

trust technology innovation
health freedom quality
efficient easy modern

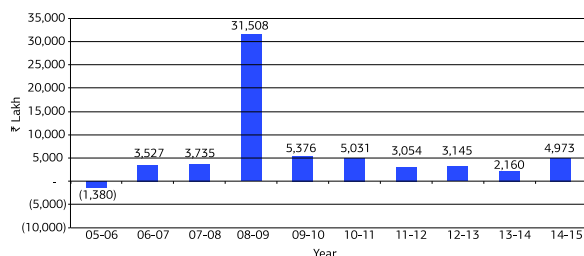


Annual Report
2014–2015

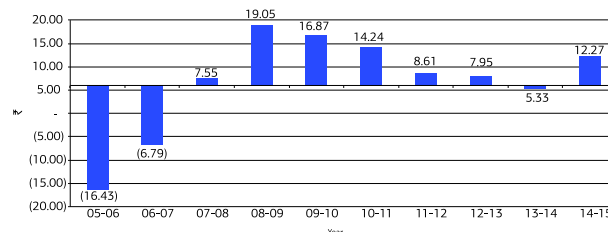
IFB Industries Limited

10 YEAR HIGHLIGHTS

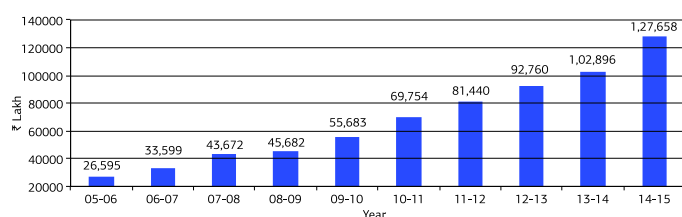
Profit/(loss) after tax
(₹ in lakh)



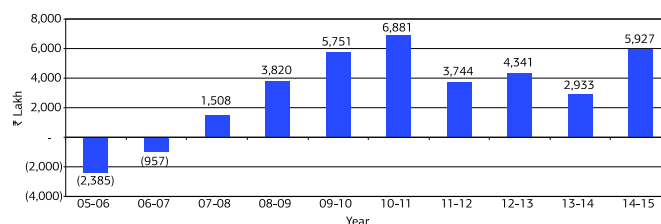
Basic EPS before
extraordinary items (₹)



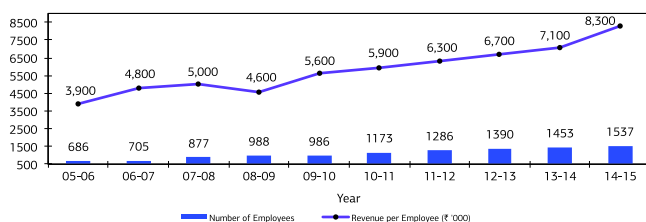
Total revenue
(₹ in lakh)



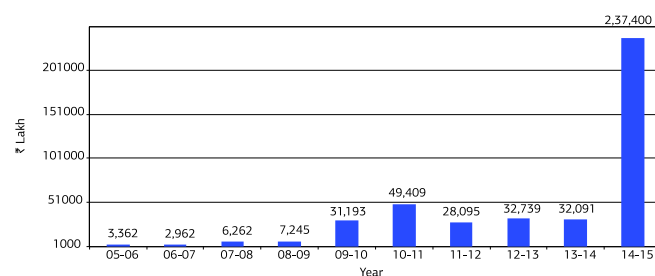
Profit before tax, extraordinary
and prior period items (₹ in lakh)



Employees and productivity
(₹ in lakh)



Market capitalisation
(₹ in lakh)



BOARD OF DIRECTORS

Executive Chairman
Mr. Bijon Nag

Joint Executive Chairman & Managing Director
Mr. Bikram Nag

Deputy Managing Director
Mr. Sudam Maitra

Director and CFO
Mr. Prabir Chatterjee

Independent Directors
Dr. Rathindra Nath Mitra
Dr. Tridibesh Mukherjee
Mr. Radharaman Bhattacharya
Mr. R. Muralidhar
Ms. Sangeeta Shankaran Sumesh

Non-Executive Director
Mr. Sudip Banerjee

AUDIT COMMITTEE

Chairman
Dr. Rathindra Nath Mitra

Members
Mr. Radharaman Bhattacharya
Mr. Prabir Chatterjee

COMPANY SECRETARY

Mr. G. Ray Chowdhury

AUDITORS

Deloitte Haskins & Sells
Chartered Accountants

REGISTRAR AND SHARE TRANSFER AGENTS

CB Management Services (P) Ltd.
P 22, Bondel Road, Kolkata - 700 019
Tel : (091) (33) 2280 6692/93/94, 4011 6700
Fax : (091) (33) 2287 0263
E-mail : rta@cbmsl.com

REGISTERED OFFICE

14, Taratala Road
Kolkata - 700 088, India
Tel : (091) (33) 3048 9219
Fax : (091) (33) 3048 9230
CIN : L51109WB1974PLC029637
E-mail : investors@ifbglobal.com
Website : www.ifbindustries.com

CORPORATE OFFICE

Plot No. IND-5, Sector – I
East Kolkata Township
Kolkata - 700 107
Tel : (091) (33) 3984 9524
Fax : (091) (33) 2442 1003
E-mail : g_raychowdhury@ifbglobal.com

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IFB INDUSTRIES LTD.

Regd. Office : 14, Taratala Road
Kolkata – 700 088

NOTICE TO MEMBERS

NOTICE is hereby given that the Thirty Ninth Annual General Meeting of the members of **IFB Industries Limited** will be held on Friday, the 31st day of July, 2015 at 9.30 A.M. at Club Ecovista, Ecospace Business Park, Premises no 2F/11, Action Area II, Rajarhat, New Town, Kolkata - 700 156, to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the financial statements of the Company for the year ended 31 March 2015, including the audited Balance Sheet as at 31 March 2015, the statement of Profit and loss for the year ended on that date and the reports of the Board of Directors ('the Board') and Auditors thereon.
2. To ratify the appointment of auditors of the Company, and to fix their remuneration 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, read with Rules made there under, pursuant to the recommendations of the Audit Committee and pursuant to the resolution passed by the members at the AGM held on July 30, 2014, the appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants (Firm Regn No : 302009E) as the auditors of the Company to hold office till the conclusion of 43rd AGM be and is hereby ratified and the Board of Directors be and is hereby authorized to fix such remuneration for the financial year 2015-16 as may be determined by the Audit Committee in consultation with the auditors, in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit of accounts of the Company".
3. To appoint a director in place of Mr. Prabir Chatterjee (DIN : 02662511) who retires by rotation and being eligible, seeks reappointment.
4. To appoint a director in place of Mr. Sudip Banerjee (DIN : 05245757) who retires by rotation and being eligible, seeks reappointment.

SPECIAL BUSINESS :

5. **Appointment of Ms. Sangeeta Shankaran Sumesh as Independent Director.**
To consider and if thought fit, to pass with or without modification the following resolution as an ordinary resolution:
"RESOLVED THAT, pursuant to section 149, 152 and other applicable provisions of the Companies Act, 2013 ("the Act"), and the Rules made thereunder read with Schedule IV of the Act, Ms. Sangeeta Shankaran Sumesh (DIN : 0708037) who was appointed as an Additional Director on the Board of the Company with effect from 30 January 2015 and who holds office till the date of this AGM, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, signifying his intention to propose Sangeeta Shankaran Sumesh as a candidate for the office of an Independent Director of the Company, be and is hereby appointed as an Independent Director of the Company for a period up to 29 January 2020, not liable to retire by rotation."
6. **To consider and if thought fit, to pass with or without modification, the following Resolution as a Special Resolution.**
"RESOLVED THAT pursuant to provisions of Sections 196, 197, 203 and other applicable provisions if any, of the Companies Act, 2013 ("The Act") read with Schedule V to the Act and the Companies (Appointment and Remunerations of Managerial

Personnel) Rules, 2014, consent of the Company be and is hereby accorded to the reappointment of Mr. Bijon Nag (DIN 00756995), as Executive Chairman upto 31.05.2016 with effect from 01.06.2015, on existing terms as set out in the agreement.

FURTHER RESOLVED THAT the Board (the term " Board" includes Board of Directors of Company and the Nomination and Remuneration committee) be and is hereby authorized to vary and / or modify the terms and conditions including remuneration, benefits and perquisites payable / made available to the appointee in such manner as may be agreed upon between the board and the appointee.

FURTHER RESOLVED THAT the board be and is hereby to do all acts, deeds and things and execute all such documents, instruments and writings, as may be required and to delegate all or any of its powers herein conferred to any committee of directors or to any director or to any employee of the Company to give effect to the aforesaid resolutions.

FURTHER RESOLVED THAT in the event of loss, absence or inadequacy of profits of the Company in any financial year during the term of the office of the appointee, the remuneration as mentioned in the Explanatory Statement shall be paid to him as minimum remuneration."

7. To consider and if thought fit, to pass the following resolution, with or without modification as an ordinary resolution.

"RESOLVED THAT, pursuant to section 149, 152 and other applicable provisions of the Companies Act, 2013, ("the Act") and the Rules made thereunder, Mr. Sudam Maitra (DIN : 0035398) who was appointed as an Additional Director of the Company by the Board of Directors and was also appointed as Deputy Managing Director with effect from 3 September 2014 and who holds office till the date of this AGM , and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Sudam Maitra as a candidate for the office of a director of the Company, be and is hereby appointed as a Director of the Company whose office shall be liable to retirement by rotation.

RESOLVED THAT pursuant to provisions of Sections 196, 197, 203 and other applicable provisions if any, of the Companies Act, 2013 ("The Act") read with Schedule V thereof and the Companies (Appointment and Remunerations of Managerial Personnel) Rules, 2014, consent of the Company be and is hereby accorded to the appointment of Mr. Sudam Maitra , as the Deputy Managing Director of the Company for a period of one year with effect from . 31st July 2015 until 30 July 2016 on existing terms as set out more fully in the draft agreement proposed to be entered into by the Company and Mr. Sudam Maitra.

FURTHER RESOLVED THAT the Board (the term " Board" includes Board of Directors of Company and the Nomination and Remuneration Committee) be and is hereby authorized to vary and / or modify the terms and conditions including remuneration, benefits and perquisites payable / made available to the appointee in such manner as may be agreed upon between the Board and the appointee.

FURTHER RESOLVED THAT the Board be and is hereby authorized to do all acts, deeds and things and execute all such documents, instruments and writings, as may be required and to delegate all or any of its powers herein conferred to any committee of Directors or to any Director or to any employee of the company to give effect to the aforesaid resolutions.

FURTHER RESOLVED THAT in the event of loss, absence or inadequacy of profits of the Company in any financial year during the term of the office of the appointee, the remuneration as mentioned in the Explanatory Statement shall be paid to him as minimum remuneration."

8. To consider and if thought fit, to pass the following resolution, with or without modification as ordinary resolution.

"RESOLVED THAT pursuant to provisions of Sections 196, 197, 203 and other applicable provisions if any, of the Companies Act, 2013 ("The Act") read with Schedule V to the Act and the Companies (Appointment and Remunerations of Managerial Personnel) Rules, 2014, consent of the Company be and is hereby accorded to increase the remuneration payable to Mr. Prabir Chatterjee, (DIN 02662511) Director & Chief Financial officer of the Company with effect from

1 April 2014 as set out in the Explanatory Statement attached to this Notice.

FURTHER RESOLVED THAT the Board (the term "Board" includes Board of Directors of Company and the Nomination and Remuneration Committee) be and is hereby authorized to vary and / or modify the terms and conditions including remuneration, benefits and perquisites payable / made available to the appointee in such manner as may be agreed upon between the Board and the appointee.

FURTHER RESOLVED THAT the Board be and is hereby authorized to do all acts, deeds and things and execute all such documents, instruments and writings, as may be required and to delegate all or any of its powers herein conferred to any committee of Directors or to any Director or to any employee of the company to give effect to the aforesaid resolutions.

FURTHER RESOLVED THAT in the event of loss, absence or inadequacy of profits of the Company in any financial year during the term of the office of the appointee, the remuneration as mentioned in the Explanatory Statement shall be paid to him as minimum remuneration."

9. To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 ("The Act") read with Rule 14 of Companies (Audit and Auditors) Rules, 2014, the remuneration payable during the year 2015-16 to M/s. MANI & CO, Cost Accountants appointed by the Board of Directors of the Company to conduct the audit of cost records of the Company for the financial year 2015-16, amounting to Rs.5,00,000/- (Rupees Five lacs Only) plus service tax as applicable and reimbursement of conveyance on actual basis as incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed."

10. To consider and if thought fit, to pass with or without modification, the following Resolution as a Special Resolution.

"RESOLVED THAT that in supersession to the earlier resolution(s), pursuant to the provisions of section 180(1)(a) and other applicable provisions, if any of the Companies Act, 2013 and Rules made there under, consent of the Company be and is hereby accorded to the Board of Directors, to mortgage and/ or charge in addition to the mortgages and/ or charges created/ to be created by the Company, in such form and manner and with such ranking as to priority and for such time and on such terms as the Board may determine, all or any of the moveable and/or immoveable, tangible and/or intangible properties of the company, both present or future in favour of Lending Financials Institutions/ Banks/Bodies Corporate/ Firms/Foreign Investors or persons, lender(s), agent(s), trustee(s) for securing the Borrowings of the Company availed/to be availed by way of loan(s) (in foreign currency and/or rupee currency) and securities (compromising fully/partly convertible debentures and/or non-convertible debentures with or without detachable or non detachable warrants and/or secured premium notes and/or floating rates notes/bonds or other debt instruments), commercial papers, issued/to be issued by the company whether in India or abroad term loans/fund based working capital loans/short term loans/temporary loans/letter of credit/guarantees/and to secure and other form of borrowings made from time to time, together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on pre-payment, remuneration of agent(s), trustee(s), premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation/revaluation/evaluation/ fluctuation in the rate of exchange and all other monies payable by the Company in terms of loan agreement(s), debenture trust deed or any other document entered into/to be entered into between Company and the lender(s)/agent(s)/trustee(s), in respect of the said loans/borrowings/debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board thereof and the lender(s)/ agent(s)/ trustee(s)."

11. To consider and if thought fit, to pass with or without modification, the following Resolution as a Special Resolution.

"RESOLVED THAT in supersession of all earlier resolution(s), pursuant to the provisions of Section 180 (1)(c) of the Companies Act, 2013 and the Articles of Association of the Company consent of the Company be and is hereby accorded to the Board of Directors ("Board") of the Company to borrow such sums of money, from time to time, as the Board may

deem requisite for the purpose of the business of the Company notwithstanding that money to be borrowed together with the money already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the Ordinary Course of Business) will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount up to which the money may be borrowed by the Board of Directors (apart from temporary loans obtained from the company's bankers) shall not exceed Rs. 425 Crores (Rupees four hundred twenty five Crores only) outstanding at any time."

12. To consider and if thought fit, to pass with or without modification, the following Resolution as Special Resolution.

"Resolved that, pursuant to the provisions of Section 14 of the Companies Act, 2013, or any amendment thereto or modification thereof, the Articles of Association of the Company be and is hereby amended by insertion of the following Article 110(8) after the existing Article 110(7) and the new Article no 110(8) be read as follows

Article 110(8) - Any Member, beneficial owner, debenture-holder, other security-holder or other person entitled to copies of any documents / registers / records to be kept or maintained by the Company in physical or electronic form under the provisions of the Companies Act, 2013 or the Rules there under or any earlier enactment or rules, shall be provided copies thereof upon request on payment of fee of Rs. 10/- per page, or such other fee as may be prescribed from time to time and as may be determined by the Board."

Registered Office :
14, Taratala Road
Kolkata - 700 088
Date : 29 May 2015

By Order of the Board

G Ray Chowdhury
Company Secretary

NOTES :

- i) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE " MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The instrument appointing the proxy should, however, be deposited at the registered office of the company not less than forty-eight hours before the commencement of the meeting.

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

- ii) Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
- iii) Brief resume of Directors including those proposed to be appointed/ reappointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under clause 49 of the listing agreement with the stock exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.
- iv) A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
- v) Members are/Proxies/Authorised Representative requested to bring their attendance slip along with their copy of Annual Report to the meeting.

- vi) In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- vii) Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Corporate Office of the Company on all working days , except Saturdays, during business hours up to the date of the meeting.
- viii) The Company has notified closure of Register of Members and share transfer books from 25 July 2015 to 31 July 2015 (both days inclusive) for the purpose of AGM.
- ix) Instruction for e-voting, along with the Attendance Slip and Proxy Form, is annexed to this Notice of 39th Annual General Meeting for the convenience of shareholders.
- x) Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company/CB Management Services (P) Ltd.
- xi) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/CB Management Services (P) Ltd.
- xii) Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be obtained from the Company/ CB Management Services (P) Ltd.
- xiii) Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send share certificates to CB Management Services (P) Ltd., for consolidation into a single folio.
- xiv) Non resident Indian Members are requested to inform CB Management Services (P) Ltd. immediately of :
 - a) change in their residential status on return to India for permanent
 - b) notify immediately any change in their address to the Company.
 - c) write to the Company's Registrar & Share Transfer Agents, M/s CB Management Services (P) Ltd enclosing their share certificates for consolidation into one folio for better investor service, if they have more than one folio in identical order of name(s).
- xv) In compliance with section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules 2014, substituted by Companies (Management and Administration) Amendment Rules 2015 and Clause 35B of the Listing Agreement, the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by National Securities Depository Limited. The facility for voting through ballot paper will also be made available at the AGM and the members attending the AGM who have already cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their vote again. The instructions for e-voting are annexed to the Notice.
- xvi) The Annual Report 2014-15 is being sent through electronic mode only to the members whose email addresses are registered with the Company/Depository Participant(s), unless any member has requested for a physical copy of the report. For members who have not registered their email addresses, physical copies of the Annual Report 2014-15 are being sent by permitted mode.
- xvii) The notice of the 39th AGM and instructions for e-voting along with the Attendance slip and Proxy form, is being sent by electronic mode to all members whose email addresses are registered with the Company/Depository Participant(s), unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the documents are being sent by the permitted mode.

- xviii) Members may also note that the Notice of the 39th AGM and the IFB Industries Ltd Annual Report 2014-15 will be available on the Company's website, www.ifbindustries.com. The physical copies of the documents will also be available at the Company's corporate office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication or have any other queries, may write to us at : investors@ifbglobal.com.
- xix) Additional information, pursuant to Clause 49 of the Listing Agreement with the stock exchanges, in respect of the directors seeking appointment/reappointment at the AGM is furnished as annexure to the Notice. The directors have furnished consent/declaration for their appointment/reappointment as required under the Companies Act, 2013 and the Rules thereunder.
- xx) The Register of directors and Key Management Personnel and their Shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
- xxi) The Register for Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
- xxii) Members are requested to address all correspondence, to the Registrar and Share Transfer Agents, C.B. Management Services Private Limited at P22 Bondel Road, Kolkata - 700 019.
- xxiii) With a view to using natural resources responsibly, we request shareholders to update their email address, with the Depository Participants to enable the Company to send communications electronically.
- xxiv) Shareholders are requested to tender their attendance slips at the registration counters at the venue of the AGM and seek registration before entering the meeting hall.

Statement Pursuant to Section 102(1) of the Companies Act, 2013

Resolution No. 3 & 4

Details of Directors seeking appointment/reappointment in Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement)

Name of Director	Mr. Sudip Banerjee	Mr. Prabir Chatterjee
Date of birth	01.02.1960	18.06.1955
Nationality	Indian	Indian
Date of appointment on the board	04.04.2012	01.04.2013
Qualification	Graduate in Economics(H), Diploma in Management (AIMA)	BSC, AICWA
Experience in functional area	Business Executive	Business Executive
Shareholding in the Company	Nil	25,000
List of directorship held in other companies	one	one
Committee membership	Two	Three

Resolution No. 5

The nomination and remuneration committee and board of directors at their meeting held on 30 January 2015 appointed Ms. Sangeeta Shankaran Sumesh (DIN 07080379) as an Additional Director of the Company with effect from 30 January 2015, pursuant to Section 161 of the Companies Act, 2013 read with clause 139 of the Articles of Association of the Company.

Pursuant to the provision of Section 161 of the Companies Act, 2013, Ms Sangeeta will hold office up to the date of the ensuing AGM. The company has received notice in writing under the provision of Section 160 of the companies act, 2013, from a member,

along with a deposit of Rs 100,000/- proposing the candidature of Ms. Sangeeta Shankaran Sumesh for the office of Independent Director to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Ms. Sangeeta (i) consent in writing to act as director in form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that she is not disqualified under subsection (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that she meets the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013.

Ms. Sangeeta (40) has done her graduation in commerce from University of Madras in 1994. She is a Qualified Chartered Accountant, Cost Accountant and also a certified Public Accountant from Botswana Institute of Accountants. She has also undergone Executive education in organizational leadership in 2014 from Harvard Business School. She is currently working with Dun & Bradstreet Technologies and Data Services as Vice President Finance / CFO. She also worked in number of Foreign companies. She got comprehensive experience in diversified areas including Cost and Management Controls, Financial Analysis, Strategic Management, CSR activities, Corporate Governance, Risk Mitigation, operation management etc. Ms. Sangeeta is not holding any share of the company.

The resolution seeks the approval of the Company for the appointment of Ms. Sangeeta Shankaran Sumesh as an Independent Director of the Company for a period upto 29 January 2020 pursuant to section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. She will not be liable to retire by rotation.

In the opinion of the Board, Ms. Sangeeta Shankaran Sumesh, the Independent Director proposed to be appointed, fulfills the conditions specified in the Companies Act, 2013 and the Rules made thereunder and she is independent of the Management. A copy of the draft letter for appointment of Ms. Sangeeta Shankaran Sumesh, as an Independent Director setting out terms and conditions is available for inspection without any fee by the members at the company's corporate office during normal business hours on working days upto the date of the AGM.

No director, Key managerial personnel or their relatives, except Ms. Sangeeta Shankaran Sumesh to whom the resolution relates, are interested or concerned in the resolution.

The board recommends the resolution set forth in item no 5 for the approval of members.

Resolution No. 6

Section 196(3) of Companies Act, 2013, inter alia, provides that no company shall continue the employment of a person who has attained the age of seventy years, as managing director, whole-time director or manager unless it is approved by the members by passing a special resolution. Part I of Schedule V to the Act contains a similar relaxation.

Mr. Bijon Nag (72) is the Promoter and Executive Chairman of the Company. He is a mechanical engineer and a prominent industrialist having more than three decades of vast experience in machine tool and engineering industries. Mr. Bijon Nag is also Chairman of IFB Agro Industries Ltd. and director of IFB Automotive Pvt. Ltd. and Maruti Insurance Broking Pvt. Ltd.

The details of his other directorships and memberships in other companies / committees are provided in the Corporate Governance Reports, which form part of this Annual Report.

