



# FOCUSED TO OUTPERFORM

Skipper Limited | Annual Report 2013-14

## Disclaimer

In this annual report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make, contain forward-looking statements that set out anticipated results based on the management’s plans and assumptions. We have tried wherever possible to identify such statements by using words such as ‘anticipates’, ‘estimates’, ‘expects’, ‘projects’, ‘intends’, ‘plans’, ‘believes’ and words of similar substance in connection with any discussions of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe that we have been prudent in our assumptions. The achievement of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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The country's infrastructure sector encountered a challenging 2013-14.

Order slowdown. Currency depreciation.  
Rising interest rates.

But, the report you are holding in your hand would not give a glimpse of the above factors.

Skipper Limited reported a 15.68% increase in revenues and a 43.80% rise in profit after tax in this difficult year.

**IT IS OUR FOCUS TO  
OUTPERFORM THAT DRIVES  
US TO GREATER SCALES OF  
SUCCESS.**





# SKIPPER FAST FACTS

- Incorporated : 1981
- Current Revenue : ₹ 1165 Crore in 2013-14
- Direct Employees : 1200+
- Order Book : Over ₹ 2000 Crore as of February 2014
- Major Products : Transmission Towers, PVC Pipes & Fittings, Distribution & Lighting Poles
- Finished Product Capacity : 5 lac MT per annum
- Plants : 3 Plants in Kolkata
- Winner of 'EEPC Star Exporter Award' for two consecutive years in 2010-11 and 2011-12
- Exports to over 20 countries

## Vision

To be a billion dollar company by 2020 that is focused on producing industrialized, market oriented and finished products and services, with an increasing affinity to customer-centricity.

## Mission

- To continue to add value-added products and services to its portfolio.
- To continue to focus on sectors of power and water as per contemporary global demands.
- To continue to tap newer geographies to add to the existing market.
- To ensure greater scale and technology, greater longevity of product, introduce more efficient technologies for a longer duration of existence.
- To reduce carbon footprints and evolve towards reduced consumption of hydrocarbons and non-conventional and renewable energy sources.

## Reach

- Skipper Limited was established by the Bansal family in the year 1981. The Company has expanded its capacities to handle more products for various downstream industries.
- The Company possesses three state-of-the-art manufacturing facilities - two at NH-6, Jalan Complex, Jangalpur, Howrah and a major one at NH-6, Uluberia, Howrah.
- The Company is one of the leading manufacturers for MS & GI pipes in eastern India.
- The Company exports products to 20 countries.

## Products and services

- Transmission Towers
- Fasteners
- PVC pipes & Fittings
- MS & GI pipes
- Scaffoldings
- Poles and Hi-mast Poles
- MS & HT Angles

## Certification and approvals

- ISO 9001: 2008
- ISO 14001: 2004 and OHSAS 18001: 2007
- Winner of “EEPC Star Exporter Award” for two consecutive years in 2010-11 and 2011-12
- CII Award for “Significant Improvement in Productivity”



**○ AMONG TOP 3  
MANUFACTURERS  
OF TRANSMISSION  
TOWERS IN INDIA**



**○ AMONG TOP 2 PVC  
PIPES & FITTINGS  
MANUFACTURERS IN  
EASTERN INDIA**

**○ AMONG THE PIONEERS  
IN TRANSMISSION  
& DISTRIBUTION  
MONOPOLES  
& HIGH MAST  
MANUFACTURING**

2013-14 WAS ONE OF THE MOST CHALLENGING YEARS FOR THE INDIAN ECONOMY.

IT WAS ONE OF OUR BEST YEARS.

Growth

Profit after tax growth  
**43.80%+**  
Over 2012-13

Revenue growth

**15.68%+**  
Over 2012-13

Cash profit growth

**19.05%+**  
Over 2012-13

EBIDTA growth

**29.59%+**  
Over 2012-13

EPS growth

**7.94%+**  
Over 2012-13

### Margins

EBIDTA margin in 2013-14

**10.79%+**

Net margin in 2013-14

**3.53%**

Interest cover in 2013-14

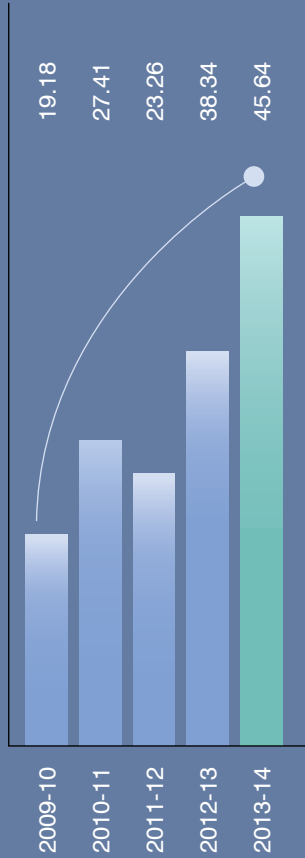
**1.86%**

ROCE in 2013-14

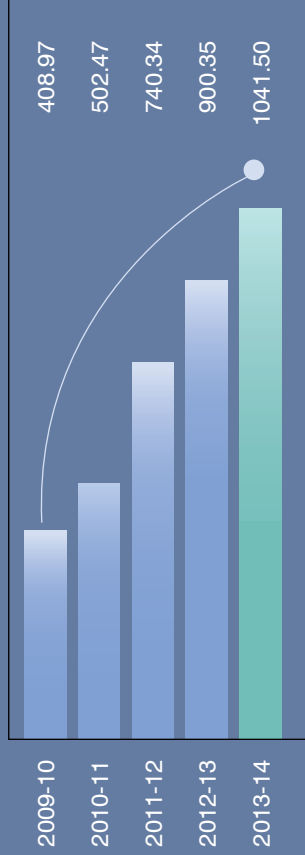
**15.41%**



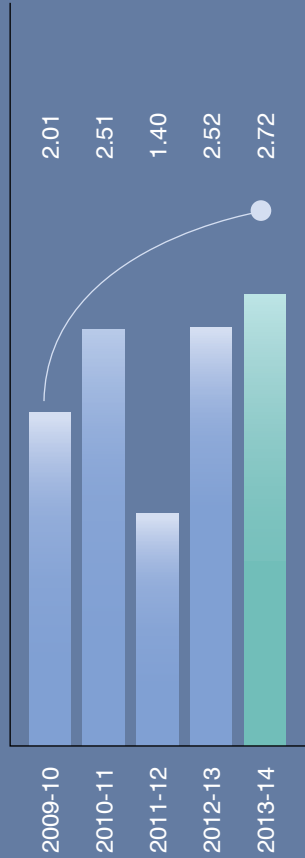
### Operating Cash Flow (₹ crore)



