	1,940,500	1.62

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year[As 1-April-2014]		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9	Sundaram Clayton Limited				
	At the beginning of the year (as on 01.04.2014)	5,772,000	4.81	5,772,000	4.81
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the end of the year (as on 31.03.2015)	5,772,000	4.81	5,772,000	4.81
10	TVS Motor Company Limited				
	At the beginning of the year (as on 01.04.2014)	2,892,000	2.41	2,892,000	2.41
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the end of the year (as on 31.03.2015)	2,892,000	2.41	2,892,000	2.41

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	For Each of the Director & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. K Ajith Kumar Rai – Chairman & Managing Director/CEO	4,55,48,399	37.95	4,55,48,399	37.95
2	Dr. C Mohan – Executive Director	-	-	-	-
3	Mr. Diwakar S Shetty - Independent Director	10,000	0.01	10,000	0.01
4	Mr. M Jayarama Shetty - Independent Director	4,39,000	0.37	3,99,800	0.33
5	Mr. Suresh Shetty - Independent Director	7,19,883	0.60	7,19,883	0.60
6	Mr. Ian Williamson – Independent Director	-	-	-	-
7	Dr. Supriya A Rai	1,56,27,958	13.02	1,56,27,958	13.02
8	Mr. Medappa Gowda J – Vice President – Finance /CFO & Company Secretary	9,750	0.01	750	-

(vi) Indebtedness

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

(` . In Lacs)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total
Indebtedness at the beginning of the year				
i) Principal Amount	12,747.23	-	66.93	12,814.16
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	10.16	-	3.69	13.85
Total (i+ii+iii)	12,757.39	-	70.62	12,828.01
Change in Indebtedness during the financial year	-	-	-	-
* Addition	5,000.00	-	4.00	5,004.00
* Reduction	1,090.36	-	14.05	1,104.41
Net Change	3,909.63	-	-10.05	3,899.58
Indebtedness at the end of the financial year	-	-	-	-
iv) Principal Amount	16,662.04	-	51.5	16,713.54
v) Interest due but not paid	-	-	-	-
vi) Interest accrued but not due	4.99	-	9.08	14.07
Total (i+ii+iii)	16,667.03	-	60.58	16,727.61

(vii) Remuneration of Directors and Key Managerial Personnel –**A. Remuneration to Managing Director, Whole-time Directors and /or Manager :**

(` In Lacs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total
		MD	WTD	Manager	
		Mr. K Ajith Kumar Rai	Dr. C Mohan		
1	Gross salary				
	(a) Salary as per provisions contained u/s 17(1) of the Income –tax Act, 1961	126.00	76.81	-	202.81
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary u/s 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as 4 % of profit	121.09	-	-	121.09
	- others	-	-	-	-
5	Others (Contribution to PF, Gratuity and Superannuation Fund)	14.40	4.01	-	18.41
	Total (A)	261.49	80.82	-	342.31
	Ceiling as per Act (11% of the net profit of the Company as calculated in manner provided under Section 198 of the Companies act, 2013)	490.71 Lacs			

* The Company does not have Manager.

B. Remuneration to other Directors :

(In `)

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Mr. Diwakar S Shetty	Mr. Suresh Shetty	Mr. Jayarama M Shetty	Mr. Ian Williamson	Mr. B S Patil	Dr. Supriya A Rai	
1	Independent Directors							
	Fee for attending board/committee meetings	80,000	80,000	100,000	Waived	50,000	Waived	310,000
	Remuneration by way of Commission	300,000	300,000	300,000	Waived	300,000	Waived	1,200,000
	Others, please specify	NA	NA	NA	NA	NA	NA	-
	Total (1)	380,000	380,000	400,000	-	350,000	-	1,510,000
2	Other Non – Executive Director							
	Fee for attending board/committee meetings	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-	-
	Total (B) = (1+2)	380,000	380,000	400,000	-	350,000	-	1,510,000
	Total Managerial Remuneration Total = (A+B)	1,510,000						
	Overall ceiling as per the Act (11%) of the net profit of the Company as calculated in manner provided under Section 198 of the Companies act, 2013)	490.71 Lacs						

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

(₹ In Lacs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		MD/CEO	CFO/CS	
1	Gross salary			
	(a) Salary as per provisions contained u/s 17(1) of the Income-tax Act, 1961	126.00	38.83	164.83
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary u/s 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4	Commission:			
	- as 4% of profit	121.09	-	121.09
	- others	-	-	-
	Others (Contribution to PF, Gratuity and Superannuation Fund)	14.40	1.62	16.02
	Total	261.49	40.45	301.94

(viii) Penalties/Punishment/Compounding of offences :

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD/ NCLT/COURT)	Appeal made
A. Company					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment					
Compounding					
C. Other Officers in default					
Penalty					
Punishment					
Compounding					

Form No. AOC-2

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

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

- (a) Name (s) of the related party and nature of relationship :
- (b) Nature of contracts/arrangements/ transactions :
- (c) Duration of the contracts/arrangements/transactions :
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Justification for entering into such contracts or arrangements or transactions:
- (f) Date (s) of approval by the Board:
- (g) Amount paid as advances, if any :
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:

2. Details of the material contracts or arrangements or transactions at arm's length basis : NIL

For and on behalf of the Board

K. Ajith Kumar Rai
Chairman & Managing Director /
Chief Executive Officer

**Annual Report on the CSR activities pursuant to the Companies
(Corporate Social Responsibility Policy) Rules 2014**

- | | |
|---|--|
| 1. A brief outline of the Company's CSR policy | Suprajit Foundation is spearheading the CSR activities of the Company. The focus area of the Foundation activities is education, healthcare and rural development. The policy of the Company is to give back to society that is in need of education, healthcare and upliftment of rural community. Suprajit Foundation is focused on executing socially relevant projects in these areas. |
| 2. Overview of projects or programs proposed to be undertaken | Various projects under the above CSR policy are undertaken through Suprajit Foundation and well-known not-for-profit organizations. Some of these educational projects are undertaken by Bharatiya Vidya Bhavan, Vittala Vidya Sangha, etc. The mid-day meal program is undertaken through Akshayapatra Foundation. Other not-for-profit agencies involved are Rotary Club of Bangalore Indiranagar, Needy Heart Foundation, One Billion Literates Foundation, etc. Suprajit Foundation has received the amounts due as per the CSR policy requirements. It spends a portion of the funds received and is developing a corpus fund for the significant future project in the area of focus as above. |
| 3. The Composition of CSR Committee | Mr. Ajith Kumar Rai – Chairman
Mr. Ian Williamson – Member
Dr. Supriya A Rai – Member |
| 4. Average net profit of the company for last three financial years | ₹ 6,379.11 Lacs |
| 5. Prescribed CSR Expenditure (2% of the amount as in item 4 above) | ₹ 127.58 Lacs (Provision made for the year 2014-15) |

6. Details of CSR spends during the financial year:
- Total amount spent for the Financial Year ₹ 135.74 Lacs paid to Suprajit Foundation.
 - Amount unspent, if any Nil
 - Manner in which the amount spent during the financial year is detailed below. Yes
7. In case of Company has failed to spend the 2% of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report Not applicable
8. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company. To discharge the duties, members of CSR Committee visited places where implementing agencies are executing the projects, on a regular basis.

Activities of Suprajit Foundation :

(Amount in ₹)

Project	Places and Area undertaken	2011-12	2012-13	2013-14	2014-15	Cumulative spent	
Education & Rural Development :							
Industrial Training Institute Vocational Training Centre	Various places in Karnataka	1,500,000	1,500,000	766,000	757,695	4,523,695	
Scholarship Program		-	276,000	475,000	668,000	1,419,000	
Bhavan BBMP School		-	1,000,000	1,000,000	1,375,055	3,375,055	
Mid Day meal at schools		-	90,000	362,500	787,500	1,240,000	
Classroom Building Projects		500,000	63,000	-	-	563,000	
Girls' toilet building projects		225,000	75,000	438,056	-	738,056	
Other Educational and rural development Projects			-	161,000	150,000	422,250	733,250
Healthcare Projects			-	-	-	-	-
Dialysis consumables project			-	-	49,391	153,787	203,177
Heart Surgeries			-	-	250,000	390,000	640,000
Other healthcare projects			15,000	-	-	-	15,000
Other Healthcare related Projects			560,000	50,000	300,000	210,000	1,120,000
TOTAL SPENT FOR THE YEAR		2,800,000	3,215,000	3,790,947	4,764,287	14,570,233	
Donations Received							
Suprajit Engineering		4,534,000	5,475,000	5,950,000	13,574,000	29,533,000	
Promoter family		476,000	524,900	6,000,000	100,000	7,100,900	
TOTAL DONATIONS RECEIVED		5,010,000	5,999,900	11,950,000	13,674,000	36,633,900	

Form No. MR-3
SECRETARIAL AUDIT REPORT
For the financial year ended March 31, 2015
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
SUPRAJIT ENGINEERING LIMITED

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Suprajit Engineering Limited (hereinafter called 'the Company'). 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 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 Suprajit Engineering Limited 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 (Buy back of Securities) Regulations, 1998;
- (vi) There are no Industry specific laws applicable to the Company.

I have further reviewed the systems and mechanism established by the Company for ensuring compliance under the other applicable Acts, Rules, Regulations and Guidelines prescribed under various laws which are applicable to the Company and are categorized under the following major heads/groups:

1. Factories Act, 1948;
2. Labour laws and other incidental laws related to labour and employees appointed by the Company including those on contractual basis as relating to wages, gratuity, prevention of sexual harassment, dispute resolution welfare, provident fund, insurance, compensation etc.;
3. Industrial (Development Regulation) Act, 1991;
4. Acts relating to consumer protection including the Competition Act, 2002;
5. Acts and Rules prescribed under prevention and control of pollution;
6. Acts and Rules relating to Environmental protection and energy conservation;
7. Acts and Rules relating to hazardous substances and chemicals;
8. Acts relating to Electricity, fire, petroleum, drugs, motor vehicles, explosives, Boilers, etc.;

9. Acts relating to protection of IPR;
10. Land revenue laws; and
11. Other local laws as applicable to various plants and offices.

I have also examined compliances with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India (came into effect from 1st July, 2015; hence not applicable for the financial year ended 31.03.2015).
- (ii) The Listing Agreements entered into, by the Company with the BSE Limited (BSE) and National Stock Exchange (NSE).

I further state that during the period under review and based on my verification of the records maintained by the Company and also on the review of compliance reports/statements by respective department heads/Chief Financial Officer/ Company Secretary taken on record by the Board of Directors of the Company, in my opinion, adequate systems and process and control mechanism exist in the Company to monitor and ensure compliance with applicable labour laws, environmental laws and other applicable laws as mentioned above. Certain non material findings made during the course of the audit relating to the provisions of Companies Act, Labour Laws were addressed suitably by the Management. Following observations have been brought before the shareholders which are treated as material in nature:

- a) Acknowledgement for sending the notices of Board and Committee meetings are not maintained by the Company.
- b) Appointment of CFO is not notified to the Registrar.
- c) Additional business was transacted in the Board Meetings as compared to the agenda.
- d) Separate Sexual Harassment Committee has not been formed for all individual units comprising of one external person as member of the Committee as stipulated.
- e) Updating of website with regard to some policies are pending.

I further report that I have not reviewed the applicable financial laws, direct and indirect tax laws as we have relied on the Independent Auditor's Report on the same.

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 which took place during the period under review were carried out in compliance with the provisions of the Act.

As per the information received from the Company Secretary, 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 as per the practice followed. However, during the period under report, there was no such case instance.

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 year, the Company has passed the following resolutions through postal ballot vide notice dated 13.02.2015:

1. Acceptance of Deposits;
2. Increase in borrowing power;
3. Loans and Investments;
4. Increase in Authorized Capital and corresponding alteration of Memorandum of Association;
5. Further issue of Shares under Section 62 of the Companies Act, 2013 by way of QIP/Preferential Issue/Share Swap;
6. Alteration of Articles of Association.

Place : Bangalore
Date : May 29, 2015

(Parameshwar G. Bhat)
ACS No.: 25167
C P No.: 11004

a) Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 :

Requirements	Particulars						
The ratio of the remuneration of each director to the median remuneration of the employees for the financial year.	As per note 1						
The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.	As per note 2						
The percentage increase in the median remuneration of employees in the financial year.	12%						
The number of permanent employees on the rolls of Company	691						
The explanation on the relationship between average increase in remuneration and Company performance	The increase granted to employees is in line with the normal increase granted by the Company from time to time and is intended to compensate for inflation and motivate employees to perform at their best.						
Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company :	The comparison of remuneration of each of the Key Managerial personnel against the performance of the company, is as under : <table border="1"> <thead> <tr> <th>Particulars</th> <th>% of Net Profit for FY 2014-15</th> </tr> </thead> <tbody> <tr> <td>CMD/CEO</td> <td>5.85%</td> </tr> <tr> <td>CS/CFO</td> <td>0.89%</td> </tr> </tbody> </table>	Particulars	% of Net Profit for FY 2014-15	CMD/CEO	5.85%	CS/CFO	0.89%
Particulars	% of Net Profit for FY 2014-15						
CMD/CEO	5.85%						
CS/CFO	0.89%						
Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies.	The Market capitalization of the Company has increased from 815.53 Crores as of March 31, 2014 to ` 1545.85 Crores as of March 31, 2015. Over the same period, the price to earnings ratio moved from 17.11 to 34.62. The Company stock price as at March 31, 2015 has increased by 171.73 times to ` 128.80 over the last public offering i.e IPO in October 1995 at the price of ` 30 per equity share (including Bonus and Split).						
Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	The gross sales for the financial year ended March 31, 2015 have increased by 8.34%. The aggregate remuneration of employees excluding Chairman & Managing Director grew by 18.44 % over the previous financial year. The aggregate decrease in salary for Chairman & Managing Director was (-15.20%) in the financial year 2014-15 over financial year 2013-14.						
The key parameters for any variable component of remuneration availed by the directors.	The Directors are not eligible for any variable compensation other than Commission as per the provisions of the Act.						
The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.	Not Applicable.						
Affirmation that the remuneration is as per the remuneration policy of the company.	The remuneration is as per the remuneration policy of the Company.						

Notes :

- The ratio of the remuneration of each director to the median remuneration of the employees for the financial year ending on 31.03.2015 is as follow :

Sl. No.	Name of the Directors	Ratio
1	Mr. K Ajith Kumar Rai	150.15 x
2	Dr. C Mohan	46.41 x
3	Mr. Diwakar S Shetty	2.18 x
4	Mr. Jayarama M Shetty	2.30 x
5	Mr. B S Patil	2.01 x
6	Mr. Suresh Shetty	2.18 x
7	Mr. Ian Williamson	-
8	Dr. Supriya A Rai	-

The Median remuneration of the employee for the financial year ending 31st March, 2015 is ` 174,155.55.

During the year, the Non-Executive Directors received the sitting fees / commission as remuneration.

2. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year ending on 31.03.2015 is as follow :

Sl. No	Name of the Director/ KMP	Designation	As on 31.03.2014	As on 31.03.2015	% increase for ending on 31.03.2015
1	Mr. K Ajith Kumar Rai	Chairman & Managing Director/CEO	34,320,646	26,149,409	(-23.80)
2	Dr. C Mohan	Executive Director	6,049,471	8,082,450	33.60
3	Mr. Diwakar S Shetty	Independent Director	200,000	380,000	90.00
4	Mr. Jayarama M Shetty	Independent Director	200,000	400,000	100.00
5	Mr. Suresh Shetty	Independent Director	180,000	380,000	111.11
6	Mr. B S Patil	Independent Director	160,000	350,000	118.75
7	Mr. Ian Williamson	Independent Director	NA	NA	NA
8	Dr. Supriya A Rai	Independent Director	NA	NA	NA
9	Mr. Medappa Gowda J	Company Secretary/ VP-Finance/CFO	3,332,561	4,045,029	21.39

** The above remuneration to the non-executive directors does not include the sitting fees paid during the year.

- b) Information as per Rule 5(2) of Chapter XIII of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 :
- During the financial year 2014-15, no employee received the remuneration aggregating to ` 60 Lacs p.a.
 - Employed for part of the year with an average salary above ` 5 Lakh per month : NIL
 - During the financial year 2014-15, no employee received remuneration in excess of the highest-paid Director.

CEO & CFO CERTIFICATION

- a.** We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2015 and certify, to the best of our knowledge and belief, that:
- i. these statements present a true and fair view of the Company's affairs, and are in compliance with existing accounting standards, applicable laws and regulations;
 - ii. these statements do not contain any materially untrue statement, or omit any material fact, or contain statements that might be misleading;
 - iii. no transactions entered into by the company during the year were fraudulent, illegal or violative of the Company's code of conduct and no instances of fraud took place;
 - iv. we accept responsibility for establishing and maintaining internal controls for financial reporting;
 - v. we have evaluated the effectiveness of the internal control systems of the Company and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and have taken steps to rectify the same, wherever found;
 - vi. significant changes in internal control over financial reporting, as well as changes in accounting policies, if any, have been intimated to the auditors and the Audit Committee and been disclosed in the notes to the financial statements;
- b.** We further declare, in compliance to Clause 49.I (D) (ii) to Listing Agreement, that all the Board members and senior management personnel have affirmed compliance with the code of conduct of the Company.

For **Suprajit Engineering Limited**

Medappa Gowda J

Company Secretary & Vice President - Finance / CFO

K Ajith Kumar Rai

Chairman & Managing Director / CEO

Place : Bangalore

Date : 29th May, 2015

DECLARATION BY CHIEF EXECUTIVE OFFICER (CEO)

I, K. Ajith Kumar Rai, Chairman & Managing Director of Suprajit Engineering Limited hereby declare that all the Board members and senior managerial personnel have affirmed for the year ended 31 March, 2015 compliance with the code of conduct of the Company laid down for them.

Place : Bangalore

Date : 29th May, 2015

K Ajith Kumar Rai

Chairman & Managing Director / CEO

CERTIFICATE

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENTS

To

**The Members of
Suprajit Engineering Limited
Bangalore.**

I have examined the compliance of the conditions of Corporate Governance by Suprajit Engineering Limited for the year ended 31st March, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

I state that in respect of investor grievances received during the year ended 31st March, 2015, no investor grievances are pending against the Company as on 31st March, 2015, as per the records maintained by the Company and presented to the Shareholders and Stakeholders' Relationship Committee.

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

**Place : Bangalore
Date : 29th May, 2015**

Vijayakrishna KT
Practising Company Secretary
FCS No.: - 1788
C P No.: - 980

INDEPENDENT AUDITORS' REPORT

To

The Members of **SUPRAJIT ENGINEERING LIMITED**

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Suprajit Engineering Limited ('the Company'), which comprise the Balance Sheet as at 31st March, 2015, the Profit and Loss Statement and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other notes on financial statements.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements 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 standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements read together with significant accounting policies and other notes on financial statements attached thereto, 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 31st March, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the said 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.
 - c. The Balance Sheet, the Profit and Loss Statement, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
 - 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 the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and 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 pending litigations disclosed as contingent liabilities in its Note No.23.6.1 to the financial statements, the impact if any on the final settlement of these litigations is not ascertainable at this stage;
 - ii. the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. there were no delays in transferring undisputed amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year.

For **VARMA & VARMA**
Chartered Accountants
FRN 0045325

R KESAVADAS
Partner
M. No. 23862

Place: Bangalore
Date: 29.05.2015

ANNEXURE TO INDEPENDENT AUDITORS' REPORT
ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' OF OUR INDEPENDENT AUDIT REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SUPRAJIT ENGINEERING LIMITED FOR THE YEAR ENDED 31ST MARCH 2015

- (i) (a) As stated in Note No. 23.4, the full quantitative particulars giving item wise/ location wise details of fixed assets are maintained in the ERP system in respect of additions made after 1.4.2008. The particulars of fixed assets acquired prior to this date have been updated in the ERP system in a summarised format. However, item wise particulars are available for major assets in manual form.
- (b) We are informed by the management that most of the fixed assets of the Company are being physically verified in accordance with a programme which however requires to be streamlined. According to the information and explanations given to us no material discrepancies were identified on such verification when compared with available records.
- (ii) (a) We are informed that the inventory of raw materials, stores and spares, work-in-progress and finished goods in the custody of the Company are physically verified by the management on a quarterly basis as per a programme of perpetual inventory, the frequency of which, in our opinion is reasonable, having regard to the size of the Company and the nature of its business;
- (b) In our opinion and according to the explanations given to us, the procedures of physical verification of inventory followed by the management are fairly reasonable and adequate in relation to the size of the Company and the nature of its business;
- (c) The Company is maintaining proper records of inventory and as informed to us, discrepancies of material nature noticed on physical verification, by the management, have been properly dealt with in the books of account during the year.
- (iii) According to the information and explanations given to us, the Company had not granted loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013.
- (b) According to the information and explanations given to us and as per our verification of the records of the Company, the following disputed amounts of tax/ duty have not been deposited with appropriate authorities as at 31st March 2015:
- (iv) In our opinion and according to the information and explanations given to us, there are fairly adequate internal control systems commensurate with the size of the Company and nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. We have not noted any continuing failure to correct major weaknesses in internal control systems, subject to Auditor's Responsibility paragraph mentioned in the Independent Auditor's Report above.
- (v) The Company has complied with the 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, 2013 and the rules framed thereunder, applicable to the Company.
- (vi) We have broadly reviewed the books of account and records maintained by the Company relating to the manufacture of auto components, for the maintenance of cost records under Section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and as per our verification of the records of the Company, the Company has been fairly regular in depositing undisputed statutory dues including Provident fund, Employee's State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Service Tax, Cess, Investor Education and Protection Fund and other statutory dues with the appropriate authorities during the year to the extent applicable. There are no arrears of undisputed statutory dues of a material nature outstanding as at the last day of the financial year for a period of more than six months from the date on which they became payable.