He holds 157869 shares in the Company.

The Board of Directors and the Nomination & Remuneration Committee of the Company at their meeting held on 29 May 2015 re-appointed Mr. Bijon Nag as Executive Chairman for a period of one year from 1 June 2015 on terms and conditions set out detailed hereinafter, subject to approval of the shareholders.

1. Remuneration :

- a) **Salary :** Rs. 150,000 (Rupees one lac fifty thousand only) per month.
- b) **Commission :** In addition to salary, perquisites and other allowances, 0.5% commission based on net profits of the Company computed in the manner laid down pursuant to provisions of Sections 196, 197, 203 and other applicable

provisions if any, of the Companies Act, 2013 ("The Act") read with Schedule V to the Act and the Companies (Appointment and Remunerations of Managerial Personnel) Rules, 2014 including any statutory modifications or enactments thereof from time to time but not exceeding an amount equal to half of annual salary paid during the financial year.

- c) **Housing** : The expenditure by the Company on hiring unfurnished accommodation will be subject to the following ceiling :
 - I. Sixty percent of the salary
 - II. In case the accommodation is owned by the Company, ten percent of the salary of the Chairman shall be deducted by the Company.
 - III. In case no accommodation is provided by the Company, entitlement to house rent allowance will be subject to the ceiling laid down as in I above.
- d) **Medical Reimbursement** : Expenses incurred for self and family subject to a ceiling of one month's salary in a year or three months salary over a period of three years.
- e) **Leave Travel Concession** : For self and family once in a year incurred in accordance with the rules of the Company.
- f) **Club Fees** : Fees of Clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
- g) **Personal Accident Insurance** : As per the rules of the company
- h) **Gas & Electricity** : As per the rules of the company
- i) **Car** : Provision of car for use on Company's Business will not be considered as perquisite. However, use of car for private purpose will be billed by the Company to the Chairman
- j) **Telephone** : Company will reimburse expenses in connection with telephone at residence & mobile connections used for official purposes as per the rules of the Company.

Explanation : For the purpose of this part, 'family' means the spouse, the dependent children and dependent parents.

2. Other Benefits :

- i) **Gratuity** : As per the rules of the Company.
- ii) **Contribution to the provident Fund, Superannuation Fund or Annuity Fund** : As per the rules of the Company.
- iii) **Encashment of leave** : As per the rules of the Company.

Apart from the aforesaid remuneration, he will be entitled to reimbursement of all expenses incurred in connection with the business of the company.

In the case of inadequate profits during the financial year the remuneration will be subjected to the provisions of Schedule V of the Companies Act, 2013.

The appointee shall not be entitled to any sitting fees for Board/committee meetings.

The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modifications or re-enactment thereof ; in the absence of any such rules, perquisite and allowances shall be evaluated at actual cost. The company's contribution to Provident Fund, Superannuation or Annuity Fund, to the extent these singly or together are not taxable under the Income Tax law, gratuity payable and encashment of leave shall not be included for the purpose of computation of the overall ceiling of remuneration.

The terms and conditions of the said appointment and / or agreement are subject to provisions of Sections 196, 197, 203 and other applicable provisions if any, of the Companies Act, 2013 ("The Act") read with Schedule V to the Act and the Companies (Appointment and Remunerations of Managerial Personnel) Rules, 2014 including any statutory modifications or enactments

thereof from time to time and may be altered and varied from time to time by the Board/ Committee as it may in its discretion deem fit within the maximum amount of remuneration payable in accordance with the applicable rules and regulations.

The agreement may be terminated by either party giving the other six months' notice.

The above may be treated as an abstract of the terms of contract between the Company and Mr. Bijon Nag .

Mr. Bijon Nag shall perform such duties and exercise such powers as are entrusted to him by the Board.

No director, Key managerial personnel or their relatives, except Mr. Bijon Nag and Mr. Bikram Nag, are interested or concerned in the resolution.

The board recommends the Special Resolution set forth in item no 6 for the approval of the Company.

Resolution No. 7

Mr. Sudam Maitra (DIN 0035398) is a graduate in Mechanical Engineering from IIT, Delhi and has rich industrial experience of almost thirty eight years.

Mr. Maitra (60) started his career with GKW Ltd. and subsequently worked in companies like Bata India Ltd., TELCO (now Tata Motors) and Maruti Suzuki India Ltd. For last 31 years he was associated with Maruti Suzuki Ltd. and has worked in all areas of operations like manufacturing, quality, engineering, service, purchasing including supply chain. He was Chief Operating Officer (Supply Chain) till July 2014, when he left Maruti Suzuki Ltd. Mr. Maitra is not holding any share in the company.

At the recommendation of Nomination and Remuneration committee, Mr. Maitra was appointed as Additional Director by the board of directors at their meeting held on 3 September 2014. He was also appointed as Deputy Managing Director, subject to the approval of shareholders, up to this AGM.

At the recommendation of Nomination and Remuneration Committee, the board of Directors at their meeting held on 29 May 2015, subject to the approval of the Company, extended his period of appointment for a further period of one year from ensuing AGM on the following terms and conditions:

The terms and conditions of the appointment including remuneration payable to Mr Sudam Maitra are as under :

1. Remuneration :

- a) **Salary** : Rs. 400,000/- (Rupees Four lacs only) per month.
- b) **HRA** : Rs.200,000/- (Rupees Two lacs only) per month.
- c) **SPA** : Rs 98,000/- (Rupees Ninety Eight thousand only).
- d) **Medical Reimbursement** : Expenses incurred for self and family subject to a ceiling of one month's salary in a year or three months' salary over a period of three years.
- e) **Leave Travel Concession** : For self and family once in a year incurred in accordance with the Rules of the Company.
- f) **Personal Accident Insurance** : As per the rules of the Company
- g) **Car** : Provision of car for use on Company's Business will not be considered as perquisite. However, use of car for private purpose will be billed by the Company
- h) **Telephone** : Company will reimburse expenses in connection with telephone at residence & mobile connections used for official purposes as per the rules of the Company.

Explanation : For the purpose of this part, 'family' means the spouse, the dependent children and dependent parents.

2. Other Benefits :

- i) **Gratuity** : As per the rules of the Company.
- ii) **Contribution to the provident Fund, Superannuation Fund or Annuity Fund** : As per the rules of the Company.
- iii) **Encashment of leave** : As per the rules of the Company.

Apart from the aforesaid remuneration, he will be entitled to reimbursement of all expenses incurred in connection with the business of the Company.

In the case of inadequate profits during the financial year the remuneration will be subjected to the provisions of Schedule V of the Companies Act, 2013.

The appointee shall not be entitled to any sitting fees for Board/Committee meetings.

The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modifications or re-enactment thereof; and in the absence of any such rules, perquisite and allowances shall be evaluated at actual cost. The Company's contribution to Provident Fund, Superannuation or Annuity Fund, to the extent these singly or together are not taxable under the Income Tax law, gratuity payable and encashment of leave shall not be included for the purpose of computation of the overall ceiling of remuneration.

The terms and conditions of the said appointment and / or agreement are subject to provisions of Sections 196, 197, 203 and other applicable provisions if any, of the Companies Act, 2013 ("The Act") read with Schedule V to the Act and the Companies (Appointment and Remunerations of Managerial Personnel) Rules, 2014 including any statutory modifications or enactments thereof from time to time and may be altered and varied from time to time by the Board/ Committee as it may in its discretion deem fit within the maximum amount of remuneration payable in accordance with the applicable rules and regulations.

The agreement may be terminated by either party giving the other three months' notice.

Mr Sudam Maitra shall perform such duties and exercise such powers as are entrusted to him by the Board and Joint Executive Chairman & Managing Director.

No director, Key managerial personnel or their relatives, except Mr. Sudam Maitra to whom the resolution relates, are interested or concerned in the resolution.

The board recommends the resolution set forth in item no 7 for the approval of the Company

Resolution No. 8

Revision of the Remuneration of Mr. Prabir Chatterjee :

As recommended by the Nomination and Remuneration committee, the Board of directors at their meeting held on 3 September 2014 revised the remuneration, subject to approval of shareholders w.e.f 1st April 2014 as under :

1. Remuneration :

- a) **Salary** : Rs. 3,75,000/- (Rupees Three Lacs Seventy Five Thousand only) per month .
- b) **HRA** : Rs.37,540/- (Rupees Thirty Seven thousand five hundred forty only) per month.
- c) **CEA** : Rs 200/- (Rupees Two Hundred only) per month.
- d) **Medical Reimbursement** : Expenses incurred for self and family subject to a ceiling of one month's salary in a year or three months' salary over a period of three years.
- e) **Leave Travel Concession** : For self and family once in a year incurred in accordance with the rules of the Company.
- f) **Personal Accident Insurance** : As per the rules of the Company
- g) **Car** : Provision of car for use on Company's Business will not be considered as perquisite. However, use of car for private purpose will be billed by the Company.
- h) **Telephone** : Company will reimburse expenses in connection with telephone at residence & mobile connections used for official purposes as per the rules of the Company.

Explanation : For the purpose of this part, 'family' means the spouse, the dependent children and dependent parents.

2. Other Benefits :

- i) **Gratuity** : As per the rules of the Company.

- ii) **Contribution to the provident Fund, Superannuation Fund or Annuity Fund** : As per the rules of the Company
- iii) **Encashment of leave** : As per the rules of the Company.

Apart from the aforesaid remuneration, he will be entitled to reimbursement of all expenses incurred in connection with the business of the Company.

In the case of loss or inadequacy of profits in any financial year during the term of appointment, the remuneration will be subjected to the provisions of Schedule V of the Companies Act, 2013.

The appointee shall not be entitled to any sitting fees for Board / Committee meetings.

The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules there under or any statutory modifications or re-enactment thereof; and in the absence of any such rules, perquisite and allowances shall be evaluated at actual cost. The Company's contribution to Provident Fund, Superannuation or Annuity Fund, to the extent these singly or together are not taxable under the Income Tax law, gratuity payable and encashment of leave shall not be included for the purpose of computation of the overall ceiling of remuneration.

The terms and conditions of the said appointment and / or agreement are subject to provisions of Sections 196, 197, 203 and other applicable provisions if any, of the Companies Act, 2013 ("The Act") read with Schedule V to the Act and the Companies (Appointment and Remunerations of Managerial Personnel) Rules, 2014 including any statutory modifications or enactments thereof from time to time and may be altered and varied from time to time by the Board/ Committee as it may in its discretion deem fit within the maximum amount of remuneration payable in accordance with the applicable rules and regulations.

The agreement may be terminated by either party giving the other three months' notice.

No director, Key managerial personnel or their relatives, except Mr. Prabir Chatterjee to whom the resolution relates, are interested or concerned in the resolution.

The board recommends the resolution set forth in item no 8 for the approval of the Company.

Resolution No. 9

The board on the recommendation of the Audit Committee has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31 March 2016 at a fee of Rs. 5,00,000.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014, the remuneration payable to Cost Auditors require ratification by the shareholders of the company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item no 9 of the notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 2016

None of the directors/ Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise in the resolution set out at item no 9 of the notice.

The board recommends the resolution set forth in item no 9 for the approval of the Company.

Resolution No. 10 & 11

Pursuant to notification of Section 180 of the Companies Act, 2013, prior consent of the Shareholders by special resolution is required to enable the Board of Directors to exercise these powers which, in aggregate, may exceed the paid-up capital and free reserves of the Company and to create charge on movable/immovable properties of the Company in favour of the lenders.

Further, the Ministry of Corporate Affairs vide their Circular No.4, dated 25 March 2014 had clarified that all such resolutions passed earlier under section 293(1)(a) and 293(1)(d) of the erstwhile Companies Act, 1956 are valid and effective only for a period of one year up to 11 September 2014. Any such mortgages and borrowings after this date would require a fresh prior approval of the shareholders under section 180 of the Companies Act, 2013 through a special resolution. It is imperative that

such an authority is required to be delegated to the Board of Directors for carrying on the business of the Company in the ordinary course and the Board is of the view that the earlier approved borrowing limits of up to 425 Crores would be sufficient to carry on the business. The Board of Directors of the Company at its meeting held on 29 May 2015 had approved the proposal subject to approval of the Company.

None of the Directors and Key Managerial Personnel of the Company are interested in the resolution No 10 & 11 :

The Board recommends the Special Resolutions set forth in item no 10 & 11 for the approval of the Company.

Resolution No. 12

The Companies Act, 2013 ('the Act') provides that companies may charge fees from members, beneficial owners, debenture-holders, other security-holders or other persons seeking copies of documents / registers / records kept or maintained by the company as prescribed under the Act or the Rules there under, provided charging of such fees is specified in the Articles of Association of the company.

In the context of the above, the Board of Directors of the Company ('the Board') at its meeting held on 29 May 2015, recommended that a new Article 110(8) be incorporated in the Articles of Association of the Company which provides for charging of such fees as set out in the Special Resolution. Consent of the Members by way of Special Resolution is required to such alteration of Articles of Association in terms of the provisions of Section 14 of the Act.

A copy of the Memorandum and Articles of Association of the Company will be available for inspection by the Members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on working days up to the date of this Annual General Meeting.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Special Resolution.

The Board recommends this Special Resolution for approval of the Company.

Registered Office :
14, Taratala Road
Kolkata - 700 088
Date : 29 May 2015

By Order of the Board

G Ray Chowdhury
Company Secretary

VOTING THROUGH ELECTRONIC MEANS

- i. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- ii. The facility for voting through ballot paper shall be made available at the Annual General Meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- iii. The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.
- iv. The remote e-voting period commences on 28th July, 2015 (9:00 am) and ends on 30th July, 2015 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 24th July, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- v. The process and manner for remote e-voting are as under:
 - A. **In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :**
 - (i) Open PDF file viz; "IFB Ind.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "IFB Industries Limited".
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to scrutinizerifbind@gmail.com with a copy marked to evoting@nsdl.co.in.

- B. In case a Member receives physical copy of the Notice of Annual General Meeting [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
- (i) Initial password is provided at the bottom of the Attendance Slip for the Annual General Meeting :
 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- vi. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
 - vii. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
 - viii. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - ix. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 24th July, 2015.
 - x. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 24th July, 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or rta@cbmsl.com .
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- xi. A member may participate in the Annual General Meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the Annual General Meeting.
 - xii. A person, whose name is recorded in the register of members or 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 at the Annual General Meeting through ballot paper.
 - xiii. Mr. Jitendra Patnaik, Practicing Company Secretary (Membership No. FCS 5045) and sole proprietor M/s. J. Patnaik & Associates, Company Secretaries has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 - xiv. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "ballot paper" for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.
 - xv. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the Annual General Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
 - xvi. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.ifbindustries.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and NSE Limited.

DIRECTORS' REPORT

To the Members,

The Directors have pleasure in presenting before you the Thirty Ninth Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31 March 2015.

1. FINANCIAL RESULTS

The performance during the period ended 31 March 2015 has been as under :

Particulars	(Rs. in lacs)	
	2014-2015	2013-2014
Total revenue	127,658	102,896
Profit before depreciation, finance cost and tax	10,165	5,335
Finance costs	174	143
Depreciation and amortisation	4,064	2,259
Profit before tax	5,927	2,933
Current tax	700	399
Deferred tax (net)	254	371
Fringe benefit taxes relating to earlier years	—	3
Profit after tax	4,973	2,160
Surplus - opening balance	1,379	(781)
Surplus - closing balance	6,352	1,379

2. OPERATIONS

Your Company completed another year of robust performance with strong top & bottom line growth. All business segments posted sound growth in revenues and enhanced their market standing. Gross sale of products for the year grew by 25.2% to Rs 154,846 lacs. Net revenue from operations at Rs 126,150 lacs grew by 23.6%. Appliance business grew by 21.57% and engineering business grew by 33.1%. Due to increased business volume, better product mix, better market condition, better management, stable rupee, lower oil price etc. the profit before tax as compared to last year increased by 102% to Rs 5,927 lacs. Earnings per share for the year stand at Rs 12.27.

Pursuant to the notification of Schedule II of the Companies Act 2013, with effect from 1 April 2014, the

Company has changed the policy of providing depreciation of buildings from written down value (WDV) method to straight line method (SLM) thereby resulting in a surplus of Rs 844 lacs for the year ended 31 March 2015. The Company has revised its estimates of useful life of its fixed assets as prescribed in Part C of Schedule II of the Companies Act, 2013, except for certain assets for which different useful life have been considered based on technical advice. Carrying amount less residual value of the assets whose remaining useful life has become nil at the beginning of the period amounting to Rs 1,196 lacs has been charged as depreciation and amortization expense for the quarter and year ended 31 March 2015. As a result of the above stated changes the depreciation charge for the year ended 31 March 2015 is higher by Rs 1,496 lacs.

3. DIVIDEND

Your Directors have decided not to recommend any dividend for the financial year under review to conserve the resources for working capital and capital expenditure projects.

4. TRANSFER TO RESERVE

The Company does not propose to transfer any amount to Reserve.

5. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required under Clause 49 of the Listing Agreements with Stock Exchanges, the Management Discussion and Analysis Report is enclosed as a part of this report.

6. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION

Your Company has taken adequate steps to adhere to all the stipulations laid down in Clause 49 of the Listing Agreement. A report on Corporate Governance is included as a part of this Annual Report. Certificate from the Statutory Auditors of the Company M/s Deloitte Haskins & Sells, Chartered Accountants confirming the compliance with the conditions of Corporate Governance as stipulated

under Clause 49 of the Listing Agreement is included as a part of this report.

7. LISTING WITH STOCK EXCHANGES:

The Company confirms that it has paid the Annual Listing Fees for the year 2015-16 to NSE, BSE & CSE where the Company's Shares are listed. The Company applied for delisting from CSE & DSE which are pending. DSE has been deregistered by SEBI.

8. DEMATERIALISATION OF SHARES

97.48% of the Company's paid up Equity Share Capital is in dematerialized form as on 31 March 2015 and balance 2.52% is in physical form. The Company's Registrars are M/s C. B. Management Services (P) Ltd., having their registered office at P-22, Bondel Road, Kolkata-700 019.

9. NUMBER OF BOARD MEETINGS HELD

The Board of Directors duly met 6 times during the financial year from 1 April 2014 to 31 March 2015. The dates on which the meetings were held are as follows :
 29 May 2014, 29 July 2014, 3 September 2014, 30 October 2014, 30 January 2015 and 24 March 2015.

10. DIRECTORS

Confirmation of Appointment

Pursuant to the provisions of the section 161(1) of the Companies Act, 2013 read with the Articles of Association of the Company, Mr. Sudam Maitra was appointed as Additional Director and Deputy Managing Director of the Company to hold office only up to the date of this Annual General Meeting and being eligible offer himself for re-appointment as Director. It is proposed to reappoint him for a period of one year from ensuing AGM.

The three years term as Executive Chairman of Mr. Bijon Nag is expiring on 31 May 2015. It is proposed to reappoint him for a further period of one year.

Mr. Prabir Chatterjee and Mr. Sudip Banerjee retire by rotation and being eligible offer themselves for reappointment.

Appointment of Independent Directors :

Ms. Sangeeta Shankaran Sumesh was appointed as an Additional Director and was also appointed as an Independent Director for a period of five years, subject to the approval of shareholders in the ensuing AGM. Your Directors, state that Ms. Sangeeta Shankaran Sumesh who possess appropriate balance of skills, expertise and knowledge and is qualified for appointment as Independent Director.

Your Directors recommend the appointment of Ms. Sangeeta Shankaran Sumesh as Independent Directors as proposed in the notice for the Annual General Meeting. All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

11. DIRECTORS. RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that :

- a) In the preparation of the annual accounts for the year ended 31 March 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the same period;
- c) The directors have taken proper and sufficient care 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;
- d) They have prepared the annual accounts on a going concern basis;
- e) They have laid down internal financial controls in

the Company that are adequate and were operating effectively.

- f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

12. REMUNERATION POLICY

A Nomination and Remuneration Policy has been formulated pursuant to the provisions of Section 178 and other applicable provisions of the Companies Act, 2013 and rules there to and Clause 49 of the Listing Agreement stating therein the Company's Policy on Directors/Key Managerial Personnel/other employees appointment and remuneration by the Nomination and Remuneration Committee and approved by the Board of Directors. The said policy may be referred to company's website at www.ifbindustries.com/Legal/Policies.

13. ANNUAL EVALUATION OF BOARD'S PERFORMANCE

This part is covered under Corporate Governance Report.

14. AUDITORS' REPORT

The notes on Financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further explanation.

Statutory Auditors :

At the Annual General Meeting held on 30 July 2014 Deloitte Haskins & Sells, Chartered Accountants, were appointed as Statutory Auditors of the Company to hold office till the conclusion of the 43rd Annual General Meeting. In terms of the first proviso to section 139 of the Companies Act, 2013, the appointment of the Auditor's shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of Deloitte Haskins & Sells, Chartered Accountants, as Statutory Auditors of the Company, is placed for ratification by the shareholders. In this regard, the Company has received a certificate from the Auditors to the effect that if they are reappointed, it would be in accordance with the provisions of section 141 of the Companies Act, 2013.

Secretarial Audit :

The provision of Section 204 read with Section 134(3) of the Companies Act, 2013 mandates Secretarial Audit of the Company to be done from the financial year commencing on or after 1 April 2014 by a Company Secretary in practice. The Board in its meeting held on 30 January 2015 appointed Mr Jitendra Patnaik, Practising Company Secretary (Certificate of Practice No 3102) as the Secretarial Auditor for the financial year ending 31 March 2015.

According to the provision of section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit Report submitted by Company Secretary in Practice is enclosed as a part of this report in Annexure-A.

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

Information required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is given in the Annexure-B to this report.

16. CORPORATE SOCIAL RESPONSIBILITY (CSR)

In terms of section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors of your Company has constituted a CSR Committee. The Committee comprises of Independent Director, non-executive director and executive director. CSR Committee of the Board has developed a CSR Policy which is enclosed as part of this report Annexure-C. Additionally, the CSR Policy has been uploaded on the website of the Company at www.ifbindustries.com under legal / policies link. To conserve the resources for capital expenditure projects the Company made an expenditure of Rs 4.69 lacs only against the stipulated amount of Rs 72.44 lacs.

17. VIGIL MECHANISM

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been

established. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.ifbindustries.com under legal/policies/Vigil Mechanism link.

18. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company or materiality of related party transaction. The policy on materiality of related party transaction and dealing with related party transaction as approved by the board maybe accessed on Company's website at the link www.ifbindustries.com under legal/policies/CSR& Related Party Transaction Policy link. Your directors draw attention of members to note 34 to the Financial Statements which set out related party disclosures.

19. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as Annexure - D.

20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

21. REMUNERATION RATIO OF THE DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in Annexure-E which forms part of this Report.

22. DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

Risk management is the process of minimizing or mitigating the risk, It starts with the identification and evaluation of risk followed by optimal use of resources to monitor and minimize the same. The Company is exposed to several risks. They can be categorized as operational risk and strategic risk. The Company has taken several mitigating actions, applied many strategies and introduced control and reporting systems to reduce and mitigate those risks.

23. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

To familiarize the new inductees with the strategy, operations and functions of our Company, the executive directors/senior managers make presentation to the inductees about the Company's strategy, operations, product and service offerings, markets, finance, quality etc.

Further, at the time of appointment of an Independent Director, the Company issues a formal letter of appointment outlining his / her role, function, duties and responsibilities as a Director. The format of the letter of appointment is available at our website www.ifbindustries.com under legal / investor relations/ appointment terms and conditions of independent directors.

24. ACKNOWLEDGEMENT

Directors take this opportunity to express their thanks to various departments of the Central and State Government, Bankers., Customers and Shareholders for their continued support.

The Directors wish to place on record their appreciation for the dedicated efforts put in by the Employees of the Company at all levels.

On behalf of the Board
Bikram Nag

*Joint Executive Chairman
& Managing Director*

Dr. Rathindra Nath Mitra
Director

Registered Office :
14, Taratala Road
Kolkata - 700 088
Date : 29 May 2015

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

a) Structure and Developments, Opportunities and Threats, Performance, Outlook, Risks and Concerns:

India is expected to become fifth largest consumer durable market in the world . Urban markets account for major share (65 %) of total revenues in the consumer durable sector in India. In rural markets, durables like refrigerators and consumer electronic goods are likely to witness high demand in the coming years as the Government of India plans to invest significantly in rural electrification.

Growth in demand from rural and semi- urban market is essential to outpace demand from urban market for consumer goods. The consumer durable sector in India is one that is passing through some very interesting times. On the one hand there is substantial scope for expansion as the favourable demographics of India are a positive for the sector. On the other hand there are factors like increasingly expensive raw materials as well as competition that provide a challenge that the Company is geared to accept.

The Current high interest rate scenario indicates possibilities of sluggishness in demand amidst growing competition that the Company is addressing by enhancing satisfaction levels with its products, effective communications and competitive pricing. The Company has embraced competition with a renewed commitment to customer delight to hold on to its market share and improve its margins.

Your Appliance Division improved its performance in terms of increase in sales and EBITDA margins in what is expected to be a continuing trend.

Front loaders : IFB Front Loaders of 5.5-8 kg capacities operate with a dominant market share close to 50%. There will be a range of new models launched shortly and when ramped up, will strengthen market shares, especially in the mid and high end segments. For exports, your Company has recently commenced commercial supplies to a Japanese major under an OEM arrangement.

Top loaders : IFB's own manufactured range started commercial production in fourth quarter of 2014-15. This will include a range of fully automatic top loaders in the 6.5-9.5 kg capacity range with high end technology and wash features. The target market share of our manufactured top loaders within the first 2 years of launch is ~10%.

Microwave ovens : IFB is the 3rd largest player with a market share of around 17%. A complete new pipeline of products was introduced from 3rd quarter of 2014-15. IFB continues to run the industry's largest microwave cooking class programme under the brand "Spice Secrets" which teaches our customers. to optimize microwave oven usage post purchase. Approximately 150,000 customers. have attended these classes.

Cooling category

Air conditioner : IFB is ~ 2 years old in the market in this category and its products are well accepted by the customers. The offered product range has some unique features like a Titan Gold coating on the condensers and "best-in-class" air filtration. IFB is one of the few Companies with a standard free installation service all-round the year. A complete new line up is being introduced for this category and the Company expects significant revenue and gross margin contribution from it.

Refrigerator : The Company is currently working with some selected high end models and is working towards sourcing a more complete portfolio.

The appliance division operates via five key channel segments through which it reaches its customers base-

1. Multi brand stores.- the above channels contributed ~ 68% by volume of IFB's sales in 2014-15
2. IFB exclusive stores (IFB Points and the IFB website)- These stores display the full range of products that the Company offers. The IFB website is also an important online store serving the same purpose. IFB Point & IFB website contributed 15% & 2% of sales by volume.
3. CSD/defence canteens, institutions etc. These channels contribute 6% of the Company's sales by volume.
4. The channel of dealers who are also service providers.- This segment is specifically addresses air conditioner sales.
5. The channel of distributors.- This channel is driving your Company's channel expansion programme.

Sales of additives and accessories continue to be a key focus area and are expected to continue to contribute well, both to the topline and bottomline in the current year. IFB's large customer base is being tapped to increase

the sales of additives and accessories that have been repackaged and now sport a contemporary look.

Amongst the major issues, Appliance Division is addressing are:

1. Retail dominance from large players and consolidating small players that provide the Company with a cost challenge.
2. Elusive talent for senior level and leadership positions.
3. Sticking to fair and competitive pricing without succumbing to pressures for uncontrolled discounts based on the brand loyalty that it commands.
4. Adverse exchange rate fluctuation.

The Appliance division achieved a gross turnover of Rs. 134,581 lacs and a 23.5% growth over the last year's turnover. Sale of FLT and top loader increased by 28% and 5% respectively. Sale of Microwave ovens increased by 12 % over last year's and those of Air conditioners by 49 %. Despite refrigerators, modular kitchens and kitchen appliances facing tough competition, the PBDIT of the division registered a growth of 76.3% as compared to last year. This is attributed to increased volume, better product mix, strong rupee, better market condition and better management of resources.

The passenger car segment registered a growth of 5 % and two wheeler sales grew by 8% despite a contraction in domestic demand across most automobile segments courtesy a slowing economy and rising inflation, leading to pressures on household disposable incomes.

Due to weakening demand for new vehicles, revenue growth of auto component suppliers remained subdued during 2014-15. Motor cycle sales saw a drop in the last quarter with rural demand dropping. IFB expects that the "Make in India" programme will certainly help to reduce imports and boost domestic demands. A rise in demand for passenger cars, two-wheelers, medium and heavy commercial vehicles has been forecast and the industry expects a double digit growth in 2015-16 on improving macro-economic sentiments, stable commodity prices, restart of mining activities and infra projects and higher industrial activities with an improved investment climate.

Your Company has undertaken a drive to increase its customer base. Despite stiff competition, the engineering division including the after-market (AFM) division grew by 33.1%, due to strong marketing and introduction of highly critical engineering auto parts. The AFM vertical

focused on brand building for the "ULTRAMILES" retail brand and expanding into new geographics.

Growth in the Fine Blanking Division (FBD), is being sustained with regular capital expenditure despite its impact on the ROCE. The FBD is aggressively building a profitable order book. The revival of the four-wheeler segment augurs well for it . The FBD is also focusing successfully on increasing the customer base, both in auto and non-auto segments and substantial orders are on the card.

The issues that FBD is successfully addressing include

- i. Strong pricing pressure from customers.
- ii. Consistent increase in power cost.
- iii. High cost for new machinery & technology
- iv. Strong pricing pressure from competitors.
- v. Raw material shortage
- vi. Fluctuation in volumes in the automobile exerts pressure in meeting inventory and debtors.

The Fine Blanking Division achieved a gross turnover of Rs. 24,578 lacs and registered a growth of 34.5% as compared to last year. The PBIDT for the division achieved Rs. 3,385 lacs and registered a growth of 93.1%.

b) Internal Control Systems and their Adequacy :

Your Management has put in place effective Internal Control Systems to provide reasonable assurance for :

- Safeguarding Assets and their usage.
- Maintenance of Proper Accounting Records and
- Adequacy and Reliability of the information used for carrying on Business Operations.

Key elements of the Internal Control Systems are as follows:

- (i) Corporate policies for Financial Reporting and Accounting.
- (ii) A Management information system updated from time to time as may be required.
- (iii) Annual Budgets and Long Term Business Plans.
- (iv) Internal Audit System.
- (v) Periodical review of opportunities and risk factors. depending on the Global / Domestic Scenario and to undertake measures as may be necessary.

Over and above Company's in house Internal Audit team, the Company has appointed PWC & KPMG to ensure compliance and effectiveness of the Internal Control Systems.

The Audit Committee regularly reviews the Internal Audit Reports for the auditing carried out in all the key areas of the operations. Additionally the Audit Committee approves all the audit plans and reports for significant issues raised by the Internal and External Auditors. Regular reports on the business development, future plans and projections are given to the Board of Directors. Internal Audit Reports are regularly circulated for perusal of Senior Management for appropriate action as required.

Normal foreseeable risks of the Company's assets are adequately covered by comprehensive insurance.

c) Financial and Operational Performance :

The Highlights of Financial Operational Performance are given below :

(Rs. In lacs)

	Particulars	2014-15	2013-14
1	Revenue from operations	126,150	102,079
2	Other Income	1,508	817
3	Total Revenue	127,658	102,896
4	Total Expenditure (Before interest)	121,557	99,820
5	PBDIT	10,165	5,335
6	PBDIT %	7.96%	5.18%
7	Profit After Tax	4,973	2,160
8	Return on Capital Employed	13%	6%
9	Inventory holding in days	53	46
10	Current Ratio (Current Assets / Current Liabilities)	1.43	1.54
11	Head counts	1537	1453

d) Human Resources Development and Industrial Relations:

IFB is a knowledge-driven organization and its greatest asset is the experience and skill of its employees. Recognizing that the workforce will provide critical competitive edge in its growth endeavor, IFB has laid major emphasis on acquiring, maintaining and developing its human asset base. It offers a wide range of career development programmes including on the job training, job rotation amongst others. A highly evolved Human Resource Policy has ensured a minimal rate of attrition amongst executives.

IFB'S welfare activities for employees include Medical Care, Group Insurance and Canteen Facility.

e) Cautionary Statement :

Statements in the Management Discussion and Analysis and Directors Report describing the Company's strengths, strategies, projections and estimates, are forward-looking statements and progressive within the meaning of applicable laws and regulations. The Actual results may vary from those expressed or implied, depending upon economic conditions, Government Policies and other incidental factors. Readers are cautioned not to place undue reliance on the forward looking statements.

On behalf of the Board
Bikram Nag

*Joint Executive Chairman
& Managing Director*

Dr. Rathindra Nath Mitra

Director

Registered Office :
14, Taratala Road
Kolkata - 700 088
Date : 29 May 2015

SECRETARIAL AUDIT REPORT

ANNEXTURE - A

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the financial year ended 31 March 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,

IFB Industries Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by IFB Industries 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 March 2015 has 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 IFB Industries Limited ("the Company") for the financial year ended on 31 March 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;

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;
- (v) Factories Act, 1948
- (vi) The Payment of Wages Act, 1936
- (vii) The Minimum Wages Act, 1948
- (viii) The Payment of Gratuity Act, 1972

- (ix) The Child Labour (Prohibition & Regulations) Act, 1986
- (x) The Environment [Protection] Act, 1986, Read with the Environment(Protection) Rules, 1986]
- (xi) The Water (Prevention & Control of Pollution) Act, 1974
[Read with Water (Prevention & Control of Pollution) Rules, 1975]
- (xii) The Air (Prevention & Control of Pollution) Act, 1981.
(Read with the Air Prevention & Control of Pollution) Rules, 1982

I have also examined compliance with the applicable clauses of the followings :

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. (Though SS-1 and SS-2 are applicable with effect from 01/07/2015).
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange Limited and Bombay Stock Exchange Limited;

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

In respect of other laws specifically applicable to the Company, I have relied in information/records produced by the Company during the course of my audit and the reporting is limited to that extent.

I further report that

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

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

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

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

I further report that during the audit period there were no instances of:

- i) Public/Right/Preferential issue of shares/debentures/sweat equity
- ii) Redemption/buy back of securities
- iii) Merger/amalgamation/reconstruction, etc
- iv) Foreign technical collaborations
- v) Entering into any event/s, having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For **J. PATNAIK & ASSOCIATES**

Company Secretaries

J. Patnaik

Proprietor

FCS No. 5045, CP No. 3102

Place : Kolkata

Date : 19 May 2015

ANNEXTURE - B

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

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder :

<p>(A) Conservation of Energy :</p> <ul style="list-style-type: none"> (i) steps taken or impact on conservation of energy. (ii) the steps taken by the Company for utilising alternate source of energy (iii) the capital investment on energy conservation equipments 	<p>Energy conservation continues to receive priority attention at all levels.</p> <p>Steps taken by Fine Blanking Division :</p> <p>The factories have implemented measures to maintain the power factor in excess of 0.97 to reduce reactive power losses</p> <p>Gradual replacement of high energy illumination by lower power consuming illumination in the working area.</p> <p>Replacement of opaque overhead sheets with translucent corrugated sheets to allow more natural light.</p> <p>Installation of TOD meters. to reduce the impact of peak hour power consumption</p> <p>Steps taken by Home Appliance Division :</p> <p>Washing machine developed to run on solar heated water.</p> <p>Lighting in offices on auto-shut off mode- which activates when movements not traceable.</p> <p>Energy consumption in areas like painting reduced through newer chemicals which activate at lower temperature.</p>
<p>(B) Technology absorption :</p> <ul style="list-style-type: none"> (i) the efforts made towards technology Absorption. (ii) the benefits derived like product improvement, cost reduction, product development or import substitution. (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) 	<p>Fine Blanking Division</p> <p>The R&D Centre in conjunction with the CAE centre has developed products with new technology and has started supplying to various customers.</p> <p>In the process, firming up collaboration with Italian technology leaders. to further improve tool designing and tool manufacturing capabilities.</p>

<p>a. The details of technology imported</p> <p>b. The year of import</p> <p>c. Whether the technology been fully absorbed</p> <p>d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof</p>	<p>Home Appliance Division</p> <p>Following technologies developed for in-house models- Mobile/ WiFi connectivity- for control and trouble shooting.</p> <p>Solar based water usage</p> <p>Weight sensing of loads in front loaders.</p> <p>Work started for BLDC drives- the next generation of drives</p> <p>Drum bearings- from cast iron machined technology- to injection moulded highly engineered plastics.</p> <p>Technology Imported-</p> <p>Top loader design</p> <p>Injection moulding technology</p> <p>Imported during 2012-13 & 2014-15.</p> <p>Technology has been fully absorbed.</p>
(iv) the expenditure incurred on Research and Development.	Furnished below:

Expenditure on R&D

(Rs. In lacs)

Particulars	2014-15	2013-14
A Capital	1390	53
B Recurring	1007	684
C Total	2397	737
D Total R&D expenditure as a %age of gross sale of products	1.55%	0.60%

(C) Foreign exchange earnings and Outgo :

The Foreign exchange outgo and foreign exchange earned by the Company during the year are detailed in Note 35 under note to the Financial Statements.

Registered Office :
14, Taratala Road
Kolkata - 700 088
Date : 29 May 2015

On behalf of the Board
Bikram Nag
Joint Executive Chairman
& Managing Director
Dr. Rathindra Nath Mitra
Director

CORPORATE SOCIAL RESPONSIBILITY

ANNEXTURE - C

During the year Company constituted Corporate Social Responsibility Committee (CSR) pursuant to provisions of section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 are provided herein below :

1.	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs. Web link	The CSR Committee decided to spend amount towards providing drinking water and promoting education during the year 2014-15 www.ifbindustries.com under legal/ policies/ CSR& Related Party Transaction Policy link.
2.	The Composition of the CSR Committee.	Members of CSR Committee Dr. Rathindra Nath Mitra - Chairman Mr. Sudip Banerjee - Member Mr.Prabir Chatterjee - Member
3.	Average net profit of the Company for last three financial years.	Average net profit of Rs. 3,621.93 lacs
4.	Prescribed CSR Expenditure (2% of the amount as in item 3 above).	Rs. 72.44 lacs
5.	Details of CSR spent during the financial year 2014-15 (a) Total amount to be spent for the financial year 2014-15 (b) Amount unspent, if any	Rs. 72.44 lacs Rs. 67.75 lacs

(c) Manner in which the amount spent during the financial year is detailed below :

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR project or activity identified.	Sector in which the project is covered.	Projects or programs 1) Local area or other 2) Specify the State and district where projects or programs were undertaken.	Amount outlay (budget) project or programs wise. (Rs. Lacs)	Amount spent on the projects or programs sub-heads : 1) Direct on projects or programs- 2) Overheads: (Rs. Lacs)	Cumulative expenditure upto the reporting period. (Rs. Lacs)	Amount spent direct or through implementing agency.
1.	Safe drinking water	Safe drinking water	Local / Others. Gangarampur	3.09	3.09	3.09	Direct
2.	Skill development programme	Skill development programme	In and around Kolkata	1.60	1.60	1.60	Through implementing agency, Karma kutir.
Total				4.69	4.69	4.69	

Registered Office :
14, Taratala Road
Kolkata - 700 088
Date : 29 May 2015

On behalf of the Board
Bikram Nag
Joint Executive Chairman
& Managing Director
Dr. Rathindra Nath Mitra
Director

ANNEXTURE - D

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

I. REGISTRATION AND OTHER DETAILS :

- i) CIN : L51109WB1974PLC029637
- ii) Registration Date : 12.09.1974
- iii) Name of the Company : **IFB INDUSTRIES LIMITED**
- iv) Category / Sub-Category of the Company : Company Limited by Shares
- v) Address of the Registered office and contact details :
14, Taratala Road
Kolkata - 700 088, India
Tel : (033) 3048 9219
Fax : (033) 3048 9230
- vi) Whether listed company : Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any :
CB Management Services (P) Ltd.
P-22, Bondel Road, Kolkata - 700 019
Tel : (033) 4011 6700 / 2280 6692 / 93 / 94
Fax No : (033) 2287 0263

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1.	Engineering Manufacture of diverse parts and accessories for motor vehicles such as breaks, gearboxes, axles road wheels, suspension shock absorbers, radiators, silencers, exhaust pipes, catalysers, clutches etc.	29301	18.73
2.	Home Appliance Products	27501	81.27

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.	N.A	N.A	N.A	N.A	N.A
2.	N.A	N.A	N.A	N.A	N.A

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

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
a) Individuals/HUF	292771	Nil	292771	0.72	292771	Nil	292771	0.72	Nil
b) Central Govt.									
c) State Govt.(s)									
d) Bodies Corp.	30080428	Nil	30080428	74.24	30080428	Nil	30080428	74.24	Nil
e) Banks/FI									
f) Any Other.									
Sub Total (A)(1) :	30373199	0	30373199	74.96	30373199	0	30373199	74.96	Nil
2. Foreign									
a) NRIs-Individuals									
b) Other-Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any Other.									
Sub Total(A)(2) :	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A) =(A)(1)+(A)(2)	30373199	0	30373199	74.96	30373199	0	30373199	74.96	Nil
B. Public shareholding									
1. Institutions									
a) Mutual Funds	335128	37763	372891	0.92	1929932	37763	1967695	4.85	3.93
b) Banks /FI	1333	1647	2980	0.01	5021	1647	6668	0.02	0.01
c) Central Govt									
d) State Govt(s)									

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs	Nil	17712	17712	0.04	744463	17712	762175	1.88	1.84
h) Foreign Venture Capital Funds									
i) Other (specify) i)-(a) Foreign Financial Institution	0	0	0	0	0	0	0	0.00	0.00
Sub-Total (B)(1) :	336461	57122	393583	0.97	2679416	57122	2736538	6.75	5.78
2. Non-institutions									
a) Bodies Corp.	2954784	40220	2995004	7.40	2645115	40120	2685235	6.63	(0.77)
i. Indian									
ii. Overseas									
b) Individuals									
i. Individual shareholders holding nominal share capital upto Rs. 1 lakh	3011078	1155817	4166895	10.28	2182052	910663	3092715	7.63	(2.65)
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	1678069	35790	1713859	4.23	1472706	10690	1483396	3.66	(0.57)
c) Other (specify)									
i) NRI	95998	1999	97997	0.24	116184	1999	118183	0.29	0.05
ii) Foreign Body Corporate	0	691030	691030	1.71	0	0	0	0	-1.71
iii) Clearing member	82229	0	82229	0.20	29530	0	29530	0.07	(0.13)
iv) Trust	5000	0	5000	0.01	0	0	0	0.00	(0.01)
Sub-Total (B)(2)	7827158	1924856	9752014	24.07	6445587	963472	7409059	18.29	(5.79)
Total Public Share holding (B)=(B)(1)+(B)(2)	8163619	1981978	10145597	25.04	9125003	1020594	10145597	25.04	Nil
Total(A)+(B)	38536818	1981978	40518796	100.00	39498202	1020594	40518796	100.00	Nil
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	38536818	1981978	40518796	100.00	39498202	1020594	40518796	100.00	Nil

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares pledged/ encumbered to total Shares	No. of Shares	% of total Shares of the company	% of Shares pledged/ encumbered to total Shares	
1	IFB Automotive Pvt.Ltd	18856833	46.54	0.00	18856833	46.54	0.00	Nil
2	Nurpur Gases Pvt. Ltd	6010416	14.83	0.00	6010416	14.83	0.00	Nil
3	Asansol Bottling & Packaging Co. Pvt. Ltd.	3366428	8.31	0.00	3366428	8.31	0.00	Nil
4	MAC Consultants Pvt. Ltd	706197	1.74	0.00	706197	1.74	0.00	Nil
5	CPL Projects Ltd	523535	1.29	0.00	523535	1.29	0.00	Nil
6	Shubh Engineering Ltd.	260723	0.64	0.00	260723	0.64	0.00	Nil
7	IFB Agro Industries Ltd.	172733	0.43	0.00	172733	0.43	0.00	Nil
8	Bijon Nag	157869	0.39	0.00	157869	0.39	0.00	Nil
9	Priyambada Nag	131902	0.33	0.00	131902	0.33	0.00	Nil
10	CPL Industries Ltd	74813	0.19	0.00	74813	0.19	0.00	Nil
11	Lupin Agencies Pvt. Ltd	37600	0.09	0.00	37600	0.09	0.00	Nil
12	ZIM Properties Pvt. Ltd	34300	0.09	0.00	34300	0.09	0.00	Nil
13	Windsor Marketiers Pvt Ltd	19600	0.05	0.00	19600	0.05	0.00	Nil
14	Special Drinks Pvt Ltd.	17250	0.04	0.00	17250	0.04	0.00	Nil
15	Bikram Nag	3000	0.00	0.00	3000	0.00	0.00	Nil
	Total	30373199	74.96	0.0	30373199	74.96	0.00	Nil

(iii) Change in Promoters' Shareholding (please specify, if there is no change) : NO CHANGE

Sl. No.		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	30373199	74.96	30373199	74.96
	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) :				
	At the end of the year			30373199	74.96