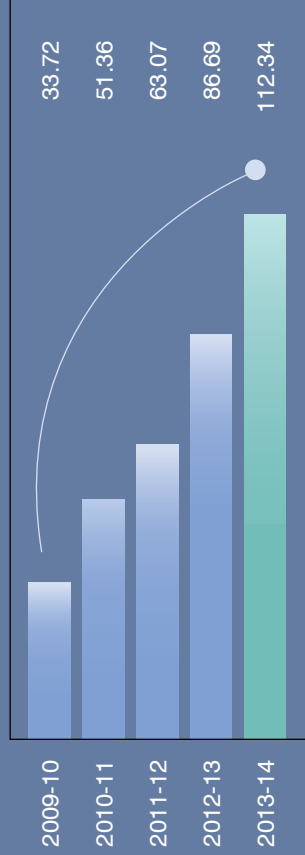
### Net sales (₹ crore)



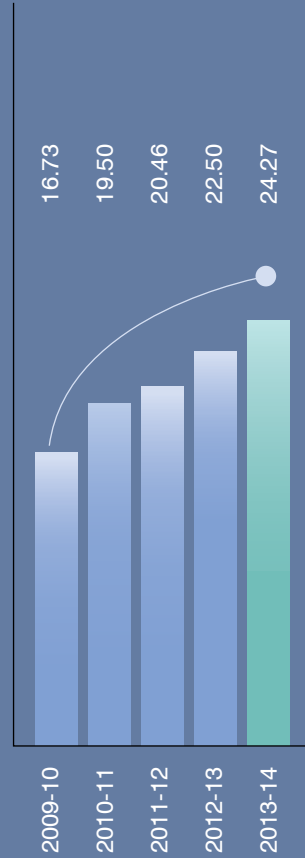
### Earning per share (₹)



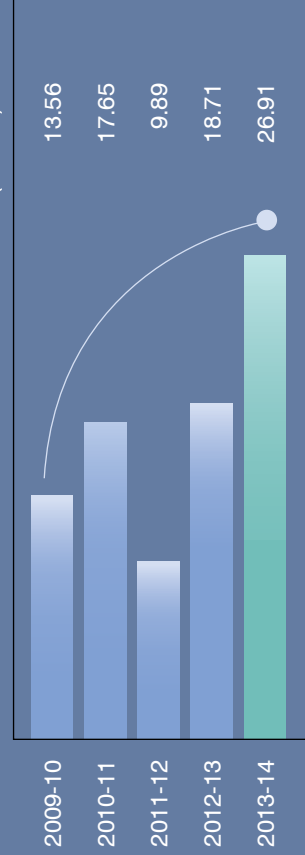
### EBIDTA (₹ crore)



### Book value per share (₹)



### Profit after tax (₹ crore)



## Managing Director's Review

**ONE'S ABILITY TO RESPOND TO CHALLENGES, DEFINES ONE'S CHARACTER, ATTITUDE AND APTITUDE.**

The financial year 2013-14 was one such year.



To  
The Shareholders,

Even as the industrial landscape was affected by a slowdown, political instability, rising interest rates, rising fiscal deficits and reforms paralysis, Skipper Limited reported performance that will go down in the record books. Our revenues grew 15.68% over the previous year and crossed ₹ 1041.50 crore; profit after tax increased 43.80% to ₹ 26.91 crore.

It gives me pleasure to announce that your management has recommended a dividend of ₹ 0.15 per equity share on a face value of ₹ 1/- per share for the year.

The performance of the Company during the last financial year was a testimony of all that we have believed in and the strong foundation that we have built the company upon. Our industrial customers as well as retail customers grew significantly, and we continue to invest large amounts in quality material and solutions that deliver high operating efficiencies.

The financial result demonstrated, proved the strength of our business model. During the last financial year our volumes increased substantially, the proportion of transmission tower in the sales mix was higher and our EBIDTA margin was an attractive 10.79%.

In view of this, we took a long-term perspective to come up with new products across our value-chain. Some of the new products we launched were SWR Pipes & Fittings, Mild Steel & High Tensile Fasteners and Accessories for Transmission Towers.

The financial result demonstrated, proved the strength of our business model. During the last financial year our volumes increased substantially, particularly in the high margin Transmission tower business and the company forged new strategic alliances with international customers. Our EBIDTA margin was an attractive 10.79%.

The company also entered into the Transmission line EPC business to offer a one-stop solution to its customers.

### Strengths

Skipper Limited, today, is attractively poised to grow. Some of the key competitive advantages are:

We are among the largest manufacturers of Transmission Towers in the world and among top 3 in India.

We are among the few in the industry to have invested in backward integration through Rolling Mills, which gives us control over our raw material availability and quality as well as horizontal integration by way of introducing Fasteners and Accessories for Towers.

Our plant locations in Eastern India give it a strategic advantage of the lowest cost availability of our core raw material - Steel and also easy access to ports for exports.

Our large and rapidly growing dealer network for Plastic Pipes & Fittings ensures that our products are always available for the consumer.

We also manufacture other high value added

products such as Swaged & Octagonal Poles, Hi-Mast Poles.

### Outlook

With a new robust government at the centre, India will look to recover the time and opportunities lost in Infrastructure sector in the past few years. T&D has been identified as a major bottle-neck area by the new government and huge investments are on the horizon with substantial private sector participation.

Powergrid Corporation of India (PGCIL) has an investment plan of 1 Lakh crore + for the 12th Five year plan upto 2017-18 and likewise Skipper, being one of the largest suppliers to PGCIL projects is poised to get a substantial portion of this business. Skipper currently has an order book of over 2000 Crore from our domestic and international customers and has clear business visibility beyond the same.

We are also one of the few companies to operate in the branded tubes category in India and the company plans to invest and expand capacity in our fast growing Plastic Tubes business to cater to the huge Water distribution sector.

Before I conclude, I would like to thank all our team members for their unstinted support and commitment during the challenging period. I would also like to thank my fellow Board members for their unconditional support. I extend my gratitude to our customers, suppliers and other stakeholders for their continued engagement. We remain committed to stakeholder value creation and will live up to the trust reposed on us.

Thank You,

**Sajan Kumar Bansal**  
Managing Director

# QUALITATIVE OUTPERFORMANCE





In a business where we manufacture products that support the underlying infrastructure operations of our customers, we ensure that there is no compromise on quality.

At Skipper, quality is defined as an ability to manufacture products that not only meet international standards but also meet customer requirements.