Name of the Statute	Nature of the dues	Amount (Rs.)	Period (financial year) to which the amount relates to	Forum where dispute is pending
Maharashtra VAT Act, 2002 #	Value Added Tax	31,148,407*	2006-07	Joint Commissioner of Sales Tax (Appeals)
Central Sales Tax Act, 1956 #	Central Sales Tax	1,802,062*	2006-07	Joint Commissioner of Sales Tax (Appeals)
Maharashtra VAT Act, 2002 #	Value Added Tax	29,085,990*	2008-09	Deputy Commissioner of Sales Tax (Appeals)
Maharashtra VAT Act, 2002 #	Value Added Tax	24,474,972*	2009-10	Joint Commissioner of Sales Tax (Appeals)
Central Sales Tax Act, 1956 #	Central Sales Tax	3,392,210*	2009-10	Joint Commissioner of Sales Tax (Appeals)
Income Tax Act, 1961	Income Tax	4,515,160	2009-10 (AY 2010-11)	Commissioner of Income Tax (Appeals)
Finance Act, 1994	Service Tax	432,920	2009-10	Customs Excise & Service tax Appellate Tribunal

* net of Rs. 3,600,000/- paid under protest.

a stay order has been received against the amount disputed and not deposited.

ANNEXURE TO INDEPENDENT AUDITORS' REPORT
ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' OF OUR INDEPENDENT AUDIT REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SUPRAJIT ENGINEERING LIMITED FOR THE YEAR ENDED 31ST MARCH 2015

- | | | | |
|--------|---|-------|--|
| (c) | According to the information and explanations given to us, the amounts which were required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund within time. | | records of the Company, it has availed a term loan in respect of capital projects under progress of ` 50 crores during the year out of which as at 31 st March 2015 ` 32.56 crores were, prima facie, utilised by the Company for the purposes for which the loan was obtained and the balance of ` 17.44 crores, as informed by the management of the Company, will be utilised towards the capital projects under progress. |
| (viii) | There are no accumulated losses at the end of the financial year. The Company has also not incurred cash losses in the financial year and in the immediately preceding financial year. | (xii) | According to the information and explanations given to us and the records of the Company examined by us, no material fraud either on or by the Company has been noticed or reported during the year. |
| (ix) | According to the information and explanations given to us and as per our verification of the records of the Company, the Company has not defaulted in repayment of its dues to the financial institutions and banks. | | |
| (x) | According to the information and explanations given to us, the terms and conditions of the guarantee given by the Company for loan taken by the subsidiary company from its banker, are not prima facie prejudicial to the interest of the Company. | | For VARMA & VARMA
Chartered Accountants
FRN 004532S |
| (xi) | According to the information and explanations given to us, and as per our verification of the | | R KESAVADAS
Partner
M. No. 23862 |

Place: Bangalore
Date: 29.05.2015

BALANCE SHEET AS AT 31ST MARCH

(Amounts in `)

Particulars	Note No.	2015	2014
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	120,020,000	120,020,000
Reserves and Surplus	3	2,180,947,397	1,872,513,234
Non-Current Liabilities			
Long-term borrowings	4	620,877,788	367,750,003
Deferred tax liabilities (Net)		79,997,000	65,806,000
Other long term liabilities		10,432,617	7,821,961
Long term Provisions		28,252,841	15,678,707
Current Liabilities			
Short-term borrowings	5	796,845,980	790,223,732
Trade payables		450,381,040	505,443,207
Other current liabilities		386,360,322	273,365,936
Short-term Provisions		90,730,811	80,182,465
TOTAL		4,764,845,796	4,098,805,245
ASSETS			
Non-Current Assets			
Fixed Assets	6		
(i) Tangible Assets	6.1	1,454,302,488	1,333,182,679
(ii) Intangible Assets	6.2	16,920,000	-
(iii) Capital Work-in-progress	6.3	169,738,278	7,185,072
Non-current investments	7	205,897,286	210,897,286
Long term loans and advances	8	62,460,723	51,431,345
Other Non-current assets	9	1,086,314	1,002,544
Current Assets			
Current investments	10	1,117,500,000	743,312,565
Inventories	11	574,564,739	585,190,741
Trade receivables	12	1,058,149,170	1,008,976,989
Cash and bank balances	13	45,274,455	40,027,512
Short-term loans and advances	14	57,718,582	114,877,892
Other current assets	15	1,233,761	2,720,620
TOTAL		4,764,845,796	4,098,805,245

Significant Accounting Policies	1
Other Notes on Financial Statements	23

As per our report of even date attached

For and on behalf of the Board of Directors

For Varma & Varma

Chartered Accountants
FRN 0045325

K Ajith Kumar Rai
Chairman & Managing Director &
Chief Executive Officer

Diwakar S Shetty
Director

Medappa Gowda J
Company Secretary &
Chief Financial Officer

R Kesavadas
Partner
M. No. 23862

Place : Bangalore
Date : 29th May, 2015

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH

(Amounts in `)

Particulars	Note No.	2015	2014
Revenue from operations (Gross)	16	5,771,001,740	5,332,241,224
Less: Excise duty		548,721,664	509,283,610
Revenue from Operations (Net)		5,222,280,076	4,822,957,614
Other Income	17	35,352,461	27,086,527
TOTAL		5,257,632,537	4,850,044,141
Expenses			
Cost of materials consumed		3,309,280,048	3,116,985,414
Changes in inventories of finished goods and work-in-progress	18	823,082	(84,176,409)
Employee benefit expense	19	659,023,347	567,913,580
Finance costs	20	135,152,296	118,166,928
Depreciation and amortisation expense	6	74,976,640	69,451,766
Other expenses	21	400,921,095	369,538,832
CSR Expenditure [Refer Note no 5.3.8(a)]	22	12,758,000	-
TOTAL		4,592,934,508	4,157,880,111
Profit before tax for the year		664,698,029	692,164,030
Tax expense:			
(1) Current Tax		(203,000,000)	(202,710,000)
(2) Deferred tax		(15,560,128)	(12,900,000)
Profit after tax for the year		446,137,901	476,554,030
Earnings per equity share:			
Equity shares of par value ` 1/- each			
Basic & Diluted (in `)		3.72	3.97
Number of shares used in computing earnings per share		120,020,000	120,020,000

Significant Accounting Policies	1
Other Notes on Financial Statements	23

As per our report of even date attached

For and on behalf of the Board of Directors

For Varma & Varma

K Ajith Kumar Rai
Chairman & Managing Director &
Chief Executive Officer

Diwakar S Shetty
Director

Medappa Gowda J
Company Secretary &
Chief Financial Officer

R Kesavadas
Partner
M. No. 23862

Place : Bangalore
Date : 29th May, 2015

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH

(Amounts in `)

Particulars	2015	2014
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit before tax for the year	664,698,029	692,164,030
Adjustment for:		
Depreciation	74,976,640	69,451,766
(Profit)/Loss on sale of fixed assets	58,168	(21,991)
(Profit)/Loss on sale of Mutual funds	(20,676,211)	(12,799,826)
Withdrawal of provision for diminution in value of investments	-	(854,949)
Interest income	(2,280,382)	(1,325,489)
Dividend received	(9,950,000)	(2,439,176)
Interest expense	135,152,296	118,166,928
Operating profit before working capital changes	841,978,540	862,341,293
(Increase)/ Decrease in		
- Inventories	10,626,002	(215,631,541)
- Trade Receivables	(49,172,181)	(164,931,133)
- Loans and advances (Long term & Short term)	46,319,183	(17,046,001)
- Other Non-Current Assets & Current Assets	8,180,376	(6,247,378)
Increase/ (Decrease) in		
- Current Liabilities	(72,622,729)	148,035,318
- Other Long term Liabilities	2,610,656	961,146
- Provisions (Long term and Short term)	15,862,183	9,394,068
Cash generated from operations	803,782,030	616,875,772
Income taxes paid (net of refunds)	(197,946,878)	(204,839,483)
Net cash from operating activities	605,835,152	412,036,289
B. CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of fixed assets/ Capital work-in-progress	(380,395,760)	(205,646,981)
Sale of current investments	267,988,776	310,299,826
Purchase of current investments	(616,500,000)	(590,701,493)
Interest received	2,684,232	1,429,144
Dividend received	9,950,000	2,439,176
Proceeds from sale of fixed assets	739,902	745,642
Net cash from investing activities	(715,532,850)	(481,434,686)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(135,131,242)	(118,364,170)
Proceeds/(repayments) from Long term borrowings (net)	383,315,442	9,787,149
Proceeds/(repayments) from Short term borrowings (net)	6,622,248	271,867,642
Dividend and dividend tax paid	(133,026,908)	(119,354,790)
Net cash from financing activities	121,779,540	43,935,831
Net increase in cash and cash equivalents during the year	12,081,842	(25,462,566)
Cash and cash equivalents at beginning of the year	30,546,330	56,008,896
Cash and cash equivalents at end of the year	42,628,172	30,546,330

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH

(Amounts in `)

Particulars	2015	2014
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and bank balances as per the Balance Sheet (Refer Note No. 13)	45,274,455	40,027,512
Less: Bank balances not considered as cash and cash equivalents as defined in AS 3 Cash Flow Statements (Refer 'Other bank balances' in Note No. 13)	2,646,283	9,481,182
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 13*	42,628,172	30,546,330
* Comprises:		
- Cash on hand	1,025,444	819,988
- Cheques, drafts on hand	-	150,000
- Balances with banks		
- In current accounts	34,055,401	24,926,031
- In EEFC accounts	7,483,176	4,586,160
- In deposit accounts	64,151	64,151
	42,628,172	30,546,330

(Figures in brackets indicate outflows)

As per our report of even date attached

For and on behalf of the Board of Directors

For Varma & Varma

K Ajith Kumar Rai
Chairman & Managing Director &
Chief Executive Officer

Diwakar S Shetty
Director

Medappa Gowda J
Company Secretary &
Chief Financial Officer

Chartered Accountants
FRN 0045325

R Kesavadas
Partner
M. No. 23862

Place : Bangalore
Date : 29th May, 2015

Significant Accounting Policies forming part of the Financial Statements for the year ended 31st March, 2015

CORPORATE INFORMATION

Suprajit Engineering Limited ('the Company') is a public limited company and is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company is engaged inter alia in the business of manufacturing of auto components consisting mainly control cables, speedo cables and other components for automobiles.

1 SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of Financial Statements

The financial statements have been prepared and presented under the historical cost convention and in accordance with the provisions of the Companies Act, 2013 ('the Act') and the Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts Rules) 2014.

1.2 Use of Estimates

The preparation of the financial statements is in conformity with Indian GAAP, which requires that the management make estimates and assumptions that affect the reported amounts of assets and liabilities disclosure of contingent liabilities as at the date of financial statements and the reported amounts of revenue and expenses during the reporting period. Although such estimates are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates and such differences are recognised in the period in which the results are ascertained.

1.3 Cash Flow Statement

Cash flow statement is prepared in accordance with AS-3 specified under the Companies Act, 2013 using the indirect method to determine cash flows from operating activities. The cashflows of the Company are segregated into operating, investing and financing activities. Cash and cash equivalents for the purpose of Cash flows statement comprise of cash on hand, demand deposit placed with banks and term deposits with banks (with an original maturity of three months or less).

1.4 Revenue Recognition

Sale of goods as well as revenue from processing of goods (services) is recognised at the time of transfer of property in goods, results in or coincides with the transfer of significant risks and rewards to the customers which is generally at the point of dispatch of goods to the customers. Gross sales are inclusive of applicable excise duty and exclusive of sales tax and are net of returns. Revenue from scrap is recognised on sale.

Export incentives are recognised when there is reasonable certainty as to realisation and when they are quantifiable with a high degree of accuracy.

Dividend is recognised when declared and interest income is recognised on time proportion basis taking into account the amount outstanding and the applicable rate.

1.5 Tangible/ Intangible Assets

Tangible Assets are stated at cost less accumulated depreciation and impairment losses, if any. The cost of an asset comprises of its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. Until the fixed assets are ready for its intended use these costs are aggregated and classified and carried forward as 'Capital Work-In-

Progress'. Borrowing costs taken for the acquisition of qualifying assets upto the date of commissioning of assets is added to the cost of assets.

Intangible assets are carried at cost less amortisation where it is probable that future economic benefits expected from it is not less than the carrying value.

1.6 Depreciation/amortization

Pursuant to Companies Act, 2013, with effect from 1st April, 2014 the Company has estimated useful life of the fixed assets and adopted the estimated useful life on straight line basis as prescribed under Part C of Schedule II of the Companies Act, 2013, for the purpose of computation of depreciation on such assets except in case of the fixed assets listed below in respect of which the estimated useful life has been ascertained which is different from the estimated useful life prescribed under Part C of Schedule II of the Companies Act, 2013, based on the independent technical evaluation carried out by the external valuers.

Plant and machinery (Identified specific machinery)	360 months
Other Plant & machineries	270 months
Electrical Installations	252 months
Furniture & Fixtures	180 months
Office Equipments	120 months

Assets taken over by the Company has been depreciated over the remaining useful life based on the independent technical evaluation carried out by the external valuers.

The Company provides additional depreciation @ 50% of the normal depreciation on all the plant & machinery for the period for which such plant & machinery was used for double shifts.

Intangible assets like brands and know how are amortised on a straight line basis over their estimated useful life of 10 years. Goodwill arising on acquisition/ amalgamation is amortised over a period of 5 years. Business rights acquired is amortised over a period of 5 years, based on the assessment of future economic benefits that will flow to the Company.

Leasehold land is amortised over the period of lease.

1.7 Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at appropriate rate. After impairment, depreciation is provided on revised carrying amount of the assets over its remaining useful life. Previously recognised impairment loss is further provided or reversed depending on changes in circumstances.

1.8 Investments

Investments that are readily realisable and intended to be held for not more than 12 months are classified as current investments. All other investments are classified as long-term investments. Long term investments are stated at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments. Current investments are carried at lower of cost or fair value.

Significant Accounting Policies forming part of the Financial Statements for the year ended 31st March, 2015

1.9 Inventories

Inventories are valued at lower of cost or net realisable value. Cost is ascertained on weighted average method. Conversion and other costs incurred for bringing the inventories to their present location and condition are allocated to the extent applicable.

1.10 Foreign Currency Transactions

The foreign currency transactions are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currency are restated at the applicable exchange rates prevailing as at the Balance Sheet date. Gain/ loss arising from such restatement as also on settlement of the transactions are adjusted in the Profit and Loss Statement.

Premium or discount on forward exchange contracts which are not intended for trading or speculation purpose and is to establish the amount of reporting currency required on the settlement dates is recognised in the Profit and Loss Statement over the period of the contracts. The exchange differences on the contracts are recognised in the year in which the exchange rates change.

The Company enters into foreign currency forward exchange contracts to hedge its risks associated with foreign currency fluctuations in respect of highly probable forecast transactions. At the end of the reporting period these contracts are marked to market and the resultant loss, if any is recognised in the Profit and Loss Statement.

1.11 Employee Benefits

Short term employee benefits:

The amounts paid/payable on account of short term employee benefits, comprising largely of salaries & wages, short term compensated absences and annual bonus is valued on an undiscounted basis and charged to the Profit and Loss Statement for the year.

Defined Contribution plans:

The Company has defined contribution plans for its employees comprising of Provident Fund and Employee's State Insurance. The contributions paid/ payable to these plans during the year are charged to the Profit and Loss Statement for the year. The Company has no other obligation in this regard.

Defined benefit plans:

a. Gratuity

The Company's Gratuity scheme is administered through the Employee's Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India. The net present value of the obligation for gratuity benefits as determined on actuarial valuation, conducted annually using the projected unit credit method, as adjusted for unrecognised past services cost, if any and as reduced by the fair value of plan assets, is recognised in the accounts. Actuarial gains and losses are recognised in full in the Profit and Loss Statement for the period in which they occur.

b. Compensated Absences

The Company has a scheme for compensated absences for employees, the liability other than for

short term compensated absences is determined on the basis of an actuarial valuation carried out at the end of the year, using projected unit credit method. Actuarial gains and losses are recognised in full in the Profit and Loss Statement for the period in which they occur.

1.12 Borrowing Costs

Borrowing costs other than those attributable to qualifying assets are expensed as and when incurred. Borrowing costs attributable to qualifying assets are capitalised along with the cost of respective asset.

1.13 Leases

Operating Lease:

Leases where the significant risks and rewards of ownership is with the lessor are classified as operating leases and payment under such leases are recognised as an expense in the Profit and Loss Statement on a systematic basis.

Finance Lease:

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. The assets acquired on finance lease are capitalised as part of fixed assets and corresponding liability is recognised as term loans.

1.14 Taxation

Tax Expense comprising current tax and deferred tax are recognised in the Profit and Loss Statement for the year. Current tax is the amount of income tax determined to be payable in respect of taxable income as computed under the tax laws.

Certain items of income and expenditure are not reported in tax returns and financial statements in the same period for the purpose of determining the current tax. The net tax effect calculated at the current enacted tax rates of this timing difference is reported as deferred income tax asset/liability. The effect on deferred tax assets and liabilities due to change in such assets/liabilities as at the end of previous accounting period and due to a change in tax rates are recognised in the income statement of the period.

1.15 Government Grants and Subsidies

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants/ subsidies will be received. Government grants and subsidies where no repayment is ordinarily expected in respect thereof in the nature of promoter's contribution are credited to capital reserve and treated as a part of shareholders' funds.

1.16 Research and Development Expenditure

Expenditure incurred during the research phase is charged off to the Profit and Loss Statement.

1.17 Provisions and Contingencies

Provision for losses and contingencies arising as a result of past event where management considers it probable that a liability may be incurred are made on the basis of reliable estimates of the expenditure required to settle the present obligation on the Balance Sheet date and are not discounted to its present value. Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Other contingent liabilities to the extent management is aware is disclosed by way of notes on financial statements.

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH

(Amounts in `)

Particulars	2015	2014
2 SHARE CAPITAL		
2.1 Equity Share Capital		
2.1.1 Authorised :- Equity Shares of ` 1/- each 150,000,000 (PY - 125,000,000) equity shares	150,000,000	125,000,000
2.1.2 Issued, Subscribed and Fully Paid Up Equity Shares of ` 1/- each fully paid 120,020,000 (PY - 120,020,000) equity shares	120,020,000	120,020,000
TOTAL	120,020,000	120,020,000

Notes on Share Capital

2.1.3 The reconciliation of the number of equity shares outstanding and the amount of share capital as at March 31, 2015 and March 31, 2014:

Equity Shares of ` 1 each fully paid	No. of shares	No. of shares
Shares outstanding as at the beginning of the year	120,020,000	120,020,000
Shares issued during the year	-	-
Shares outstanding as at the end of the year	120,020,000	120,020,000

2.1.4 Details of shareholders holding more than 5% shares in the Company:

Equity Shares of ` 1/- each fully paid	2015	2014
K Ajith Kumar Rai		
No. of Shares	45,548,399	45,548,399
% age of Shareholding	37.95%	37.95%
Supriya A Rai		
No. of Shares	15,627,958	15,627,958
% age of Shareholding	13.02%	13.02%

2.1.5 There are no shares that have been issued, subscribed and not fully paid up.

2.1.6 There are no forfeited shares.

2.1.7 There are no shares reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment.

2.1.8 The Company has not issued any securities convertible into equity/ preference shares.

2.1.9 Each holder of equity shares is entitled to one vote per share and there are no preferences or restrictions attaching to shares mentioned above.

The Company declares and pays dividend in Indian Rupees. The dividend proposed/declared by the Board of Directors is subject to approval/regularisation of the shareholders in the ensuing Annual General Meeting.

2.1.10 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

2.1.11 During the last five years ending on 31st March, 2015:

- (i) No shares were allotted as fully paid up pursuant to contract(s) without payment being received in cash.
- (ii) No bonus shares were allotted.
- (iii) No shares were bought back.