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

Sl. No.	Name	Date	Reason	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	PROGRUSS INVESTMENTS LIMITED L0010077						
	a) At the beginning of the year	01-04-2014		691030	1.7055	691030	1.7055
	b) Changes during the year	28-11-2014	sale	117529	0.2901	573501	1.4154
		05-12-2014	sale	116378	0.2872	457123	1.1282
		12-12-2014	sale	30897	0.0763	426226	1.0519
		02-01-2015	sale	30000	0.0740	396226	0.9779
		09-01-2015	sale	124782	0.3080	271444	0.6699
		16-01-2015	sale	25120	0.0620	246324	0.6079
		23-01-2015	sale	44889	0.1108	201435	0.4971
		20-02-2015	sale	130000	0.3208	71435	0.1763
		06-03-2015	sale	71435	0.1763	0	0.0000
	c) At the end of the year	31-03-2015				0	0.0000
2	CHATTERJEE MANAGEMENT SERVICES PRIVATE LIMITED IN30015910519533						
	a) At the beginning of the year	01-04-2014		680260	1.6789	680260	1.6789
	b) Changes during the year	NIL					
	c) At the end of the year	31-03-2015				680260	1.6789
3	BENGAL VIPANAPAN PVT. LTD. IN30081210000012						
	a) At the beginning of the year	01-04-2014		655543	1.6179	655543	1.6179
	b) Changes during the year	20-03-2015	Sale	7000	0.0173	648543	1.6006
	c) At the end of the year	31-03-2015				648543	1.6006
4	FINQUEST FINANCIAL SOLUTIONS PVT. LTD. 1204800000038326						
	a) At the beginning of the year	01-04-2014		470600	1.1614	470600	1.1614
	b) Changes during the year	13-06-2014	Sale	44600	0.1101	426000	1.0514
		04-07-2014	Sale	15000	0.0370	411000	1.0143
		25-07-2014	Sale	200000	0.4936	211000	0.5207
		08-08-2014	Sale	111000	0.2739	100000	0.2468
		05-09-2014	Buy	3362	0.0083	103362	0.2551
		05-09-2014	Sale	103362	0.2551	0	0.0000
	c) At the end of the year	31-03-2015				0	0.0000

Sl. No.	Name	Date	Reason	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
5	UTI-MID CAP FUND IN30081210489969						
	a) At the beginning of the year	01-04-2014		334928	0.8266	334928	0.8266
	b) Changes during the year	07-11-2014	Buy	55920	0.1380	390848	0.9646
		13-03-2015	Sale	5000	0.0123	385848	0.9523
	c) At the end of the year	31-03-2015				385848	0.9523
6	MERLIN RESOURCES PRIVATE LIMITED IN30015910124658						
	a) At the beginning of the year	01-04-2014		186673	0.4607	186673	0.4607
	b) Changes during the year	NIL					
	c) At the end of the year	31-03-2015				186673	0.4607
7	PARAMJIT MANN IN30133019882263						
	a) At the beginning of the year	01-04-2014		130111	0.3211	130111	0.3211
	b) Changes during the year	06-06-2014	Buy	2250	0.0056	132361	0.3267
	c) At the end of the year	31-03-2015				132361	0.3267
8	TCG ADVISORY SERVICES PRIVATE LIMITED 1202890001039297						
	a) At the beginning of the year	01-04-2014		122071	0.3013	122071	0.3013
	b) Changes during the year	NIL					
	c) At the end of the year	31-03-2015				122071	0.3013
9	MINDSET TECHNOLOGIES PVT. LTD. IN30160410020285						
	a) At the beginning of the year	01-04-2014		100000	0.2468	100000	0.2468
	b) Changes during the year	09-05-2014	Sale	1292	0.0032	98708	0.2436
		16-05-2014	Sale	19635	0.0485	79073	0.1952
		13-06-2014	Sale	1694	0.0042	77379	0.1910
		20-06-2014	Sale	4159	0.0103	73220	0.1807
		11-07-2014	Sale	11440	0.0282	61780	0.1525
		11-07-2014	Sale	61780	0.1525	0	0.0000
	c) At the end of the year	31-03-2015				0	0.0000
10	VIJAY AGGARWAL IN30007910008252						
	a) At the beginning of the year	01-04-2014		75000	0.1851	75000	0.1851
	b) Changes during the year	20-02-2015	Sale	60000	0.1481	15000	0.0370
	c) At the end of the year	31-03-2015				15000	0.0370

Sl. No.	Name	Date	Reason	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
11	TATA BALANCED FUND IN30005410012636						
	a) At the beginning of the year	01-04-2014		0	0.0000	0	0.0000
	b) Changes during the year	28-11-2014	Buy	125000	0.3085	125000	0.3085
		05-12-2014	Buy	75000	0.1851	200000	0.4936
		12-12-2014	Buy	50000	0.1234	250000	0.6170
		09-01-2015	Buy	100000	0.2468	350000	0.8638
		16-01-2015	Buy	25000	0.0617	375000	0.9255
		23-01-2015	Buy	125000	0.3085	500000	1.2340
		20-02-2015	Buy	25000	0.0617	525000	1.2957
		13-03-2015	Buy	25000	0.0617	550000	1.3574
	c) At the end of the year	31-03-2015				550000	1.3574
12	KOTAK SELECT FOCUS FUND IN30152430024640						
	a) At the beginning of the year	01-04-2014		0	0.0000	0	0.0000
	b) Changes during the year	19-09-2014	Buy	200000	0.4936	200000	0.4936
		07-11-2014	Buy	19233	0.0475	219233	0.5411
		14-11-2014	Buy	12246	0.0302	231479	0.5713
		28-11-2014	Buy	18521	0.0457	250000	0.6170
		05-12-2014	Buy	25220	0.0622	275220	0.6792
		12-12-2014	Buy	39780	0.0982	315000	0.7774
		09-01-2015	Buy	35000	0.0864	350000	0.8638
		16-01-2015	Buy	50000	0.1234	400000	0.9872
		30-01-2015	Buy	25000	0.0617	425000	1.0489
		27-02-2015	Buy	25000	0.0617	450000	1.1106
	c) At the end of the year	31-03-2015				450000	1.1106
13	Dolly khanna IN30015910002665						
	a) At the beginning of the year	01-04-2014		0	0.0000	0	0.0000
	b) Changes during the year	02-05-2014	Buy	18250	0.0450	18250	0.0450
		16-05-2014	Buy	9600	0.0237	27850	0.0687
		30-05-2014	Buy	985	0.0024	28835	0.0712
		06-06-2014	Buy	1700	0.0042	30535	0.0754
		13-06-2014	Buy	6560	0.0162	37095	0.0916
		04-07-2014	Buy	13900	0.0343	50995	0.1259

Sl. No.	Name	Date	Reason	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
		06-06-2014	Buy	1700	0.0042	30535	0.0754
		13-06-2014	Buy	6560	0.0162	37095	0.0916
		04-07-2014	Buy	13900	0.0343	50995	0.1259
		11-07-2014	Buy	20387	0.0503	71382	0.1762
		18-07-2014	Buy	6665	0.0164	78047	0.1926
		23-07-2014	Buy	12545	0.0310	90592	0.2236
		25-07-2014	Buy	15560	0.0384	106152	0.2620
		01-08-2014	Buy	34587	0.0854	140739	0.3473
		15-08-2014	Buy	66094	0.1631	206833	0.5105
		22-08-2014	Buy	13870	0.0342	220703	0.5447
		29-08-2014	Buy	21255	0.0525	241958	0.5972
		12-09-2014	Buy	15679	0.0387	257637	0.6358
		19-09-2014	Buy	9741	0.0240	267378	0.6599
		17-10-2014	Buy	5015	0.0124	272393	0.6723
		24-10-2014	Buy	1842	0.0045	274235	0.6768
		31-10-2014	Buy	1180	0.0029	275415	0.6797
		23-01-2015	Buy	843	0.0021	276258	0.6818
		13-03-2015	Buy	3750	0.0093	280008	0.6911
		20-03-2015	Buy	1000	0.0025	281008	0.6935
	c) At the end of the year	31-03-2015				281008	0.6935
14	CANARA HSBC ORIENTAL BANK OF COMMERCE LIFE INSURANCE COMPANY LTD IN30016710046498						
	a) At the beginning of the year	01-04-2014		0	0.0000	0	0.0000
	b) Changes during the year	13-03-2015	Buy	132562	0.3272	132562	0.3272
		20-03-2015	Buy	4401	0.0109	136963	0.3380
		27-03-2015	Buy	66655	0.1645	203618	0.5025
		31-03-2015	Buy	20863	0.0515	224481	0.5540
	c) At the end of the year	31-03-2015				224481	0.5540

Sl. No.	Name	Date	Reason	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
15	TATA TRUSTEE CO. LTD.A/C TATA MUTUAL FUND A/C TATA MID CAP GROWTH FUND IN30152430005229						
	a) At the beginning of the year	01-04-2014		0	0.0000	0	0.0000
	b) Changes during the year	21-11-2014	Buy	75000	0.1851	75000	0.1851
		31-12-2014	Buy	10000	0.0247	85000	0.2098
		09-01-2015	Buy	40000	0.0987	125000	0.3085
		16-01-2015	Buy	25000	0.0617	150000	0.3702
		23-01-2015	Buy	10000	0.0247	160000	0.3949
		13-02-2015	Buy	2000	0.0049	162000	0.3998
		20-02-2015	Buy	40000	0.0987	202000	0.4985
	c) At the end of the year	31-03-2015				202000	0.4985
16	KOTAK EMERGING EQUITY SCHEME IN30152430012592						
	a) At the beginning of the year	01-04-2014		0	0.0000	0	0.0000
	b) Changes during the year	19-09-2014	Buy	19051	0.0470	19051	0.0470
		30-09-2014	Buy	4794	0.0118	23845	0.0588
		24-10-2014	Buy	34885	0.0861	58730	0.1449
		21-11-2014	Buy	536	0.0013	59266	0.1463
		28-11-2014	Buy	42685	0.1053	101951	0.2516
		05-12-2014	Buy	18508	0.0457	120459	0.2973
		12-12-2014	Buy	723	0.0018	121182	0.2991
		09-01-2015	Buy	14000	0.0346	135182	0.3336
		16-01-2015	Buy	12000	0.0296	147182	0.3632
		06-02-2015	Buy	10000	0.0247	157182	0.3879
		13-03-2015	Buy	15000	0.0370	172182	0.4249
	c) At the end of the year	31-03-2015				172182	0.4249

(v) Shareholding of Directors and Key Managerial Personnel :

(Rs.)

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	Mr. Bijon Nag (Whole-time Director)				
	At the beginning of the year	157869	0.39	157869	0.39
	Changes during the year	Nil			
	At the end of the year			157869	0.39
2.	Bikram Nag (Managing director)				
	At the beginning of the year	3000	0.00	3000	0.00
	Changes during the year	Nil			
	At the end of the year			3000	0.00
3.	Prabir Chatterjee				
	At the beginning of the year	25000	0.06	25000	0.06
	Changes during the year	Nil			
	At the end of the year			25000	0.06
4.	Goutam Ray Chowdhury (Company Secretary)				
	At the beginning of the year	20500	0.06	20500	0.06
	Changes during the year	Nil			
	At the end of the year			20500	0.05

V. INDEBTEDNESS

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

(Rs.)

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	477738314	-		477738314
ii) Interest due but not paid				
iii) Interest accrued but not due	725726	-		725726
Total (i+ii+iii)	478464040			478464040
Change in Indebtedness during the financial year				
*Addition				

(Rs.)

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
* Reduction	133380077			133380077
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	344495234			344495234
ii) Interest due but not paid				
iii) Interest accrued but not due	588729			588729
Total (i+ii+iii)	345083963			345083963

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs.)

	Particulars of Remuneration	Particulars of Remuneration				Total Amount
		Mr. Bijon Nag (WTD)	Mr. Sudam Maitra (WTD)	Mr. Bikramjit Nag (MD)	Mr. Prabir Chatterjee	
1	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3396693	4839467	Nil	5861182	14097342
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	202400	316000	Nil	609033	1127433
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil	Nil
4	Commission – as % of profit- others, specify.	Nil	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (A)	3599093	5155467	Nil	6470215	15224775
	Ceiling as per the Act					55447178

B. Remuneration to other directors :

(Rs.)

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Dr. Rathindra Nath Mitra	Mr. Ranga-natharao Muralidhar	Dr. Tridibesh Mukherjee	Mr. Radha raman Bhattacharya	Ms. Sangeeta Sumesh	Mr. Sudip Banerjee	
1.	Independent Directors							
	Fee for attending board committee meetings	237000	130000	120000	200000	20000	-	707000
	Commission	Nil	Nil	Nil	Nil	Nil	-	
	Others, please specify	Nil	Nil	Nil	Nil	Nil		
	Total (1)	237000	130000	120000	200000	20000	-	707000

(Rs.)

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Dr. Rathindra Nath Mitra	Mr. Ranganathrao Muralidhar	Dr. Tridibesh Mukherjee	Mr. Radha raman Bhattacharya	Ms. Sangeeta Sumesh	Mr. Sudip Banerjee	
2.	Other Non-Executive Directors							
	Fee for attending board committee meetings	-	-	-	-	-	130000	130000
	Commission	-	-	-	-	-	Nil	
	Others, please specify	-	-	-	-	-	Nil	
	Total (2)	-	-	-	-	-	130000	130000
	Total (B)=(1+2)	237000	130000	120000	200000	20000	130000	837000
	Total Managerial Remuneration							837000
	Overall Ceiling as per the Act							5544718

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(Rs.)

Sl. No.	Particulars of Remuneration	Goutam Ray Chowdhury (Company Secretary)	Total
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3083039	3083039
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	185552	185552
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission	Nil	Nil
	- as % of profit		
	others, specify		
5	Others, please specify	Nil	Nil
	Total	3268591	3268591

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :

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

ANNEXTURE - E

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 are given hereunder.

Name	Designation	Remuneration paid FY 2014-15 Rs. in Lacs	Remuneration paid FY 2013-14 Rs. in Lacs	%Increase in remuneration from previous year	Ratio of remuneration to Median remuneration of employee (Including whole time directors.)
Mr. Bijon Nag	Executive Chairman	35.99	31.03	15.98	9.11
Mr. Bikram Nag	Joint Executive Chairman & Managing Director	-	-	-	Not Applicable
Mr. Sudam Maitra	Deputy Managing Director	51.55	-	N.A	13.05
Mr. Prabir Chatterjee	Director & CFO	64.70	40.74	58.81	16.38
Mr. G Ray Chowdhury	Company Secretary	32.69	22.38	46.07	8.28

The number of permanent employees on the role of the Company as on 31 March 2015 is 1537 nos.

Percentage increase in remuneration of each Director, Chief Financial Officer(CFO), Company Secretary in the financial year 2014-15

Name	Designation	% increase in remuneration in the Financial Year
Mr. Bijon Nag	Executive Chairman	15.98%
Mr. Prabir Chatterjee	Director and CFO	58.81%
Mr. G Ray Chowdhury	Company Secretary	46.07%

Percentage increase in the median remuneration of employees in the financial year 2014-15 :

The median remuneration of employees (including whole time directors) was Rs. 3.95 lacs and Rs.3.41 lacs in financial year 2014-15 and 2013-14 respectively. The increase in median remuneration was 15.84%

Explanation on the relationship between average increase in remuneration and the company Performance:

The average increase in remuneration is commensurate with the company's growth and the policy of retention of talent.

Comparison of the remuneration of the Key Managerial Personnel against the performance of the company :

Aggregate Remuneration of Key Managerial Personnel (KMPs) as defined u/s 203 of the Companies Act, 2013 in the year 2014-15	Rs. 184.93 lacs
Total Revenue	Rs. 127,658 lacs
Aggregate Remuneration of KMPs as a % of Total Revenue	0.14%

Variations in the Market Capitalisation of the Company, Price Earning Ratio as at closing date of the Current financial year and previous financial year :

Particulars	31.03.2015	31.03.2014	% Variation
Market Capitalisation (Rs. Lacs)	237,400	32,091	639.77%
Price Earnings Ratio	47.75	14.86	221.33%

Percentage Increase 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:

The closing price of the Company's Equity shares on the NSE and BSE as at 31 March 2015 was Rs. 585.90 and Rs. 583.50 respectively, representing a 432.64% (NSE) and 430.45%(BSE) increase over the last public offer in December 1993.

Average percentage increase in salaries of employees other than 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 :

Average percentage increase in salaries of employees other than managerial personnel during 2014-15	17.62%
The percentage increase in the Managerial Remuneration	41.67%

Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company :

Name	Designation	Remuneration for FY 2014-15 Rs. in Lacs	Remuneration as a % of Total Revenue	Remuneration as a % of Profit before tax
Mr. Bijon Nag	Executive Chairman	35.99	0.03%	0.61%
Mr. Bikram Nag	Joint Executive Chairman & Managing Director	-	Not Applicable	Not Applicable
Mr. SudamMaitra	Deputy Managing Director	51.55	Note-1	Note-1
Mr. Prabir Chatterjee	Director and CFO	64.70	0.05%	1.09%
Mr. G Ray Chowdhury	Company Secretary	32.69	0.03%	0.55%

Note 1 : Not compared being for the part of the year.

Key parameter for any variable component of remuneration availed by the Directors :

No variable component of remuneration was availed by the directors :

The Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess the highest paid director during the year.

Name of the Employee receive remuneration in excess the highest paid director during the year	Remuneration for 2014-15 (Rs. Lacs)	Ratio to the highest paid director
Mr. Gautam Dasgupta	Rs. 72.48 lacs	1.12
Mr. Amitabha Kumar Nag	Rs. 71.60 lacs	1.11

Affirmation that the remuneration is as per the remuneration policy of the Company :

The Board of Directors of the Company affirms that the remuneration is as per the Remuneration Policy of the Company. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and other entitled thereto, excluding the information on employees' particulars of employees drawing remuneration in excess of the limits set out in the said rules which is available for inspection by the Members at the corporate office of the Company during business hours on working days of the Company up to the date of ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secreatry in this regard.

Registered Office :
14, Taratala Road
Kolkata - 700 088
Date : 29 May 2015

On behalf of the Board
Bikram Nag
*Joint Executive Chairman
& Managing Director*
Dr. Rathindra Nath Mitra
Director

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement)

I MANDATORY REQUIREMENTS

1. Company's Philosophy on Corporate Governance

The Company is committed to good Corporate Governance. The Company fully realizes the rights of its shareholders to information on the performance of the Company and considers itself a trustee of its shareholders. The Company is of the view that good Corporate Governance is an optimum mix of regulatory compliances as well as voluntary disclosures and practices.

The Company is focused on attaining the highest levels of transparency, fairness, accountability and integrity in its dealings with all the constituents of its business i.e. the stakeholders. Towards this end, substantial disclosures on the Board of Directors and its Committees, financial and stock performance has been made in this Annual Report.

2. Board of Directors

A) Composition and Category of Directors as of 31st March, 2015 is as follows :

The Board of Directors of the Company have an optimum combination of Executive, Non-Executive and Independent Directors who have an in-depth knowledge of business, in addition to the expertise in their areas of specialization. The Board of the Company comprises ten Directors that includes one Woman Director.

Category	No. of Directors	%
Executive Directors	4	40.00
Non Executive & Independent Directors	5	50.00
Non Executive & Non Independent Director	1	10.00
Total	10	100.00

B) Particulars of Directorships & Committee Chairmanship/Membership of other Companies

Name of Directors	Executive/ Non-Executive	Independent/ Non independent	No. of Directorship of other Companies	Committee position in other Companies	
				Chairman	Member
Mr. Bijon Nag	Executive	Non-Independent	3	–	–
Mr. Bikram Nag	Executive	Non-Independent	3	–	–
Mr. Sudam Maitra	Executive	Non-Independent	3	–	–
Mr. Prabir Chatterjee	Executive	Non-Independent	1	–	–
Mr. Radharaman Bhattacharya	Non-Executive	Independent	–	–	–
Dr. Tridibesh Mukherjee	Non-Executive	Independent	6	1	8
Mr. Sudip Banerjee	Non-Executive	Non-Independent	1	–	1
Mr. Ranganatha Rao Muralidhar	Non-Executive	Independent	4	–	–
Dr. Rathindra Nath Mitra	Non-Executive	Independent	–	–	–
Ms. Sangeeta Shankaran Sumesh	Non-Executive	Independent	–	–	–

C) Attendance of Directors at Board Meetings and Annual General Meeting :

Attendance of each Director at the Board Meetings and the last AGM held on 30.07.2014 :

Name of Directors	Attendance	
	No. of Board Meeting	Last AGM Attended (Yes/No)
Mr. Bijon Nag	1	No
Dr. Rathindra Nath Mitra	6	Yes
Mr. Radharaman Bhattacharya	6	Yes
Mr. Ranganatha Rao Muralidhar	6	No
Mr. Bikram Nag	6	Yes
Dr. Tridibesh Mukherjee	6	No
Mr. Sudip Banerjee	6	Yes
Mr. Prabir Chatterjee	5	Yes
Mr. Sudam Maitra (joined on 03.09.2014)	4	NA
Ms. Sangeeta Shankaran Sumesh (joined on 30.01.2015)	1	NA

D) Board Meetings held during the year

The Board of Directors duly met 6 times during the financial year from 1 April 2014 to 31 March 2015. The dates on which the meetings were held are as follows:

29.5.2014, 29.7.2014, 03.09.2014, 30.10.2014, 30.01.2015, 24.03.2015

E) Independent Directors :

The Company has complied with the definition of Independent Director as per Clause 49 of the Listing Agreement and according to the Provisions of section 149(6) of the Companies Act, 2013. The company has also obtained declarations from all the Independent Directors pursuant to section 149(7) of the Companies Act, 2013.

i) Training of Independent Directors :

Whenever new Non-executive and Independent Directors are inducted on the Board they are introduced to our Company's culture through appropriate orientation session and they are also introduced to our organization structure, our business, constitution, board procedures, our major risks and management strategy.

The appointment letters of Independent Directors has been placed on the Company's website at www.ifbindustries.com under legal/investors relations/independent director's letters link.

ii) Performance Evaluation of non-executive and Independent Directors :

The Board evaluates the performance of Non-executive and Independent Directors which has been recommended by Nomination and Remuneration Committee. All the Non-executive and Independent Directors are eminent personalities having wide experience in the field of business, industry and administration. Their presence on the Board is advantageous and fruitful in taking business decisions.

iii) Separate Meeting of the Independent Directors :

According to Clause 49 of the Listing Agreement and Schedule IV of the Companies Act, 2013 a meeting of the Independent Directors is required to be held to review the performance of the Non-Independent Directors and the Board as a whole. Accordingly, a meeting of Independent Directors was held on 24 March 2015 wherein the Performance of the Non-Independent Directors and the Board as a whole was evaluated.

iv) Familiarisation program for Independent Directors :

The familiarisation of the Independent Directors is done by the Managing Director/Executive Director/Sr. Management Personnel who conducts presentations/programmes periodically to familiarise the Independent Directors with the operations and functioning of the Company.

Such presentation/ programs enable the Independent Directors to directly interact with senior leadership of the company and help them to know Company's strategy, business model, product, market, finance, human resource, technology and such other areas as may arise from time to time. Presentations cover annual results, budgets, policies, internal audit etc.