We have developed this ability through progressive investments in quality-enhancing facilities, testing equipments and state-of-the-art technology. Besides, our processes and products are benchmarked to international standards and certifications:

#### List of certifications

- IS 12818, IS 13592, IS 14735, IS 4985, IS 10124, IS 14182, IS 802 Part II 1978, IS 2062-2006 (E250A), IS 1852, IS 2062-2006 (E350A), IS 1852, IS 2629, IS 2633, IS 4749, IS 1367, IS 12427 Grade 5.6 & 8.8
- ASTM-D 1785, CEI IEC 60826, BSEN 10025-1/2, BSEN 10056-1/2 (S275JR/JO), ASTM A36/A 36M, BSEN 10025-1/2, BSEN 10056-1/2 (S355JR/JO), ASTM A 572 ( Grade 42 Y.S 290), Grade 50 Y.S 345), BS 729, BSEN ISO 1461, ASTM A-123, ASTM A-153, ISO-4759-3, BS 4190, ASTM A394, DIN-555, DIN-7990, DIN-931

The Company's products have also been approved by some of the renowned customers like Power Grid Corporation of India Limited, Tata Projects Limited], EMC Limited, Shyama Power India Ltd., Rajasthan Rajya Vidyut Prasaran Nigam Limited, Abir Infrastructure Pvt. Limited, West Bengal State Electricity, CESC, Tata Steels Ltd., Angelique International Ltd. and Nepal Electricity Authority among others.

The result of this high standard of quality compliance is visible in the absence of customer complaints for our value-chain of products.

# DELIVERABLE OUTPERFORMANCE





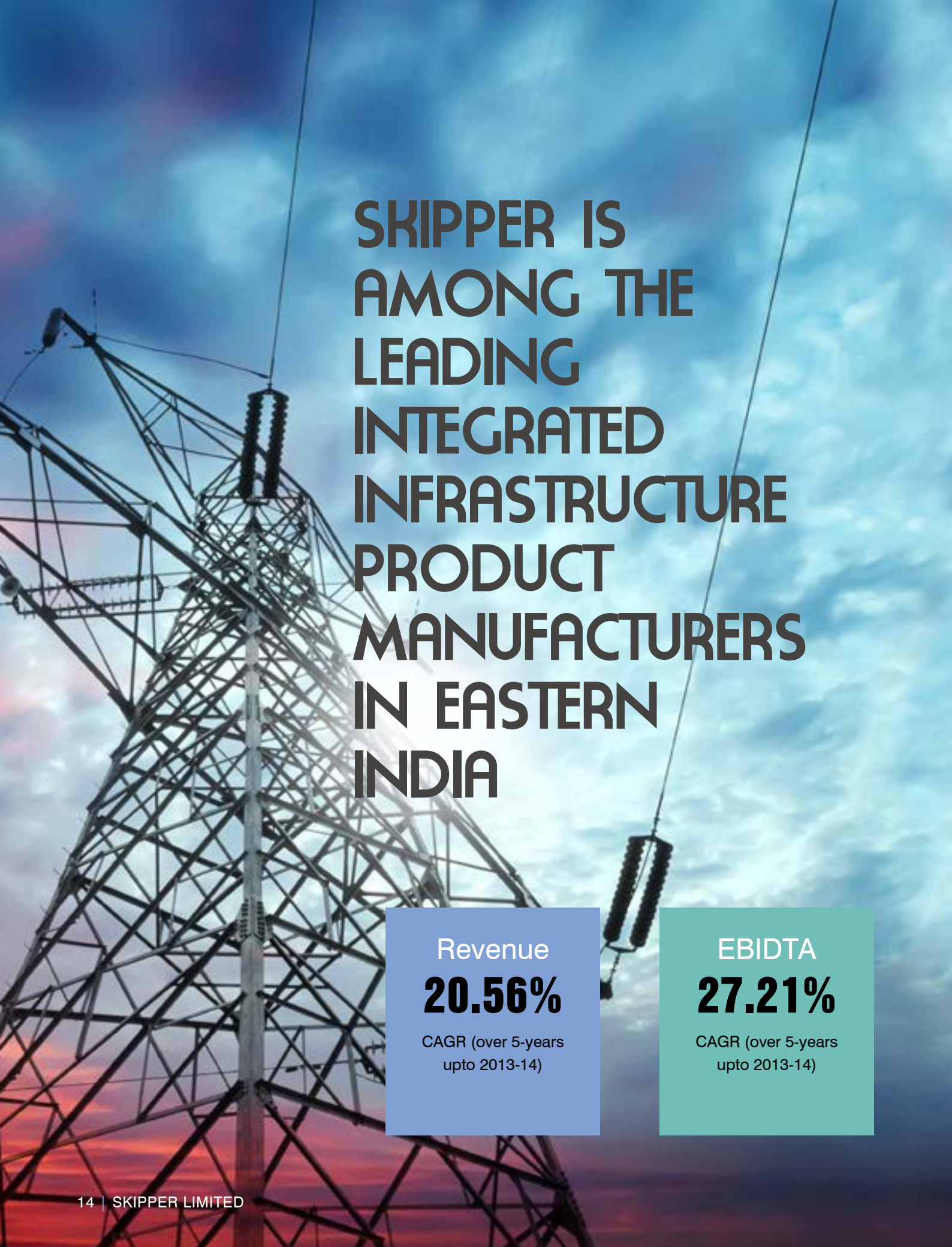
In our business it is critical to provide products to our customers on time. We, at Skipper, make this possible through two simple words - Innovation and speed.

This is because of few simple reasons: It is our ability to provide products on time which influences the speed with which the downstream and retail customers operate. Our inability to make products available on-time could result in loss of our customers or deterioration of our brand.

Over the years, we have showcased our dependability through:

- Helping clients meet their project commissioning on schedule by delivering products when it is required the most
- We manufacture products of wide range across our portfolio, which makes us the most preferred choice compared to other manufacturers

The result of this ability to combine speed and timeliness contributed to a high proportion of revenues derived through engagements with existing customers and also helped in the development of new ones.



# SKIPPER IS AMONG THE LEADING INTEGRATED INFRASTRUCTURE PRODUCT MANUFACTURERS IN EASTERN INDIA

Revenue

**20.56%**

CAGR (over 5-years  
upto 2013-14)

EBIDTA

**27.21%**

CAGR (over 5-years  
upto 2013-14)



## Experience

Skipper possesses more than three decades of rich experience in the manufacture of tubes, MS & GI pipes, towers, poles and more. The Company enjoys a track record of having manufactured diverse range of products. The Company possesses adequate industry experience and talented manpower which is reflected in an ability to customise products and solutions for demanding customers.

## Scale of operation

Skipper is among few manufacturers in the country to manufacture diverse products encompassing a large part of the market share.