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH

(Amounts in `)

Particulars	2015	2014
3 RESERVES AND SURPLUS		
3.1 Reserves		
3.1.1 Capital Reserve (State Investment Subsidy and surplus on reissue of forfeited shares) (Refer Note 3.3. below)		
Opening balance	1,127,150	1,127,150
Add: Additions during the year	-	-
Closing Balance	1,127,150	1,127,150
3.1.2 General Reserve		
Opening balance	1,585,062,311	1,245,062,311
Add: Transfer from the Profit & Loss Statement	280,000,000	340,000,000
Closing Balance	1,865,062,311	1,585,062,311
3.2 Surplus		
3.2.1 Surplus in the Profit & Loss Statement		
Opening balance	286,323,773	283,166,273
Add:		
Profit for the year as per the Profit and Loss Statement	446,137,901	476,554,030
Less:		
Interim Dividend	54,009,000	54,009,000
Proposed Final Dividend	60,010,000	60,010,000
Tax on dividend	21,025,833	19,377,530
Transfer to General Reserve	280,000,000	340,000,000
Additional depreciation on opening WDV of fixed assets consequent to application of Schedule II of Companies Act, 2013 [Refer note 6.4.7 (net of deferred tax of ` 1,369,128/-)]	2,658,905	-
Closing Balance	314,757,936	286,323,773
TOTAL	2,180,947,397	1,872,513,234
Notes on Reserves & Surplus		
3.3 Includes ` 581,650/- (PY: ` 581,650/-) State Investment Subsidy credited to capital reserve.		
3.4 During the year, the Board of Directors have declared interim dividend of ` 0.45 (PY: ` 0.45) per share, which is subject to regularisation of the shareholders in the ensuing Annual General Meeting.		
3.5 Final dividend of ` 0.50 (PY: ` 0.50) per share proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.		
4 NON CURRENT LIABILITIES		
4.1 Long Term Borrowings:		
4.1.1 Secured		
Term Loans from Banks (Refer Note 4.1.3 below)	620,277,788	363,500,003
	620,277,788	363,500,003
4.1.2 Unsecured		
Deposits from		
- related parties	200,000	3,500,000
- other than related parties	400,000	750,000
	600,000	4,250,000
TOTAL	620,877,788	367,750,003

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH

(Amounts in `)

Particulars	2015	2014
Notes on Long Term Borrowings:		
4.1.3 Term Loans availed from various banks for capacity expansions are secured by Equitable Mortgage of land and buildings and hypothecation of other present and future fixed assets of the Company on pari-passu first charge basis. Some of these loans are further secured by pari-passu second charge on the current assets of the Company.		
4.1.4 None of the above borrowings have been guaranteed by any Directors or others.		
4.1.5 Term loan from banks are repayable in quarterly instalments over the agreed repayment period, ranging between September 2016 to March 2020 together with interest rate ranging between 10.40% to 12.15% (PY - 10.90% to 11.65%) p.a.		
4.1.6 There has been no continuing default as on Balance Sheet date in repayment of loans and interest.		
4.2 DEFERRED TAX LIABILITIES (NET) :		
4.2.1 Liability		
On timing differences of depreciation	97,261,000	79,947,000
Gross deferred tax liability	97,261,000	79,947,000
4.2.2 Asset		
On timing differences of expenditure allowable for tax purposes when paid	14,278,000	11,252,000
Provision for doubtful debts	2,986,000	2,889,000
Gross deferred tax asset	17,264,000	14,141,000
Net deferred tax	79,997,000	65,806,000
4.3 OTHER LONG TERM LIABILITIES:		
4.3.1 Dealer Deposits	10,432,617	7,821,961
	10,432,617	7,821,961
4.4 LONG TERM PROVISIONS:		
4.4.1 Provision for employee benefits [Refer Note no. 23.9(b)]		
- Provision for Gratuity (Unfunded)	16,069,834	6,993,043
- Provision for Compensated Absences	12,183,007	8,685,664
	28,252,841	15,678,707
TOTAL	739,560,246	457,056,671
5 CURRENT LIABILITIES		
5.1 SHORT TERM BORROWINGS:		
5.1.1 Secured		
Working capital facilities from banks repayable on demand from banks (Refer Note 5.1.2 below)	796,845,980	790,223,732
	796,845,980	790,223,732
Notes on Short Term Borrowings		
5.1.2 Working Capital facilities availed from various banks are secured by pari-passu first charge on stock of raw materials, semi-finished goods, stores, consumables, book-debts, other current assets and pari-passu second charge on Land and Buildings, Plant and Machinery and present and future fixed assets.		
5.1.3 None of the above borrowings have been guaranteed by any Directors or others.		

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH

(Amounts in `)

Particulars	2015	2014
5.2 TRADE PAYABLES:		
5.2.1 Due to Micro & Small Enterprises (Refer Note No.23.7)	10,698,301	4,113,651
5.2.2 Due to Others	439,682,739	501,329,556
	450,381,040	505,443,207
5.3 OTHER CURRENT LIABILITIES:		
5.3.1 Current maturities of long term debt (including interest accrued and due) (Refer Note 4.1.3)	249,081,012	121,000,000
5.3.2 Current maturities of deposits from		
- related parties	2,800,000	1,793,355
- other than related parties	1,750,000	650,000
5.3.3 Interest accrued but not due		
- on borrowings	499,675	1,016,836
- on deposits	908,083	369,869
5.3.4 Advances received from customers	2,085,100	1,710,000
5.3.5 Unclaimed dividend (Refer Note. No. 5.3.7)	2,146,283	1,800,045
5.3.6 Other Payables		
- Payable towards cost of land [Refer Note. No. 6.4 (2) & (3)]	4,660,390	22,147,265
- Creditors for purchase of fixed assets	24,742,704	9,352,064
- Statutory Liabilities	39,807,230	44,954,163
- Payable to Employees	31,681,683	26,694,940
- Payable to directors towards commission	13,440,162	28,303,399
- Others [Refer Note.No. 5.3.8(a) & (b)]	12,758,000	13,574,000
	386,360,322	273,365,936
5.3.7 As at the year end, there are no amounts outstanding for more than 7 years to be deposited in the Investor Education and Protection Fund.		
5.3.8 (a) As per Section 135 of the Companies Act, 2013, a CSR Committee has been formed by the Company. The committee has approved the contribution to Suprajit Foundation engaged in the activities listed under Schedule VII of the Companies Act, 2013. During the year, the Company has accrued an amount of ` 12,758,000/- as contribution to Suprajit Foundation in compliance with the provisions of Section 135 of the Companies Act, 2013.		
(b) The Company has paid ` 13,574,000/- by way of contribution to Suprajit Foundation, accrued in the previous year @ 2% of net profits of the previous year.		
5.4 SHORT TERM PROVISIONS:		
5.4.1 Provision for employee benefits [Refer Note no.23.9(b)]		
- Provision for Gratuity (Funded) (Refer note 5.4.6 below)	7,465,200	4,507,434
- Provision for Compensated Absences	1,037,099	802,830
5.4.2 Provision for Proposed Dividend	60,010,000	60,010,000
5.4.3 Provision for Corporate Dividend Tax	12,216,624	10,198,700
5.4.4 Provision for Income Tax (Net of Advance Tax and Tax Deducted at Source)	9,810,898	4,568,525
5.4.5 Provision for Wealth Tax	190,990	94,976
	90,730,811	80,182,465
TOTAL	1,724,318,153	1,649,215,340
Note :		
5.4.6 Amount of contribution payable to the fund maintained with the Life Insurance Corporation of India is disclosed as current liability and the balance as non-current under note 4.4.1.		

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH
6 FIXED ASSETS

(Amounts in `)

Description	Gross Block At Cost			Depreciation/ Amortisation				Accumulated Impairment Provision		Net Block - At WDV		
	As at 01.04.2014	Additions / Adjustments	Disposals / Adjustment	As at 31.03.2015	Upto 01.04.2014	For the year	Disposals/ Adjustment	Adjustment (Refer Note 6.4.7)	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
6.1 Tangible assets												
Land	186,652,158 (165,958,968)	1,598,400 (20,693,190)	-	188,250,558 (186,652,158)	-	-	-	-	-	-	188,250,558 (186,652,158)	186,652,158 (165,958,968)
Land on lease	98,510,629 (71,737,158)	90,719,884 (26,773,471)	-	189,230,513 (98,510,629)	3,669,197 (2,909,908)	2,971,110 (759,289)	-	-	6,640,307 (3,669,197)	-	182,590,206 (94,841,432)	94,841,432 (68,827,250)
Buildings	737,784,653 (583,659,626)	16,478,913 (154,125,027)	-	754,263,566 (737,784,653)	107,707,582 (85,512,974)	25,025,743 (22,194,608)	-	154,057	132,887,383 (107,707,582)	-	621,376,183 (630,077,071)	630,077,071 (498,146,652)
Electrical Installations	96,885,990 (81,372,264)	15,972,531 (15,513,726)	-	112,858,521 (96,885,990)	23,821,280 (19,673,312)	5,371,394 (4,147,968)	-	-	29,192,674 (23,821,280)	-	83,665,847 (73,064,710)	73,064,710 (61,698,952)
Plant and Machinery (Refer note. 23.5)	531,758,428 (461,516,319)	52,331,547 (74,689,622)	974,360 (4,447,513)	583,115,615 (531,758,428)	255,095,250 (228,619,509)	24,465,024 (30,312,038)	225,104 (3,836,297)	995,353	280,330,524 (255,095,250)	1,432,423 (1,432,423)	301,352,668 (275,230,755)	275,230,755 (231,464,387)
Dies & Moulds	37,162,713 (30,905,097)	2,216,803 (6,257,616)	-	39,379,516 (37,162,713)	20,846,740 (18,704,143)	1,549,457 (2,142,597)	-	-	22,396,197 (20,846,740)	-	16,983,319 (16,315,973)	16,315,973 (12,200,954)
Furniture and Fixtures	32,713,887 (28,176,901)	9,878,179 (4,536,986)	-	42,592,066 (32,713,887)	14,073,666 (11,896,626)	1,817,406 (2,177,040)	-	1,216,920	17,107,992 (14,073,666)	-	25,484,074 (18,640,221)	18,640,221 (16,280,275)
Vehicles	24,149,431 (22,381,858)	2,528,349 (2,351,536)	96,965 (583,963)	26,580,815 (24,149,431)	9,137,627 (7,631,053)	3,314,766 (1,978,102)	48,151 (471,528)	155,094	12,559,336 (9,137,627)	-	14,021,479 (15,011,804)	15,011,804 (14,750,805)
Office equipment	17,887,522 (14,826,619)	3,097,048 (3,060,903)	-	20,984,570 (17,887,522)	7,909,389 (6,675,665)	2,217,394 (1,233,724)	-	395,332	10,522,115 (7,909,389)	2,831 (2,831)	10,459,624 (9,975,302)	9,975,302 (8,148,123)
Containers (Refer note. 23.5)	2,746,296 (1,738,233)	631,418 (1,008,063)	-	3,377,714 (2,746,296)	2,746,296 (1,738,233)	631,418 (1,008,063)	-	-	3,377,714 (2,746,296)	-	-	-
Computers (Including Computer Software) (Refer note. 23.5)	45,294,301 (39,951,899)	3,589,481 (5,342,402)	-	48,883,782 (45,294,301)	31,921,048 (28,422,711)	5,732,927 (3,498,337)	-	1,111,277	38,765,252 (31,921,048)	-	10,118,530 (13,373,253)	13,373,253 (11,529,188)
6.2 Intangible assets												
Goodwill	24,105,251 (24,105,251)	-	-	24,105,251 (24,105,251)	24,105,251 (24,105,251)	-	-	-	24,105,251 (24,105,251)	-	-	-
Business Rights (Refer note. 23.5)	-	18,800,000	-	18,800,000	-	1,880,000	-	-	1,880,000	-	16,920,000	-
Brands	5,100,000 (5,100,000)	-	-	5,100,000 (5,100,000)	5,100,000 (5,100,000)	-	-	-	5,100,000 (5,100,000)	-	-	-
Technical Knowhow	195,127 (195,127)	-	-	195,127 (195,127)	195,127 (195,127)	-	-	-	195,127 (195,127)	-	-	-
Total	1,840,946,386	217,842,554	1,071,325	2,057,717,614	506,328,453	74,976,640	273,255	4,028,033	585,059,872	1,435,254	1,471,222,488	1,333,182,679
Previous year	1,531,625,320	314,352,542	5,031,476	1,840,946,386	441,184,512	69,451,766	4,307,825	-	506,328,453	1,435,254	1,333,182,679	1,089,005,554

Previous year figures are given in brackets.

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH

(Amounts in `)

Particulars	2015	2014
6.3 Capital Work-in-Progress		
Building under construction	152,142,939	5,841,902
Machinery pending installation	1,987,178	-
Electrical work-in-progress	9,635,064	336,103
Other assets pending capitalisation	824,486	1,007,067
Borrowing cost pending allocation	5,004,778	-
Expenditure pending capitalisation	143,833	-
TOTAL	169,738,278	7,185,072

6.4 Notes on Fixed Assets

1. All the fixed assets except the land on lease are owned by the Company.
2. Additions to land Nil (PY - ` 20,693,190/-) represents additional consideration paid to Haryana State Industrial Development Corporation Limited (HSIDC) in respect of Company's land at Manesar, Haryana. The unpaid balance consideration of ` 4,660,390/- (PY - ` 12,415,914/-) has been disclosed under Note 5.3.6.
3. Additions to land on lease, Nil (PY - ` 26,773,471/-) represents land allotted at Narasapura, Kolar Dist., Karnataka by the Karnataka Industrial Area Development Board (KIADB) under a lease cum sale arrangement with a right to purchase on fulfilment of certain conditions after the period of 10 years and the consideration towards such land and hence has not been amortised over the lease period. The Company has obtained possession of the land in May 2013. The lease deed is pending execution and the unpaid balance consideration of Nil (PY - ` 9,731,351/-) has been disclosed under Note 5.3.6.
4. Additions to land on lease, ` 91,360,180/- (PY - ` Nil) represents:
 - a) Land allotted at Sanand, Charal Industrial Area, Ahmedabad, Gujarat by the Gujarat Industrial Development Corporation (GIDC) for a period of 99 years and registered in the name of the Company. Total consideration (including stamp duty and other charges) of ` 53,358,560/- has been paid during the year.
 - b) Land allotted at Chennai, SIPCOT Industrial Area, Tamilnadu by the State Industries Promotion Corporation of Tamilnadu (SIPCOT) for a period of 99 years and registered in the name of the Company. Total consideration (including stamp duty and other charges) of ` 38,001,620/- has been paid during the year.
5. Land on lease at various locations except as mentioned in Note No. 3 above are held on long term lease without right to acquire at the end of the lease period and the cost of such land is amortised over the period of the lease.
6. Borrowing costs capitalised during the year as per Note no. 20 is ` 5,041,938/- (PY: Nil).
7. Consequent to introduction of the Companies Act, 2013 ('Act) w.e.f. 1st April, 2014, the Company has computed depreciation for the period 1st April, 2014, to 31st March, 2015, as required under the Schedule II of the Act and the depreciation of ` 4,028,033/- relating to assets where the remaining useful life of the assets as on 1st April, 2014, is Nil has been recognised in the opening balance of Surplus in Note 3.2.1 net of deferred tax asset of ` 1,369,128/-.
8. Depreciation computed for the period 1st April, 2014, to 31st March, 2015, in respect of fixed assets existing on 1st April, 2014 and debited to the Profit & Loss Statement in accordance with Schedule II of the Act is ` 67,073,900/-. In case the Company had continued the depreciation as per the Companies Act 1956, the amount of depreciation debited to the Profit & Loss Statement would have been ` 67,967,260/-. Hence the amount of depreciation debited to the Profit & Loss Statement for the current year is lower by ` 893,360/- and the Net Written Down Value of fixed assets as at 31st March, 2015 and the profits for the year is higher by the same amount.

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH

(Amounts in `)

Particulars	2015	2014
7 NON CURRENT INVESTMENTS		
7.1 TRADE INVESTMENTS (AT COST)		
7.1.1 Subsidiary Companies		
Equity Instruments - Fully Paid - Unquoted		
M/s. Suprajit Automotive Private Limited - 100% Holding (PY - 100% Holding) [1,990,000 (PY - 1,990,000) Equity Shares of ` 10/- each including beneficial holding of 1 equity share]	19,900,000	19,900,000
M/s. Suprajit Europe Limited - 100% Holding (PY - 100% Holding) [2,200,000 (PY - 2,200,000) Ordinary Shares of GBP 1/- each] (Refer Note 23.3)	185,997,286	185,997,286
	205,897,286	205,897,286
7.2 OTHER INVESTMENTS (NON-TRADE) (AT COST)		
Investments in bonds		
Investments in National Highway Authority of India Bonds (500 Non-convertible Redeemable bonds of face value ` 10,000/- each carrying interest @ 6% p.a. payable annually. Date of maturity - 30 th September, 2015) (Refer Note 7.4 below)	-	5,000,000
	-	5,000,000
TOTAL	205,897,286	210,897,286
Note :		
7.3 General Information		
Aggregate value of Investments:		
Unquoted - At Cost	205,897,286	210,897,286
7.4 The investment in National Highway Authority of India bonds is maturing on 30 th September, 2015 and is expected to be realized on maturity date and hence classified under current investments.		

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH

(Amounts in `)

Particulars	2015	2014
8 LONG TERM LOANS AND ADVANCES		
8.1 Capital Advances (Unsecured, considered good)		
Capital advances towards fixed assets	28,775,273	16,492,104
	28,775,273	16,492,104
8.2 Deposits (Unsecured, considered good)		
Electricity Deposits	7,949,214	6,373,164
Refundable deposit towards leasehold land	8,800,000	-
Rental Deposits	3,570,000	3,500,000
Other Deposits	4,024,885	3,892,385
	24,344,099	13,765,549
8.3 Others (Unsecured, considered good)		
Advance tax [including Tax deducted at source (Net of Provisions)]	2,300,679	2,111,428
Income tax paid under protest (Refer Note no. 23.6.1)	903,430	903,430
Value Added Tax paid under protest (Refer Note no. 23.6.1)	3,600,000	-
Value Added Tax refundable	2,537,242	18,158,834
	9,341,351	21,173,692
TOTAL	62,460,723	51,431,345
9 OTHER NON-CURRENT ASSETS (Unsecured, considered good)		
Non-current bank deposits *	1,000,000	1,000,000
Interest accrued on the above non-current bank deposit	86,314	2,544
TOTAL	1,086,314	1,002,544

* Held against public deposits in pursuance of the requirements of applicable Rules.

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH

(Amounts in `)

Particulars	2015	2014
10 CURRENT INVESTMENTS		
10.1 Investments in bonds (Long term at cost)		
Investments in National Highway Authority of India Bonds (Refer note 7.4)	5,000,000	-
10.2 Other Investments (Non-trade)		
Investments in Mutual Funds (at lower of cost or fair value) (Refer Note 10.3.1 and 10.3.2)	1,112,500,000	743,312,565
TOTAL	1,117,500,000	743,312,565
10.3 Details of Other Investments (Non-trade)		
10.3.1 General Information (Refer Note 10.2)		
Aggregate market value (Net Asset Value) of quoted Investments	1,242,708,014	788,695,414
10.3.2 Details of Mutual Funds held at the end of the year (Refer Note 10.2)		
Particulars	31.03.2015	31.03.2014
Birla Sun Life Dynamic Bond Fund-Retail-Growth 1,079,445.67 (1,079,445.67) units of ` 10/- each	20,000,000	20,000,000
Birla Dynamic Bond fund retail plan growth -1,939,435.01(1,939,435.01) units of ` 10/- each	35,000,000	35,000,000
Birla Sun Life Treasury Optimizer Plan Growth 3,44,566.41 (Nil) units ` 10/- each	54,000,000	-
Franklin India short term Income plan-Retail Plan 14,415.83 (14,415.83) units of ` 10/- each	35,000,000	35,000,000
Franklin India Short Term Income Plan Retail Plan 38,048.02 (Nil) units ` 10/- each	100,000,000	-
Franklin India Short Term Income Plan Retail Plan 7,558.37 (Nil) units ` 10/- each	20,000,000	-
Franklin India Ultra Short Bond Fund-Super Institutional Plan 42,08,874.08 (Nil) units ` 10/- each	72,500,000	-
HDFC Floating Rate Income Fund Short Term Plan Growth Option 83,58,443.49 (Nil) units ` 10/- each	200,000,000	-
HDFC High Interest Fund-Growth-17,71,778.05 (17,71,778.05) units ` 10/ each	70,000,000	70,000,000
HSBC Flexi Debt Growth Nil (3,020,019.66) units ` 10/- each	-	50,000,000
HSBC Income Fund STP Growth 3,433,773.94 (3,433,773.94) units ` 10/- each	70,000,000	70,000,000
ICICI Pre Flexible Income Plan Regular Growth 5,71,288.85 (Nil) units ` 10/- each	150,000,000	-
IDFC Dynamic Bond Fund - Nil (1,501,670.60) units of ` 10/- each	-	20,000,000
IDFC Dynamic Bond Fund Growth - Nil (7,191,316.27) units of ` 10/- each	-	117,500,000
IDFC Dynamic Bond Fund Growth Regular Plan 28,37,676.73 (Nil) units ` 10/- each	40,000,000	-
IDFC Dynamic Bond Fund Plan B Nil (2,108,042.17) units ` 10/- each	-	29,812,565
IDFC SSIF STP Regular – 793,603.56 (793,603.56) untis ` 10/- each	20,000,000	20,000,000
IDFC Super Saver Income Fund 1,993,419.99 (1,993,419.99) units ` 10/- each	50,000,000	50,000,000
IDFC Super Saver Income Fund Short Term Plan Growth Direct Plan 7,55,038.94 (Nil) units ` 10/- each	20,000,000	-
Reliance Dynamic Bond Growth 3,808,213.18 (3,808,213.18) units ` 10/- each	60,000,000	60,000,000
SBI Dynamic Bond Fund Nil (2,023,637.75) units ` 10/-each	-	30,000,000
SBI Dynamic Bond Fund Regular Plan Growth 1,377,421.67 (Nil) units ` 10/- each	20,000,000	-
SBI Dynamic Bond Fund-Growth - Nil (2,937,530.09) units of ` 10/- each	-	40,000,000
SBI Magnum Income Fund - Nil (686,040.45) units ` 10/- each	-	20,000,000
UTI Bond Fund growth - 1,708,364.46 (1,708,364.46) units of ` 10/- each	56,000,000	56,000,000
UTI Bond Fund Growth 560,887.07 (560,887.07) units ` 10/- each	20,000,000	20,000,000
TOTAL	1,112,500,000	743,312,565

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH

(Amounts in `)