The presentation/programs will familiarize the Independent Directors with their role, right and responsibilities specified under the Companies Act and the Listing Agreement.

The Company is also conducting familiarisation program whenever a new Independent Director is inducted on the Board of the Company.

F) Code of conduct

The Board of IFB has laid down a code of conduct for all Board members and Senior Management of the Company. The Code of Conduct is available on the website of the Company. All Board members and Senior Management personnel have affirmed compliance with the Code of Conduct.

G) Vigil mechanism

The Company has adopted a Vigil Mechanism for Directors and employees which has been placed in the website of the weblink, <http://www.ifbindustries.com/legal/policies>.

3. Audit Committee

A) Terms of Reference

The Audit Committee is responsible for reviewing with the management the financial statements and adequacy of internal audit function and to discuss significant internal audit findings. The Committee acts as a link between the management, external and internal auditors and the Board of Directors of the Company. The broad terms of reference of this Committee cover the matters specified for Audit Committees under Clause 49 of the Listing Agreement as well as Section 177 of the Companies Act, 2013 are:

- i) Overview of the Company's financial reporting processes and financial information disclosure;
- ii) Review with the Management, the annual and quarterly financial statements before submission to the Board;
- iii) Review with the Management, the Internal and External Audit Reports and the adequacy of internal control systems;
- iv) Review the adequacy and effectiveness of accounting and financial controls of the company, compliance with the Company's policies and applicable laws and regulations;
- v) Recommending the appointment and removal of External Auditors and fixation of audit terms;
- vi) Review of utilisation proceeds raised from Public/Right issue.

B) Composition, Name of Members and Attendance

The Audit Committee of the Company comprises three members, two of whom are Independent Non-executive Directors and one Executive Director. All the members of the Audit Committee are qualified and having insight to interpret and understand financial statements.

The composition of the Audit Committee of the Company and the attendance for the year 2014-15.

Name	Designation	Category	Profession	Committee Meetings attended
Dr. Rathindra Nath Mitra	Chairman	Independent Director	Professional	4
Mr. Prabir Chatterjee	Member	Executive Director	Professional	4
Mr. Radharaman Bhattacharya	Member	Independent Director	Professional	4

The Company Secretary has been designated as the 'Secretary' to the Audit Committee.

C) No. of meetings held during the year

During the year the Committee had 4 meetings i.e on 29th May, 2014, 29th July, 2014 30th October, 2014 and 30th January, 2015.

M/s Deloitte Haskins & Sells, Statutory Auditors and the Internal Auditors of the Company are invited to attend the Audit Committee Meetings.

The Minutes of the meetings of the Audit Committee are circulated to all the members of the Board.

4. Nomination & Remuneration Committee

A) Terms of Reference

This Committee shall identify the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also shall carry out evaluation of every director's performance. Committee shall also formulate the criteria for determining qualifications, positive attributes, independence of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors.

B) Composition, Name of Members and Attendance

The Nomination and Remuneration Committee of the Company consists of two Independent Directors and one non executive director.

Name of Director	Position	No. of Meetings held	No. of Meetings Attended
Dr. Rathindra Nath Mitra	Chairman	2	2
Mr. Ranganatha Rao Muralidhar	Member	2	2
Mr. Sudip Banerjee	Member	2	2

C) No. of Meetings held during the year

During the year ended 31.03.2015 two meeting were held on 03.09.2014 and 30.01.2015.

D) Nomination and Remuneration Policy

The Nomination and Remuneration Committee had recommended the Nomination and Remuneration Policy of the Company to the Board which was adopted by the Board, the said policy may be referred to at the Companies website [http : www.ifbindustries.com/legal/policies](http://www.ifbindustries.com/legal/policies).

E) Remuneration to Directors

Remuneration paid or payable to the Directors for the year ended 31 March 2015 are as follows : (Rs.)

Name of the Director	Sitting Fees*	Salary & perquisites	Total	Stock Option granted
Mr. Bijon Nag	-	35,99,093	35,99,093	NIL
Mr. Prabir Chatterjee	-	64,70,215	64,70,215	NIL
Dr. Rathindra Nath Mitra	2,37,000	-	2,37,000	NIL
Mr. Radharaman Bhattacharya	2,00,000	-	2,00,000	NIL
Mr. Ranganatha Rao Muralidhar	1,30,000	-	1,30,000	NIL
Mr. Bikram Nag	-	-	-	NIL
Dr. Tridibesh Mukherjee	1,20,000	-	1,20,000	NIL
Mr. Sudip Banerjee	1,30,000	-	1,30,000	NIL
Mr. Sudam Maitra	-	51,55,467	51,55,467	NIL
Ms. Sangeeta Shankaran Sumesh	20,000	-	20,000	NIL
Total	8,37,000	1,52,24,775	1,60,61,775	NIL

*Includes fees for Committee Meetings.

5. Corporate Social Responsibility Committee (CSR)

A) Terms of reference

The Committee formulates and recommend to the Board, a CSR Policy. Committee framed a mechanism for implementation of CSR projects or programs or activities undertaken by the Company and also monitor CSR policy from time to time. This policy has been placed in the website of the company at the weblink, <http://www.ifbindustries.com/legal/policies>.

B) No. of Meetings held during the year

During the year the Committee had one meeting i.e. on 30 March 2015.

C) Composition, Name of Members and Attendance

The CSR Committee of the Company consists of Non-Executive, Independent and Executive Director.

Name of Director	Position	No. of Meetings held	No. of Meetings Attended
Dr. Rathindra Nath Mitra	Chairman	1	1
Mr. Sudip Banerjee	Member	1	1
Mr. Prabir Chatterjee	Member	1	1

6. Risk Management

This part is covered under the Directors' Report.

7. Investor Grievance and Stakeholders Relationship Committee

A) Terms of Reference :

The terms of reference of the Committee includes the following :

- To review all complaints recorded in SCORES of SEBI and replies made to the same by the Company Secretary.
- To receive report on all complaints recorded in SCORES of the Registrar and Share Transfer Agent and note the corrective actions taken by the Registrars.
- To take action of all grievances and complaints lodged by stock exchange, shareholder associations and other bodies.
- To review grievances of other Stakeholders of the Company given in their individual capacity.
- Overview activities relating to Share maintenance and related work.

B) Composition of the Committee :

The Investors Grievances & Stakeholders Relationship Committee comprises two Directors. As on 31st March 2015, the Committee comprises of :

Name of Member	Category
Dr. Rathindra Nath Mitra	Chairman
Mr. Prabir Chatterjee	Member

The Company Secretary has been designated as the 'Compliance Officer'.

C) No. of meetings held and attended during the year

During the year twenty seven meetings of the Committee were held on the following dates :

14.04.2014, 22.04.2014, 16.05.2014, 28.05.2014, 13.06.2014, 27.06.2014, 11.07.2014, 23.07.2014, 08.08.2014, 22.08.2014, 04.09.2014, 15.09.2014, 26.09.2014, 08.10.2014, 20.10.2014, 30.10.2014, 10.11.2014, 20.11.2014, 01.12.2014, 17.12.2014, 30.12.2014, 13.01.2015, 27.01.2015, 11.02.2015, 19.02.2015, 03.03.2015, 16.03.2015, 23.03.2015 .

The Attendance of the Members at the meeting was as under :

Name of Director	Position	No. of Meetings held	No. of Meetings Attended
Dr. Rathindra Nath Mitra	Chairman	27	27
Mr. Prabir Chatterjee	Member	27	27

D) Name and Designation of Compliance Officer

Mr. G. Ray Chowdhury, Company Secretary and Compliance Officer.

E) Complaints

The Company's Registrars and Share Transfer Agent, CB Management Services Pvt. Ltd., are fully equipped to carry out the transfer of shares and redress investors' complaints. All complaints received from Shareholders have been received and cleared within the reasonable time. There was one complaint which remained un-addressed in the financial year 2014-15. However, the complaint was subsequently resolved.

Sl. No.	Nature of Compliant	Received	Resolved	Pending
1	Non-receipt of Share Certificate	1	Nil	1
2	Others	3	3	Nil
Total		4	3	1

8. General Body Meetings:

The location and time of the Annual General Meeting held during the last 3 years are as follows :

Annual General Meeting	Date	Time	Venue	No. of Special Resolutions passed
36th Annual General Meeting	27.07.2012	11.00 A.M	Rabindra Okakura Bhawan Block DD- 27A/1, Sector-I, Salt Lake, Kolkata- 700 064	2
37th Annual General Meeting	26.07.2013	10.00 A.M	Ecohub Conclave Club, Eco Space (IT Park), Plot No. 2f/11, New Town, Rajarhat, North 24 Parganas, Kolkata - 700 156	4
38th Annual General Meeting	30.07.2014	09.30 A.M	Club Ecovista, Ecospace Business Park, Premises No.2F/11, Action Area II, Rajarhat, New Town, Kolkata - 700 156	1

No Postal Ballot was conducted during the year.

9. Disclosures

- i) The Board of directors by a resolution passed by circulation on 25 March 2015 has adopted the Related Party Transaction Policy for determining the materiality of related party transaction and also on the dealings with related parties. This policy has been placed in the website of the company at the weblink, <http://www.ifbindustries.com>
- ii) During the year under review, besides the transactions reported elsewhere in the Annual Report, the Company has not entered into any transaction of material nature, with its promoters, the Directors or the Management or relatives etc. that may have potential conflict with the interests of the Company at large.

Details of all related party transactions form part of the accounts as required under Accounting Standard 18 and the same are given in Note 34 to the Financial Statements.

The prior approval of the Audit Committee is taken on quarterly basis for the proposed related party transactions to be entered in the forthcoming quarter as well as the details of all related party transactions actually entered into during the previous quarter are placed for information of Audit Committee.

- iii) In the preparation of Financial Statements during the period under review, no accounting treatment which was different from that prescribed in the Accounting Standard was followed.
- iv) During the last three years there were no penalties or strictures imposed on the Company by stock Exchanges or SEBI or any statutory authority for non-compliance of any matter related to capital market.
- v) There was no material financial and commercial transaction where senior management of the Company has personal interest that may have a potential conflict with the interest of the Company at large.

10. Means of Communication

A) Quarterly Results

- Newspaper published in : July, October & January, Business Standard (English), Aajkal (Local)
- website where displayed : [www. ifbindustries.com](http://www.ifbindustries.com)

B) Audited Financial Results: Year ended 31.03.2015

- Newspaper published in : Business Standard (English), Aajkal (Local)

The Company's presentation on the results and quarterly results updates are submitted to the stock exchanges and are also made available on the Company's website.

11. CEO/CFO Certification

The Financial statements for Financial year 2014-15 have been certified to the board by Mr. Bikram Nag, Joint Executive Chairman & MD and Mr. P. Chatterjee, Director & CFO in accordance with clause 49 (V) of the Listing Agreement.

12. General Shareholder Information

1. Annual General Meeting

- Date : 31 July 2015
- Time : 9.30 A.M.
- Venue : Club Ecovista, Ecospace Business Park, Premises No. 2F/11, Action Area II, Rajarhat, New Town, Kolkata - 700 156

2. Financial Calendar Financial reporting for

- First quarter result : within 15th day of August
- Second quarter / half yearly result : within 15th day of November
- Third quarter result : within 15th day of February

3. Date of Book Closure

- : 25 July 2015 to 31 July 2015
(both days inclusive)

4. Dividend payment date

- : Dividend is not recommended

5. Listing of Equity Shares on Stock Exchanges

- : • National Stock Exchange of India Ltd. - Mumbai
- BSE Ltd.
- The Calcutta Stock Exchange Ltd.
-Kolkata (Applied for Delisting).
- Delhi Stock Exchange Ltd. (Applied for Delisting).

6. Listing Fees to Stock Exchanges

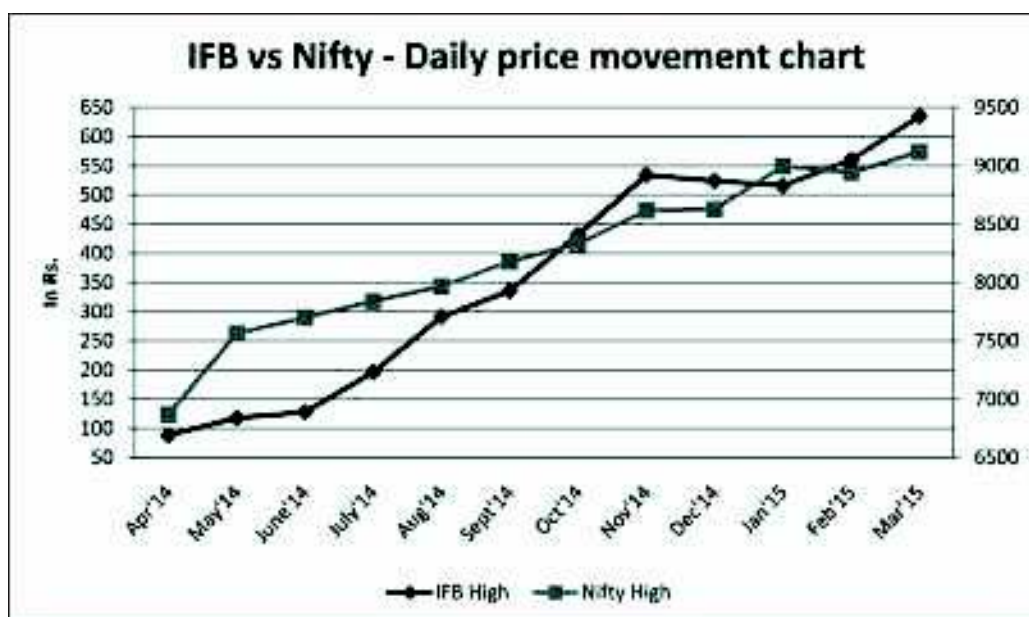
- : The listing Fees for NSE,BSE & CSE has been paid with in time limit for the year 2015-16. As DSE has been derecognised by SEBI, Listing Fees is not applicable.

7. **Annual Custody Fees to Depositories** : NSDL & CDSL Custodian fees paid within time.
8. **ISIN No.** : INE559A01017
9. **Stock Code**
National Stock Exchange of India Ltd., Mumbai. : IFBIND
The Bombay Stock Exchange Ltd. - : 505726
The Calcutta Stock Exchange Association Ltd., Kolkata. : 10019067

10. Stock Market Data :

NATIONAL STOCK EXCHANGE OF INDIA LIMITED			
Period	Low (Rs.)	High (Rs.)	Monthly Volume
April 2014	77.80	91.95	6,32,088
May 2014	84.60	118.00	14,43,985
June 2014	103.70	131.10	13,89,819
July 2014	121.50	196.00	50,94,647
August 2014	184.65	291.35	67,26,093
September 2014	254.70	335.70	31,75,132
October 2014	312.00	432.00	40,05,192
November 2014	408.35	534.00	38,16,400
December 2014	438.90	523.95	18,74,472
January 2015	455.05	516.00	20,10,494
February 2015	445.00	560.00	19,54,703
March 2015	498.00	634.90	24,37,158

11. Movement of IFB Industries Limited price with NSE Sensex



12. Registrars and Share Transfer Agents :

CB Management Services (P) Ltd.
P 22 Bondel Road, Kolkata 700 019
Tel : (033) 4011 6700/2280 6692/ 22823643
Fax : (033) 40116739
E-mail : rta@cbmsl.com

13. Share Transfer System

In order to expedite the process, the Board of Directors has also delegated the authority to approve the share transfers to the Company Secretary of the Company. The transactions of shares held in Demat and Physical form are handled by the Company's Depository Registrar, CB Management Services (P) Ltd.

Shares transferred in physical form during the years are as follows :

Particulars	2014-15	2013-14
Shares Transferred	10,498	6,94,473
Total No. of Shares	4,05,18,796	4,05,18,796
% on Share Capital	0.03	1.71

14. Shareholding Pattern as on 31st March 2015

Category	No of Share Holders	Voting Strength	Number of shares held	% of share-holding
1. Promoters Group	15	0.09	3,03,73,199	74.96
2. Mutual Funds and Unit Trust of India	30	0.18	19,67,695	4.85
3. Banks, Financial Institutions & Insurance Companies	20	0.12	6,668	0.02
4. Foreign Institutional Investors	22	0.13	7,62,175	1.88
5. Bodies Corporate	375	2.25	26,85,235	6.63
6. Indian Public	15,945	95.68	45,76,111	11.29
7. Non-Resident Indians	185	1.11	1,18,183	0.30
8. Clearing Members	74	0.44	29,530	0.07
Total :	16,666	100.00	4,05,18,796	100.00

15. Distribution of shareholding as on 31st March, 2015

No. of Equity Shares Held	As on 31.03.2015				As on 31.03.2014			
	No. of Share holders	% of Share holders	No. of Shares	% of Share holding	No. of Share holders	% of Share holders	No. of Share	% of Share holding
1-500	15,421	92.53	15,71,118	3.88	16,355	91.17	18,32,485	4.52
501-1000	594	3.56	4,72,824	1.17	699	3.89	5,71,529	1.41
1001-2000	281	1.69	4,21,060	1.04	383	2.14	5,92,661	1.46
2001-3000	112	0.67	2,85,154	0.70	168	0.94	4,35,339	1.07
3001-4000	52	0.31	1,85,354	0.46	67	0.37	2,40,232	0.60
4001-5000	39	0.23	1,87,440	0.46	64	0.36	3,06,690	0.76
5001-10000	66	0.40	4,88,687	1.20	97	0.54	7,11,912	1.76
10001 and above	101	0.61	3,69,07,159	91.09	106	0.59	3,58,27,948	88.42
Total	16,666	100.00	4,05,18,796	100.00	17,939	100.00	4,05,18,796	100.00

Shareholding Profile

Mode of Holding	As on 31st March, 2015			As on 31st March, 2014		
	No. of share holders	No. of Shares	% of to Share Equity	No. of share holders	No. of Shares	% of to Share Equity
Physical	7,498	10,20,594	2.52	7,889	19,81,978	4.89
NSDL	6,706	3,83,91,512	94.75	7,249	3,65,52,080	90.21
CDSL	2,462	11,06,690	2.73	2,801	19,84,738	4.90
Total	16,666	4,05,18,796	100.00	17,939	4,05,18,796	100.00

16. Secretarial audit for reconciliation of capital

The Securities and Exchange Board of India has directed vide Circular No. D&CC/ FITTC /CIR-16/2002 dated December 31, 2002 that all issuer companies shall submit a capital integrity, reconciling the total shares held both in both the depositories, viz, NSDL and CDSL and in physical form with total issued and paid-up capital.

The said certificate, duly certified by the practicing Company Secretaries is submitted to the Stock Exchanges within 30 days of the end of each quarter.

17. Dematerialisation of Shares

As on 31st March, 2015, 3,94,98,202 shares (97.48 % of the Company's total number of shares) are in the dematerialized form. At present the Company's shares are compulsorily traded in dematerialized form, as per notification issued by the Securities and Exchange Board of India (SEBI). The ISIN allotted for the Equity Shares of Company is INE559A01017.

18. Investor Correspondence

: Corporate Office

Plot No. IND 5, Sector I,
East Kolkata Township,
Kolkata - 700 107
Tel. : (033) 3984 9524
Fax : (033) 2442 1003
E-mail : g_raychowdhury@ifbglobal.com

Registrar and Share Transfer Agents :

CB Management Services (P) Ltd.

P 22, Bondel Road
Kolkata - 700 019.
Tel : (033) 4011 6700 / 2280 6692 / 93 / 94
Fax : (033) 2287 0263
E-mail : rta@cbmsl.com

19. Plant Location

: 14, Taratala Road, Kolkata - 700 088
JL-71, P.O. Bishnupur, Gangarampur, West Bengal
L-1, Verna Electronic City, Verna, Selcete, Goa - 403 722
62, 64 & 66 CorlimIndl. Estate, Corlim Ilhas, Goa - 403 110
E-3, New Indl. Area II, Mandideep,
Bhopal, Dist. Raisen, M.P. - 462 046.
16/17, VisveswariahIndl. Estate,
Whitefield Road, Bangalore - 560 048

II NON- MANDATORY REQUIREMENTS

1. Shareholders' Rights

The Company's financial results are published in the newspaper and also posted on its own website (www.ifbindustries.com). Hence Financial Results are not send to the Shareholders. However the Company furnishes the financial results on receipt of request from the shareholders.

2. Audit Qualification

The Company, at present, does not have any audit qualification pertaining to the financial statements.

3. Reporting of Internal Auditor

The Company's Internal Auditor reports directly to the Audit Committee.

Registered Office :
14, Taratala Road
Kolkata - 700 088
Date : 29 May 2015

On behalf of the Board
Bikram Nag
Joint Executive Chairman
& Managing Director
Dr. Rathindra Nath Mitra
Director

AUDITORS' Certificate on Corporate Governance

To the Members of **IFB Industries Limited**

1. We have examined the compliance of conditions of Corporate Governance by **IFB Industries Limited** ("the Company"), for the year ended on 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.
2. The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.
4. We 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.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants
(Registration No. 302009E)

Abhijit Bandyopadhyay
Partner

(Membership No. 054785)

Kolkata

29 May 2015

10 YEARS' HIGHLIGHTS

(Rs. In Lacs)

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Financial Highlights										
Total revenue	26,595	33,599	43,672	45,682	55,683	69,754	81,440	92,760	102,896	127,658
Earnings before interest, tax, depreciation and amortisation (EBITDA)	1,724	4,809	4,691	32,385	6,645	7,948	5,114	6,193	5,335	10,165
Depreciation and amortisation	1,832	1,282	845	756	868	1,041	1,488	1,832	2,259	4,064
Exceptional expense / (income)	(1,081)	(4,577)	(2,338)	(27,808)	–	–	150	–	–	–
Profit/(loss) after tax	(1,380)	3,527	3,735	31,508	5,376	5,031	3,054	3,145	2,160	4,973
Equity share capital	1,659	1,804	1,804	2,963	3,552	3,622	3,628	4,128	4,128	4,128
Reserves and surplus	(38,175)	(34,189)	(29,671)	6,655	11,825	17,498	20,591	27,436	29,596	34,569
Net worth	(40,989)	(37,119)	(32,916)	437	4,593	10,336	13,435	20,780	22,940	27,913
Gross fixed assets	36,735	37,441	37,986	38,837	41,050	44,691	41,619	38,775	44,743	51,979
Net fixed assets	10,945	8,649	7,101	7,206	8,472	13,884	16,061	19,503	24,038	27,873
Total assets	18,849	17,606	20,323	21,485	29,039	38,911	44,112	53,834	64,121	77,092
Market capitalisation	3,362	2,962	6,262	7,245	31,193	49,409	28,095	32,739	32,091	237,400
Number of employees (nos)	686	705	877	988	986	1,173	1,286	1,390	1,453	1,537
Key indicators										
Earnings per share (Rs.) (before extraordinary items)	(16.43)	(6.79)	7.55	19.05	16.87	14.24	8.61	7.95	5.33	12.27
Earnings per share (Rs.) (after extraordinary items)	(9.32)	20.2	21.08	165.94	16.87	14.24	8.61	7.95	5.33	12.27
Total revenue per share (Rs.)	168.07	194.51	252.83	158.27	160.22	196.73	229.29	228.93	253.95	315.06
Book value per share (Rs.)	(230.77)	(187.48)	(161.33)	33.32	44.24	59.57	68.19	77.90	83.23	95.50
Current ratio	1.22	1.05	1.09	1.39	1.57	1.57	1.61	1.76	1.54	1.43
EBITDA / Total revenue	6.5%	14.3%	10.7%	70.9%	11.9%	11.4%	6.3%	6.7%	5.2%	8.0%
Net profit margin	(5.2%)	10.5%	8.6%	69.0%	9.7%	7.2%	3.8%	3.4%	2.1%	3.9%
Return on net worth	3.2%	(9.5%)	(11.7%)	7237.8%	125.2%	66.6%	26.8%	20.9%	12.8%	21.2%
Return on Capital Employed (ROCE)	3.8%	(10.9%)	(13.4%)	327.6%	35.0%	23.8%	12.6%	10.0%	6.4%	12.9%

INDEPENDENT AUDITORS' REPORT to the Members of IFB Industries Limited

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with the 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid

financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 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 in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 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 disclosed the impact of pending litigations on its financial position in its financial statements in accordance with the generally accepted accounting practice - also refer Note 32(B) to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

Firm Registration No. : 302009E

Abhijit Bandyopadhyay

Partner

(Membership No. : 054785)

Place : Kolkata

Date : 29 May 2015

ANNEXURE to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) Having regard to the nature of the Company's business / activities / results during the year, clauses (v) of the Order is not applicable.
- (ii) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (iii) In respect of its inventories:
 - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- (v) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services and during the course of our audit we have not observed any continuing failure to correct major weaknesses in such internal control system.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance,

Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.