## Integration

Skipper's manufacturing facilities at Uluberia enjoy state-of-the-art manufacturing facilities which are integrated, contributing to lower cost of production.

## Range

Skipper has the ability to manufacture an extensive range of tubes, pipes, towers and hot rolled products.

## Quality

Skipper's products are a result of several tests based on international standards and customer specifications at its facilities.

## Financial

Skipper strengthened its EBIDTA margin from 8.24% in 2009-10 to 10.79% in 2013-14. Gearing was comfortably low with an attractive interest cover of 1.86 in 2013-14.

## Product mix

Skipper's product mix is weighted towards complex value-added products, which are relatively insulated from competition.

Profit  
after tax

**14.68%**

CAGR (over 5-years  
upto 2013-14)

Operating  
cash flow

**18.93%**

CAGR (over 5-years  
upto 2013-14)

Networth

**16.25%**

CAGR (over 5-years  
upto 2013-14)

# OUR BRAND

Over the years, our products have reposed the trust of our customers. Our brand stands for strength, trust and quality. These brand qualities are represented by our brand ambassador, Navjot Singh Sidhu - an acclaimed cricketer, politician and television host.



Angles



Fasteners



Iron and Steel Pipes



PVC Pipes & Fittings



Tower



Pole



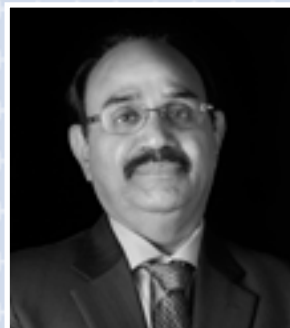
Solar Structure

# BOARD OF DIRECTORS



**Sadharam Bansal**  
*Chairman Emeritus*

With more than 50 years of industry experience, he is responsible for concerting the Bansal Group during the early 70's, from a small trading house to a large manufacturing conglomerate. He continues to inspire the young brigade to dream big and take the businesses to newer heights.



**Sajan Kumar Bansal**  
*Managing Director*

He is the driving force behind the company's exponential growth since the beginning of the new millennium. Under his visionary leadership, the company has grown from a single product manufacturer to multi unit, multi product manufacturing ranging from steel to plastics.

## Promoter Directors



**Sharan Bansal**  
*Director*

A Mechanical Engineering Graduate, he heads the Transmission Tower manufacturing and EPC business of the company. He's taken the company to a leadership position in the T&D Industry.



**Devesh Bansal**  
*Director*

With a Masters in International Business Degree under his belt, he heads the Tubes and Tubular Product divisions of the company. He pioneered the production of Monopoles and is also responsible for the group's upstream expansions.



**Siddharth Bansal**  
*Director*

After completing his education in Entrepreneurship from University of Illinois, USA, he spearheaded the company's first diversification into non-steel products. Siddharth Bansal is responsible for the fast-growing PVC Pipe manufacturing divisions.



**Amit Kiran Deb**  
*IAS (Retd) Chairman*

He has held several responsible and important portfolios in the WB State Government such as Home, C&I (Cultural & Information), Tourism and Industry before finally retiring as Chief Secretary and Tourism Secretary. He has had close interactions with prominent industrial houses in West Bengal as well as in India and has profound knowledge and experience with different types of industries.



**Manindra Nath Banerjee**  
*IAS (Retd)*

In his long spanning service career, he has served as Managing Director as well as Chairman of more than 10 State Government undertakings. He has also worked in Durgapur Steel Plant on deputation from State Government.



**Shyam Bahadur Singh**  
*Ex MD, SAIL*

Joining Steel Authority of India Ltd as a Graduate Engineer in 1959, he rose to become Managing Director of Durgapur Steel Plant and a director on the Board of SAIL in 1993, finally retiring from that position in 2001. Widely traveled, he is associated with several reputed Business houses.

## Independent Directors

# AWARDS & ACCOLADES



# STATUTORY & FINANCIAL SECTIONS

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# DIRECTORS' REPORT

To  
The Members of Skipper Limited

Your Directors have pleasure in presenting the 33rd Annual Report of your Company together with the Audited Statement of Accounts for the year ended 31st March, 2014.

## FINANCIAL RESULTS

(₹ in Crore)

Particulars	Financial Year	
	2013-14	2012-13
Gross Income	1167.29	1015.15
Net Income	1043.63	901.76
Profit before Finance Cost, Depreciation, and Taxation	112.34	86.69
Less: Finance Cost	60.55	46.36
Profit Before Depreciation and Taxation	51.79	40.33
Less: Depreciation (net of transfer from Revaluation Reserve)	15.08	12.57
Profit Before Taxation	36.71	27.76
Less: Provision for Current Tax/Tax for earlier years/Deferred Tax//Wealth Tax	9.80	9.05
Profit After Taxation	26.91	18.71
Add: Balance brought forward from previous year	70.14	54.06
Profit available for appropriation	97.05	72.77
Appropriation:		
Transfer to General Reserve	2.00	1.50
Dividend	1.53	0.97
Corporate Tax on Dividend	0.27	0.16
Balance Carried Forward	93.25	70.14



## FINANCIAL PERFORMANCE REVIEW

### SALES ACHIEVEMENTS

The total gross income of your Company increased to ₹ 1167.29 Crores from ₹ 1015.15 Crores in the previous year achieving a growth of over 15% on year to year basis.

### PROFITABILITY

The Company has registered operational growth as evidenced by the fact that it has achieved EBIDTA of ₹ 112.34 Crore this year which is 29.59% higher than the EBIDTA of the previous year. At the same time Profit before taxation has also increased to ₹ 36.71 Crores from ₹ 27.76 Crores in the previous year showing an increase of 32%. Similarly, the Profit after taxation has also increased to ₹ 26.91 Crores from ₹ 18.71 Crores in the previous year registering a growth of 44 %.

### DIVIDEND

Your directors recommend for consideration of the shareholders at the Annual General Meeting, payment of dividend for the financial year ended 31st March, 2014 of ₹ 0.15 per equity share of ₹1 each. Total dividend pay out for the year will amount to ₹ 1.53 Crores (excluding Dividend Tax)

Your directors have made this recommendation after careful consideration of your Company's performance and its reserves and an assessment of fund requirement of the Company.

### BUSINESS OPERATIONS

Your Company has registered a fantastic growth in the Tower division and PVC division while other divisions have showed improvement in their contribution to the overall growth of the Company. The increase in production volume has resulted in increase in utilisation of production capacity. During the year the Company has made a backward integration by setting up a plant for production of Nut and Bolt which will be utilised towards in house consumption for production of Towers as well as sell to outside markets. The company's focus is always on the improvement in capacity utilisation as well as on increasing the

efficiency. During the year under review the Company has exported its products to Bangladesh, Indonesia, Zambia, Qatar and other middle east countries.