Particulars	2015	2014
11 INVENTORIES		
(Valued at Lower of Cost or Net Realisable value)		
Raw materials (including components, packing materials and stores & spares)	295,809,385	285,698,852
Raw materials in transit (including at customs bonded warehouse)	38,168,400	58,081,853
Work-in-Progress	67,327,774	52,083,135
Finished Goods	173,259,180	189,326,901
TOTAL	574,564,739	585,190,741
12 TRADE RECEIVABLES		
12.1 Outstanding for a period more than six months from the due date of payment		
Unsecured, considered doubtful	5,067,767	4,995,875
Less: Provision for Doubtful receivables	5,067,767	4,995,875
	-	-
12.2 Other Trade Receivables		
Unsecured, considered good	1,058,149,170	1,008,976,989
Unsecured, considered doubtful	3,560,828	3,504,497
Less: Provision for Doubtful receivables	3,560,828	3,504,497
TOTAL	1,058,149,170	1,008,976,989
13 CASH AND BANK BALANCES		
13.1 Cash and Cash Equivalents		
Balances with Banks		
- in Current Accounts	34,055,401	24,926,031
- in EEFC Accounts	7,483,176	4,586,160
- in Deposit Accounts	64,151	64,151
Cash on hand	1,025,444	819,988
Cheques, drafts on hand	-	150,000
	42,628,172	30,546,330
13.2 Other Bank balances		
Earmarked balances for Unclaimed Dividend accounts	2,146,283	1,800,045
Bank deposit held as margin money against bank guarantees (Refer Note 23.6.1)	500,000	7,681,137
	2,646,283	9,481,182
Total	45,274,455	40,027,512
14 SHORT TERM LOANS AND ADVANCES		
Others		
(Unsecured, considered good)		
Advance to Suppliers	30,980,520	84,851,960
Advance to Employees	3,591,920	3,591,091
Advance for Expenses	7,498,633	4,494,768
Balance with Central excise, customs & other authorities	12,299,387	17,315,559
Prepaid Expenses	3,348,122	4,624,514
TOTAL	57,718,582	114,877,892
15 OTHER CURRENT ASSETS		
(Unsecured, considered good)		
Export benefit entitlements	489,083	2,296,022
Interest accrued on bonds	300,000	300,000
Interest accrued on current bank deposits	444,678	124,598
TOTAL	1,233,761	2,720,620

NOTES FORMING PART OF PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH

(Amounts in `)

Particulars	2015	2014
16 REVENUE FROM OPERATIONS (GROSS)		
Sale of Products (Refer Note 16.1 below)	5,741,747,143	5,306,580,321
Sale of Services (Refer Note 16.2 below)	15,598,366	12,798,179
Other operating revenue (Refer Note 16.3 below)	13,656,231	12,862,724
TOTAL	5,771,001,740	5,332,241,224
Particulars of Revenue from Operations		
16.1 Sale of Products (Gross)		
16.1.1 Manufactured Goods		
Domestic	5,378,405,855	4,962,346,323
Exports (Including deemed exports)	363,341,288	344,233,998
	5,741,747,143	5,306,580,321
16.1.2 Manufactured Goods (Product wise)		
Cables (Control and Speedo)	5,422,199,693	5,034,232,971
Speedo Meters	245,326,869	174,471,094
Others (including parts)	74,220,581	97,876,256
	5,741,747,143	5,306,580,321
16.2 Sale of Services		
Processing Charges	15,598,366	12,798,179
	15,598,366	12,798,179
16.3 Other Operating Revenue		
Scrap Sales	13,029,487	12,207,347
Export benefit entitlements (Net)	626,744	655,377
	13,656,231	12,862,724
17 OTHER INCOME		
Interest Income		
- On bank deposits	1,057,829	777,299
- On advance to suppliers	1,215,160	532,918
- On employee loans & advances	7,393	15,272
Dividend Income		
- From Subsidiaries	9,950,000	-
- From Mutual funds	-	2,439,176
Net gain on sale of current investments	20,676,211	12,799,826
Withdrawal of provision for diminution of value of current investments	-	854,949
Rent Received	50,000	17,263
Net gain on foreign currency transactions and translations	1,806,227	8,813,727
Profit on sale of fixed assets (net of loss of PY - ` 676,183/)	-	21,991
Other non-operating income	589,641	814,106
TOTAL	35,352,461	27,086,527

NOTES FORMING PART OF PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH

(Amounts in `)

Particulars	2015	2014
18 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		
Opening Stock		
Finished Goods	189,326,901	122,812,767
Work-in-Progress	52,083,135	34,420,860
	241,410,036	157,233,627
Less:		
Finished Goods	173,259,180	189,326,901
Work-in-Progress	67,327,774	52,083,135
	240,586,954	241,410,036
TOTAL	823,082	(84,176,409)
19 EMPLOYEE BENEFIT EXPENSE		
Salaries, Wages and bonus (including managerial remuneration)	604,495,487	520,033,475
Contribution to Provident Fund and other funds	23,886,961	20,720,607
Staff welfare expenses	30,693,999	27,159,498
	659,076,447	567,913,580
Less: Expenditure incurred during the construction period		
- Transferred to capital work-in-progress	53,100	-
TOTAL	659,023,347	567,913,580
20 FINANCE COSTS		
Interest expense:		
- Borrowings	137,515,599	114,399,099
- Deposits	606,510	638,174
- Others	1,218,599	1,641,930
Loan processing charges	853,526	1,487,725
	140,194,234	118,166,928
Less: Expenditure incurred during the construction period		
- Capitalised during the year	37,160	-
- Transferred to capital work-in-progress	5,004,778	-
TOTAL	135,152,296	118,166,928

NOTES FORMING PART OF PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH

(Amounts in `)

Particulars	2015		2014	
21 OTHER EXPENSES				
Increase/ (Decrease) of excise duty on Inventory		(7,880,431)		14,741,181
Power and fuel		86,934,855		78,433,352
Rent		6,496,016		1,980,635
Repairs & Maintenance:				
- Buildings		7,075,456		8,619,402
- Machinery		30,831,562		26,255,844
- Others		22,212,615		15,225,830
Insurance		11,391,690		8,416,270
Rates and taxes		10,469,815		6,685,276
Bank Charges		2,959,493		4,134,857
Travelling and Conveyance		36,547,054		28,517,839
Professional Charges (Refer Note No. 21.1 below)		6,485,558		7,264,691
Freight Outward and C & F Charges		69,320,977		58,413,652
Advertisement and Sales Promotion		3,758,978		6,838,948
Discount		68,229,667		48,652,632
Commission:				
- Sales Commission		8,580,591		7,461,904
- Others		7,990		250,000
Directors' Sitting Fees & Commission		1,510,000		850,000
Bad debts/ receivables written off	3,855,318		1,621,475	
Less: Withdrawal of earlier year provisions	1,738,851	2,116,467	461,715	1,159,760
Provision for Doubtful debts		1,867,073		1,487,908
Printing & Stationery		5,754,275		5,596,159
Security Expenses		15,412,106		13,418,222
Communication Expenses		5,304,286		5,194,724
Profit on sale of fixed assets (net of profit of ` 25,450/-)		58,168		-
Research & Development expenses (Refer Note No. 23.12)		1,560,172		2,037,550
Donation [Refer Note No. 5.3.8(b)]		-		13,914,805
General Expenses		4,007,395		3,987,391
		401,011,828		369,538,832
Less: Expenditure incurred during the construction period				
- Transferred to capital work-in-progress		90,733		-
TOTAL		400,921,095		369,538,832
21.1 Auditors' Remuneration (excluding service tax)				
a. As auditor (including limited review, consolidated accounts)		1,250,000		1,000,000
b. For certification		30,510		20,000
c. Reimbursement of expenses		98,013		90,783
		1,378,523		1,110,783
22 CSR EXPENDITURE				
Contribution to Suprajit Foundation [Refer Note No. 5.3.8(a)]		12,758,000		-
TOTAL		12,758,000		-

OTHER NOTES ON FINANCIAL STATEMENTS FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

23 OTHER NOTES ON FINANCIAL STATEMENTS

- 23.1** In the opinion of the Board, none of the assets other than fixed assets and non-current investments have a value lower on realisation in the ordinary course of business than the amount at which they are stated in the Balance Sheet.
- 23.2** Some of the trade receivables, trade payables, loans and advances are subject to confirmation/ reconciliation.
- 23.3** Suprajit Europe Limited, a Wholly Owned Subsidiary (WOS) was established in 2006 and has accumulated losses of ₹ 177,615,198/- (PY: ₹ 191,982,094/-) as at the year ended March 31st, 2015. During the year, the WOS has earned net profits and the management expects to have a sustained growth in revenue and profits in the foreseeable future. Hence in the opinion of the management there is no permanent diminution in the value of the investment. The Company has provided a Corporate guarantee of GBP. 500,000 (PY: GBP.500,000) to the bankers of the WOS to fund its operations if required.
- 23.4** Full quantitative particulars giving item wise and location wise details of fixed assets are maintained in the ERP system in respect of additions made after 1.4.2008. The particulars of fixed assets acquired prior to this date have been updated in the ERP system in a summarised format. However, item wise particulars are maintained for major assets in manual form.
- 23.5** During the year, the Company has acquired the assets and liabilities of the automotive speedo cable division of M/s. Pricol Limited pursuant to a business transfer agreement on a slump sale basis for a total consideration of ₹ 51,532,822/- (PY - Nil).

Breakup of the assets and liabilities acquired is given below : (Amounts in ₹)

Particulars	2015	2014
Tangible Assets (included in additions in Note 6.1)		
Used Plant & Machinery	4,667,690	-
Used Computers	35,125	-
Used Containers	13,100	-
Intangible Assets (included in additions in Note 6.2)		
Business Rights	18,800,000	-
Inventories		
Raw Materials	9,499,297	-
Finished Goods	7,288,885	-
Other tools and consumables	309,172	-
Trade Receivables	11,130,209	-
CENVAT Credit	2,637,630	-
Trade Payables	(2,848,286)	-
Total Consideration	51,532,822	-

(Amounts in ₹)

	31.03.2015	31.03.2014
23.6 Contingent Liabilities and Commitments		
23.6.1 Contingent Liabilities		
Corporate Guarantees issued on behalf of a subsidiary to their bankers [GBP 500,000 (PY: GBP 500,000)]	46,745,000	50,425,000
B-17 Bond Executed in favour of customs	15,000,000	15,000,000
Bank Guarantee furnished to Tax Authorities for availing concessions	750,000	750,000
Other Bank Guarantees	-	7,181,137
Disputed Excise/Service Tax dues pending in appeal *	432,920	432,920
Disputed Sales Tax/VAT matters in respect of the following years pending in appeal against which amounts mentioned in Note No 8.3 as 'Value Added Tax paid under protest' is paid under protest, disclosed under the head Long term advances - Others and stay has been granted by the authorities in respect of payment of balance demand*		
- In respect of FY 2006-07, the amount paid under protest against the demand is ₹ 800,000/-	33,750,469	-
- In respect of FY 2008-09, the amount paid under protest against the demand is ₹ 2,000,000/-	31,085,990	-
- In respect of FY 2009-10, the amount paid under protest against the demand is ₹ 800,000/-	28,667,182	-

OTHER NOTES ON FINANCIAL STATEMENTS FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

(Amounts in `)

	31.03.2015	31.03.2014
23.6.1 Contingent Liabilities		
Disputed Income tax matters pending before Commissioner of Income Tax (Appeals) in respect of which amounts mentioned in Note no 8.3 as 'Income tax paid under protest' is paid under protest, disclosed under the head Long term advances-others*		
- In respect of AY 2009-10 (FY 2008-09), the amount paid under protest against the demand is ` 903,430/-	903,430	-
- In respect of AY 2010-11 (FY 2009-10)	4,515,160	-
Other sums for which the Company is contingently liable	-	1,200,000
Total	161,850,151	74,989,057
* No provision has been made in these accounts for the above disputed duty, tax demands as the management is confident that the matter will be ultimately decided in favour of the Company.		
	31.03.2015	31.03.2014
23.6.2 Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	2,646,44,150	14,902,726
Total Contingent Liabilities and Commitments	426,494,301	89,891,783

23.7 The Company has identified Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006. Particulars of dues to these parties are as under:

Particulars	31.03.2015	31.03.2014
Principal amount (including overdue amount) outstanding at the beginning of the year	4,113,651	4,446,692
Interest amount outstanding at the beginning of the year	144,432	336,438
Interest (out of the above) paid during the year	27,040	219,047
Amount paid after the due date during the year	3,702,523	4,429,561
Overdue amount outstanding at the end of the year	2,610,574	47,838
Principal amount (other than overdue amount) outstanding at the end of the year	8,087,727	4,065,813
Interest amount accrued and remaining unpaid at the end of the year	145,044	144,432

23.8 Foreign Exchange exposure

The details of foreign currency exposure as at the year end is given below:

Particulars	31.03.2015		31.03.2014	
	Foreign currency	Equivalent	Foreign currency	Equivalent
Not hedged by derivative instruments (net)				
USD Receivable@	1,669,562	103,880,144	1,696,331	101,169,188
Euro Receivable	144,715	9,679,974	124,295	10,156,170
GBP Receivable	133,842	12,262,613	135,294	13,373,839
USD Payable	8,435	531,927	599,240	36,242,035
Euro Payable	2,115	144,716	-	-

@ Above figures does not include advances paid against goods/ services as it is adjustable against future supplies/ services.

OTHER NOTES ON FINANCIAL STATEMENTS FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

(Amounts in `)

23.9 Employee Benefits

Details of the employee benefits are given below.

a. Defined Contribution Plans:

During the year the following amounts have been recognised in the Profit and Loss Statement on account of defined contribution plans.

Particulars	31.03.2015	31.03.2014
Employers contribution to Provident Fund (incl. admin. charges)	17,446,941	13,277,510
Employers contribution to Employee State Insurance	3,544,537	3,086,461

b. Defined Benefit Plans:

Gratuity - Funded

Compensated absences - Unfunded

Gratuity is a funded obligation and leave encashment is an unfunded obligation of the Company. The Company has provided for liability of gratuity and leave encashment based on an actuarial valuation under the projected unit credit method. Actuarial assumptions in determining such liability are given below:

Particulars	Gratuity		Compensated Absences	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Discount Rate (per annum)*	7.81%	9.12%	7.81%	9.12%
Expected return on plan assets	8.75%	6.75%	-	-
Salary escalation rate**	10.00%	10.00%	10.00%	10.00%

* The discount rate is based on the prevailing market yields of Government of India services as at the Balance Sheet date for the estimated term of the obligations.

** The assumption of future salary increases takes into account inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.

Particulars	2014-15		2013-14	
	Gratuity	Compensated Absences	Gratuity	Compensated Absences
I. Reconciliation of present value of obligation				
Present value of obligation at beginning of the year	32,471,985	9,488,494	24,755,468	6,752,511
Current Service Cost	15,234,065	3,897,025	6,452,507	2,564,038
Interest Cost	2,493,171	695,548	2,240,440	578,257
Actuarial (gain)/loss	(37,318)	304,303	(597,951)	417,629
Benefits Paid	(1,098,356)	(1,165,264)	(378,479)	(823,941)
Present value of obligation at end of the year#	49,063,547	13,220,106	32,471,985	9,488,494

Present Value of Obligation towards Gratuity as at 31.03.2015 includes liability not eligible to be covered by the clauses governing the Group Gratuity Scheme and is disclosed as an unfunded obligation in Note no. 4.4.1.

Particulars	2014-15		2013-14	
	Gratuity	Compensated Absences	Gratuity	Compensated Absences
II. Reconciliation of fair value of plan assets				
Fair value of plan assets at beginning of the year	20,971,507	-	20,013,867	-
Expected return on plan assets	1,786,954	-	1,338,162	-
Actuarial gain/(loss)	182,904	-	(2,042)	-
Contributions	3,685,503	1,165,264	-	-
Benefits paid	(1,098,356)	(1,165,264)	(378,479)	-
Fair value of plan assets at end of the year	25,528,512	-	20,971,508	-

OTHER NOTES ON FINANCIAL STATEMENTS FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

(Amounts in `)

Particulars		2014-15	2013-14
		Gratuity	Gratuity
III.	Description of Plan Assets		
	Insurer Managed Funds	25,528,512	20,971,508

The fund is maintained with the Life Insurance Corporation of India under the Group Gratuity Scheme administered through trustees.

Particulars		2014-15		2013-14	
		Gratuity	Compensated Absences	Gratuity	Compensated Absences
IV.	Expenses recognised in the Profit & Loss Statement				
	Current Service Cost	15,234,065	3,897,025	6,452,507	2,564,038
	Interest Cost	2,493,171	695,548	2,240,440	578,257
	Expected return on plan assets	(1,786,954)	-	(1,338,162)	-
	Actuarial (gain)/loss	(3,720,222)	304,302	(595,909)	417,629
	Net Expense recognised in the Profit & Loss Statement	12,220,060	4,896,875	6,758,876	3,559,924

Particulars		2014-15		2013-14	
		Gratuity	Compensated Absences	Gratuity	Compensated Absences
V.	Net (Asset)/ Liability recognized in the Balance Sheet as at year end				
	Present value of obligation at end of the year	49,063,547	13,220,106	32,471,985	9,488,494
	Fair value of plan assets at end of the year	25,528,512	-	20,971,508	-
	Net present value of unfunded obligation recognized as (asset)/liability in the Balance Sheet	23,535,036	13,220,106	11,500,477	9,488,494

Particulars		2015	2014	2013	2012	2011
VI.	Experience Adjustments :					
	Gratuity - Funded & Unfunded					
	Present value of obligations	49,063,547	32,471,985	24,755,467	16,654,773	14,683,405
	Fair value of plan assets	25,528,512	20,971,508	20,013,866	5,926,077	6,254,303
	Funded Status [(Surplus)/Deficit]	7,465,201	11,500,477	4,741,601	10,728,696	8,429,102
	Experience [Gain/(Loss)] adjustment on plan liabilities	(37,318)	(597,951)	(152,978)	(1,791,700)	(252,589)
	Experience [Gain/(Loss)] adjustment on plan assets	182,904	(2,042)	(172,997)	(45,355)	(59,788)
	Compensated Absences-Unfunded					
	Present value of obligations	13,220,105	9,488,494	6,752,511	5,075,640	3,404,097
	Experience [Gain/(Loss)] adjustment on plan liabilities	304,302	(417,629)	(549,703)	(59,273)	(167,501)

OTHER NOTES ON FINANCIAL STATEMENTS FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

(Amounts in `)

23.10 Segment Reporting

The Company has classified its products as Auto Components and hence operates in only one primary segment (business). Secondary segmental reporting is based on the geographical location of customers. The following is the distribution of the Company's sale by geographical markets and segment assets which can be attributed to customers in such markets.

Particulars	2014-15	2013-14
Sales/Operating income		
- India	4,879,780,663	4,505,909,491
- Rest of the world	342,499,413	317,048,123
Segment Assets		
- India	4,639,023,065	3,974,106,048
- Rest of the world	125,822,731	124,699,197

23.11 Related Party Disclosures

Party	Relationship
Suprajit Automotive Private Limited	Wholly owned subsidiary
Suprajit Europe Limited, U.K.	Wholly owned subsidiary
K Ajith Kumar Rai (Chairman & Managing Director)	Key Management Personnel
Mohan Chelliah (Executive Director)	Key Management Personnel
Akhilesh Rai	Relative of Key Management Personnel
Ashutosh Rai	Relative of Key Management Personnel
M Jayarama Shetty*	Relative of Key Management Personnel
Shobha Mani*	Relative of Key Management Personnel
Lakshmi A Rai*	Relative of Key Management Personnel
Manjunath Rai K	Relative of Key Management Personnel
Hemavathi M Rai	Relative of Key Management Personnel
Ashok Kumar Rai	Relative of Key Management Personnel
Suprajit Foundation	Controlled Trust

Nature of Transaction and Related Party	2014-15	2013-14
Remuneration/Commission		
K Ajith Kumar Rai	26,149,410	34,320,646
M Jayarama Shetty*	-	100,000
Mohan Chelliah	8,082,450	6,049,471
Akhilesh Rai	817,386	690,852
Ashutosh Rai	271,314	-
Sitting Fee		
M Jayarama Shetty*	-	100,000
Sales		
Suprajit Automotive Private Limited	30,043,068	19,165,069
Dividend Received		
Suprajit Automotive Private Limited	9,950,000	-
Sale of Assets		
Suprajit Automotive Private Limited	383,011	-
Conversion charges		
Suprajit Automotive Private Limited	2,700,257	1,904,088
Purchase of Materials		
Suprajit Automotive Private Limited	4,213,980	3,296,844
Interest Paid		
Manjunath Rai K	95,000	94,792
Hemavathi M Rai	76,052	95,000
Ashok Kumar Rai	95,000	95,000
Shobha Mani*	-	95,000
Lakshmi A Rai*	-	125,458

OTHER NOTES ON FINANCIAL STATEMENTS FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

(Amounts in `)

Nature of Transaction and Related Party	2014-15	2013-14
Interest accrued but not due on deposits and outstanding		
Manjunath Rai K	13,065	35,319
Hemavathi M Rai	32,273	32,378
Ashok Kumar Rai	8,068	-
Lakshmi A Rai*	-	139,278
CSR Expenditure (PY - Donation)		
Suprajit Foundation	12,758,000	13,574,000
Reimbursements paid		
K Ajith Kumar Rai	1,181,651	1,343,593
Mohan Chelliah	1,228,592	722,349
Akhilesh Rai	400,378	60,977
Reimbursements received		
Suprajit Automotive Private Limited	460,098	-
Fixed Deposits Accepted		
Manjunath Rai K	-	1,000,000
Hemavathi M Rai	-	1,000,000
Ashok Kumar Rai	-	1,000,000
Shobha Mani*	-	800,000
Lakshmi A Rai*	-	772,312
Fixed Deposits Refunded on Closure		
Manjunath Rai K	-	500,000
Hemavathi M Rai	-	1,000,000
Shobha Mani*	-	800,000
Ashok Kumar Rai	-	1,000,000

Balances outstanding (net)	31.03.2015	31.03.2014
Suprajit Automotive Private Limited (Dr.) (net)	-	-
Suprajit Europe Limited (Cr.)	-	-
Manjunath Rai K (Cr.)	1,000,000	1,000,000
Hemavathi M Rai (Cr.)	1,000,000	1,000,000
Ashok Kumar Rai (Cr.)	1,000,000	1,000,000
Shobha Mani (Cr.)*	-	1,000,000
Lakshmi A Rai (Cr.)*	-	1,293,355
Suprajit Foundation (Cr)	12,758,000	13,574,000
Interest accrued but not due on total outstanding deposits (Cr.)	53,406	206,975
Corporate Guarantee Furnished		
Suprajit Europe Limited [GBP 500,000 (PY: GBP 500,000)]	46,745,000	50,425,000

Notes:

Amounts shown as outstanding at the year end in relation to fixed deposits accepted represent only the principal amount and the accumulated amount of interest accrued but not due is disclosed above.