- (c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as on 31 March 2015 on account of disputes are given below :

Name of the Statute	Nature of dues	Amount involved (Rs. in lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	304	AY 2007-08 to 2010-11 and AY 2012-13	Commissioner of Income Tax (Appeals)
		6	AY 1997-1998	High Court
Central Excise Act, 1944	Excise duty including penalty	31	2010-11 to 2013-14	Commissioner Appeals
		43	2004-05 to 2009-10	Central Excise and Service Tax Appellate Tribunal (CESTAT)
Bombay Municipal Corporation Provisional Act- Cess on Entry of Goods in Navi Mumbai	Cess	98	2004-2008	District Municipal Court
Central Sales Tax Act and Local Sales Tax Act	Sales tax inclu- ding trade tax	179	1991-92 to 1994-95 and 2007-08 to 2011-12	Assessment Officer
		3	2002-03 and 2008-09	Assistant Commissioner
		90	2011-12	Commissioner Appeal
		1	2009-10	Deputy Commissioner (Appeals)
		1	2013-14	Deputy Commissioner
		1	1999-2000	Trade Tax Tribunal
		24	2006-07 and 2007-08	Deputy Excise and Taxation Commissioner
		42	2009-10	Commercial Tax Appellate Board
		10	1996-97	Appellate & Revision Board
		11	2004-05 and 2005-06	Appellate Tribunal
		62	2001-02 to 2002-03	High Court

Name of the Statute	Nature of dues	Amount involved (Rs. in lacs)	Period to which the amount relates	Forum where dispute is pending
Customs Act, 1962	Customs duty	2	2008-2012	Additional Director General, Directorate of Revenue Intelligence
The Finance Act, 1994	Service Tax and Penalty	41	2006-2008	Customs & Central Excise Commission (Appeals)
		525	2004-05 to 2011-12	Central Excise and Service Tax Appellate Tribunal (CESTAT)

- (d) There are no amounts that are due to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (viii) The Company does not have accumulated losses at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions and banks. The Company has not issued any debentures.
- (x) According to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks and financial institutions.
- (xi) The Company did not have any term loans outstanding during the year.
- (xii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

Firm Registration No. : 302009E

Abhijit Bandyopadhyay

Partner

(Membership No. : 054785)

Place : Kolkata

Date : 29 May 2015

BALANCE SHEET as at

	Notes	31 March 2015 Rs. Lacs	31 March 2014 Rs. Lacs
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	2	4,128	4,128
Reserves and surplus	3	34,569	29,596
		<u>38,697</u>	<u>33,724</u>
Non-current liabilities			
Deferred tax liabilities (net)	4	2,585	2,331
Other long-term liabilities	5	761	708
Long-term provisions	6	2,717	2,524
		<u>6,063</u>	<u>5,563</u>
Current liabilities			
Short-term borrowings	7	3,445	4,777
Trade payables	8	22,667	14,193
Other current liabilities	9	5,676	5,342
Short-term provisions	6	544	522
		<u>32,332</u>	<u>24,834</u>
		<u>77,092</u>	<u>64,121</u>
ASSETS			
Non-current assets			
Fixed assets			
– Tangible assets	10	25,698	21,983
– Intangible assets	11	1,601	595
– Capital work-in-progress		261	191
– Intangible assets under development		313	1,269
Long-term loans and advances	12	5,935	4,684
Other non-current assets	13	–	1
		<u>33,808</u>	<u>28,723</u>
Current assets			
Current investments	14	5,165	3,728
Inventories	15	22,313	15,546
Trade receivables	16	9,071	7,229
Cash and bank balances	17	4,450	6,820
Short-term loans and advances	12	2,261	1,992
Other current assets	13	24	83
		<u>43,284</u>	<u>35,398</u>
		<u>77,092</u>	<u>64,121</u>
Significant accounting policies	1		

See accompanying notes forming part of the financial statements
In terms of our report attached

for **DELOITTE HASKINS & SELLS**
Chartered Accountants

Abhijit Bandyopadhyay
Partner

Kolkata
29 May 2015

For and on behalf of the Board of Directors of **IFB Industries Limited**

Joint Executive Chairman and Managing Director
Director
Director and Chief Financial Officer
Company Secretary

Kolkata
29 May 2015

Bikram Nag
Dr. Rathindra Nath Mitra
Prabir Chatterjee
G. Ray Chowdhury

Statement of Profit and Loss for the year ended

		31 March 2015	31 March 2014
	Notes	Rs. Lacs	Rs. Lacs
INCOME			
Sale of manufactured products (gross)	18	99,271	77,594
Sale of traded products (gross)	18	55,575	46,019
Sale of products (gross)		154,846	123,613
Less : Trade scheme and discounts		26,472	19,726
Sale of products (net of trade scheme and discounts)		128,374	103,887
Sale of services	19	4,313	3,647
Other operating revenues :			
Scrap sales		2,574	2,188
Others		46	31
Revenue from operations (gross)		135,307	109,753
Less : Excise duty on sale of manufactured products		8,882	7,441
Less : Excise duty on scrap sales		275	233
Revenue from operations (net)		126,150	102,079
Other income	20	1,508	817
Total revenue		127,658	102,896
EXPENSES			
Cost of raw materials consumed	21	45,300	35,773
Purchase of stock-in-trade	18	30,838	25,041
Changes in inventories of finished goods, work-in progress and stock-in-trade	22	(5,057)	(2,153)
Cost of spares sold		1,495	913
Employee benefits expense	23	12,244	9,793
Finance costs	24	174	143
Depreciation and amortisation (Refer note 29)	10 & 11	4,064	2,259
Other expenses	25	32,673	28,194
Total expenses		121,731	99,963
Profit before tax (Refer note 29)		5,927	2,933
Tax expense :			
Current tax	26	700	399
Deferred tax (net)		254	371
Fringe Benefit Taxes relating to earlier years		-	3
Profit after tax (Refer note 29)		4,973	2,160
Earnings per equity share (face value of Rs. 10 each)	27		
– Basic		12.27	5.33
– Diluted		12.27	5.33

Significant accounting policies

1

See accompanying notes forming part of the financial statements
In terms of our report attached

for **DELOITTE HASKINS & SELLS**
Chartered Accountants

Abhijit Bandyopadhyay
Partner

Kolkata
29 May 2015

For and on behalf of the Board of Directors of **IFB Industries Limited**

Joint Executive Chairman and Managing Director
Director

Director and Chief Financial Officer
Company Secretary

Kolkata
29 May 2015

Bikram Nag
Dr. Rathindra Nath Mitra
Prabir Chatterjee
G. Ray Chowdhury

Cash Flow Statement for the year ended

	31 March 2015	31 March 2014
	Rs. Lacs	Rs. Lacs
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	5,927	2,933
Adjustments for :		
Depreciation and amortisation	4,064	2,259
Gain on disposal of fixed assets	(560)	(9)
Write off of fixed assets	26	35
Write off of debts/advances	40	42
Write off of capital advances	2	–
Provision for doubtful debts and advances	24	33
Dividend from current investments	(34)	(158)
Net gain on sale of mutual funds	(353)	(121)
Reversal of provision for diminution in value of mutual funds	–	(35)
Write back of liabilities no longer required	(83)	(110)
Write back of provisions no longer required	(49)	(10)
Recovery of advance written off in earlier years	–	(1)
Unrealised exchange gain	(33)	(84)
Interest income on bank deposits and others	(105)	(92)
Financial costs	174	143
Operating profit before working capital changes	9,040	4,825
Increase in trade payables	8,621	2,383
(Decrease) / increase in provisions	291	(47)
Increase in other liabilities	758	1,219
Increase in trade receivables	(1,830)	(2,487)
(Increase) / Decrease in other assets	36	(52)
Increase in loans and advances	(448)	(868)
Increase in inventories	(6,767)	(2,351)
Cash generated from operations	9,701	2,622
Income taxes paid	(1,463)	(558)
Net cash generated from operating activities	8,238	2,064
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(8,760)	(5,810)
Proceeds from disposal of fixed assets	606	29
Purchase of mutual funds	(12,931)	(4,437)
Proceeds from sale/maturity of mutual funds	11,881	6,690
Decrease / (increase) in other bank balances	44	(219)
Interest received	129	92
Dividends received	–	53
Net cash used in investing activities	(9,031)	(3,602)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	16,179	13,256
Repayment of borrowings	(17,537)	(9,443)
Financial costs	(175)	(136)
Net cash generated from/ (used in) financing activities	(1,533)	3,677
NET CHANGE IN CASH AND CASH EQUIVALENTS (A+B+C)	(2,326)	2,139
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	6,389	4,250
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR [Refer Note 17A]	4,063	6,389

Notes : The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard 3 "Cash Flow Statements".

See accompanying notes forming part of the financial statements
In terms of our report attached

for **DELOITTE HASKINS & SELLS**
Chartered Accountants

Abhijit Bandyopadhyay
Partner

Kolkata
29 May 2015

For and on behalf of the Board of Directors of **IFB Industries Limited**

Joint Executive Chairman and Managing Director

Director

Director and Chief Financial Officer

Company Secretary

Kolkata
29 May 2015

Bikram Nag

Dr. Rathindra Nath Mitra

Prabir Chatterjee

G. Ray Chowdhury

Notes to the financial statements for the year ended 31 March 2015

1. Significant Accounting Policies :

a. Background

IFB Industries Limited ("Company") is a Listed Public Limited company and is incorporated under The Companies Act, 2013. The Company is primarily engaged in the business of manufacturing and trading of home appliances. Further, the Company is also engaged in manufacturing of fine blanking components. The Company has its registered office in Kolkata.

b. Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The Company follows the accrual method of accounting under historical cost convention modified by revaluation of certain fixed assets as and when undertaken. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except for change in the accounting policy for depreciation as more fully described in Note 29. The financial statement are presented in Indian rupees and rounded off to nearest lac.

The preparation of financial statements in conformity with Indian GAAP requires the Management to make judgments, estimates and assumptions that affect the application policies and reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

c. Revenue recognition

Revenue from sales of products is recognised upon the transfer of significant risks and rewards of ownership of the goods to the customers, which generally coincides with their delivery to customers. Revenue from Sale of products is stated net of Value Added Tax, Sales Tax and returns.

Revenue from services is recognised on a prorated basis over the period or as per the terms of the contract.

Interest on deposits is recognised on a time proportion basis taking into account the underlying interest rate.

Dividend income is recognised when the unconditional right to receive the income is established .

d. Tangible fixed assets

Tangible fixed assets are stated at the cost of acquisition / construction or at the revalued amount less depreciation and impairment losses. The cost of an asset comprises its purchase price and any other attributable cost incurred for bringing the asset to its working condition for its intended use. Where a tangible fixed asset has been revalued upwards, the revalued amount is credited to owner's interest under revaluation reserves.

Capital work -in -progress includes cost of assets not ready for their intended use and items under installation. In case of own manufactured items like tools, jigs, proportionate burden of overhead as applicable is also treated as part of cost.

Expenditure incurred on replacement / modification to fixed asset is capitalized only when such expenditure results in increase in the economic life of such asset.

e. Intangible assets

Intangible assets are recorded at the consideration paid for acquisition less amortization.

All upgradation / enhancements are charged off as revenue expenditure unless they bring significant additional benefits.

f. Borrowing costs

Borrowing costs directly attributable to acquisition or construction of those fixed assets, which necessarily take a substantial period of time to get ready for their intended use, are capitalized. Other borrowing costs are accounted as an expense.

Notes to the financial statements for the year ended 31 March 2015

g. Depreciation / amortisation

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the tools and moulds, in whose case the life of the assets has been assessed as 5 years based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

The cost of leasehold land is amortised over the period of lease.

Intangible assets are amortised over the best estimate of its useful lives on a straight line basis. The estimated useful life currently ranges from 3 to 5 years.

h. Impairment of fixed assets

The Company periodically assesses whether there is any indication that an asset or a group of assets comprising a cash generating unit may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset or group of assets that does not generate largely independent cash flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined.

i. Foreign currency transactions

Foreign exchange transactions are recorded at the rates of exchange prevailing on the date of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currency as at the balance sheet date are translated at the dosing exchange rate on that date and the resultant exchange differences are recognized in the Statement of Profit and Loss. Non-monetary items denominated in foreign currency are carried at cost.

j. Investments

Non-current investments are stated at cost less diminution in value, if any other than temporary, determined on specific identification basis.

Current investments are stated at lower of cost and fair value. The comparison of cost and fair value is carried out separately for each investment.

Profit or loss on sale of investment is determined as the difference between the sale price and carrying value of investment, determined individually for each investment.

k. Inventories

Inventory is valued at the lower of cost or net realizable value. Cost of inventories includes, cost of purchase, cost of conversion and all other expenses incurred in bringing the goods to their present location and condition. Cost is ascertained using the weighted average method.

Fixed production overheads are allocated on the basis of normal capacity of production facilities.

l. Employee benefits

Contribution payable for provident fund and superannuation fund, which are defined contribution schemes are recognized as employee benefit expense in the Statement of Profit and Loss.

Notes to the financial statements for the year ended 31 March 2015

Post-employment benefits in the form of Gratuity, which is a defined benefit scheme, and other long term employee benefits in the form of leave encashment and accumulated sick leave are recognized as an expense in the Statement of Profit and Loss in the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using the projected unit credit method carried out by an independent actuary. Actuarial gains and losses in respect of post-employment and other long term benefits are charged to the Statement of Profit and Loss.

m. Taxes on income

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognizes unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum Alternate Tax (MAT) credit entitlement is recognized only to the extent there is convincing evidence that the Company will pay normal tax during the period specified by the Income Tax Act, 1961. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in the Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of credit to the Statement of Profit and Loss. 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 the Company will pay normal income tax during the specified period

The Company offsets the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

n. Provision and contingent liabilities

The Company recognizes a provision when there is a present obligation as a result of an obligating event that probably requires outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure of a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure of contingent liability is made.

o. Government grants

Grants received from the Government authorities with reference to investments under investment subsidy schemes and no repayment are ordinarily expected in respect thereof are treated as capital reserve.

p. Segment

The Company discloses Business segment as the Primary segment. Segments have been identified taking into account the nature of products, the different risks and returns, the organisation structure and internal reporting system. The Company's operation predominantly relates to manufacture and trading of home appliances and fine blanking business. The Company primarily caters to the domestic market and export sales are not significant and accordingly there is no reportable secondary segment.

Notes to the financial statements for the year ended 31 March 2015

q. Leases

Leases where the lessor effectively retains substantially all the risks and rewards of ownership of the leased asset are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

r. Warranty

Warranty costs are estimated by the Management on the basis of a technical evaluation and based on past experience. Provision is made for estimated liability in respect of warranty cost in the year of sale of goods.

Provision for warranty is expected to be utilized over a period of one to five years.

s. Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprise cash on hand, current account bank balances and bank deposit account balances (with maturity of three months or less as at the balance sheet date).

t. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and weighted average number of equity shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

u. Forward exchange contracts

The premium or discount arising at the inception of forward exchange contracts entered into to hedge an existing asset/liability, is amortised as expense or income over the life of the contract. Exchange differences on such a contract are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense for the period.

Notes to the financial statements as at

2. Share capital

	31 March 2015	31 March 2014
	Rs. Lacs	Rs. Lacs
Authorised		
65,000,000 (31 March 2014 : 65,000,000) equity shares of Rs. 10 each	6,500	6,500
30,000,000 (31 March 2014 : 30,000,000) cumulative redeemable preference shares of Rs. 10 each	3,000	3,000
	<u>9,500</u>	<u>9,500</u>
Issued, subscribed and paid-up		
40,518,796 (31 March 2014 : 40,518,796) equity shares of Rs. 10 each, fully paid-up	4,052	4,052
Forfeited shares		
3,050,000 (31 March 2014 : 3,050,000) equity shares of Rs. 10 each, Rs. 2.50 paid-up	76	76
	<u>4,128</u>	<u>4,128</u>

a. Reconciliation of the equity shares outstanding at the beginning and at the end of the year

	31 March 2015	31 March 2014
	Nos	Nos
At the beginning of the year	40,518,796	40,518,796
At the end of the year	40,518,796	40,518,796

b. Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company.

Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

c. Details of shareholders holding more than 5% equity shares in the company

	31 March 2015	31 March 2014
	%	%
1. IFB Automotive Private Limited	46.54%	46.54%
2. Nurpur Gases Private Limited	14.83%	14.83%
3. Asansol Bottling & Packaging Company Private Limited	8.31%	8.31%

Notes to the financial statements as at

3. Reserves and surplus

	31 March 2015	31 March 2014
	Rs. Lacs	Rs. Lacs
Capital reserve	25	25
Debt restructuring reserve	8,981	8,981
Capital redemption reserve	1,605	1,605
Share premium account	17,433	17,433
Revaluation reserve	173	173
Surplus/(deficit) in the statement of profit and loss		
At the beginning of the year	1,379	(781)
Add : Profit for the year	4,973	2,160
At the end of the year	6,352	1,379
	34,569	29,596

4. Deferred tax liabilities (net)

	31 March 2015	31 March 2014
	Rs. Lacs	Rs. Lacs
Deferred tax liabilities :		
Fixed assets : Impact of difference between tax depreciation and depreciation and amortisation charged as per books	2,964	2,637
Total (A)	2,964	2,637
Deferred tax assets :		
Timing difference on account of :		
Provision for doubtful debts and advances	24	32
Provision for employee benefit expenses	286	206
Provision for sales tax and cess	69	68
Total (B)	379	306
Deferred tax liabilities (net) (A)-(B)	2,585	2,331

5. Other long-term liabilities

	31 March 2015	31 March 2014
	Rs. Lacs	Rs. Lacs
Others :		
Income received in advance on annual maintenance contracts and extended warranty services	594	533
Security deposits	167	175
	761	708

Notes to the financial statements as at

6. Provisions

	Long-term		Short-term	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
(a) Provision for employee benefits :				
Gratuity (refer note 31)	291	33	–	–
Leave encashment (refer note 31)	530	371	89	64
Sick leave	135	100	29	23
Other Leave	–	6	44	42
	<u>956</u>	<u>510</u>	<u>162</u>	<u>129</u>
(b) Others :				
Warranty	1,761	2,014	382	317
Provision for income tax (net of advance income tax)	–	–	–	76
	<u>1,761</u>	<u>2,014</u>	<u>382</u>	<u>393</u>
Total	<u>2,717</u>	<u>2,524</u>	<u>544</u>	<u>522</u>

Provision for warranty

The Company warrants that their products will perform in all material respects in accordance with the Company's standard specifications in effect at the time of delivery of the products to the customers for the warranty period. Accordingly based on specific warranties, claims and claim history the Company provides for warranty claims. The movements in the provision for warranty cost is as follows :

	31 March 2015	31 March 2014
	Rs. Lacs	Rs. Lacs
Provision for warranty		
As at the beginning of the year	2,331	2,327
Additional provision during the year	352	595
Provision utilised during the year	<u>540</u>	<u>591</u>
As at the end of the year	<u>2,143</u>	<u>2,331</u>

7. Short-term borrowings

	31 March 2015	31 March 2014
	Rs. Lacs	Rs. Lacs
Loans repayable on demand from banks (Secured)		
Capex buyers credits (#)	2,113	1,844
Working capital buyers credit (^)	607	2094
Bill Discounting (*)	<u>725</u>	<u>839</u>
	<u>3,445</u>	<u>4,777</u>

(#) For sanction of capex letter of credit amounting to Rs. 4,350 lacs by Standard Chartered Bank, following securities have been created :

- (i) Exclusive charge on moveable fixed assets financed by the bank.
- (ii) First charge on existing movable fixed assets of Goa (Verna) plant (except exclusive charge to term lenders).
- (iii) First and exclusive charge on the leasehold land and building of Goa (Verna) unit on all that piece and parcel of non-agricultural land bearing at No. L1 situated within the village Panchayat of Nagoa, Verna Plateau, Verna Industrial Estate,

Notes to the financial statements as at

Taluka Salcete, District South Goa and registration sub district ILHAS in the state of Goa containing by admeasuring 48695 square meters or thereabout and bounded as follows: On or towards the north: proposed 30 meters wide road, on or towards the south : open space reserved for gardening, on or towards the east: proposed road of 25 meters wide, on or towards the west: proposed road of 20 meters wide together with all buildings and structures standing thereon or to be erected hereafter and the plant and machinery attached to the earth or permanently fastened to anything attached to the earth, both present and future.

(^) For sanction of working capital facility amounting to Rs. 9,000 lacs by Standard Chartered Bank, following securities have been created:

(i) First charge on all current assets, both present and future.

(ii) First charge on existing movable fixed assets of Goa (Verna) plant (except exclusive charge to term lenders).