### CURRENT YEAR'S OUTLOOK

The products of the Company like transmission towers, PVC pipes are used in the infrastructure sector. The Government is undertaking proactive policy initiatives for infrastructure development and Industrial Growth, which will accelerate demand for our products in line with economic growth. With the increasing demand for the products of the Company in the global market export performance of the Company is expected to increase sizably.

### FUTURE PLANS OF EXPANSION

Your company is in continuous process of making expansion considering the business needs and feasibility of the same. The efforts are being made to explore the opportunities in global market and an inflow of orders is most likely.

### DIRECTORS

Mr. Devesh Bansal and Mr Shyam Bahadur Singh retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment. The Board recommended their reappointment.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under section 217 (2AA) of the Companies Act, 1956, and based on the representations received from the operating Management, The Board of Directors of the Company hereby state and confirm that :

- i. in the preparation of the Annual Accounts for the year ended 31st March, 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. the directors have selected such accounting policies as mentioned in note 1 to the Accounts 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 as at 31st March, 2014 and of the profit or loss of the Company for the year ended on that day;

- iii. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- iv. The annual accounts for the year ended 31st March, 2014 have been prepared on a “going concern” basis.

#### PARTICULARS OF EMPLOYEES AND OTHER STATUTORY INFORMATION

The information on particulars of employees under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 (as amended) for the financial year ended 31st March, 2014 are given below :-

Name of Employee & (Age)	Sajan Kumar Bansal (55 Years)	Sharan Bansal (34 years)	Devesh Bansal (31 years)
Designation/ Nature of duties	Managing Director	Whole Time Director	Whole Time Director
Gross Remuneration (Rs.)	11,00,000/- per annum	630000/- per annum	630000/- per annum
Qualification	B. Com	M S Engg	B.Com, Master in International Business
Experience in years	30 years	12 years	12 years
Date of Commencement of Employment	26.10.1984	02.04.2002	05.04.2002
Particulars of Last Employment	First Employment	First Employment	First Employment

Note: The employment is contractual for a period of three years

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

Disclosure of particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the Financial Year Ended 31st March, 2014:-

#### CONSERVATION OF ENERGY

- (1) The technical department of the Company monitors the energy consumption and it takes due care in proper utilisation of the energy.
- (2) The regular maintenance of Plant & Machinery, installation of Automated Machines and watchful supervision results in reduction in energy consumption.

Total energy consumption and energy consumption per unit of production:

**[A] POWER AND FUEL CONSUMPTION**

<b>Sl.No.</b>	<b>Particulars</b>	<b>2013-14</b>
1	a) Electricity	
	Unit	21674362
	Total Amount (in Rs.)	162557560
	Rate / Unit (Rs.)	7.50
	b) Own generation	
	(i) Through Diesel generator Unit	132140
	Total Amount (in Rs.)	2280702
	Rate / Unit (Rs.)	17.26
2	Coal	
	Quantity (KG)	20714690
	Total Amount	160101038
	Rate / Unit (Rs.)	7.73
3	Furnace Oil	
	Quantity (liter)	4309881
	Total Amount	191769756
	Rate / Unit (Rs.)	44.50
4	Others	
	Quantity	N.A.
	Total Amount	N.A.
	Rate / Unit (Rs.)	N.A.

**[B] Consumption of Electricity per unit of production**

<b>Particulars</b>	<b>No. of Units 2013-14</b>
MS Pipe / Pole (Per M.T.)	99
Structural Fabrication (Per M.T.)	46
PVC Pipes (Per M.T.)	461
Hot Rolled Products (Per M.T.)	85

## TECHNOLOGY ABSORPTION

### A) Research & Development (R&D)

#### 1. Specific areas in which R & D carried out by the Company:

- (i) Increasing Capacity Utilisation
- (ii) Improvement in product quality and performance.
- (iii) Market for Export as well as domestic.

#### 2. Benefits derived as a result of the above R & D

- (i) Improvement in production

(ii) Improvement in product quality, productivity and performance.

(iii) Expansion of business in new areas geographically both domestic and globally.

3. Future Plan of action – continued efforts in areas of Cost reduction, Capacity Building improvement of productivity, quality, performance and geographical Diversification.

4. Expenditure on R & D – No major Expenses has been incurred on R & D

### B) Technology Absorption, Adaptation and innovation:

Sl. No.	Particulars	Absorption year	Status of implementation
1	CNC MACHINE	2014	Commissioned
2	PULLER & TENSIONER	2014	Commissioned
3	TOOLS AND TACKLES	2014	Commissioned
4	CNC MACHINE	2013	Commissioned
5	PLASMA MACHINE	2012	Commissioned
6	CNC MACHINES	2012	Commissioned
7	PULLER & TENSIONER	2012	Commissioned
8	DRILLING MACHINE	2011	Commissioned
9	CNC MACHINES	2011	Commissioned
10	HYDRAULIC SWING BEAM SHEAR MODEL & MOTORIZED FLAT TRUCK	2011	Commissioned
11	GODDENG MAKE DRILLING MACHINE	2011	Commissioned
12	CNC ANGLE LINE MACHINE	2011	Commissioned
13	CNC MACHINE, CNC HYDRAULIC PUNCHING & MARKING MACHINE, CNC STEEL PLATE PUNCHING, CNC ANGLE STEEL PLATING	2010	Commissioned
14	HYDRAULIC SWING BEAM SHEARING MACH	2010	Commissioned
15	PRESS BRAKE UP & BOTTOM TOOL	2010	Commissioned
16	HIGHMAST POLE MACHINE PRESS BRAKE & SUT WELDING MACHINE	2009	Commissioned
17	CNC ANGLE & PLATE MACHINE & DRILLING STATION	2008	Commissioned

C) Foreign Exchange earning /  
outgo Foreign Exchange Earned:

	<i>Amount in ₹</i>
Foreign Exchange earned	252,409,206
Foreign Exchange Outgo	17,400,948
C.I.F. Value of Imports	674,905,329

Disclosure as per the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011,

Based on the information received from the Promoters and as required under Clause 10(1) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, persons constituting "Group" as defined in the Monopolies and Restrictive Trade Practices Act, 1969, for the purpose of Regulation 10 :

Mr. Sadhuram Bansal, Mr. Sajan Kumar Bansal, Mr. Sharan Bansal, Mr. Devesh Bansal, Mr. Siddharth Bansal, Mrs. Ram Murti Bansal, Mrs. Meera Bansal, Mrs. Sumedha Bansal, Mrs. Rashmi Bansal, Mrs. Shruti M Bansal, Skipper Realities Limited, Sadhuram Jhajjarwala (HUF), Sajan Kumar Bansal & Sons (HUF), Skipper Telelink Limited, Skipper Plastics Limited and Ventex Trade Private Limited.