* These parties are not relatives as per AS-18 and under the definition of Companies Act,2013. Hence Current year related party transaction figures are not disclosed.

23.12 Research & Development Expenditure

Particulars	2014-15	2013-14
Salaries & Wages	13,341,512	12,441,768
Materials, Consumables & Stores	2,205,070	2,226,803
Other Direct Expenditure	1,470,046	1,484,535
TOTAL	17,016,628	16,153,106

The expenses such as Salaries, Wages (included in Note no. 19), Materials Consumables & Stores are included in the respective head of accounts and direct expenditure (Note no. 21) is disclosed under Research & Development Expenditure in the Profit and Loss Statement.

OTHER NOTES ON FINANCIAL STATEMENTS FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

(Amounts in `)

23.13 Additional information

	Particulars	2014-15	2013-14
(i)	Raw materials consumed/sold		
	Steel Wire	477,127,159	455,033,315
	Inner Meter	584,871,118	476,738,758
	Bend Tube Assy.	285,773,423	258,933,300
	PVC Compound	157,204,477	131,159,299
	Component and Others	1,804,303,871	1,795,120,742
	Total	3,309,280,048	3,116,985,414
(ii)	Raw Materials Consumed		
	Imported	527,604,724	561,216,972
	Imported % to total	15.94%	18.01%
	Indigenous	2,781,675,324	2,555,768,442
	Indigenous % to total	84.06%	81.59%
	Total	3,309,280,048	3,116,985,414
	Total %	100%	100%
(iii)	CIF Value of Imports		
	Raw materials (including goods in transit)	536,536,367	619,308,825
(iv)	Earnings in Foreign Currency		
	Export of goods calculated on F.O.B. basis	342,499,413	317,048,123
(v)	Expenditure in foreign currency		
	Export commission	8,580,591	7,461,904
	Travelling expenses	4,446,837	2,452,167

(vi) There are no amounts remitted in foreign currency during the current year and the previous year on account of dividend to non-resident shareholders. Amount of dividends to non-resident shareholders have been deposited into their designated Indian rupee accounts maintained with the banks in India.

23.14 Previous period figures have been rearranged/ reclassified where required to confirm to current year's classification.

(Signatures to Notes 1 to 23)

As per our report of even date attached

For and on behalf of the Board of Directors

For Varma & Varma

Chartered Accountants
FRN 004532S

K Ajith Kumar Rai
Chairman & Managing Director &
Chief Executive Officer

Diwakar S Shetty
Director

Medappa Gowda J
Company Secretary &
Chief Financial Officer

R Kesavadas
Partner
M. No. 23862

Place : Bangalore
Date : 29th May, 2015

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Subsidiaries :

(Information in respect of each subsidiary to be presented with amounts in `)

Sl. No	1	2	3
1	Name of the subsidiary	Suprajit Automotive Private Limited	Suprajit Europe Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable	Not Applicable
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR	GBP 1 GBP =92.46
4	Share capital	19,900,000	203,412,000
5	Reserves & surplus	274,694,003	-177,615,198
6	Total assets	597,371,520	272,158,876
7	Total Liabilities	302,777,517	246,362,074
8	Investments	Nil	Nil
9	Turnover (Note 3)	724,423,340	620,141,885
10	Profit before taxation (Note 4)	91,967,281	-3,122,382
11	Provision for taxation	29,267,989	-3,290,918
12	Profit after taxation	62,699,292	168,537
13	Proposed Dividend	-	-
14	% of Shareholding	100%	100%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations - Nil.
- Names of subsidiaries which have been liquidated or sold during the year - Nil.
- Considered only Revenue from Operations (Net) as per section 2(19) of The Companies Act,2013.
- Includes Tax expense pertaining to earlier years and deferred tax.

Part "B": Associates and Joint Ventures

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

Sl.No	1	
1	Name of Associates/Joint Ventures	The Company has no Associates or Joint Ventures as on 31 st March, 2015. Hence Part "B" is Not Applicable to the Company
2	Latest audited Balance Sheet Date	
3	Shares of Associate/Joint Ventures held by the company on the year end :	
	No.	
	Amount of Investment in Associates/Joint Venture	
	Extend of Holding %	
4	Description of how there is significant influence	
5	Reason why the associate/joint venture is not consolidated	
6	Networth attributable to Shareholding as per latest audited Balance Sheet	
7	Profit / Loss for the year :	
	i. Considered in Consolidation	
	ii. Not Considered in Consolidation	

- Names of associates or joint ventures which are yet to commence operations - Nil
- Names of associates or joint ventures which have been liquidated or sold during the year - Nil

As per our report of even date attached

For Varma & Varma

Chartered Accountants
FRN 004532S

K Ajith Kumar Rai
Chairman & Managing Director &
Chief Executive Officer

Diwakar S Shetty
Director

Medappa Gowda J
Company Secretary &
Chief Financial Officer

R Kesavadas
Partner
M. No. 23862

Place : Bangalore
Date : 29th May, 2015

CONSOLIDATED FINANCIAL STATEMENTS
OF
SUPRAJIT ENGINEERING LIMITED

INDEPENDENT AUDITORS' REPORT

To

The Members of **SUPRAJIT ENGINEERING LIMITED**

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of Suprajit Engineering Limited (hereinafter referred to as 'the Holding Company') and its two subsidiaries (the Holding Company and its two subsidiaries together referred to as 'the Group') comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Profit and Loss Statement and the Consolidated Cash Flow statement for the year then ended and a summary of the significant accounting policies, notes on consolidated financial statements and other explanatory information ("herein after referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

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

Other Matters

We did not audit the financial statements of the two subsidiaries whose financial statements reflect total assets of ` 86.95 crores as at March 31, 2015, total revenues of ` 135.53 crores and net cash outflows amounting to ` 2.51 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements and other financial information of the two subsidiaries have been audited

by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, is based solely on the report of other auditors. One of these being a foreign subsidiary, the financial statements have been prepared and audited under the laws applicable in that Country.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' report issued in respect of the Holding company and based on the report of the statutory auditors of one subsidiary company incorporated in India, we give in the Annexure a statement on the matter specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act and on the consideration of the report of the other auditors on separate financial statements and other financial information of two subsidiaries, as noted in the 'Other Matter' paragraph, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account/records as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Profit and Loss Statement, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account/records maintained for the purpose

of preparation of the consolidated financial statements.

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of one of its subsidiary company incorporated in India, none of the directors of the Holding Company and one of its subsidiary company incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matter 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 and on the consideration of the report of the other auditors on separate financial statements and other financial information of two subsidiaries, as noted in the 'Other Matter' paragraph:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group—Refer Note 23.5.1 to the consolidated financial statements;
 - ii. The group has made provision, as required under the applicable law or accounting standards, if any, on long term contracts including derivative contracts for which there were material foreseeable losses; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary company incorporated in India.

For **Varma & Varma**
Chartered Accountants
FRN 004532S

R Kesavadas
Partner
M. No. 23862

Place : Bangalore
Date : 29.05.2015

ANNEXURE TO INDEPENDENT AUDITORS' REPORT**ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' OF OUR INDEPENDENT AUDIT REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SUPRAJIT ENGINEERING LIMITED FOR THE YEAR ENDED 31ST MARCH 2015**

Following statement is based on the comments in the Independent Auditors' report on the standalone financial statements of the Holding Company and its subsidiary company incorporated in India.

- (i) (a) The Holding Company and its subsidiary company incorporated in India have maintained proper records showing full particulars including quantitative details and situation of fixed assets. However, in respect of the Holding Company as stated in Note No. 23.3, the full quantitative particulars giving item wise/ location wise details of fixed assets are maintained in the ERP system in respect of additions made after 1.4.2008. The particulars of such fixed assets acquired prior to this date have been updated in the ERP system in a summarised format and the item wise particulars are available for major assets in manual form.
- (b) The fixed assets of the Holding Company and its subsidiary company incorporated in India have been physically verified by the respective management during the year in accordance with a programme and in respect of the Holding Company such verification programme requires to be streamlined. According to the information and explanations given to us no material discrepancies were identified on such verification when compared with available records.
- (ii) (a) We are informed that the inventory of raw materials, stores and spares, work-in-progress and finished goods in the custody of the Holding Company and its subsidiary company incorporated in India are physically verified by the respective management during the year, the frequency of which, in our opinion is reasonable, having regard to the size and the nature of their business. In respect of the subsidiary company incorporated in India, stocks lying with the third parties have not been verified by its management during the year and direct confirmation has been received in respect of substantial part of inventories lying with the third parties;
- (b) In our opinion and according to the information and explanations given to us and based on the report of the statutory auditors of its subsidiary company incorporated in India, the procedures for physical verification of inventory followed by the respective managements as referred to in clause (ii)(a) above in respect of the Holding Company and its subsidiary company incorporated in India are generally reasonable and adequate in relation to the size of the respective companies and the nature of their business;
- (c) The Holding Company is maintaining proper records of inventory and as informed to us, discrepancies of material nature noticed on physical verification, by the management, have been properly dealt with in the books of account during the year. Based on the report of the statutory auditors of the subsidiary company incorporated in India, it is maintaining proper records of inventory and no material discrepancies were noticed on physical verification carried out during the year.
- (iii) The Holding Company and its subsidiary company incorporated in India have not granted any loans, secured or unsecured to companies, firms or other parties requiring to be entered in the register in terms of Section 189 of the Companies Act, 2013. Accordingly, the reporting requirements under clauses (iii) (a) and (iii) (b) of the paragraph 3 of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us and based on the report of the statutory auditors of its subsidiary company incorporated in India, the internal control system in the Holding Company and its subsidiary company incorporated in India are adequate and commensurate with the size of the respective companies and nature of their business for the purchase of inventory and fixed assets and for sale of goods and services. We have not noted any continuing failure to correct major weaknesses in internal control systems, subject to Auditor's Responsibility paragraph mentioned in the Independent Auditor's Report above.
- (v) According to the information and explanations given to us, the Holding Company has complied with the 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, 2013 and the rules framed thereunder. As per the report of the statutory auditors of its subsidiary company incorporated in India, it has not accepted any deposits from the public during the year and hence, the 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, 2013 and the rules framed there under are not applicable to the said subsidiary company.
- (vi) We have broadly reviewed the books of account and records maintained by the Holding company relating to the manufacture of auto components, for the maintenance of cost records under Section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records with a view to determining whether they are accurate or complete. As per the report of the statutory auditors of the subsidiary company incorporated in India, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products and services of the said subsidiary company.
- (vii) (a) According to the information and explanations given to us and on the basis of examination of the

records of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, these companies have been fairly regular in depositing undisputed statutory dues including Provident fund, Employee's State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Service Tax, Cess, Investor Education and Protection Fund and other statutory dues with the appropriate authorities during the year to the extent applicable.

According to the information and explanations given to us and based on the report of the statutory

auditors of its subsidiary company incorporated in India, there was no arrears of undisputed statutory dues of a material nature outstanding as at the last day of the financial year for a period of more than six months from the date on which they became payable.

- (b) According to the information and explanations given to us and as per the verification of the records of the Holding Company, the following disputed amounts of tax/ duty have not been deposited with appropriate authorities as at 31st March 2015:

Name of the Statute	Nature of the dues	Amount (₹)	Period (financial year) to which the amount relates to	Forum where dispute is pending
Maharashtra VAT Act, 2002 #	Value Added Tax	31,148,407*	2006-07	Joint Commissioner of Sales Tax (Appeals)
Central Sales Tax Act, 1956 #	Central Sales Tax	1,802,062*	2006-07	Joint Commissioner of Sales Tax (Appeals)
Maharashtra VAT Act, 2002 #	Value Added Tax	29,085,990*	2008-09	Deputy Commissioner of Sales Tax (Appeals)
Maharashtra VAT Act, 2002 #	Value Added Tax	24,474,972*	2009-10	Joint Commissioner of Sales Tax (Appeals)
Central Sales Tax Act, 1956 #	Central Sales Tax	3,392,210*	2009-10	Joint Commissioner of Sales Tax (Appeals)
Income Tax Act, 1961	Income Tax	4,515,160	2009-10 (AY 2010-11)	Commissioner of Income Tax (Appeals)
Finance Act, 1994	Service Tax	432,920	2009-10	Customs Excise & Service tax Appellate Tribunal

* net of ₹ 3,600,000/- paid under protest.

a stay order has been received against the amount disputed and not deposited.

Based on the report of the statutory auditors of its subsidiary company incorporated in India, there are no dues with respect to income tax, sales tax, wealth tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, which have not been deposited on account of any dispute.

- (c) According to the information and explanations given to us and on the basis of examination of the records of the Holding Company, the amounts required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder have been transferred to such fund within time.

Based on the report of the statutory auditors of its subsidiary company incorporated in India, there are no amounts required to be transferred to Investor Education and Protection Fund.

- (viii) The Holding Company and its subsidiary company incorporated in India does not have any accumulated losses as at the end of the financial year on a standalone basis as well as consolidated basis and these companies have not incurred cash losses on a standalone basis as well as consolidated basis in the current financial year and in the immediately preceding financial year.

- (ix) According to the information and explanations given to us and as per the verification of the records of the Holding Company and based on the report of the statutory auditors of its subsidiary company incorporated in India, the Holding Company has not defaulted in repayment of their dues to the financial institutions and banks and its subsidiary company incorporated in India has not defaulted in repayment of their dues to the banks. Further the subsidiary company incorporated in India did not have dues to financial institutions or debenture holders.

- (x) According to the information and explanations given to us, the terms and conditions of the guarantee given by the Holding Company for loan taken by its foreign subsidiary company from the banker of such foreign subsidiary, are not prima facie prejudicial to the interest of the Holding company. Based on the report of the statutory auditors of its subsidiary company incorporated in India, the clause relating to guarantees given for loans taken by others is not applicable to the said subsidiary company.

- (xi) According to the information and explanations given to us and as per the verification of the records of the Holding Company, during the year, the Holding Company has availed a term loan of ₹ 50 crores in respect of capital projects under progress out of which as at 31st March 2015 ₹ 32.56 crores were, prima facie, utilised by the Holding Company for the purposes for which the loan was obtained and the balance of ₹ 17.44 crores, as informed by the management of the Holding Company, will be utilised towards the capital projects under progress. Based on the report of the statutory auditors of its subsidiary company, the term loans of the Subsidiary company incorporated in India have been applied for the purpose for which the loans were obtained.

- (xii) According to the information and explanations given to us and the records of the Holding Company examined by us, and based on the report of the statutory auditors of its subsidiary company, no material fraud either on or by the Company has been noticed or reported during the year.

For **Varma & Varma**
Chartered Accountants
FRN 004532S

R Kesavadas
Partner
M. No. 23862

Place : Bangalore
Date : 29.05.2015

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH

(Amounts in `)

Particulars	Note No	2015	2014
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	120,020,000	120,020,000
Reserves and Surplus	3	2,288,083,331	1,927,007,086
Non-Current Liabilities			
Long-term borrowings	4	654,977,439	425,416,087
Deferred tax liabilities (Net)		90,841,556	74,825,256
Other Long term liabilities		10,432,617	7,821,961
Long term Provisions		32,069,031	25,428,802
Current Liabilities			
Short-term borrowings	5	1,004,680,572	997,390,911
Trade payables		568,485,393	587,951,320
Other current liabilities		425,103,452	313,005,062
Short-term provisions		91,410,786	82,640,812
TOTAL		5,286,104,177	4,561,507,297
ASSETS			
Non-Current Assets			
Fixed assets	6		
(i) Tangible Assets		1,662,587,148	1,523,664,696
(ii) Intangible Assets		16,920,000	-
(iii) Capital Work-in-progress		170,356,434	7,287,269
Non-current investments	7	-	5,000,000
Long term loans and advances	8	67,789,676	64,177,737
Other Non-current assets	9	1,086,314	1,002,544
Current Assets			
Current investments	10	1,117,500,000	743,312,565
Inventories	11	799,253,405	773,673,097
Trade receivables	12	1,250,489,993	1,188,730,568
Cash and Bank Balances	13	55,753,732	75,568,406
Short-term loans and advances	14	132,083,254	176,262,995
Other current assets	15	12,284,221	2,827,419
TOTAL		5,286,104,177	4,561,507,297
Significant Accounting Policies	1		
Other Notes on Financial Statements	23		

As per our report of even date attached

For and on behalf of the Board of Directors

For Varma & Varma
Chartered Accountants
FRN 0045325

K Ajith Kumar Rai
Chairman & Managing Director
& Chief Executive Officer

Diwakar S Shetty
Director

Medappa Gowda J
Company Secretary
& Chief Financial Officer

R Kesavadas
Partner
M. No. 23862

Place : Bangalore
Date : 29.05.2015

CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH

(Amounts in `)

Particulars	Note No	2015	2014
Revenue from operations (Gross)	16	6,677,434,166	5,969,758,854
Less: Excise duty		559,413,022	517,393,058
Revenue from Operations (Net)		6,118,021,144	5,452,365,796
Other Income	17	40,759,977	36,337,681
TOTAL		6,158,781,121	5,488,703,477
Expenses			
Cost of materials consumed		3,757,282,044	3,445,936,217
Changes in inventories of finished goods and work-in-progress	18	(28,224,834)	(133,036,651)
Employee benefit expense	19	825,546,167	700,987,288
Finance costs	20	163,992,161	134,022,437
Depreciation and amortization expense	6	89,929,728	83,562,633
Other expenses	21	589,151,685	512,850,780
CSR expenditure [Refer Note no 5.3.8 (a)]	22	13,618,394	-
TOTAL		5,411,295,345	4,744,322,704
Profit before tax for the year		747,485,776	744,380,773
Tax expense:			
(1) Current tax		(227,777,000)	(221,710,000)
Tax expense pertaining to earlier years		644,783	(10,955)
(2) Deferred tax		(17,404,982)	(14,561,834)
Profit after tax for the year		502,948,577	508,097,984
Earnings per equity share:			
Equity shares of par value ` 1/- each			
Basic & Diluted		4.19	4.23
Number of shares used in computing earnings per share		120,020,000	120,020,000
Significant Accounting Policies	1		
Other Notes on Financial Statements	23		

As per our report of even date attached

For and on behalf of the Board of Directors

For Varma & Varma
Chartered Accountants
FRN 004532S

K Ajith Kumar Rai
Chairman & Managing Director
& Chief Executive Officer

Diwakar S Shetty
Director

Medappa Gowda J
Company Secretary
& Chief Financial Officer

R Kesavadas
Partner
M. No. 23862

Place : Bangalore
Date : 29.05.2015

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH

(Amounts in `)

Particulars	2015	2014
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit before tax for the year	747,485,776	744,380,773
Adjustment for:		
Depreciation and Amortisation	89,929,728	83,562,633
(Profit)/Loss on sale of fixed assets	58,168	(366,783)
(Profit)/Loss on sale of Mutual funds	(20,676,211)	(12,799,826)
Withdrawal of provision for diminution in value of investments	-	(854,949)
Interest income	(2,374,257)	(1,419,697)
Dividend received	-	(2,439,176)
Interest expense	163,992,161	134,022,437
Operating profit before working capital changes	978,415,365	944,085,412
(Increase)/ Decrease in		
- Inventories	(25,580,308)	(287,645,864)
- Trade Receivables	(61,759,425)	(260,356,457)
- Loans and advances (Long term and Short term)	42,749,503	(31,534,954)
- Other Non Current Assets & Current Assets	(2,755,436)	(6,374,761)
Increase/ (Decrease) in		
- Current Liabilities	(46,088,198)	229,297,689
- Long term Liabilities	2,610,656	961,146
- Provisions (Long term and Short term)	9,748,948	11,494,621
Cash generated from operations	897,341,105	599,926,832
Income taxes paid (net of refunds)	(225,670,586)	(224,711,380)
Net cash from operating activities	671,670,519	375,215,452
B. CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of fixed assets/ Capital work-in-progress	(412,638,259)	(252,963,970)
Sale of investments	267,988,776	310,299,826
Purchase of investments	(616,500,000)	(590,701,493)
Interest received	2,729,268	1,575,785
Dividend received	-	2,439,176
Proceeds from sale of fixed assets	739,902	3,399,954
Net cash from investing activities	(757,680,313)	(525,950,722)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH

(Amounts in `)

Particulars	2015	2014
C. CASH FLOWS FROM FINANCING ACTIVITIES:		
Interest paid	(163,287,911)	(133,473,169)
Proceeds/(repayments) from long term borrowings (net)	367,231,526	32,357,079
Proceeds/(repayments) from short term borrowings (net)	7,289,661	359,901,540
Dividend and dividend tax paid	(134,641,049)	(119,354,790)
Exchange fluctuation reserve - foreign subsidiary (net)	(3,603,199)	4,781,977
Net cash from financing activities	72,989,028	144,212,637
Net increase in cash and cash equivalents during the year	(13,020,766)	(6,522,633)
Cash and cash equivalents at beginning of the year	65,351,871	71,874,504
Cash and cash equivalents at end of the year	5,23,31,105	6,53,51,871
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and bank balances as per the Balance Sheet (Refer Note No. 13)	55,189,581	75,568,407
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements (Refer 'Other bank balances' in Note No. 13)	2,858,476	10,216,536
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 13 *	52,331,105	65,351,871
* Comprises:		
- Cash on hand	1,229,188	953,166
- Cheques, drafts on hand	755,360	150,000
- Balances with banks		
- In current accounts	42,596,267	59,313,149
- In EEFC accounts	267,008	343,332
- In deposit accounts	7,483,282	4,592,224
	52,331,105	65,351,871

(Figures in brackets indicate outflows)

As per our report of even date attached

For and on behalf of the Board of Directors

K Ajith Kumar Rai
Chairman & Managing Director
& Chief Executive Officer

Diwakar S Shetty
Director

Medappa Gowda J
Company Secretary
& Chief Financial Officer

For Varma & Varma
Chartered Accountants
FRN 004532S

R Kesavadas
Partner
M. No. 23862

Place : Bangalore
Date : 29.05.2015

Significant Accounting Policies forming part of the consolidated financial statements for the year ended 31st March 2015

GROUP INFORMATION

Suprajit Engineering Limited ('the Company') is a public limited company and is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company and its subsidiaries (jointly referred to as the 'Group' hereunder) are engaged inter alia, in the business of manufacturing of auto components consisting mainly control cables, speedo cables and other components for automobiles.