(iii) Second charge on the leasehold land and building of Goa (Verna) unit on all that piece and parcel of non-agricultural land bearing at No. L1 situated within the village Panchayat of Nagoa, Verna Plateau, Verna Industrial Estate, Taluka Salcete, District South Goa and registration sub district ILHAS in the state of Goa containing by admeasuring 48695 square meters or thereabout and bounded as follows: On or towards the north: proposed 30 meters wide road, on or towards the south: open space reserved for gardening, on or towards the east: proposed road of 25 meters wide, on or towards the west: proposed road of 20 meters wide together with all buildings and structures standing thereon or to be erected hereafter and the plant and machinery attached to the earth or permanently fastened to anything attached to the earth, both present and future.

(*) For sanction of working capital facility amounting to Rs. 3,500 lacs by DBS Bank Ltd., following securities have been created :

(i) Hypothecation by way of first pari passu and floating charge over goods being finished goods, semi-finished goods, stocks of raw-materials, work-in-process located at various factories / warehouses godowns of the company and whether in transit or lying at any other place and hypothecation by way of first pari passu and floating charge over the company's present and future book debts, outstanding monies receivables, claims, bills, contracts, engagements, securities, investments, rights and assets.

(ii) Hypothecation by way of exclusive charge over all present and future movable fixed assets of the engineering division of the Company including without limitation its movable plant and machinery, furniture and fittings, equipment, computer hardware, computer software, machinery spares, tools and accessories and other movables etc. stored or to be stored at Company's godowns or premises situated at 14, Taratolla Road, Kolkata and 16/17, Visveswaraiyah Industrial Estate, Whitefield Road, Bangalore - 560048 (Engineering Division) or wherever else the same may be.

8. Trade payables

	31 March 2015 Rs. Lacs	31 March 2014 Rs. Lacs
Payable for goods (refer note 30)	15,931	9,879
Payable for expenses (refer note 30)	6,736	4,314
	<u>22,667</u>	<u>14,193</u>

9. Other current liabilities

	31 March 2015 Rs. Lacs	31 March 2014 Rs. Lacs
Interest accrued but not due on borrowings	6	7
Income received in advance on annual maintenance contracts and extended warranty services	2,670	2,237
Other Payables :		
Security deposits	65	45
Advance from customers	643	667
Statutory liabilities	2,014	1,732
Capital creditors	278	654
	<u>5,676</u>	<u>5,342</u>

Notes to the financial statements as at

FIXED ASSETS

10. Tangible Assets

Rs. Lacs

Particulars of Assets	Gross Block				Depreciation					Net Block	
	As at 1 April 2014	Additions	Adjust- ments/ disposals	As at 31 March 2015	As at 1 April 2014	For the year (refer note 29)	Adjust- ments/ disposals	Gain for change accounting in policy (Refer note 29)	As at 31 March 2015	As at 31 March 2015	As at 31 March 2014
Freehold land (@)	719	–	(8)	711	–	–	–	–	–	711	719
Previous year	719	–	–	719	–	–	–	–	–	719	719
Leasehold land	233	–	–	233	203	5	–	–	208	25	30
Leasehold land	220	–	–	220	193	5	–	–	198	22	27
R and D leasehold land	13	–	–	13	10	–	–	–	10	3	3
Previous year	233	–	–	233	198	5	–	–	203	30	35
Building	6,172	475	(54)	6,593	3,276	258	(17)	(844)	2,673	3,920	2,896
Building	5,494	475	(54)	5,915	3,063	238	(17)	(757)	2,527	3,388	2,431
R and D building	678	–	–	678	213	20	–	(87)	146	532	465
Previous year	5,324	848	–	6,172	3,025	251	–	–	3,276	2,896	2,299
Plant and machinery	32,272	6,548	(609)	38,211	14,997	3,868	(590)	–	18,275	19,936	17,275
Plant and machinery	30,980	6,521	(609)	36,892	14,831	3,771	(590)	–	18,012	18,880	16,149
R and D plant and machinery	1,292	27	–	1,319	166	97	–	–	263	1,056	1,126
Previous year	28,026	4,943	(697)	32,272	14,210	1,448	(661)	–	14,997	17,275	13,816
Computers	801	114	(20)	895	429	205	(19)	–	615	280	372
Computers	733	108	(20)	821	384	191	(19)	–	556	265	349
R and D computers	68	6	–	74	45	14	–	–	59	15	23
Previous year	743	98	(40)	801	360	105	(36)	–	429	372	383
Furniture and fixtures	1,158	287	(22)	1,423	492	161	(20)	–	633	790	666
Furniture and fixtures	1,122	283	(22)	1,383	475	155	(20)	–	610	773	647
R and D furniture and fixtures	36	4	–	40	17	6	–	–	23	17	19
Previous year	982	210	(34)	1,158	452	62	(22)	–	492	666	530
Motor vehicles	54	22	(16)	60	29	7	(12)	–	24	36	25
Previous year	142	18	(106)	54	129	4	(104)	–	29	25	13
Total	41,409	7,446	(729)	48,126	19,426	4,504	(658)	(844)	22,428	25,698	21,983
Previous year	36,169	6,117	(877)	41,409	18,374	1,875	(823)	–	19,426	21,983	17,795

(@) Gross Block includes an amount of Rs. 173 Lacs (Previous Year : Rs. 173 Lacs) resulting from revaluation in an earlier year.

R and D denotes research and development.

Additions to plant and machinery during the year includes borrowing cost capitalised amounting to Rs. 28 Lacs (Previous Year: Rs. 45 Lacs)

11. Intangible Assets

Rs. Lacs

Particulars of Assets	Gross Block				Amortisation				Net Block	
	As at 1 April 2014	Additions	Adjust- ments/ Disposals	As at 31 March 2015	As at 1 April 2014	For the year	Adjust- ments/ Disposals	As at March 31 2015	As at March 31 2015	As at March 31 2014
Computer software	1,060	91	(6)	1,145	736	207	(5)	938	207	324
Computer software	953	58	(6)	1,005	663	186	(5)	844	161	290
R and D comouter software	107	33	–	140	73	21	–	94	46	34
Previous year	965	99	(4)	1,060	518	221	(3)	736	324	447
Technical knowhow	814	1,320	–	2,134	543	197	–	740	1,394	271
R and D technical knowhow	814	1,320	–	2,134	543	197	–	740	1,394	271
Previous year	814	–	–	814	380	163	–	543	271	434
Total	1,874	1,411	(6)	3,279	1,279	404	(5)	1,678	1,601	595
Previous year	1,779	99	(4)	1,874	898	384	(3)	1,279	595	881

R and D denotes research and development.

Notes to the financial statements as at

12. Loans and advances

	Long-term		Short-term	
	31 March 2015 Rs. Lacs	31 March 2014 Rs. Lacs	31 March 2015 Rs. Lacs	31 March 2014 Rs. Lacs
Unsecured, considered good				
Capital advances	483	72	–	–
Security deposits	637	674	70	4
Loans and advances to related parties :				
Deposits with related parties	219	220	–	–
Loans and advances to related parties	–	–	88	75
Other Loans and advances :				
Minimum alternate tax credit entitlement	2,607	2,074	–	–
Advances income-tax (net of provision for income tax)	284	135	–	–
Other loans and advances (*)	1,705	1,509	2,103	1,913
	<u>5,935</u>	<u>4,684</u>	<u>2,261</u>	<u>1,992</u>
Unsecured considered doubtful				
Capital advances	–	2	–	–
Security deposits	14	14	–	–
Other loans and advances (*)	14	6	–	–
	<u>28</u>	<u>22</u>	<u>–</u>	<u>–</u>
Less : Provision for doubtful advances	<u>(28)</u>	<u>(22)</u>	<u>–</u>	<u>–</u>
	<u>5,935</u>	<u>4,684</u>	<u>2,261</u>	<u>1,992</u>
Loans and advances / deposits to related parties include :				
Advances/deposit to a private company in which the Company directors are directors (refer note 34)	50	50	54	46

(*) Includes balances with statutory authorities, employee advances, prepaid expenses, advances for goods and services, etc.

13. Other assets

	Non-current		Current	
	31 March 2015 Rs. Lacs	31 March 2014 Rs. Lacs	31 March 2015 Rs. Lacs	31 March 2014 Rs. Lacs
Interest accrued on fixed deposits	–	1	8	31
Unamortised premium of forward contracts	–	–	16	52
	<u>–</u>	<u>1</u>	<u>24</u>	<u>83</u>

Notes to the financial statements as at

14. Current investments (valued at lower of cost and fair value)

	31 March 2015		31 March 2014	
	Nos.	Rs. Lacs	Nos.	Rs. Lacs
Investments in mutual fund (Unquoted)				
1. Kotak Treasury Advantage Fund	1,578,450	350	–	–
- Regular Plan - Growth (face value Rs. 10/-)				
2. ICICI Prudential Money Market Fund Option	310,137	310	546,106	547
- Direct Plan Daily Dividend (face value Rs. 100/-)				
3. Reliance Regular Savings Fund - Debt Plan	11,998,113	2,130	4,972,589	800
- Growth Plan - Growth Option (face value Rs. 10/-)				
4. Templeton India Short Term Income Retail Plan	–	–	8,417	200
- Growth Plan (face value Rs. 1000/-)				
5. ICICI Prudential Regular Saving Fund	3,280,840	400	3,280,840	400
- Regular Plan - Growth (face value Rs. 10/-)				
6. ICICI Prudential Money Market Fund	38,670	39	36,377	37
- Regular Plan Daily Dividend (face value Rs. 100/-)				
7. ICICI Prudential Savings Fund	970,922	1,936	–	–
- Regular Plan - Growth (face value Rs. 100/-)				
8. Birla Sunlife Floating Rate Fund Growth	–	–	197,074	300
- Regular Plan - Long Term - Growth - (face value Rs. 100/-)				
9. Reliance Liquid Fund	–	–	70,539	1,444
- Cash Plan - Growth Option- (face value Rs. 1000/-)				
		<u>5,165</u>		<u>3,728</u>

15. Inventories (valued at lower of cost and net realisable value)

	31 March 2015	31 March 2014
	Rs. Lacs	Rs. Lacs
Raw materials	4,350	2,682
Work-in-progress (refer note 22)	893	767
Finished goods (refer note 22)	5,145	3,398
Stock-in-trade (refer note 22)	9,371	6,187
Stores and spare parts	2,396	2,395
Gifts and point of purchase materials	158	117
	<u>22,313</u>	<u>15,546</u>
Inventories in transit included in Note 15 are as under :		
Raw materials	496	455
Stock-in-trade	2,926	2,059
Stores and spare parts	69	29
Gifts and point of purchase materials	–	9
	<u>3,491</u>	<u>2,552</u>

Notes to the financial statements as at

16. Trade receivables

	31 March 2015 Rs. Lacs	31 March 2014 Rs. Lacs
Unsecured :		
Outstanding for a period exceeding six months from the date they are due for payment :		
Considered good	163	62
Considered doubtful	40	67
	203	129
Less : Provision for doubtful receivables	(40)	(67)
(A)	163	62
Others :		
Considered good	8,908	7,167
Considered doubtful	2	5
	8,910	7,172
Less : Provision for doubtful receivables	(2)	(5)
(B)	8,908	7,167
(A + B)	9,071	7,229
Trade receivables include :		
Dues from a private limited company in which the Company directors are directors (refer note 34)	454	258

17. Cash and bank balance

	31 March 2015 Rs. Lacs	31 March 2014 Rs. Lacs
Cash and cash equivalents:		
Balances with bank :		
Current accounts	3,884	4,305
Deposit accounts	28	1,808
Cheques on hand	108	233
Cash on hand	43	43
(A)	4,063	6,389
Other bank balances (*)		
Balance with bank in deposit accounts	320	331
Margin money deposits	67	100
(B)	387	431
(A + B)	4,450	6,820

(*) Other bank balances includes **Rs.1 Lacs** (31 March 2014 : Rs. 5 Lacs) with a maturity term of more than 12 months.

Notes to the financial statements for the year ended

18. Details of gross sales and purchases of finished goods / stock-in-trade

	Gross Sales		Purchase	
	31 March 2015 Rs. Lacs	31 March 2014 Rs. Lacs	31 March 2015 Rs. Lacs	31 March 2014 Rs. Lacs
Finished goods :				
Press tools & dies	480	337	—	—
Fine blanked components and others	24,089	17,934	—	—
Motor	32	2	—	—
Home appliances :				
- Washing machines	73,248	56,643	—	—
- Dryers	1,356	1,319	—	—
- Dishwashers	18	818	—	—
- Others	48	541	—	—
Stock-in-trade :				
Home appliances :				
- Microwave ovens	16,908	15,129	7,877	6,540
- Washing machines	6,321	6,540	3,358	3,992
- Refrigerator	627	1,324	384	938
- Accessories and additives	9,024	6,751	4,627	3,420
- Dishwashers	4,477	3,392	2,331	2,676
- Air conditioners	14,019	9,431	11,432	6,508
- Others	1,814	1,470	829	967
- Spares	2,385	1,982	—	—
	<u>154,846</u>	<u>123,613</u>	<u>30,838</u>	<u>25,041</u>

19. Sale of services

	31 March 2015 Rs. Lacs	31 March 2014 Rs. Lacs
Annual maintenance service contract income	3,952	3,274
Extended warranty income	37	39
Others	324	334
	<u>4,313</u>	<u>3,647</u>

20. Other income

	31 March 2015 Rs. Lacs	31 March 2014 Rs. Lacs
Interest income on bank deposits and others	105	92
Dividend from current investments	34	158
Net gain on sale of mutual funds	353	121
Write back of provision for diminution in value of mutual funds	—	35
Insurance claims received	23	20
Rental income	51	78
Gain on disposal of fixed assets	560	9
Write back of liabilities no longer required	83	110
Write back of provision no longer required	49	10
Recovery of debts written off in earlier years	—	1
Miscellaneous income	250	183
	<u>1,508</u>	<u>817</u>

Notes to the financial statements for the year ended

21. Cost of raw materials consumed

	31 March 2015 Rs. Lacs	31 March 2014 Rs. Lacs
Raw material stock as at the beginning of the year	2,682	2,831
Add : Purchases during the year	46,968	35,624
Less : Raw material stock as at the end of the year	49,650	38,455
Cost of raw materials consumed	4,350	2,682
	<u>45,300</u>	<u>35,773</u>
Details of cost of raw materials consumed (refer note 36) :		
Imported steel	597	204
Imported others	11,974	7,744
Indigenous steel	12,501	10,661
Indigenous others	20,228	17,164
	<u>45,300</u>	<u>35,773</u>
Expenditure related to research and development at Verna, Goa included in Note 21 are :		
Cost of raw materials consumed	106	44
	<u>106</u>	<u>44</u>

22. Changes in inventories of finished goods, work-in-progress and stock-in-trade

	31 March 2015 Rs. Lacs	31 March 2014 Rs. Lacs
Inventory as at the end of the year :		
Stock-in-trade	9,371	6,187
Work-in-progress (@)	893	767
Finished goods	5,145	3,398
	<u>15,409</u>	<u>10,352</u>
Inventory as at the beginning of the year :		
Stock-in-trade	6,187	5,376
Work-In-progress (@)	767	663
Finished goods	3,398	2,160
	<u>10,352</u>	<u>8,199</u>
	<u>(5,057)</u>	<u>(2,153)</u>
Details of Inventory :		
Stock-in-trade		
- Microwave ovens	1,534	1,053
- Washing machines	320	876
- Accessories and additives	337	272
- Dishwashers	560	777
- Air conditioners	5,987	2,404
- Refrigerator	169	268
- Others	464	537
	<u>9,371</u>	<u>6,187</u>
Finished goods :		
- Washing Machines	4,046	2,389
- Dryers	83	77
- Dishwashers	13	36
- Fine blanked components	669	605
- Press tools and dies	315	266
- Others	19	25
	<u>5,145</u>	<u>3,398</u>

(@) Includes semi finished fine blanked components and semi finished press tools and dies amounting to **Rs. 761 Lacs**
(31 March 2014 : Rs. 633 Lacs)

Notes to the financial statements for the year ended

23. Employee benefits expense

	31 March 2015 Rs. Lacs	31 March 2014 Rs. Lacs
Salaries and wages	10,014	8,169
Contribution to provident and other funds	1,074	681
Staff welfare expenses	1,156	943
	<u>12,244</u>	<u>9,793</u>
Expenditure related to research and development at Verna, Goa included in Note 23 are :		
Salaries and wages	528	342
Contribution to provident and other funds	46	27
Staff welfare expenses	24	11
	<u>598</u>	<u>380</u>

24. Finance costs

	31 March 2015 Rs. Lacs	31 March 2014 Rs. Lacs
Interest expense	174	143
	<u>174</u>	<u>143</u>

25. Other expenses

	31 March 2015 Rs. Lacs	31 March 2014 Rs. Lacs
Consumption of stores and spare parts	4,211	3,820
Rent (refer note 28)	898	772
Insurance	127	127
Freight, octroi and carriage	3,804	3,129
Power and fuels	1,535	1,178
Ancillary cost	3,743	2,926
Rates and taxes	842	505
Expenditure on Corporate Social Responsibility	5	-
Office expenses	2,447	1,931
Advertisement and sales promotion	7,123	5,659
Travelling	2,518	1,979
Repairs :		
Buildings	43	66
Plant and machinery	448	325
Others	359	246
Excise duty on differential stock	67	129
Loss on exchange fluctuation	259	1,436
Write-off of fixed assets	26	35
Write-off of debts / advances	40	42
Write-off of capital advances	2	-
Provision for doubtful debts and advances	24	33
Bank charges	80	76
Directors' sitting fees	8	6
Service expenses	2,324	1,828
Warranty expenses	352	595
Miscellaneous expenses	1,388	1,351
	<u>32,673</u>	<u>28,194</u>

Notes to the financial statements for the year ended

	31 March 2015 Rs. Lacs	31 March 2014 Rs. Lacs
Payment to statutory auditors included under office expenses (excluding service tax)		
As auditors :		
Audit fees (*)	37	28
Tax audit fees	–	10
Others (*)	2	4
Reimbursement of expenses	–	2
	<u>39</u>	<u>44</u>
(*) Includes payments made to erstwhile statutory auditors		
Payment to political party included under Miscellaneous expenses		
Payment to Bharatiya Janata Party	8	–
	<u>8</u>	<u>–</u>
Expenditure on Corporate Social Responsibility		
(a) Gross Amount required to be spent by the company during the year	72	–
(b) Amount spent during the year on purpose other than construction/ acquisition of assets in cash	5	–
Expenditure related to research and development at Verna, Goa included in Note 25 are :		
Rent	2	–
Power and fuels	29	23
Ancillary cost	8	8
Office expenses	145	28
Travelling	93	59
Repairs :		
Building	3	–
Plant and machinery	1	1
Others	3	2
Miscellaneous expenses	19	139
	<u>303</u>	<u>260</u>
26. Current Tax		
	31 March 2015 Rs. Lacs	31 March 2014 Rs. Lacs
Income tax for the year	1,230	589
Income tax related to earlier years	3	36
Minimum Alternate Tax Credit for the year	(384)	(241)
Minimum Alternate Tax Credit related to earlier years	(149)	15
	<u>700</u>	<u>399</u>
27. Earnings per share		
	31 March 2015 Rs. Lacs	31 March 2014 Rs. Lacs
(a) Profit after taxes available to equity shareholders (Rs. Lacs)	4,973	2,160
(b) Weighted average number of equity shares outstanding	40,518,796	40,518,796
(c) Basic and Diluted earnings per equity share of face value Rs. 10 each (in' Rs.)	12.27	5.33

Notes to the financial statements for the year ended

28. Leases

The Company is obligated under cancellable leases for residential, office premises, warehouses, etc. Total rental expense under cancellable operating lease amounted to **Rs. 898 Lacs** (31 March 2014 : Rs. 772 Lacs).

29. Changes in Accounting Policy and accounting estimates

Pursuant to the notification of Schedule II to the Companies Act, 2013, with effect from 1 April 2014, the Company has changed the policy of providing depreciation of buildings from written down value (WDV) method to straight line method (SLM) thereby resulting in a surplus of **Rs. 844 Lacs** for the year ended 31 March 2015.

Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013 and its subsequent amendment by Ministry of Corporate Affairs, the Company has an option to charge off the carrying value of assets net of residual value, where the remaining useful life of the asset was determined to be nil as on 1 April 2014 either to the opening balance of retained earnings or to the Statement of Profit and Loss. Thereby for such assets, the Company has charged an amount of **Rs. 1,196 Lacs** as depreciation in the Statement of Profit and Loss. If the same is adjusted against the opening balance of retained earnings then the profit before tax for the year would be **Rs. 7,123 Lacs** and profit after tax would be **Rs. 5,763 Lacs**.

As a result of all the above stated changes the depreciation charge for the year ended 31 March 2015 is higher by **Rs. 1,496 Lacs**.

30. Dues to Micro and Small Enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2015 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.

	31 March 2015 Rs. Lacs	31 March 2014 Rs. Lacs
Balance of trade payables		
- Principal amount due to micro and small enterprises	392	281
- Principal amount due to others	22,269	13,906
Interest accrued and dues as on		
- Interest on payments due to micro and small enterprises	6	6
- Interest on payments due to others	-	-
- Interest due and payable on amounts paid during the year to micro and small enterprises beyond the appointed date	-	-
Paid during the year		
Principal amount (including interest) paid to micro and small enterprises beyond the appointed date		
- Principal amount	-	-
- Interest thereon	-	-
Principal amount (excluding interest) paid to micro and small enterprises beyond the appointed date	-	-
Others		
Interest accrued in prior year and paid during the year	-	-
Interest accrued during the year and paid during the year	-	-

31. Employee benefits

(a) Gratuity and leave encashment

The employee's gratuity fund scheme, determined as post-employment benefit, is managed through Insurance Companies under a defined benefit plan. The present value of obligation is determined based on an actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for unfunded leave encashment determined as other long-term benefit plan is recognized in the same manner as gratuity.

Notes to the financial statements for the year ended 31 March 2015

The following tables sets out the status of the gratuity plans and leave encashment under AS 15 - Employee benefits.