#### PUBLIC DEPOSITS

Your Company has not accepted any deposits from public under section 58A of the Companies Act, 1956 during the financial year under report.

#### AUDITORS

M/s. Patanjali & Co., Chartered Accountants, the Statutory Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting. They have expressed their unwillingness to be reappointed. Your directors place on record the invaluable services rendered by them during their tenure as auditors of the Company. In view of their unwillingness, the Board of Directors propose M/s. Singhi & Company, Chartered Accountants, who have agreed for appointment and have confirmed that their appointment, if made, would be within the limits prescribed under the Companies Act, 2013. Your

Directors recommend their appointment for ensuing year.

The Auditors' Report is self-explanatory and does not require any further clarifications.

#### COST AUDITORS:

In accordance with the Order dated 30th June, 2011 issued by Ministry of Corporate Affairs pursuant to Section 233B, of the Companies Act, 1956, Your Company is required to get its Cost accounting records audited by a Cost Auditor and has accordingly appointed M/s AB & Co. Cost Accountants for this purpose for financial year 2013-14.

The Board at its meeting held on 30th April, 2014 has reappointed existing Cost Auditors M/s AB & Company, Cost Accountants, to conduct the audit of the cost accounting records for the financial year 2014-15 on a remuneration of ₹ 60000/- plus service tax as applicable and reimbursement of out of pocket expenses. The said remuneration is subject to the ratification of the Members in terms of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies ( Audit and Auditors ) Rules, 2014 . The payment of remuneration to M/s AB & Co. approved by the Board is accordingly placed for your ratification.

#### LISTING INFORMATION

Your directors have pleasure to inform you that Equity Shares of your Company have been listed with BSE Limited with effect from 18th July, 2014.

The Equity Shares of the Company are in dematerialized form and are listed at the Calcutta Stock Exchange Ltd. and the U P Stock Exchange Ltd. The ISIN No. of the company is INE439E01022.

#### CORPORATE GOVERNANCE

Your directors affirm their commitment to Corporate Governance Code prescribed by the Securities Exchange Board of India (SEBI). This Annual Report contains a detailed Corporate Governance Report as per requirement of Clause 49 of the Listing Agreement with the Stock Exchanges.

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

Management Discussion and Analysis Report as required by Clause 49 of the Listing Agreement with the Stock Exchanges for the year under review is given as a separate statement.

## CEO/CFO CERTIFICATION

As required by Clause 49 of the Listing Agreement, the CEO/CFO certification has been submitted to the Board.

## COMPLIANCE CERTIFICATE FOR CORPORATE GOVERNANCE

A certificate from the auditors of the Company confirming compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is contained elsewhere in the Annual Report.

## CORPORATE SOCIAL RESPONSIBILITY

The company is holding ISO 18001 and ISO 14001 Certification for Health and Safety Standards and Environment Management Standards. The Company has taken sufficient measures to ensure safety of the personnel, equipments and the environment. Proper working environment is provided to the work force. Adequate measures have been taken for removal of Wastes. To ensure safety and health of the work force the company has maintained medical facilities at the Units and also provided safety cloths, Helmets and Hand Gloves to the employees. The company keeps a close watch on the safety and security of the workforce as well as environmental issues. The Company has issued necessary guidelines to the

work force in order to educate them to ensure their safety.

Your company is committed to the welfare of Society. During the year under review the Company provided medicines to the Charitable Dispensary on regular basis, organised eye check up camp for the poor people residing in villages. The Company is carrying out its Corporate Social Responsibility through contribution to Skipper Foundation, which carries on various activities for the welfare of society. The Company arranged for renovation of schools, contributed for Gramin Mela organised by villagers and contributed to other charitable organisations and for other social cause..

## HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company appreciates the contribution of the employees to its growth. The Company has never faced any labour problem since its inception. This is all possible due to harmonious relation maintained by the Company with its workforce. They are motivated by giving rewards to the talented employees paving the way for others to follow. The company has a team of experienced and competitive professionals.

## ACKNOWLEDGEMENT

Your directors appreciate the assistance and support received from the Banks, Government Authorities, Customers, suppliers, business associates, shareholders and Central and State Government and the society as a whole. Your directors also wish to place on record their appreciation for devotions and committed services by the executives, staff and workers of the Company.

Place: Kolkata

Date: 30th day of July, 2014

For and on behalf of the Board of Directors

Sajan Kumar Bansal  
Managing Director

Sharan Bansal  
Director

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(forming part of the Report of the Directors for the year ended  
31st March, 2014)

## INDUSTRY STRUCTURE AND DEVELOPMENTS

Global economy having slowed down further from 3.2% in 2012 to 3.0% in 2013, Indian economy has also registered a downfall in GDP having growth of 4.7% in GDP during the financial year 2013-14 as compared to 5.5% in the previous year. Although overall growth has been slowed down, the demand for transmission tower, the core product of the Company is rapidly increasing. Other products of the Company viz Poles Scaffoldings PVC Pipes, SWR Pipes pertain to infrastructure sector and the growth in all of these products is expected in future.

## OPPORTUNITIES AND THREATS

The products of our Company are used in Infrastructure Sector and various initiatives taken by the Government for growth in infrastructure sector the companies like ours is hopeful of doing better and better contribution to the Infrastructure.

Indian economy continued to be under global pressure which has the impact on working of the domestic industries as well. The Company is adopting suitable measures to face the threats posed by the diminution in value of rupee.

## SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

### Engineering Product Segment

The segment consists of:

1. Black pipes and GI pipes
2. Tubular poles & Scaffoldings
3. Transmission Towers
4. Hot rolled Product
5. Nuts & Bolts

The performance of this segment has improved as is

evidenced from the improvement in the Net turnover of this segment which increased from ₹ 835.04 Crores in 2012-2013 to ₹ 955.38 crores in 2013-2014 showing a growth of around 15%. The profit of this segment has increased from ₹ 60.56 Crores in 2012-13 to ₹ 90.36 Crores in the year under review, showing a remarkable growth of more than 49%.

## INFRASTRUCTURE PROJECTS SEGMENT

This segment consists of Tower erection services and trenchless drilling services. The turnover of the segment is 27.54 Crores as compared to ₹ 17.23 Crores in 2012-13. Profit from this segment has also increased from ₹ 4.95 Crore in 2012-13 to ₹ 10.73 Crores in 2013-14 showing a remarkable growth both in turnover and profit.