1 SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of Financial Statements

The financial statements have been prepared and presented under the historical cost convention and in accordance with the provisions of the Companies Act, 2013 ('the Act') and the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts Rules) 2014.

1.2 Use of Estimates

The preparation of the financial statements is in conformity with Indian GAAP, which requires that the management make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of financial statements and the reported amounts of revenue and expenses during the reporting period. Although such estimates are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates and such differences are recognised in the period in which the results are ascertained.

1.3 The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as that of the Parent.

The consolidated financial statements have been prepared on the following basis:

- i) The financial statements of the parent and its subsidiary companies have been combined on a line by line basis by adding together like items of assets, liabilities, income and expenses. Inter-Company balances and transactions and unrealised profits or losses have been fully eliminated.
- ii) In case of foreign subsidiaries, being non-integral foreign operations, revenue items are converted to rupees being the reporting currency at the average exchange rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the exchange fluctuation reserve.
- iii) Contingent liabilities in foreign currency are translated at the closing rate.

1.4 The subsidiaries considered in the consolidated financial statements are:

NAME OF THE COMPANY	COUNTRY OF INCORPORATION	% VOTING POWER	
		AS AT 31.03.2015	AS AT 31.03.2014
SUPRAJIT AUTOMOTIVE PRIVATE LIMITED	INDIA	100	100
SUPRAJIT EUROPE LIMITED	UNITED KINGDOM	100	100

1.5 Cash Flow Statement

Cash flow statement is prepared in accordance with AS-3 specified under the Companies Act, 2013, using the indirect method to determine cash flows from operating activities. The cashflows of the Company are segregated into operating, investing and financing activities. Cash and cash equivalents for the purpose of cash flows statement comprise of cash on hand, demand deposit placed with banks and term deposits with banks (with an original maturity of three months or less)

1.6 Revenue Recognition

Sale of goods as well as revenue from processing of goods (services) is recognised at the time of transfer of property in goods, results in or coincides with the transfer of significant risks and rewards to the customers which is generally at the point of dispatch of goods to the customers. Gross sales are inclusive of applicable excise duty and exclusive of sales tax and are net of returns. Revenue from scrap is recognised on sale.

Export incentives are recognised when there is reasonable certainty as to realisation and when they are quantifiable with a high degree of accuracy.

Dividend is recognised when declared and interest income is recognised on time proportion basis taking into account the amount outstanding and the applicable rate.

1.7 Tangible/ Intangible Assets

Tangible Assets are stated at cost less accumulated depreciation and impairment losses, if any. The cost of an asset comprises of its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. Until the fixed assets are ready for its intended use these costs are aggregated and classified and carried forward as 'Capital Work-In-Progress'. Borrowing costs taken for the acquisition of qualifying assets upto the date of commissioning of assets is added to the cost of assets.

Intangible assets are carried at cost less amortisation where it is probable that future economic benefits expected from it is not less than the carrying value.

Significant Accounting Policies forming part of the consolidated financial statements for the year ended 31st March 2015

1.8 Depreciation/ amortisation

Pursuant to Companies Act 2013, with effect from 1st April, 2014, the Company has estimated useful life of the fixed assets and adopted the estimated useful life as prescribed under Part C of Schedule II of the Companies Act, 2013, for the purpose of computation of depreciation on such assets except in case of the fixed assets listed below in respect of which the estimated useful life has been ascertained which is different from the estimated useful life prescribed under Part C of Schedule II of the Companies Act, 2013, based on the independent technical evaluation carried out by the external valuers.

Plant and machinery (Identified specific Machinery)	- 360 months
Other Plant & machineries	- 270 months
Electrical Installations	- 252 months
Furniture & Fixtures	- 180 months
Office Equipments	- 120 months

Assets taken over by the Company has been depreciated over the remaining useful life based on the independent technical evaluation carried out by the external valuers.

Some of the assets in the Indian subsidiary are being depreciated @ 100% in the year of acquisition depending upon on the useful life of the assets as estimated by the management.

The Company provides additional depreciation @ 50% of the normal depreciation on all the plant & machinery for the period for which such plant & machinery was used for double shifts.

Intangible assets like brands and know how are amortised on a straight line basis over their estimated useful life of 10 years. Goodwill arising on acquisition / amalgamation is amortised over a period of 5 years. Business rights acquired is amortised over a period of 5 years, based on the assessment of future economic benefits that will flow to the Company.

Leasehold land is amortised over the period of lease.

The fixed assets of the foreign subsidiary are depreciated over the expected useful economic life of the asset that is different from that of the parent is as follows:

Leasehold improvements	5 years
Plant & Machinery	5 years
Fixtures & Fittings	5 years
Motor vehicles	3 years
Office equipment	2 years

Goodwill arising on acquisition/ amalgamation is amortised over the estimate of useful life. Leasehold land is amortised over the period of lease.

1.9 Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at appropriate rate. After impairment, depreciation is provided on revised carrying amount of the assets over its remaining useful life. Previously recognised impairment loss is further provided or reversed depending on changes in circumstances.

1.10 Investments

Investments that are readily realisable and intended to be held for not more than 12 months are classified as current investments. All other investments are classified as long-term investments. Long term investments are stated at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments. Current investments are carried at lower of cost or fair value.

1.11 Inventories

Inventories are valued at lower of cost or net realisable value. Cost is ascertained on weighted average method. Conversion and other costs incurred for bringing the inventories to their present location and condition are allocated to the extent applicable.

1.12 Foreign Currency Transactions

The foreign currency transactions are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currency are restated at the applicable exchange rates prevailing as at the Balance Sheet date. Gain / loss arising from such restatement as also on settlement of the transactions are adjusted in the Profit and Loss Statement.

Premium or discount on forward exchange contracts which are not intended for trading or speculation purpose and is to establish the amount of reporting currency required on the settlement dates is recognised in the Profit and Loss Statement over the period of the contracts. The exchange differences on the contracts are recognised in the year in which the exchange rates change.

The Company enters into foreign currency forward exchange contracts to hedge its risks associated with foreign currency fluctuations in respect of highly probable forecast transactions. At the end of the reporting period these contracts are marked to market and the resultant loss, if any is recognised in the Profit and Loss Statement.

Significant Accounting Policies forming part of the consolidated financial statements for the year ended 31st March 2015

1.13 Employee Benefits

Short term employee benefits:

The amounts paid/payable on account of short term employee benefits, comprising largely of salaries & wages, short term compensated absences and annual bonus is valued on an undiscounted basis and charged to the Profit and Loss Statement for the year.

Defined contribution plans:

The Company has defined contribution plans for its employees comprising of Provident Fund and Employee's State Insurance. The contributions paid/payable to these plans during the year are charged to the Profit and Loss Statement for the year. The Company has no other obligation in this regard.

Defined benefit plans:

a) Gratuity

The Parent's Gratuity scheme is administered through the Employee's Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India. The net present value of the obligation for gratuity benefits as determined on actuarial valuation, conducted annually using the projected unit credit method, as adjusted for unrecognised past services cost if any and as reduced by the fair value of plan assets, is recognised in the accounts. Actuarial gains and losses are recognised in full in the Profit and Loss Statement for the period in which they occur.

b) Compensated Absences

The group has a scheme for compensated absences for employees; the liability other than for short term compensated absences is determined on the basis of an actuarial valuation carried out at the end of the year, using projected unit credit method. Actuarial gains and losses are recognised in full in the Profit and Loss Statement for the period in which they occur.

1.14 Borrowing Costs

Borrowing costs other than those attributable to qualifying assets are expensed as and when incurred. Borrowing costs attributable to qualifying assets are capitalised along with the cost of respective asset.

1.15 Leases

Operating Lease

Leases where the significant risks and rewards of ownership is with the lessor are classified as operating leases and payment under such leases are recognised as an expense in the Profit and Loss Statement on a systematic basis.

Finance Lease

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. The assets acquired on finance lease are capitalised as part of fixed assets and corresponding liability is recognised as term loans.

1.16 Taxation

Tax Expense comprising current tax and deferred tax are recognised in the Profit and Loss Statement for the year. Current tax is the amount of income tax determined to be payable in respect of taxable income as computed under the tax laws.

Certain items of income and expenditure are not reported in tax returns and financial statements in the same period for the purpose of determining the current tax. The net tax effect calculated at the current enacted tax rates of this timing difference is reported as deferred income tax asset/liability. The effect on deferred tax assets and liabilities due to change in such assets/liabilities as at the end of previous accounting period and due to a change in tax rates are recognised in the income statement of the period.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

1.17 Government Grants and Subsidies

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants/ subsidies will be received. Government grants and subsidies where no repayment is ordinarily expected in respect thereof and in the nature of promoter's contribution are credited to capital reserve and treated as a part of shareholders' funds.

1.18 Research and Development Expenditure

Expenditure incurred during the research phase is charged off to the Profit and Loss Statement.

1.19 Provisions and Contingencies

Provision for losses and contingencies arising as a result of past event where management considers it probable that a liability may be incurred are made on the basis of reliable estimates of the expenditure required to settle the present obligation on the Balance Sheet date and are not discounted to its present value. Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Other contingent liabilities to the extent management is aware is disclosed by way of notes on financial statements.

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH

(Amounts in `)

Particulars	2015	2014
2 SHARE CAPITAL		
2.1 Equity Share Capital		
2.1.1 Authorised :- Equity Shares of ` 1 each 150,000,000 (PY - 125,000,000) equity shares	150,000,000	125,000,000
2.1.2 Issued, Subscribed and Fully Paid Up:- Equity Shares of ` 1 each fully paid 120,020,000 (PY - 120,020,000) equity shares	120,020,000	120,020,000
TOTAL	120,020,000	120,020,000

Notes on Share Capital

2.1.3 **The reconciliation of the number of equity shares outstanding and the amount of share capital as at March 31, 2015 and March 31, 2014:**

Equity Shares of ` 1/- each fully paid	No. of shares	No. of shares
Shares outstanding as at the beginning of the year	120,020,000	120,020,000
Shares issued during the year	-	-
Shares outstanding as at the end of the year	120,020,000	120,020,000

2.1.4 **Details of shareholders holding more than 5% shares in the Company:**

Equity Shares of ` 1/- each fully paid	2015	2014
Mr. K Ajith Kumar Rai		
No. of Shares	45,548,399	45,548,399
% age of Shareholding	37.95%	37.95%
Dr. Supriya A Rai		
No. of Shares	15,627,958	15,627,958
% age of Shareholding	13.02%	13.02%

2.1.5 There are no shares that have been issued, subscribed and not fully paid up.

2.1.6 There are no forfeited shares.

2.1.7 There are no shares reserved for issue under options and contracts / commitments for the sale of shares/ disinvestment.

2.1.8 The Company has not issued any securities convertible into equity / preference shares.

2.1.9 Each holder of equity shares is entitled to one vote per share and there are no preferences or restrictions attaching to class of shares mentioned above.

The Company declares and pays dividend in Indian Rupees. The dividend proposed/declared by the Board of Directors is subject to approval/regularisation of the shareholders in the ensuing Annual General Meeting.

2.1.10 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

2.1.11 **During the last five years ending on 31st March, 2015 :**

- (i) No shares were allotted as fully paid up pursuant to contract(s) without payment being received in cash.
- (ii) No bonus shares were allotted.
- (iii) No shares were bought back.

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH

(Amounts in `)

Particulars	2015	2014
3 RESERVES & SURPLUS		
3.1 Reserves		
3.1.1 Capital Reserve (State Investment Subsidy and surplus on reissue of forfeited shares) (Refer Note 3.3. below)		
Opening balance	1,127,150	1,127,150
Add: Additions during the year	-	-
Closing Balance	1,127,150	1,127,150
3.1.2 General Reserve		
Opening balance	1,694,725,831	1,352,225,831
Add: Transferred from the Profit & Loss Statement	320,000,000	342,500,000
Closing Balance	2,014,725,831	1,694,725,831
3.2 Surplus		
3.2.1 Surplus in the Profit & Loss Statement		
Opening balance	224,811,453	192,609,999
Add:		
Profit for the year as per Profit and Loss Statement	502,948,577	508,097,984
Less:		
Interim Dividend	54,009,000	54,009,000
Proposed Final Dividend	60,010,000	60,010,000
Tax on dividend	22,639,973	19,377,530
Transfer to General Reserve	320,000,000	342,500,000
Additional depreciation on opening WDV of fixed assets consequent to application of Schedule II of Companies Act, 2013 [Refer note 6.4.7(net of deferred tax of ` 1,609,920/-)]	3,160,267	-
Closing Balance	267,940,790	224,811,453
Foreign Exchange Fluctuation Reserve	4,289,560	6,342,651
TOTAL	2,288,083,331	1,927,007,085
Notes on Reserves & Surplus		
3.3 Includes ` 581,650/- (PY - ` 581,650/-) State Investment Subsidy credited to capital reserve.		
3.4 During the year, the Board of Directors have declared interim dividend of ` 0.45/- (PY: ` 0.45/-) per share, which is subject to regularisation of the shareholders in the ensuing Annual General Meeting.		
3.5 Final dividend of ` 0.50 (PY: ` 0.50) per share proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.		
4 NON CURRENT LIABILITIES		
4.1 LONG TERM BORROWINGS		
4.1.1 Secured		
Term Loans from Banks (Refer Note 4.1.3 below)	654,377,439	421,166,087
	654,377,439	421,166,087
4.1.2 Unsecured		
Deposits		
- related parties	200,000	3,500,000
- other than related parties	400,000	750,000
	600,000	4,250,000
TOTAL	654,977,439	425,416,087

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH

(Amounts in `)

Particulars	2015	2014
Notes on Long Term Borrowings		
4.1.3 Term Loans availed from various Banks for capacity expansions are secured by Equitable Mortgage of land and buildings and hypothecation of other present and future fixed assets of the Company on pari-passu first charge basis. Some of these loans are further secured by pari-passu second charge on the current assets of the Company.		
4.1.4 None of the above borrowings have been guaranteed by any Directors or others.		
4.1.5 There has been no continuing default as on Balance Sheet date in repayment of loans and interest.		
4.2 DEFERRED TAX LIABILITIES (NET)		
4.2.1 Liability		
On timing differences of depreciation	112,754,963	91,946,727
Gross deferred tax liability	112,754,963	91,946,727
4.2.2 Asset		
On timing differences of expenditure allowable for tax purposes when paid	15,673,463	13,285,777
Accelerated Capital Allowance	177,153	237,244
Tax losses	3,076,791	-
Provision for doubtful debts	2,986,000	3,598,450
Gross deferred tax asset	21,913,407	17,121,471
Net deferred tax asset	90,841,556	74,825,256
4.3 OTHER LONG TERM LIABILITIES		
4.3.1 Dealer Deposits	10,432,617	7,821,961
	10,432,617	7,821,961
4.4 LONG TERM PROVISIONS		
4.4.1 Provision for employee benefits [Refer Note no. 23.6(b)]		
- Provision for Gratuity	17,954,437	8,291,600
- Provision for Compensated Absences	14,114,594	10,366,202
4.4.2 Provision for Rework charges	-	6,771,000
	32,069,031	25,428,802
TOTAL	788,320,643	533,492,106

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH

(Amounts in `)

Particulars	2015	2014
5 CURRENT LIABILITIES		
5.1 SHORT TERM BORROWINGS		
5.1.1 Secured		
Working capital facilities from banks repayable on demand from banks (Refer Note 5.1.2 below)	1,004,680,572	997,390,911
	1,004,680,572	997,390,911
Notes on Short Term Borrowings		
5.1.2 Working Capital facilities availed from various banks are secured by pari-passu first charge on stock of raw materials, semi-finished goods, stores, consumables, book-debts, other current assets and pari-passu second charge on Land and Buildings, Plant and Machinery and present and future fixed assets.		
5.1.3 None of the above loans have been guaranteed by any Directors or others.		
5.2 TRADE PAYABLES		
5.2.1 Due to Micro & Small Enterprises	12,658,693	5,307,852
5.2.2 Due to Others	555,826,700	582,643,469
	568,485,393	587,951,321
5.3 OTHER CURRENT LIABILITIES		
5.3.1 Current maturities of long term debt (including interest accrued and due) (Refer Note 4.1.3)	272,647,444	137,083,916
5.3.2 Current maturities of deposits from		
- related parties	2,800,000	1,793,355
- other than related parties	1,750,000	650,000
5.3.3 Interest accrued but not due		
- on borrowings	2,503,790	2,337,754
- on deposits	908,083	369,869
5.3.4 Advance received from Customers	3,622,491	6,516,395
5.3.5 Unclaimed dividend (Refer Note No. 5.3.7)	2,146,283	1,800,045
5.3.6 Other Payables		
- Payable towards cost of land [Refer Note No. 6.4 (2) & (3)]	4,660,390	22,147,265
- Creditors for purchase of fixed assets	26,291,022	14,526,083
- Statutory liabilities	42,446,507	53,212,227
- Payable to Employees	38,268,886	30,690,754
- Payable to directors towards commission	13,440,162	28,303,399
- Others [Refer Note No. 5.3.8 (a) & (b)]	13,618,394	13,574,000
	425,103,452	313,005,062
5.3.7 As at the end of the year, there are no amounts outstanding for more than 7 years to be deposited in the Investor Education and Protection Fund.		
5.3.8 (a) During the year, an amount of ` 13,618,394/- is accrued as contribution to Suprajit Foundation in compliance with the provisions of Section 135 of the Companies Act.		
(b) The Company has paid ` 13,574,000/- by way of contribution to Suprajit Foundation, accrued in the previous year @ 2% of net profits of the previous year.		