I. Reconciliation of opening and closing balances of defined benefit obligation :

Rs. Lacs

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Defined benefit obligation at the beginning of the year	1,082	1,045	435	437
Current Service Cost	100	95	45	52
Interest Cost	99	81	37	30
Acquisitions Cost / (Credit)	9	5	4	–
Actuarial losses / (gains)	259	(65)	165	25
Benefits Paid	(37)	(79)	(67)	(109)
Defined Benefit obligation at the end of the year	1,512	1,082	619	435

II. Reconciliation of opening and closing balances of fair value of plan assets :

Rs. Lacs

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Fair value of plan assets at beginning of the year	1,049	812	–	–
Acquisition adjustment	–	5	–	–
Expected return on plan assets	84	71	–	–
Contributions	33	233	67	109
Actuarial gain/(loss)	92	7	–	–
Benefits settled	(37)	(79)	(67)	(109)
Fair value of plan assets at the end of year	1,221	1,049	–	–
Actual return on plan assets	176	78	–	–

III. Reconciliation of fair value of assets and obligations :

Rs. Lacs

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Net liability at the beginning of the year	(33)	(233)	(435)	(437)
Employer gains/(expense)	(282)	(33)	(247)	(107)
Contributions	33	233	67	109
Acquisitions/business combinations	(9)	–	(4)	–
Net liability at the end of the year	(291)	(33)	(619)	(435)

Notes to the financial statements for the year ended 31 March 2015

IV. Expense recognized during the year :

Rs. Lacs

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Current service cost	100	95	45	52
Interest cost	99	81	37	30
Expected return on plan assets	(84)	(71)	–	–
Actuarial losses/(gains)	167	(72)	165	25
Net gratuity/leave encashment expense	282	33	247	107

V. Actuarial assumptions :

Rs. Lacs

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Discount rate	7.80%	9.25%	7.80%	9.25%
Expected return on assets	8.00%	8.00%	–	–
Salary escalation	5.00%	5.00%	5.00%	5.00%
Mortality	Indian Assured Lives Mortality (IALM) (2006-08) ult. modified	Indian Assured Lives Mortality (2006-08) ult. modified	Indian Assured Lives Mortality (2006-08) ult.	Indian Assured Lives Mortality (2006-08) ult.

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

VI. Percentage of each category of plan assets to the fair value of plan assets as at 31 March 2015

The plan assets of the fund has been invested 100% (previous year 100%) with the schemes of insurance companies.

VII. Net asset/(liability) recognized in Balance Sheet (including experience adjustment impact)

Rs. Lacs

	Gratuity (Funded)					Leave Encashment (Unfunded)				
	31 March 2015	31 March 2014	31 March 2013	31 March 2012	31 March 2011	31 March 2015	31 March 2014	31 March 2013	31 March 2012	31 March 2011
Experience gain / (loss) adjustments on plan liabilities	(155)	(5)	(70)	(47)	(31)	(121)	(54)	(103)	(23)	(16)
Experience gain / (loss) adjustments on plan assets	92	7	48	(26)	(6)	–	–	–	–	–
Defined benefit obligation at end of the period	(1,512)	(1,082)	(1,045)	(744)	(626)	(619)	(435)	(437)	(300)	(253)
Plan assets at end of the period	1,221	1,049	812	617	502	–	–	–	–	–
Excess of obligation over plan assets	(291)	(33)	(233)	(127)	(124)	(619)	(435)	(437)	(300)	(253)

Best estimate of employer's expected contribution for the next year is **Rs. 291 Lacs** (31 March 2014 : Rs. 33 Lacs)

Notes to the financial statements for the year ended 31 March 2015

(b) **Provident Fund, Superannuation Fund and other defined contribution schemes :**

The company contributed **Rs. 785 Lacs** (31 March 2014 : Rs. 642 Lacs) to defined contribution scheme (Provident Fund, superannuation fund and others) during the year ended 31 March 2015.

32. Commitments and contingencies :

(A) **Commitments :**

Rs. Lacs

	31 March 2015	31 March 2014
i) Outstanding capital commitments for tangible assets	1,391	1,581
ii) Outstanding capital commitments for intangible assets	353	45

(B) **Contingent Liabilities :**

Rs. Lacs

	31 March 2015	31 March 2014
i) Disputed sales tax matters, excise matters, income tax matters and other matters contested in appeals. (These disputes mostly relate to arbitrary disallowances of claims of the Company under various state laws, which are under appeal. The management is of the view that these demands are not sustainable in law and is hopeful of succeeding in appeals.)	1,653	1,564
ii) Other claims against the Company not acknowledged as debts (#)	16	39
iii) Custom duty and interest obligation for advance licenses (*)	681	–

(#) The Company obtained a bank guarantee of Rs. 16 lacs in connection with the execution of a civil contract awarded by the State Health Department, Government (Govt.) of West Bengal. Following a dispute, the State Health Department, Govt. of West Bengal invoked the said Bank Guarantees whereupon the Company challenged such invocation by way of a writ petition before the Hon'ble Calcutta High Court. The Hon'ble High Court allowed an interim order of injunction dated 22 May 2003 restraining the State Health Department not to give any effect to the invocation of the guarantee till further order with the condition that the guarantee shall be renewed from time to time. The bank guarantee expired and has not been renewed since the case has been dismissed by the Hon'ble Calcutta High Court. The amount has been included in Claims against the Company not acknowledged as debts as at 31 March 2015 and 31 March 2014.

(*) Pursuant to direction from Directorate General of Foreign Trade (DGFT) dated 24 February 2010, the period for fulfilment of export obligations against 11 advance licenses was extended by 5 years with effect from 29 September 2009 which is remaining outstanding as at 31 March 2015. The Company has filed an application on 9 September 2014 before the 'Policy Interpretation Committee', DGFT to clarify the ambiguity regarding the date of fulfilment of export obligation. Simultaneously the Company has also applied before the 'Policy Relaxation Committee', DGFT, on 31 July 2014 for clubbing of the referred advance licenses. The Company expects a favourable order from DGFT.

Notes to the financial statements for the year ended 31 March 2015

33. Segment reporting- Information pursuant to Primary Business segment

Rs. Lacs

	Year ended 31 March 2015			
	Engineering	Home Appliances	Unallocated	Total
Revenue from Operations - external	23,629	102,521	–	126,150
	17,749	84,330	–	102,079
Other income - external	822	266	420	1,508
	130	361	326	817
Total revenue	24,451	102,787	420	127,658
	17,879	84,691	326	102,896
Segment results before finance cost	2,523	4,488	(910)	6,101
	972	2,952	(848)	3,076
Less : finance cost				174
				143
Profit before tax				5,927
				2,933
Segment assets	17,357	50,732	9,003	77,092
	14,867	40,367	8,887	64,121
Segment liabilities	4,988	29,568	3,839	38,395
	4,408	22,813	3,176	30,397
Other segment Information :				
Depreciationl amortisation	862	3,107	95	4,064
	781	1,357	121	2,259
Tangible capital expenditure	1,458	6,051	7	7,516
	2,140	3,343	21	5,504
Intangible capital expenditure	5	450	–	455
	13	1,330	2	1,345
Non cash expenditure other than depreciation/amortisation	24	60	6	90
	40	27	43	110

(figures for the previous year, 31 March 2014, have been shown below each item)

The Company is primarily engaged in business of home appliances and engineering components. Accordingly the Company considers the above business segment as the primary segment. Segment revenue, segment result, segment asset and segment liabilities include the respective amount identifiable to each of the segments as also amounts allocated on reasonable basis. The expenses, which are not directly relatable to the business segment, are shown as unallocable corporate cost and grouped as "Unallocated". Assets and liabilities that cannot be allocated between the segments are shown as unallocable corporate assets and liabilities and are grouped as "Unallocated".

There is no geographical segment identified by the Company.

Notes to the financial statements for the year ended 31 March 2015

34. Related party transactions

The Company has the following related parties in accordance with Accounting Standard 18 "Related Party Disclosures".

Investor Company :	IFB Automotive Private Limited.
Key Management Personnel (KMP) :	<p>Mr. Bijon Nag, <i>Executive Chairman</i></p> <p>Mr. Bikram Nag, <i>Joint Executive Chairman and Managing Director</i></p> <p>Mr. Sudam Maitra, <i>Deputy Managing Director</i></p> <p>Mr. Prabir Chatterjee, <i>Director and CFO</i></p> <p>Mr. Gautam Dasgupta, <i>Mentor</i></p> <p>Mr. A K Nag, <i>President</i></p> <p>Mr. Rajshankar Ray, <i>CEO, Home Appliances Division</i></p> <p>Mr. A.S. Negl, <i>National Service Head, Home Appliances Division</i></p> <p>Mr. Jayanta Chanda, <i>Service Accounts Head, Home Appliance Division</i></p> <p>Mr. Govindaraj Collegal, <i>Head, Goa factory</i></p> <p>Mr. Partha Sen, <i>CEO, Kolkata Engineering Factory</i></p> <p>Mr. K.R.Krishna Prasad, <i>CEO, Bangalore Engineering Factory</i></p> <p>Mr. B.M. Shetye, <i>Vice President, R&D, Home Appliances Division</i></p> <p>Mr. G. Ray Chowdhury, <i>Company Secretary</i></p> <p>Mr. Susanta Das, <i>Head of Personnel and Administration</i></p> <p>Mr. Uma Shankar Ghosh Dastidar, <i>Head - Taxation</i></p> <p>Mr. Arup Das, <i>Head Marketing , Engineering Division</i></p> <p>Mr. Diptanil Saha, <i>GM, Corporate Affairs</i></p> <p>Mr. Sukhdev Nag, <i>Regional Manager, Home Appliances Division, South</i></p> <p>Mr. T.R. Ramesh, <i>Regional Manager, Home Appliances Division, East</i></p> <p>Mr. Ranjan Mohan Mathur, <i>Regional Manager, North</i></p> <p>Mr. Soumitra Goswami, <i>DGM, Accounts and Finance</i></p> <p>Mr. Ashok Hazra, <i>AGM - Accounts, Bangalore Engineering Factory</i></p> <p>Mr. R. Anand, <i>Head, Motor Division</i></p>
Companies that have a member(s) of KMP in common :	IFB Agro Industries Limited, Travel Systems Limited, Thai Automotive and Appliances Limited, Global Automotive and Appliances Limited, IFB Global Limited.
Company over which a KMP is able to exercise significant Influence :	IFB Appliances Limited.

Notes to the financial statements for the year ended 31 March 2015

34(a) Transactions with related parties :

Rs. Lacs

		Investor Company		Companies that have a member(s) of KMP in common		Company over which a KMP is able to exercise significant influence		Key Management Personnel		Total	
		31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2015	31 March 2014
i)	Sales, service and other income	2,663	2,455	12	35	–	–	4	–	2,679	2,490
ii)	Purchases of raw materials	26	14	55	49	–	–	–	–	81	63
iii)	Purchase of duty entitlement pass book licence	–	–	83	101	–	–	–	–	83	101
iv)	Purchase of fixed assets	–	136	–	–	–	–	–	–	–	136
v)	Remuneration	–	–	–	–	–	–	956	983	956	983
vi)	Expenditures on other services	79	111	1,265	764	3,690	2661	1	–	5,035	3,536
vii)	Reimbursement of expenses	26	230	1	4	–	–	–	–	27	234
viii)	<u>Outstanding balances :</u>										
	Trade receivables	454	258	–	5	–	–	–	–	454	263
	Deposits given	50	50	168	168	–	–	1	2	219	220
	Advances given	54	46	30	22	–	–	4	7	88	75
	Trade payables	9	6	12	4	151	117	–	–	172	127
	Deposits taken	–	–	1	1	–	–	–	–	1	1

34(b) Disclosure in respect of material transactions / balances with Related Parties :

Rs. Lacs

		31 March 2015	31 March 2014
i)	Purchase of raw materials Thai Automotive and Appliances Limited	55	49
ii)	Purchase of duty entitlement pass book licence IFB Agro Industries Limited	83	101
iii)	Expenditure on other services Travel Systems Limited	1,091	749
iv)	Outstanding balances : Deposits given IFB Agro Industries Limited	168	168
v)	Outstanding balances: Advances given IFB Agro Industries Limited	29	22
vi)	Outstanding balances : Deposits taken IFB Agro Industries Limited	1	1

Notes to the financial statements for the year ended 31 March 2015

35 Other Information

Rs. Lacs

		31 March 2015	31 March 2014
a)	Value of imports on CIF basis :		
	Raw materials	11,556	7,150
	Stores and spares	1,001	956
	Capital goods	2,870	2,549
b)	Expenditure in foreicm currency (on accrual basis) on account of :		
	Foreign travel	217	102
	Professional fees	283	170
	Others	20	49
c)	Earnings in foreign currency (on accrual basis) on account of :		
	FOB value of exports	581	521

36. Imported and indigenous raw materials and stores and spares consumed :

	31 March 2015	31 March 2015	31 March 2014	31 March 2014
	% of total Consumption	Rs. Lacs	% of total Consumption	Rs. Lacs
Imported :				
Raw materials	27.75%	12,571	22.22%	7,948
Stores and spares	30.06%	1,715	24.74%	1,171
Indigenous				
Raw materials	72.25%	32,729	77.78%	27,825
Stores and spares	69.94%	3991	75.26%	3,562
Total				
Raw materials	100.00%	45,300	100.00%	35,773
Stores and spares (*)	100.00%	5,706	100.00%	4,733

(*) Includes consumption of spares as stated in Note 25 amounting to **Rs. 4,211 Lacs** (31 March 2014 : Rs. 3,820 Lacs) and cost of spares sold as stated in the Statement of Profit and Loss amounting to **Rs. 1,495 Lacs** (31 March 2014 : Rs. 913 Lacs).

Notes to the financial statements for the year ended 31 March 2015

37. Disclosure requirement for Derivatives Instruments

The Company uses foreign currency hedges to manage its risks associated with foreign currency fluctuations relating to certain existing foreign currency payables. The Company does not use derivative contracts for trading or speculative purposes.

The outstanding forward exchange contracts entered into by the company on account of :

	No. of Contracts	USD (Lacs)	Rs. (Lacs)	No. of Contracts	Euro (Lacs)	Rs. (Lacs)
Amount Payables						
31 March 2015	9	39	2,453	–	–	–
31 March 2014	13	42	2,546	5	4	355
Buyers credit						
31 March 2015	4	10	615	–	–	–
31 March 2014	10	29	1,727	3	4	367

The year end foreign currency exposures that have not been hedged are :

Particulars	USD	Rs	EURO	Rs	RMB	Rs	Total Rs
	Lacs	Lacs	Lacs	Lacs	Lacs	Lacs	Lacs
Amount Receivable							
31 March 2015	1	80	1	55	–	–	135
31 March 2014	1	58	1	54	–	–	112
Amount Payable							
31 March 2015	108	6,751	10	677	10	93	7,521
31 March 2014	51	3,084	6	497	6	64	3,645

38. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification.

For and on behalf of the Board of Directors of IFB Industries Limited

Joint Executive Chairman and Managing Director

Director

Director and Chief Financial Officer

Company Secretary

Kolkata

29 May 2015

Bikram Nag

Dr. Rathindra Nath Mitra

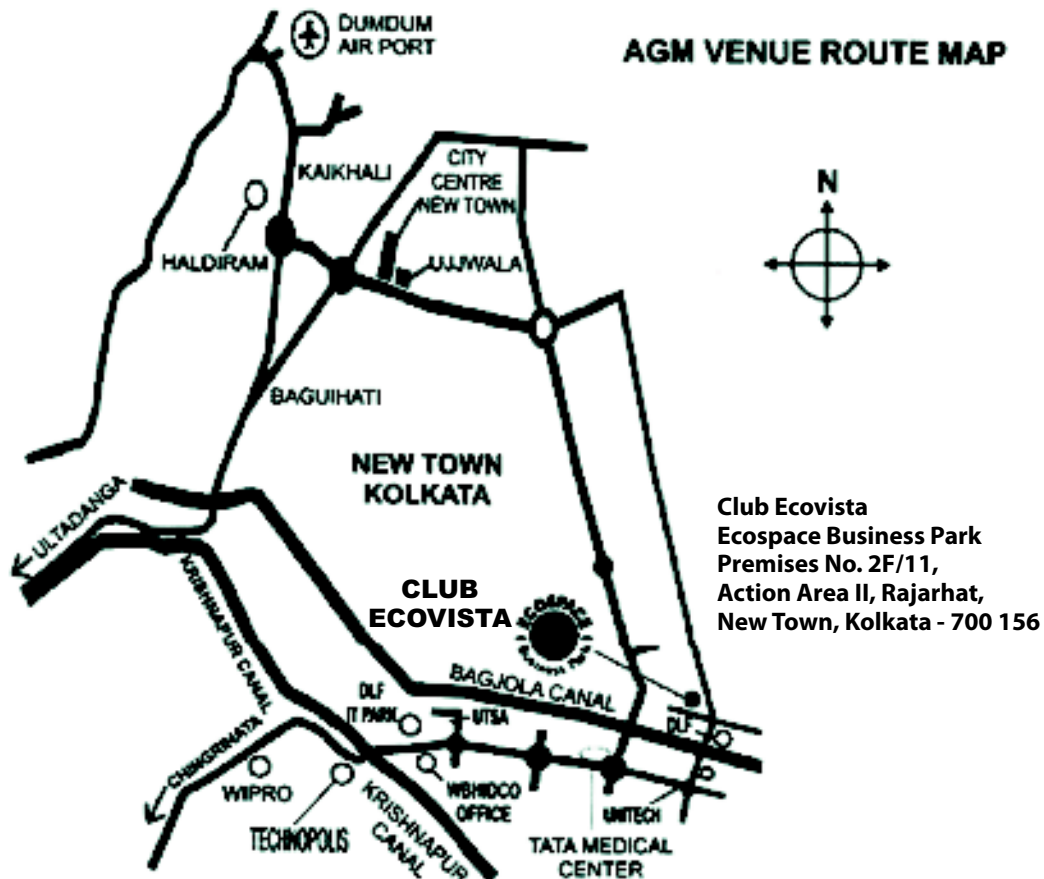
Prabir Chatterjee

G. Ray Chowdhury



NOTES

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Venue Address :

Club Ecovista, Ecospace Business Park
Premises No. 2F/11, Action Area II,
Rajarhat, New Town, Kolkata-700 156

Route from Saltlake :

Cross Technopolis, DLF, Home Town, Techno India College, Tata Memorial Hospital and before hitting Bengal Unitech, turn left, cross the flyover and reach Ecospace.

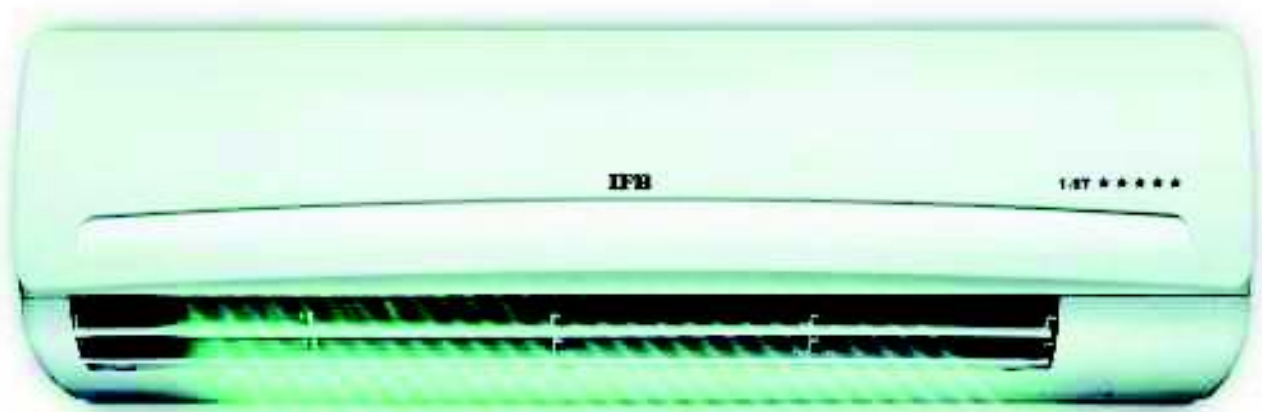
Route from Airport :

Cross Space Town residence flyover, cross New Town City Centre, go straight and turn left, go straight till Narkel Bagan and turn left, cross Techno India College, Tata Memorial Hospital and before hitting Bengal Unitech, turn left and cross the flyover and reach Ecospace.



NOTES

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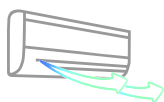


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IFB Air Conditioners with 5 FASTCOOL Technologies
Real COOL. Real FAST.



6 STAGE
FILTRATION



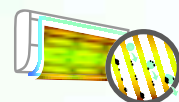
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COOLEST COOL



TITANIUM GOLD
EVAPORATOR FIN



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water jets for a
cleaner wash



BI-AXIAL ROTATION
360° wash for
clothes



Energises
water—better
detergent action

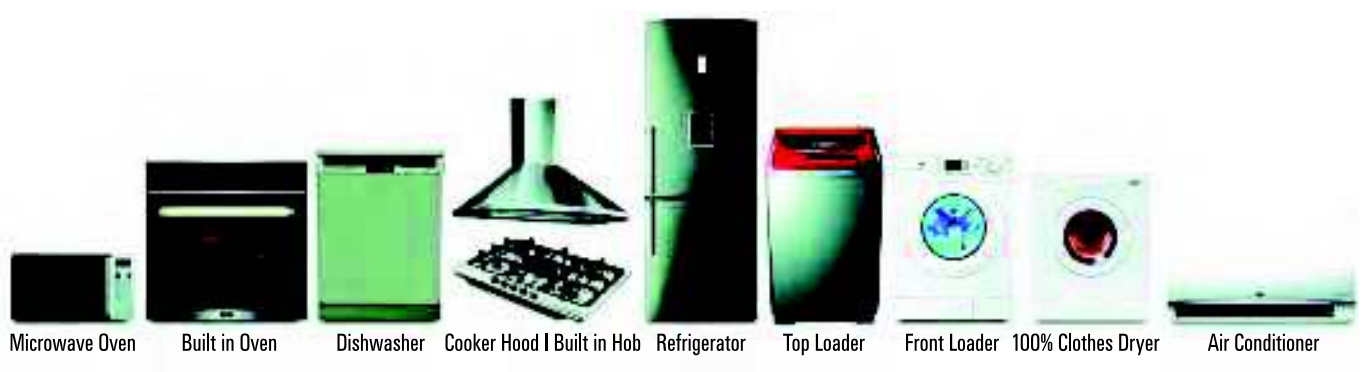


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Built in Oven

Dishwasher

Cooker Hood | Built in Hob

Refrigerator

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100% Clothes Dryer

Air Conditioner

If undelivered please return to

IFB

IFB Industries Limited

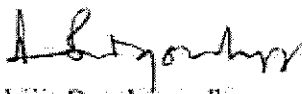
Plot No IND-5, Sector 1, East Kolkata Township, Kolkata 700107

FORM A


Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company	:	IFB Industries Limited
2.	Annual financial statements for the year ended	:	31 March 2015
3.	Type of Audit observation	:	Un-qualified
4.	Frequency of Observation	:	Not Applicable

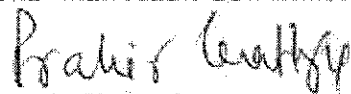
For Deloitte Haskins & Sells
Chartered Accountants


Abhijit Bandyopadhyay
Partner

For IFB Industries Limited


Bikram Nag
Joint Executive Chairman and Managing Director


Dr. Rathindra Nath Mitra
Chairman Audit Committee


Prabir Chatterjee
Director and Chief Financial Officer

Place: Kolkata

Date: 29 May 2015