## PVC PRODUCTS

The revenue from this segment has increased from ₹ 48.07 Crores in 2012-13 to ₹ 59.12 Crores in 2013-14. At the same time profit has also increased from ₹ 5.18 Crores in 2012-13 to ₹ 5.96 Crores in 2013-14.

## OUTLOOK

In an attempt to reduce cost further the company has set up Nut & Bolts manufacturing facilities at its Uluberia unit. The effect of this backward integration will be seen in the current year. The Hot rolled products of the Company are being used in house for producing the ultimate products as well these are sold in the market. The Company has made expansion of PVC division and is making extraordinary efforts for expanding the market for its pvc products. The Company is planning to make further expansion in the existing line of business.

## RISK AND CONCERNS

Your Company is having a comprehensive risk management policy which comprises the identification of risk, nature of risk internal or external, assessment of risk and ways to mitigate the risk. The Company keeps watch on internal as well as external risk

Although internal risks are always controllable but external risk are not within the control of the company. The Company makes an analysis of all kinds of risks and puts stress on external risks in particular.

### Business Risk

The business risk mainly relates to the facing competition from other players in the market. The company strategies are framed in such a way that the effect of competition does not pose any major negative impact on the company's business. To enhance the level of domination over the market every effort is made to provide the quality products at right prices. Backward integration of products is the step taken by the Company to dominate the market in competition with others.

### Perception Risk

Although the Company's products are mainly used in the infrastructure sector, the company is at many time considered as belonging to Iron & Steel sector. The Company is producing both Iron & Steel and PVC products and providing the services in the area of HDD & EPC which are mainly used for infrastructure development.

### Financial Risk

Increase in Cost of raw materials and other allied costs including forex losses the financial risk is always there with the Company. Bulk procurement and import of raw materials is done to combat the financial risk due to increase of Cost of Raw materials. However, right action at the right time helps in controlling the cost factor and the financial risk. Suitable measures like forward cover etc are taken to mitigate the forex losses.

### Interest rate risk

The Company has taken finance from various bankers

and increase in rate of interest is one of the major factors posing risk to the Company. The Continuous effort is made in obtaining finance at the cheapest rate as well as tactful utilisation of finance is done to negate the impact of this risk.

### Liquidity risk

The liquidity risk is faced by the Company at times when the inflow of funds is slowed down due to overall slowing down of the market. Bankers of the Company are very co-operative and better relation with them is to a great extent reducing the implication of liquidity risks. Although management expects this kind of co-operation from the bankers, but things may go otherwise too for which the Management is very much concerned.

### Market risk

The Company is supplier in both domestic and international market. Although there is market risk due to cut throat competition in the market. However better quality at competitive price mitigates the market risk to a great extent. Also the continuous efforts to expand the market for the products are being done and proper strategies are applied to combat market risk.

### Exchange Fluctuation risk

The risk of Foreign exchange fluctuation can impact the Company as the Company is engaged in procuring various materials and machines from the overseas as well as the Company exports its products to foreign countries. This is matter of great concern for the Company.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has three manufacturing units producing various kinds of products like M S Pipes, GI Pipe, Poles, Scaffoldings, Angle, Channel, H R Strips, High mast Poles, Towers, Nuts and Bolts PVC pipes etc. requiring a high level of internal control which in the opinion of the Management is commensurate with the size and nature of the business of the Company. The Management of the Company make a review of



the whole system through the internal audit and other suitably designed policies .

#### DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATION PERFORMANCE

During the financial year, the Net turnover of the Company increased from ₹ 900.35 Crores in 2012-13 to ₹ 1041.51 Crores in 2013-14 showing an increase of more than 15 percent. The profit before tax has increased substantially from ₹ 27.76 Crores in 2012-13 to ₹ 36.71 Crores in 2013-14.

#### MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT INCLUDING NUMBER OF PEOPLE EMPLOYED

Presently the Company has approximately strength of 1250 employees Which comprises high quality professionals from finance, engineering, technical, marketing and legal fields. Management always maintains a harmonial relations with all the employees along with motivating them to give more and more

output through various motivational schemes of incentives, rewards and prizes. The company's ability to train and retain personnel with skills that enable it to keep pace with growing demands and evolving industry needs is a sine qua non. This is tackled by the Company by providing proper training to its employees and by providing them a comfortable infrastructure which act as a motivating factor

#### FORWARD LOOKING STATEMENTS

The report contains statements concerning our future growth prospects which are forward looking statements, which involve a number of risks and uncertainties that would cause actual results to differ materially from those in such forward looking statements. Again the statements and projections may not materialise as the effect of various Government policies, changing market scenario, global developments can impact positively or negatively.. The company assures no responsibility to publicly modify or revise any forward looking statements on the basis of new information.

Place: Kolkata

Date: 30th day of July, 2014

For and on behalf of the Board of Directors

Sajan Kumar Bansal  
Managing Director

Sharan Bansal  
Director

# REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange)

1. Company's philosophy on Code of Governance Corporate Governance is a set of systems and practices which ensures that the affairs of the Company are being managed in a way which ensures integrity, fairness, equity, transparency, accountability and commitment to values. However, the Company's focus has always been on adopting the good governance practices. The Corporate Governance demands an improved level of competency among the executives to meet the expectations in managing the enterprises and its

resources effectively in an ethical and transparent manner. The company promotes the values in its relationships with employees, shareholders, creditors, consumers and other stakeholders. Corporate Governance is a journey for constantly improving sustainable value creation and its upward moving target. The Company believes that good corporate governance is pre-requisite for achieving the highest standards of ethics in the overall interest of all the stakeholders.

## 2. Board Composition and Particulars of Directors

### a) Board Composition

The Board comprises of eight Directors of which three are independent directors. The composition of the Board is in conformity with the provisions of the Corporate Governance Code of the Listing Agreement. The composition of the Board and category of Directors are as follows:

Sl	Name	Designation	Whether promoter	Whether Executive	Whether Independent
1.	Mr. Sadhu Ram Bansal	Emeritus Chairman	Yes	No	No
2.	Mr. Amit Kiran Deb	Chairman	No	No	Yes
3.	Mr. Sajjan Kumar Bansal	Managing Director	Yes	Yes	No
4.	Mr. Sharan Bansal	Wholetime Director	Yes	Yes	No
5.	Mr. Devesh Bansal	Wholetime Director	Yes	Yes	No
6.	Mr. Siddharth Bansal	Wholetime Director	Yes	Yes	No
7.	Mr. Manindra Nath Banerjee	Director	No	No	Yes
8..	Mr. Shyam Bahadur Singh	Director	No	No	Yes

All the Independent Directors of the Company furnish a declaration at the time of their appointment as also annually that they qualify the conditions of their being

independent as laid down under Clause 49. All such declarations are placed before the Board.