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH

(Amounts in `)

Particulars	2015	2014
5.4 SHORT TERM PROVISIONS		
5.4.1 Provision for employee benefits [Refer Note no. 23.6(b)]		
- Provision for Gratuity	7,615,916	4,864,158
- Provision for Compensated Absences	1,204,357	943,411
5.4.2 Provision for Proposed Dividend	60,010,000	60,010,000
5.4.3 Provision for Corporate Dividend Tax	12,216,624	10,198,700
5.4.4 Provision for Income Tax (Net of Advance Tax and Tax Deducted at Source)	10,172,899	6,529,567
5.4.5 Provision for Wealth Tax	190,990	94,976
	91,410,786	82,640,812
TOTAL	2,089,680,203	1,980,988,106

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH

(Amounts in `)

6 FIXED ASSETS

Description	Gross Block						Depreciation/Amortisation						Accumulated Impairment		Net Block		
	As at 01.04.2014	Additions	Disposals / Adjustment	Currency Fluctuation arising on consolidation (Refer Note no. 1.3)	As at 31.03.2015	Upto 01.04.2014	For the year	Disposals/ Adjustment	Adjustment due to change in useful life of assets	Currency Fluctuation arising on consolidation (Refer Note no.1.3)	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	
6.1 Tangible assets																	
Land	195,891,043 (175,197,853)	1,598,400 (20,693,190)	-	-	197,489,443 (195,891,043)	-	-	-	-	-	-	-	-	197,489,443 (195,891,043)	-	195,891,043 (175,197,853)	
Land on lease	102,972,863 (75,415,994)	91,001,887 (26,773,471)	-	(330,252) (783,398)	193,644,498 (102,972,863)	8,085,862 (6,532,359)	3,053,704 (781,229)	-	-	(331,994) (772,233)	10,807,572 (8,085,862)	-	-	182,836,926 (94,887,001)	-	94,887,001 (68,883,635)	
Buildings	852,737,631 (623,139,900)	23,437,568 (229,597,651)	-	-	876,175,199 (852,737,631)	119,259,277 (94,103,981)	29,026,365 (25,155,296)	-	154,057	-	148,439,700 (119,259,277)	-	-	727,735,499 (733,478,354)	-	733,478,354 (529,035,999)	
Electrical Installations	109,397,594 (88,282,795)	17,746,940 (21,114,799)	-	-	127,144,534 (109,397,594)	27,028,702 (22,379,456)	5,969,778 (4,649,246)	-	-	-	32,998,480 (27,028,702)	-	-	94,146,054 (82,368,892)	-	82,368,892 (65,903,339)	
Plant and Machinery (Refer Note no 23.4)	630,868,221 (542,177,669)	71,026,238 (90,075,562)	974,360 (6,275,883)	(1,994,228) (1,234,051)	698,925,870 (630,868,221)	307,755,435 (272,828,340)	30,060,946 (37,397,066)	225,104 (9,836,297)	1,006,359	(1,915,455) (2,798,833)	336,682,180 (307,755,435)	1,432,423 (1,432,423)	-	360,811,267 (321,680,363)	-	321,680,363 (269,349,329)	
Dies & Moulds	60,732,240 (51,591,132)	5,892,114 (9,141,108)	-	-	66,624,354 (60,732,240)	31,438,165 (27,669,774)	2,947,638 (3,768,391)	-	-	-	34,385,803 (31,438,165)	-	-	32,238,551 (29,294,061)	-	29,294,061 (23,921,358)	
Furniture and Fixtures	42,010,266 (35,435,230)	10,367,806 (5,626,190)	-	(399,999) (948,846)	51,978,074 (42,010,266)	20,049,238 (16,454,388)	2,514,492 (2,824,034)	-	1,216,920	(374,884) (770,816)	23,405,765 (20,049,238)	-	-	28,572,309 (21,961,028)	-	21,961,028 (18,980,842)	
Vehicles	23,522,503 (24,008,723)	2,528,349 (2,467,012)	96,965 (1,065,113)	(2,488,2) (850,418)	27,929,005 (25,522,503)	9,756,847 (8,300,373)	3,615,662 (2,212,364)	48,151 (471,528)	155,094	(20,479) (284,389)	13,458,973 (9,756,847)	-	-	14,470,032 (15,765,656)	-	15,765,656 (13,708,350)	
Office equipment (Refer Note no 23.4)	23,221,453 (16,827,515)	4,479,223 (6,338,237)	-	(36,359) (55,701)	27,664,317 (23,221,453)	9,325,942 (7,433,334)	3,911,489 (1,862,360)	-	1,049,624	(69,076) (33,079)	14,217,979 (9,325,942)	2,831 (2,831)	-	13,443,507 (13,892,680)	-	13,892,680 (9,394,181)	
Containers (Refer Note no 23.4)	2,746,296 (1,738,233)	631,418 (1,008,063)	-	-	3,377,714 (2,746,296)	2,746,296 (1,738,233)	631,418 (1,008,063)	-	-	-	3,377,714 (2,746,296)	-	-	-	-	-	-
Computers (including Software)	48,504,695 (42,578,634)	3,904,313 (5,926,061)	-	-	52,409,008 (48,504,695)	34,059,077 (30,154,493)	6,318,238 (3,904,584)	-	1,188,133	-	41,565,448 (34,059,077)	-	-	10,843,560 (14,445,618)	-	14,445,618 (12,424,141)	
6.2 Intangible assets																	
Goodwill	144,473,404 (123,341,164)	-	-	(21,132,240)	144,473,404 (144,473,404)	144,473,404 (123,341,164)	-	-	-	-	144,473,404 (144,473,404)	-	-	-	-	-	
Business Rights (Refer Note no 23.4)	-	18,800,000	-	-	18,800,000	-	1,880,000	-	-	-	1,880,000	-	-	16,920,000	-	-	
Brands	5,100,000 (5,100,000)	-	-	-	5,100,000 (5,100,000)	5,100,000 (5,100,000)	-	-	-	-	5,100,000 (5,100,000)	-	-	-	-	-	
Technical Knowhow	195,127 (195,127)	-	-	-	195,127 (195,127)	195,127 (195,127)	-	-	-	-	195,127 (195,127)	-	-	-	-	-	
Total	2,244,373,336 1,805,030,049	251,414,256 418,761,344	1,071,325 7,340,996	(2,785,720) 23,303,818	2,473,130,547 2,444,373,336	719,273,372 616,231,022	89,929,728 83,562,633	273,255 4,307,825	4,770,187 -	(2,711,887) 25,222,812	810,988,145 719,273,372	1,435,254 1,435,254	1,435,254 1,435,254	1,679,507,148 1,523,664,696	1,435,254 1,435,254	1,523,664,696 1,188,799,027	

Note: Previous year figures are in brackets.

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH

(Amounts in `)

Particulars	2015	2014
6.3 Capital Work-in-Progress		
Building under construction	152,743,986	5,841,902
Machinery pending installation	2,004,287	102,197
Electrical work-in-progress	9,635,064	336,103
Other assets pending capitalisation	824,486	1,007,067
Borrowing cost pending allocation	5,004,778	-
Expenditure pending capitalisation	143,833	-
TOTAL	170,356,434	7,287,269
6.4 Notes on Fixed Assets		
1. All the fixed assets except the land on lease are owned by the Company.		
2. Additions to land Nil (PY - ` 20,693,190/-) represents additional consideration paid to Haryana State Industrial Development Corporation Limited (HSIDC) in respect of Company's land at Manesar, Haryana. The unpaid balance consideration of ` 4,660,390/- (PY - ` 12,415,914/-) has been disclosed under Note 5.3.6.		
3. Additions to land on lease, Nil (PY - ` 26,773,471/-) represents: land allotted at Narasapura, Kolar Dist., Karnataka by the Karnataka Industrial Area Development Board (KIADB) under a lease cum sale arrangement with a right to purchase on fulfilment of certain conditions after the period of 10 years and the consideration towards such land and hence has not been amortised over the lease period. The Company has obtained possession of the land in May 2013. The lease deed is pending execution and the unpaid balance consideration of Nil (PY - ` 9,731,351/-) has been disclosed under Note 5.3.6.		
4. Additions to land on lease, ` 91,360,180/- (PY - ` Nil) represents:		
a) Land allotted at Sanand, Charal Industrial Area, Ahmedabad, Gujarat by the Gujarat Industrial Development Corporation (GIDC) for a period of 99 years and registered in the name of the Company. Total consideration (including stamp duty and other charges) of ` 53,358,560/- has been paid during the year.		
b) Land allotted at Chennai, SIPCOT Industrial Area, Tamilnadu by the State Industries Promotion Corporation of Tamilnadu (SIPCOT) for a period of 99 years and registered in the name of the Company. Total consideration (including stamp duty and other charges) of ` 38,001,620/- has been paid during the year.		
5. Land on lease at various locations except as mentioned in Note No. 3 above are held on long term lease without right to acquire at the end of the lease period and the cost of such land is amortised over the period of the lease.		
6. Borrowing costs capitalised during the year as per Note no. 20 is ` 5,041,938/- (PY: Nil).		
7. Consequent to introduction of the Companies Act, 2013 ('Act') w.e.f. 1 st April, 2014, the Company has computed depreciation for the period 1 st April, 2014, to 31 st March, 2015, as required under the Schedule II of the Act and the depreciation of ` 4,770,187/- relating to assets where the remaining useful life of the assets as on 1 st April, 2014, is Nil has been recognised in the opening balance of Surplus in Note 3.2.1 net of deferred tax asset of ` 1,609,920/-.		
8. In respect of fixed assets existing on 1 st April 2014, had the Company continued with the depreciation as per the Companies Act 1956, the amount of depreciation debited to the Profit & Loss Statement for the current year would have been lower by ` 2,207,363/- and the Net Written Down Value of fixed assets as at 31 st March, 2015, and the profits for the year would have been higher by the same amount.		

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH

(Amounts in `)

Particulars	2015	2014
7 NON CURRENT INVESTMENTS		
7.1 Trade Investments	-	-
7.2 Other Investments (Non-Trade) (At cost)		
Investments in National Highway Authority of India Bonds. (500 Non-convertible Redeemable bonds of face value ` 10,000/- each carrying interest @ 6% p.a. payable annually. Date of maturity - 30 th September, 2015)	-	5,000,000
TOTAL	-	5,000,000
7.3 General Information		
Aggregate value of Investments:		
Unquoted - At Cost	-	5,000,000
7.4 The investment in National Highway Authority of India bonds is maturing on 30 th September, 2015 and is expected to be realized on maturity date and hence classified under current investments.		
8 LONG TERM LOANS AND ADVANCES		
8.1 Capital Advances (Unsecured, considered good) Capital advances towards fixed assets	29,724,911	21,053,026
	29,724,911	21,053,026
8.2 Deposits (Unsecured, considered good)		
Electricity Deposits	9,141,509	6,978,009
Refundable deposits towards leasehold land	8,800,000	-
Rental Deposits	3,570,000	3,500,000
Other Deposits	4,216,478	4,094,035
	25,727,987	14,572,044
8.3 Others (Unsecured, considered good)		
Advance tax [including Tax deducted at source (Net of Provisions)]	3,723,177	2,551,322
Income tax paid under protest (Refer Note no.23.5.1)	1,913,276	903,430
MAT credit entitlement	563,083	6,939,081
Value Added Tax paid under protest (Refer Note no. 23.5.1)	3,600,000	-
Value added tax refundable	2,537,242	18,158,834
	12,336,778	28,552,667
TOTAL	67,789,676	64,177,737
9 OTHER NON-CURRENT ASSETS (Unsecured, considered good)		
Non-current bank deposits *	1,000,000	1,000,000
Interest accrued on the above non-current bank deposit	86,314	2,544
TOTAL	1,086,314	1,002,544
* Held against public deposits in pursuance of the requirements of applicable Rules.		

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH

(Amounts in `)

Particulars	2015	2014
10 CURRENT INVESTMENTS		
10.1 Investments in bonds (Long term at cost)		
Investments in National Highway Authority of India Bonds (Refer Note 7.4)	5,000,000	-
10.2 Other Investment (Non-trade)		
Investments in Mutual Funds (at lower of cost or fair value) (Refer Note 10.3.1 and 10.3.2)	1,112,500,000	743,312,565
TOTAL	1,117,500,000	743,312,565
10.3 Details of Other Investments (Non-trade)		
10.3.1 General Information		
Aggregate market value (Net Asset Value) of quoted Investments	1,242,708,014	788,695,414
10.3.2 Details of Mutual Funds held at the end of the year:		
Particulars	31.03.2015	31.03.2014
Birla Sun Life Dynamic Bond Fund- Retail -Growth 1,079,445.67 (1,079,445.67) units of ` 10/- each	20,000,000	20,000,000
Birla Dynamic Bond fund retail plan growth -1,939,435.01 (1,939,435.01) units of ` 10/- each	35,000,000	35,000,000
Birla Sun Life Treasury Optimizer Plan Growth 3,44,566.41 (Nil) units ` 10/- each	54,000,000	-
Franklin India short term Income plan -Retail Plan 14,415.83 (14,415.83) units of ` 10/- each	35,000,000	35,000,000
Franklin India Short Term Income Plan Retail Plan 38,048.02 (Nil) units ` 10/- each	100,000,000	-
Franklin India Short Term Income Plan Retail Plan 7,558.37 (Nil) units ` 10/- each	20,000,000	-
Franklin India Ultra Short Bond Fund-Super Institutional Plan 4,208,874.08 (Nil) units ` 10/- each	72,500,000	-
HDFC Floating Rate Income Fund Short Term Plan Growth Option 8,358,443.49 (Nil) units ` 10/- each	200,000,000	-
HDFC High Interest Fund-Growth-1,771,778.05 (1,771,778.05) units ` 10/ each	70,000,000	70,000,000
HSBC Flexi Debt Growth Nil (3,020,019.66) units ` 10/- each	-	50,000,000
HSBC Income Fund STP Growth 3,433,773.94 (3,433,773.94) units ` 10/- each	70,000,000	70,000,000
ICICI Pre Flexible Income Plan Regular Growth 571,288.85 (Nil) units ` 10/- each	150,000,000	-
IDFC Dynamic Bond Fund -Nil (1,501,670.60) units of ` 10/- each	-	20,000,000
IDFC Dynamic Bond Fund Growth -Nil (7,191,316.27) units of ` 10/- each	-	117,500,000
IDFC Dynamic Bond Fund Growth Regular Plan 2,837,676.73 (Nil) units ` 10/- each	40,000,000	-
IDFC Dynamic Bond Fund Plan B - Nil (2,108,042.17) units ` 10/- each	-	29,812,565
IDFC SSIF STP Regular – 793,603.56 (793,603.56) untis ` 10/- each	20,000,000	20,000,000
IDFC Super Saver Income Fund 1,993,419.99 (1,993,419.99) units ` 10/- each	50,000,000	50,000,000
IDFC Super Saver Income Fund Short Term Plan Growth Direct Plan 7,55,038.94 (Nil) units ` 10/- each	20,000,000	-
Reliance Dynamic Bond Growth 3,808,213.18 (3,808,213.18) units ` 10/- each	60,000,000	60,000,000
SBI Dynamic Bond Fund Nil (2,023,637.75) units ` 10/-each	-	30,000,000
SBI Dynamic Bond Fund Regular Plan Growth 1,377,421.67 (Nil) units ` 10/- each	20,000,000	-
SBI Dynamic Bond Fund-Growth - Nil (2,937,530.09) units of ` 10/- each	-	40,000,000
SBI Magnum Income Fund - Nil (686,040.45) units ` 10/- each	-	20,000,000
UTI Bond Fund growth - 1,708,364.46 (1,708,364.46) units of ` 10/- each	56,000,000	56,000,000
UTI Bond Fund Growth 560,887.07 (560,887.07) units ` 10/- each	20,000,000	20,000,000
TOTAL	1,112,500,000	743,312,565

NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH

(Amounts in `)

Particulars	2015	2014
11 INVENTORIES		
(Valued at Lower of Cost or Net Realisable Value)		
Raw materials (including components, packing materials and stores & spares)	350,901,775	329,304,512
Raw materials in transit (including in custom bonded warehouse)	44,338,842	60,541,205
Work-in-Progress	68,880,243	52,954,200
Finished Goods	292,815,233	290,785,405
Finished Goods in Transit	39,727,196	37,802,611
Tools	2,590,116	2,285,164
TOTAL	799,253,405	773,673,097
12 TRADE RECEIVABLES		
12.1 Outstanding for a period more than six months from the due date of payment		
Unsecured, considered good	602,714	201,149
Unsecured, considered doubtful	5,067,767	7,182,500
Less:- Provision for Doubtful receivables	5,067,767	7,182,500
	602,714	201,149
12.2 Other Trade Receivables		
Unsecured, considered good	1,249,887,279	1,188,529,419
Unsecured, considered doubtful	3,560,828	3,504,497
Less:- Provision for Doubtful receivables	3,560,828	3,504,497
	1,249,887,279	1,188,529,419
TOTAL	1,250,489,993	1,188,730,568
13 CASH AND BANK BALANCES		
13.1 Cash and Cash Equivalents		
Balances with Banks		
- in Current Accounts	42,596,267	59,313,149
- in EEFC Accounts	7,483,282	4,592,224
- in Deposit Accounts	267,008	343,332
Cash on hand	1,229,188	953,166
Cheques, drafts on hand	755,360	150,000
	52,331,105	65,351,871
13.2 Other Bank balances		
Earmarked balances for Unclaimed Dividend accounts	2,146,283	1,800,045
Bank deposit held as margin money against bank guarantees (Refer Note 23.5.1)	1,276,344	8,416,491
	3,422,627	10,216,536
TOTAL	55,753,732	75,568,407
14 SHORT TERM LOANS AND ADVANCES		
Others		
(Unsecured, considered good)		
Advance to Suppliers	35,961,413	96,883,939
Advances to Employees	3,850,502	3,859,191
Advance for Expenses	8,108,633	4,494,768
Balance with Central Excise, Customs & other authorities	51,643,490	51,502,030
Prepaid Expenses	20,108,680	19,523,067
Others	12,410,536	-
TOTAL	132,083,254	176,262,995
15 OTHER CURRENT ASSETS		
(Unsecured, considered good)		
Export benefit entitlements	489,083	2,296,022
Interest accrued on non-current investment in bonds	300,000	300,000
Interest accrued on bank deposits	502,638	231,397
Restatement of Forward Contracts outstanding	10,992,500	-
TOTAL	12,284,221	2,827,419

NOTES FORMING PART OF CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH

(Amounts in `)

Particulars	2015	2014
16 REVENUE FROM OPERATIONS (GROSS)		
Sale of Products (Refer Note 16.1 below)	6,651,443,363	5,944,341,617
Sale of Services (Refer Note 16.2 below)	9,301,822	10,894,091
Other operating revenue (Refer Note 16.3 below)	16,688,981	14,523,146
TOTAL	6,677,434,166	5,969,758,854
Particulars of Revenue from Operations		
16.1 Sale of Products (Gross)		
16.1.1 Manufactured Goods		
Domestic		
Domestic	5,436,539,003	5,031,734,542
Exports (Including deemed exports)	1,214,904,360	912,607,075
	6,651,443,363	5,944,341,617
16.1.2 Manufactured Goods (Product wise)		
Cables (Control and Speedo)	6,331,895,913	5,671,994,267
Speedo Meters	245,326,869	174,471,094
Others (including parts)	74,220,581	97,876,256
TOTAL	6,651,443,363	5,944,341,617
16.2 Sale of Services		
Processing Charges	9,301,822	10,894,091
16.3 Other Operating Revenue		
Scrap Sales	16,062,237	13,867,769
Export benefit entitlements (Net)	626,744	655,377
TOTAL	16,688,981	14,523,146
17 OTHER INCOME		
Interest Income		
Interest Income		
- On bank deposits	1,151,704	871,507
- On advances to suppliers	1,215,160	532,918
- On employee loans & advances	7,393	15,272
- On Mutual Funds	-	2,439,176
Provisions no longer required written back	9,271,000	-
Net gain on sale of current investments	20,676,211	12,799,826
Withdrawal of provision for diminution of value of Current Investments	-	854,949
Rent Received	50,000	17,263
Net gain on foreign currency transactions and translations	7,453,634	17,424,660
Profit on sale of fixed assets (net of loss)	-	366,783
Other non-operating income	934,876	1,015,327
TOTAL	40,759,977	36,337,681

NOTES FORMING PART OF CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH

(Amounts in `)

Particulars	2015	2014
18 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		
Opening Stock		
Finished Goods	328,498,708	200,817,438
Work-in-Progress	52,954,200	35,137,945
	381,452,909	235,955,383
Less: Closing Stock		
Finished Goods	332,511,283	328,498,708
Work-in-Progress	68,880,243	52,954,200
	401,391,526	381,452,909
Add: Currency Fluctuation arising on consolidation (Refer Note no. 1.3)	(8,286,217)	12,460,875
TOTAL	(28,224,835)	(133,036,650)
19 EMPLOYEE BENEFIT EXPENSE		
Salaries, Wages and bonus (including managerial remuneration)	759,567,684	644,957,224
Contribution to Provident Fund and other funds	28,409,474	24,447,162
Staff welfare expenses	37,622,109	31,582,902
	825,599,267	700,987,288
Less: Expenditure incurred during the construction period		
- Transferred to capital work-in-progress	53,100	-
TOTAL	825,546,167	700,987,288
20 FINANCE COSTS		
Interest expense		
- Borrowings	166,174,464	130,112,608
- Deposits	606,510	638,174
- Others	1,218,599	1,641,930
Loan processing charges	1,034,526	1,629,725
	169,034,099	134,022,437
Less: Expenditure incurred during the construction period		
- Capitalised during the year	37,160	-
- Transferred to capital work-in-progress	5,004,778	-
TOTAL	163,992,161	134,022,437

NOTES FORMING PART OF CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH

(Amounts in `)

Particulars	2015		2014	
21 OTHER EXPENSES				
Increase/(Decrease) of excise duty on Inventory		(7,822,270)		14,780,781
Stores and Consumables		9,195,199		2,907,760
Power and fuel		99,064,743		87,971,893
Testing charges		954,484		752,503
Labour charges		48,989,948		37,992,918
Rent		13,482,216		8,775,435
Repairs & Maintenance:				
- Buildings		7,203,954		8,865,773
- Machinery		34,041,372		29,105,326
- Others		29,692,076		20,659,991
Insurance		16,069,624		12,568,828
Rates and taxes		15,490,988		11,322,923
Bank Charges		5,722,676		6,470,700
Travelling and Conveyance		52,472,212		38,022,153
Professional Charges		11,079,655		10,175,781
Auditors' Remuneration		2,621,273		2,251,799
Freight Outward and C & F Charges		123,407,752		100,649,475
Advertisement and Sales Promotion		3,758,978		6,838,948
Discount		68,229,667		48,652,632
Commission:				
- Sales Commission		8,580,591		9,260,539
- Others		7,990		250,000
Directors' Sitting Fees & Commission		1,510,000		850,000
Bad debts/ receivables written off	3,855,318		1,621,475	
Less:Withdrawal of earlier year provisions	1,892,164	2,269,780	615,028	1,159,760
Provision for Doubtful debts		5,346,241		2,249,376
Printing & Stationery		7,588,071		7,048,588
Security Expenses		16,864,244		14,689,612
Communication Expenses		6,858,095		6,571,489
Donation [Refer Note No. 5.3.8(b)]		-		13,914,805
Profit on sale of fixed assets (net of profit of ` 25,450/-)		58,168		-
Research & Development Expenditure		1,569,507		2,066,629
General Expenses		4,935,184		6,024,363
		589,242,418		512,850,780
Less: Expenditure incurred during the construction period				
- Transferred to capital work-in-progress		(90,733)		-
TOTAL		589,151,685		512,850,780
22 CSR EXPENDITURE				
Contribution to Suprajit Foundation [Refer Note No. 5.3.8 (a)]		13,618,394		-
TOTAL		13,618,394		-

**OTHER NOTES ON FINANCIAL STATEMENTS FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2015**

(Amounts in `)

23 OTHER NOTES ON FINANCIAL STATEMENTS

- 23.1** In the opinion of the Board, none of the assets other than fixed assets and non-current investments have a value lower on realisation in the ordinary course of business than the amount at which they are stated in the Balance Sheet.
- 23.2** Some of the trade receivables, trade payables, loans and advances are subject to confirmation/ reconciliation.
- 23.3** Full quantitative particulars giving item wise and location wise details of fixed assets are maintained in the ERP system in respect of additions made after 1.4.2008. The particulars of fixed assets acquired prior to this date have been updated in the ERP system in a summarised format. However, item wise particulars are maintained for major assets in manual form.
- 23.4** During the year, the Company has acquired the assets and liabilities of the automotive speedo cable division of M/s.Pricol Limited pursuant to a business transfer agreement on a slump sale basis for a total consideration of ` 51,532,822/- (PY - Nil).

Break-up of assets and liabilities acquired is given below :

Particulars	2015	2014
Tangible Assets (included in additions in Note 6.1)		
Used Plant & Machinery	4,667,690	-
Used Computers	35,125	-
Used Containers	13,100	-
Intangible Assets (included in additions in Note 6.2)		
Business Rights	18,800,000	-
Inventories		
Raw Materials	9,499,297	-
Finished Goods	7,288,885	-
Other tools and consumables	309,172	-
Trade Receivables	11,130,209	-
CENVAT Credit	2,637,630	-
Trade Payables	(2,848,286)	-
Total Consideration	51,532,822	-
Particulars	31.03.2015	31.03.2014
23.5 Contingent Liabilities and Commitments		
23.5.1 Contingent Liabilities		
Corporate Guarantees issued on behalf of subsidiaries to their bankers [GBP 500,000 (PY: GBP 500,000)].	46,745,000	50,425,000
Letter of credit outstanding	-	105,598
Bond Executed in favour of customs	15,000,000	19,000,000
Bank Guarantee furnished to Tax Authorities for availing concessions	750,000	750,000
Other Bank Guarantees	-	7,181,137
Statutory on account of -		
- Excise and Service Tax matters	5,642,685	432,920
Disputed Sales tax/VAT matters in respect of the following years pending in appeal against which amounts mentioned in Note No 8.3 as 'Value Added Tax paid under protest' is paid under protest, disclosed under the head Long term advances -Others and stay has been granted by the authorities in respect of payment of balance demand. *		
- In respect of FY 2006-07, the amount paid under protest against the demand is ` 800,000/-.	33,750,469	-
- In respect of FY 2008-09, the amount paid under protest against the demand is ` 2,000,000/-.	31,085,990	-
- In respect of FY 2009-10, the amount paid under protest against the demand is ` 800,000/-.	28,667,182	-

**OTHER NOTES ON FINANCIAL STATEMENTS FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2015**

Particulars	31.03.2015	31.03.2014
Disputed Income tax matters pending before Commissioner of Income Tax (Appeals) in respect of which amounts mentioned in Note no 8.3 as 'Income tax paid under protest' is paid under protest, disclosed under the head Long term advances-others *		
- In respect of AY 2009-10 (FY 2008-09), the amount paid under protest against the demand is ` 903,430/-.	903,430	-
- In respect of AY 2010-11 (FY 2009-10)	4,515,160	-
- In respect of AY 2013-14 (FY 2012-13)	421,460	-
Other sums the Company is contingently liable	-	1,200,000
Total	167,481,376	79,094,655
* No provision has been made in these accounts for these disputed duty, tax demands as the management is confident that the matter will be ultimately decided in favour of the Company.		
23.5.2 Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	264,644,150	17,220,823
Total Contingent Liabilities and Commitments	432,125,526	96,315,478
23.5.3 Provision for rework charges		
Opening Balance	9,271,000	6,771,000
Add: Additional Provisions made during the year	-	2,500,000
	9,271,000	9,271,000
Less:		
Utilised during the year	-	-
Reversed during the year	9,271,000	-
Closing Balance	-	9,271,000

The detail of foreign currency exposure as at the year end is given below:

Particulars	31.03.2015		31.03.2014	
	Foreign currency	Equivalent	Foreign currency	Equivalent
Hedged by derivative instruments (Converted at committed exchange rates)				
Euro Receivable	222,009	14,850,204	375,000	30,641,250
Not hedged by derivative instruments				
USD Receivable	2,696,394	167,778,793	3,210,216	191,555,121
USD Payable	24,810	1,564,534	735,831	43,990,188
Euro Receivable	144,715	9,679,974	385,306	31,520,991
Euro Payable	19,518	1,335,432	23,150	1,932,135
GBP Receivable	135,417	12,409,954	935,919	93,297,894
GBP Payable	1,575	147,279	253,942	25,356,208

**OTHER NOTES ON FINANCIAL STATEMENTS FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2015**

(Amounts in `)

23.6 Employee Benefits

The foreign subsidiary has provided for retirement plans in accordance with their local laws.

a. Defined Contribution Plans:

During the year the following amounts have been recognised in the Profit and Loss Statement on account of defined contribution plans.

Particulars	31.03.2015	31.03.2014
Employers contribution to Provident Fund (incl. admin. charges)	20,914,262	15,674,399
Employers contribution to Employee State Insurance	4,982,714	4,070,400
Employers contribution to other Social Security Schemes	15,960,389	13,054,504

b. Defined Benefit Plans:

Gratuity - Funded & Unfunded

Compensated absences - Unfunded

Gratuity is a funded obligation of the Company and the Indian subsidiary except to the extent of liability of the Parent not eligible to be covered by the Gratuity Scheme, which is unfunded. Compensated Absences is an unfunded obligation of the Company. The Parent and the Indian subsidiary has provided for liability of gratuity and compensated absences based on an actuarial valuation under the projected unit credit method. Actuarial assumptions in determining such liability are given below:

Particulars	Gratuity		Compensated Absences	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Discount Rate (per annum)*	7.81%	9.12%	7.81%	9.12%
Expected return on plan assets	8.75%	6.75%	-	-
Salary escalation rate**	10.00%	10.00%	10.00%	10.00%

* The discount rate is based on the prevailing market yields of Government of India services as at the Balance Sheet date for the estimated term of the obligations.

** The assumption of future salary increases takes into account inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.

Particulars	2014-15		2013-14	
	Gratuity	Compensated Absences	Gratuity	Compensated Absences
I. Reconciliation of present value of obligation				
Present value of obligation at beginning of the year	36,762,792	11,309,607	27,307,079	7,784,880
Current Service Cost	16,599,468	4,197,790	8,016,544	3,398,643
Interest Cost	2,825,695	826,895	2,473,147	658,999
Actuarial (gain)/loss	(84,398)	428,582	(655,499)	585,097
Benefits Paid	(1,164,644)	(1,443,923)	(378,479)	(1,118,012)
Present value of obligation at end of the year#	54,938,913	15,318,951	36,762,792	11,309,607

Present Value of Obligation towards Gratuity as at 31.03.2015 includes liability not eligible to be covered by the clauses governing the Group Gratuity Scheme and is disclosed as an unfunded obligation in Note no. 4.4.1.

Particulars	2014-15		2013-14	
	Gratuity	Compensated Absences	Gratuity	Compensated Absences
II. Reconciliation of fair value of plan assets				
Fair value of plan assets beginning of the year	23,607,033	-	22,221,999	-
Expected return on plan assets	2,056,184	-	1,540,747	-
Actuarial gain/(loss)	235,409	-	8,513	294,071
Contributions	4,634,576	1,443,923	214,254	(294,071)
Benefits paid	(1,164,644)	(1,443,923)	(378,479)	-
Fair value of plan assets at end of the year	29,368,558	-	23,607,034	-

**OTHER NOTES ON FINANCIAL STATEMENTS FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2015**

(Amounts in `)

	Particulars	2014-15	2013-14
		Gratuity	Gratuity
III. Description of Plan Assets			
	Insurer Managed Funds##	29,368,558	23,607,034

The fund is maintained with the Life Insurance Corporation of India under the Group Gratuity Scheme administered through trustees.

Particulars	2014-15		2013-14	
	Gratuity	Compensated Absences	Gratuity	Compensated Absences
IV. Expenses recognised in the Profit & Loss Statement				
Current Service Cost	16,599,468	4,197,790	8,016,544	3,398,643
Interest Cost	2,825,695	826,895	2,473,147	658,999
Expected Return on Plan Assets	(2,056,184)	-	(1,135,577)	-
Actuarial gain/(loss)	(3,819,807)	428,581	(1,069,182)	585,097
Net Expense recognised in the Profit & Loss Statement	13,549,171	5,453,266	8,284,932	4,642,739
V. Net (Asset)/ Liability recognised in the Balance Sheet as at year end				
Present value of obligation at end of the year	54,938,913	15,318,951	36,762,792	11,309,607
Fair value of plan assets at end of the year	29,368,558	-	23,607,034	-
Net present value of unfunded obligation recognised as (asset)/ liability in the Balance Sheet	25,570,355	15,318,951	13,155,758	11,309,607

Particulars	2015	2014	2013	2012	2011
VI. Experience Adjustments					
Gratuity - Funded & Unfunded					
Present value of obligations	54,938,913	36,762,791	27,307,078	18,464,045	16,264,586
Fair value of plan assets	29,368,558	23,607,033	22,221,998	7,012,634	6,992,965
Funded Status [(Surplus)/Deficit]	25,570,355	13,155,758	5,085,080	11,451,411	9,271,621
Experience [Gain/(Loss)] adjustment on plan liabilities	84,398	(597,951)	(152,978)	(1,791,700)	(252,589)
Experience [Gain/(Loss)] adjustment on plan assets	235,409	(471,231)	(247,763)	(151,545)	38,103
Compensated Absences - Unfunded					
Present value of obligations	15,318,951	11,309,607	7,784,880	5,796,212	4,087,648
Experience [Gain/(Loss)] adjustment on plan liabilities	(428,582)	(250,161)	(508,627)	(126,735)	(183,671)

23.7 Research & Development Expenditure

Particulars	2014-15	2013-14
Salaries & Wages	31,789,859	29,827,627
Materials, Consumables & Stores	3,183,701	2,226,803
Other Direct Expenditure	2,075,012	1,908,150
TOTAL	37,048,572	33,962,579

The expenses such as Salaries, Wages (Note no. 19), Materials Consumables & Stores are included in the respective head of accounts and direct expenditure (Note no. 21) is disclosed under Research & Development Expenditure in the Profit and Loss Statement.

**OTHER NOTES ON FINANCIAL STATEMENTS FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2015**

(Amounts in `)

23.8 Segment Reporting

The Group has classified its products as Auto Components and hence operates in only one primary segment (business). Secondary segmental reporting is based on the geographical location of customers. The following is the distribution of the Group's sale by geographical markets and segment assets which can be attributed to customers in such markets.

Particulars	2014-15	2013-14
Sales/Operating income		
- India	4,882,482,860	4,485,939,233
- Rest of the world	1,197,562,212	966,426,561
Segment Assets		
- India	5,143,558,657	4,290,642,154
- Rest of the world	185,050,749	257,439,571

23.9 Related Party Disclosures

Party	Relationship
K Ajith Kumar Rai (Chairman & Managing Director)	Key Management Personnel
Mohan Chelliah (Executive Director)	Key Management Personnel
Peter Greensmith	Key Management Personnel
Akhilesh Rai	Relative of Key Management Personnel
Ashutosh Rai	Relative of Key Management Personnel
M Jayarama Shetty*	Relative of Key Management Personnel
Shobha Mani*	Relative of Key Management Personnel
Lakshmi A Rai*	Relative of Key Management Personnel
Manjunath Rai K	Relative of Key Management Personnel
Hemavathi M Rai	Relative of Key Management Personnel
Ashok Kumar Rai	Relative of Key Management Personnel
Suprajit Foundation	Controlled Trust

Nature of Transaction and Related Party	2014-15	2013-14
Remuneration/ Commission		
Key Management Personnel	41,454,238	47,421,755
Relative of Key Management Personnel	1,088,700	790,850
Sitting Fees		
Relative of Key Management Personnel	-	100,000
Interest Paid		
Relative of Key Management Personnel	266,052	505,250
Interest accrued but not due on deposits and outstanding		
Relative of Key Management Personnel	53,406	206,975
Donation		
Suprajit Foundation	13,618,394	13,574,000
Reimbursements		
Key Management Personnel	2,410,243	2,065,942
Relative of Key Management Personnel	400,378	60,977
Fixed Deposits Accepted		
Relative of Key Management Personnel	-	4,572,312
Fixed Deposits Refunded on Closure		
Relative of Key Management Personnel	-	3,300,000

Balances outstanding	31.03.2015	31.03.2014
Relative of Key Management Personnel (Cr.)	3,000,000	5,293,355
Interest accrued but not yet due on total outstanding deposits*	53,406	206,975
Suprajit Foundation (Cr.)	13,618,394	13,574,000

**OTHER NOTES ON FINANCIAL STATEMENTS FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2015**

(Amounts in `)

Notes:

Amounts shown as outstanding at the year end in relation to fixed deposits accepted represent only the principal amount and the accumulated amount of interest accrued but not due is disclosed above.

* These parties are not relatives as per AS-18 and under the definition of Companies Act, 2013. Hence Current year related party transaction figures are not disclosed.

23.10 Operating Lease commitments:

The Foreign subsidiary has annual commitments under non cancelable operating leases for land & building and other assets as follows:

Particulars	31.03.2015	31.03.2014
Due within one year	526,745	623,763
Due between two to five years	7,099,264	7,935,479

23.11 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiary.

Name of the Entity	Net Assets: Total Assets minus Total Liabilities		Share in Profit or Loss	
	As% of consolidated net assets	Amount (`)	As% of consolidated Profit or Loss	Amount (`)
Parent Company				
Suprajit Engineering Limited	95.55%	2,300,967,398	88.70%	446,137,901
Subsidiaries				
1. Suprajit Automotive Private Limited	12.23%	294,594,003	12.47%	62,699,292
2. Suprajit Europe Limited	1.07%	25,796,802	0.03%	168,537

Previous period figures have been rearranged/ reclassified where required to confirm to current year's classification.

(Signatures to Notes 1 to 23)

As per our report of even date attached

For and on behalf of the Board of Directors

K Ajith Kumar Rai
Chairman & Managing Director
& Chief Executive Officer

Diwakar S Shetty
Director

Medappa Gowda J
Company Secretary
& Chief Financial Officer

For Varma & Varma
Chartered Accountants
FRN 004532S

R Kesavadas
Partner
M. No. 23862

Place : Bangalore
Date : 29.05.2015

SUPRAJIT ENGINEERING LIMITED

CIN: L29199KA1985PLC006934

Registered & Corporate Office : No. 100, Bommasandra Industrial Area, Bangalore – 560 099

Telephone: 080-43421100

Email: investors@suprajit.com

Web: www.suprajit.com

29th May, 2015

Dear Shareholder,

The Ministry of Corporate Affairs, Government of India ("MCA) has, by its circular dated 21st April, 2011 announced a "Green Initiative in the Corporate Governance" by allowing paperless compliance by companies. In terms of the said circular, service of notice/documents by a Company to its shareholders required to be made under the provisions of the Companies Act, 2013 can be made through the electronic mode.

In line with the above initiative of the MCA, the Company proposes to send documents such as the Notice of the Annual General Meeting, Audited financial statements, Boards' Report, Auditors' Report, postal ballots etc., henceforth to all its esteemed shareholders, including your good self, in electronic form, through e-mail. To facilitate the same, we request you to furnish our e-mail id, quoting your folio number/DPID/Client ID to our Registrar and share Transfer Agent at the following address:

Integrated Enterprises (India) Limited
No. 30, Ramana Residency,
4th Cross, Sampige Road,
Malleswaram, Bangalore – 560 003.
Phone : 080-23460815-18, Fax : 080-23460819,
E-mail : irg@integratedindia.in

We are sure you would appreciate this welcome initiative taken by the MCA to reduce consumption of paper and thereby, protect the environment. We expect to receive your support and co-operation in helping the Company to contribute its share to the said initiative.

Thanking You,

Yours faithfully,

For **Suprajit Engineering Limited**

Medappa Gowda J

Company Secretary

SUPRAJIT ENGINEERING LIMITED

CIN: L29199KA1985PLC006934

Registered & Corporate Office : No. 100, Bommasandra Industrial Area, Bangalore – 560 099

Telephone: 080-43421100

Email: investors@suprajit.com

Web: www.suprajit.com

ECS MANDATE FORM

Members holding Shares in Physical Mode

Please inform;

Integrated Enterprises (India) Limited

No. 30, Ramana Residency,
4th Cross, Sampige Road, Malleswaram,
Bangalore – 560 003.

Members holding Shares in Physical Mode

Please inform: Your DPs directly
(if not done earlier)

I hereby consent to have the amount of Dividend on my Equity Shares credited through the Electronic Clearing Service (Cash Clearing) (ECS) The particulars are :

1. Folio No. / Certificate No.	
2. Name of the 1 st Holder	
3. Name of the Bank	
4. Full Address of the Branch	
5. Account number	
6. Account Type (Please tick the relevant account)	Savings / Current / Cash Credit
7. 9 Digit Code Number of the Bank appearing on the MICR cheque issued by the Bank (Please attach a photocopy of a cheque for verifying the accuracy of the Code Number)	

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I will not hold the Company responsible.

Signature of the 1st Holder as per the
Specimen signature with the Company

Name:

Address:

Date:

.....

.....

SUPRAJIT ENGINEERING LIMITED

CIN: L29199KA1985PLC006934

Registered & Corporate Office : No. 100, Bommasandra Industrial Area, Bangalore – 560 099

Telephone: 080-43421100

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Web: www.suprajit.com

FORM NO. MGT - 11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : **L29199KA1985PLC006934**
NAME OF THE COMPANY : **Suprajit Engineering Limited**
REGISTERED OFFICE : **No. 100, Bommasandra Industrial Area, Bangalore – 560 099**

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 the above named company, hereby appoint.

1. Name :
Address :
E-mail Id :
Signature :..... or failing him
2. Name :
Address :
E-mail Id :
Signature :..... or failing him
3. Name :
Address :
E-mail Id :
Signature :.....

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual general meeting of the company, to be held on the on Saturday, the 19th September, 2015 at 11.00 A.M at Plot No. 101, Bommasandra Industrial Area, Bangalore - 560 099 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.	Resolution
Ordinary Business	
1.	Adoption of Audited Financial Statements for the year ended March 31, 2015.
2.	Appointment of Dr. Supriya A Rai as Non Executive Director who retires by rotation.
3.	To confirm the payment of Interim Dividend and declare Final Dividend.
4.	Appointment of Auditors of the Company.
Special Business	
5.	Appointment of Cost Auditors
6.	Appointment of Mr. B S Patil, as an Independent Director.
7.	Appointment of Mr. Ian Williamson, as an Independent Director.
8.	Appointment of Mr. Suresh Shetty, as an Independent Director.
9.	Payment of Commission to Directors.

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

Signature of shareholder

Signature of Proxy holder(s)

Affix
1/- Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

SUPRAJIT ENGINEERING LIMITED

CIN: L29199KA1985PLC006934

Registered & Corporate Office : No. 100, Bommasandra Industrial Area, Bangalore – 560 099

Telephone: 080-43421100

Email: investors@suprajit.com

Web: www.suprajit.com

Form No. MGT-12

Polling Paper

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company: Suprajit Engineering Limited
Registered office: No. 100, Bommasandra Industrial Area, Bangalore – 560 099

BALLOT PAPER

Sl. No	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal address	
3.	Registered folio No. / *Client ID No. (* Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	

I hereby exercise my vote in respect of Ordinary/ Special resolutions enumerated below by recording my assent or dissent to the said resolution in the following manner:

ORDINARY BUSINESS

Sl. No	Item	No. of shares held by me	I assent to the resolution	I dissent from the resolution
1.	Adoption of Audited Financial Statements for the year ended March 31, 2015.			
2.	Appointment of Dr. Supriya A Rai as Non Executive Director who retires by rotation.			
3.	To confirm the payment of Interim Dividend and declare Final Dividend.			
4.	Appointment of Auditors of the Company.			

SPECIAL BUSINESS

5.	Appointment of Cost Auditors			
6.	Appointment of Mr. B S Patil, as an Independent Director.			
7.	Appointment of Mr. Ian Williamson, as an Independent Director.			
8.	Appointment of Mr. Suresh Shetty, as an Independent Director.			
9.	Payment of Commission to Directors.			

Place:

Date:

(Signature of the shareholder)

SUPRAJIT ENGINEERING LIMITED

CIN: L29199KA1985PLC006934

Registered & Corporate Office : No. 100, Bommasandra Industrial Area, Bangalore – 560 099

Telephone: 080-43421100

Email: investors@suprajit.com

Web: www.suprajit.com

ATTENDANCE SLIP

30th ANNUAL GENERAL MEETING, SATURDAY, THE 19th SEPTEMBER, 2015 AT 11.00 A.M

Name and Address of the Member _____

Reg. Folio/Client ID No. _____

I Certify that I am a registered shareholder of the company and hold _____ shares.

Please indicate whether Member/Proxy _____

I hereby record my presence at the 30TH ANNUAL GENERAL MEETING of the Company held on Saturday, the 19th September, 2015 at 11.00 A.M. at plot no. 101, Bommasandra Industrial Area, Bangalore – 560099.

Member's/Proxy Name in BLOCK Letter

Member's / Proxy's Signature

Note :

Shareholder/Proxy holder must bring the Attendance Slip to the meeting and hand it over at the entrance duly signed.

225 MILLION CABLES



ONE GOAL CUSTOMER SATISFACTION

SOME OF OUR ESTEEMED CUSTOMERS



*All names, images and logos are copyright of their respective owners.



Suprajit Engineering Limited

Registered & Corporate Office:

No.100, Bommasandra Indl. Area, Bangalore - 560 099

Phone: 080 4342 1100 Fax: 080 27833279

Email: info@suprajit.com Web: www.suprajit.com