Mr. Sadhu Ram Bansal is the father of Mr. Sajan Kumar Bansal and Mr. Sajan Kumar Bansal is the father of Mr. Sharan Bansal, Mr. Devesh Bansal and Mr. Siddharth Bansal. Apart from this, no Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 1956.

b) Details of positions held by the Directors as directors of other Public Limited companies, Committee Membership and Committee Chairmanship is as under:

Sl No	Name of the Director	No. of other directorships and other committee memberships/chairmanships held		
		Directorships*	Committee Memberships	Committee Chairmanships
1.	Mr. Sadhu Ram Bansal	2	Nil	Nil
2.	Mr. Amit Kiran Deb	2	4	1
3.	Mr. Sajan Kumar Bansal	8	Nil	Nil
4.	Mr. Sharan Bansal	4	Nil	Nil
5.	Mr. Devesh Bansal	6	Nil	Nil
6.	Mr. Siddharth Bansal	2	Nil	Nil
7.	Mr. Manindra Nath Banerjee	2	2	1
8.	Mr. Shyam Bahadur Singh	2	2	Nil

Note:

\* includes private companies which are subsidiaries of public companies, but excludes private, foreign, unlimited liability companies and companies registered under Section 25 of the Companies Act, 1956.

c) Number and dates of Board Meeting held during the year

During the year Seventeen Board Meetings were held. The dates on which the meetings were held are: 29th May, 2013, 6th August, 2013, 13th August, 2013, 20th August, 2013, 26th August, 2013, 19th September, 2013, 9th November, 2013, 26th November, 2013, 4th December, 2013, 18th December, 2013, 28th December, 2013, 30th December, 2013, 6th January, 2014, 11th February, 2014, 27th February, 2014, 5th March, 2014 and 14th March, 2014

Attendance at the above Board Meetings and at the last Annual General Meeting (AGM) is as under:

Sl No.	Name of the Director	Number of Board Meetings held	Attendance Particulars	
			Board Meetings	AGM
1.	Mr. Sadhu Ram Bansal	17	6	Yes
2.	Mr. Amit Kiran Deb	17	17	Yes
3.	Mr. Sajan Kumar Bansal	17	17	Yes
4.	Mr. Sharan Bansal	17	10	Yes
5.	Mr. Devesh Bansal	17	11	Yes
6.	Mr. Siddharth Bansal	17	11	Yes
7.	Mr. Manindra Nath Banerjee	17	5	Yes
8.	Mr. Shyam Bahadur Singh	17	2	Yes

d) Brief details of Directors seeking appointment/re-appointment

The brief details of directors retiring by rotation and seeking re-appointment are appended to the Notice convening the ensuing Annual General Meeting.

e) Changes in the composition

There has been no change in the Board of Directors since the last annual General meeting.

3. Audit Committee

The constitution of the Audit Committee and attendance of each member of the Committee is given below:

Name of the director	Designation	Committee Meetings held	Committee Meeting Attended
Mr. Manindra Nath Banerjee	Chairman	Four	Four
Mr. Shyam Bahadur Singh	Member	Four	Two
Mr. Sharan Bansal	Member	Four	Three

All the members of the committee are financially literate and the composition of the Audit Committee meets the requirement of Section 292A of the Companies Act, 1956 read with Clause 49 of the Listing Agreement.

The Company Secretary acts as secretary to the committee

4. Remuneration Committee

a) Remuneration Policy

Remuneration Committee is a non-mandatory requirement and has not been formed. The Board of Directors fixed the remuneration of the Executive Directors which is approved by the shareholders.

b) Details of remuneration paid to Directors

The details of remuneration paid to executive directors for the year is as under:

SI No.	Name of the Director	Designation	Remuneration (Rs.)
1.	Mr. Sajan Kumar Bansal	Managing Director	11,00,000
2.	Mr. Sharan Bansal	Wholetime Director	6,30,000
3.	Mr. Devesh Bansal	Wholetime Director	6,30,000
4.	Mr. Siddharth Bansal	Wholetime Director	3,40,000

The appointment of the executive directors is governed by the Articles of Association of the Company and the resolutions passed by the Board of Directors and the members of the Company.

The salient features of terms of appointment are:

Particulars	Name of the Director	Terms
Period of appointment	Mr. Sajan Kumar Bansal	Upto 30 September, 2016
	Mr. Sharan Bansal	Upto 30 June, 2017
	Mr. Devesh Bansal	Upto 31 March, 2016
	Mr. Siddharth Bansal	Upto 31st March, 2016
Salary Scale	Mr. Sajan Kumar Bansal	₹ 11.00 lacs per month subject to 10% increase in every year
	Mr. Sharan Bansal	₹ 6.30 lacs per month subject to 10% increase in every year
	Mr. Devesh Bansal	₹ 6.30 lacs per month subject to 10% increase in every year
	Mr. Siddharth Bansal	₹ 3.40 Lacs per month subject to 10% increase in every year
Minimum remuneration in case of inadequacy of profit in any financial year	The remuneration shall not exceed the limits prescribed from time to time under sections 198, 309, 310 and other applicable provisions of the Companies Act, 1956, read with Schedule XIII of the said Act.	
Notice period on either side	Three months' prior notice in writing to the other	
Severance fees for termination of employment	Nil	
Stock Options	Nil	

#### Non Executive Director

The Company has paid remuneration amounting to ₹ 6,00,000 /- to Mr. Amit Kiran Deb non-executive independent Chairman for which necessary approvals have been obtained from the Ministry of Corporate Affairs in terms of Section 309(4) of the Companies Act, 1956. The details of sitting fees paid to non executive directors and their shareholding as per details given below:

Name of Director	Amount of Sitting Fees	No. of Shares held
Mr. Manindra Nath Banerjee	₹ 60,000	Nil
Mr. Shyam Bahadur Singh	₹ 30,000	Nil
Mr. Amit Kiran Deb	Nil	Nil

#### 5. Shareholders/Investors Grievance Committee

The Board has constituted Shareholders/Investors Grievance Committee under the Chairmanship of a non-executive director to specifically look into the redressal of shareholders complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc. The Board has delegated the process of share transfers to Mr. Arbind Kumar Jain. During the year Mr. Jain attended the share transfer formalities on a fortnightly basis and same was ratified at the immediately succeeding meeting of the Committee.

The constitution of the Committee and attendance of each member of the Committee is given below:

Name of the director	Designation	Committee Meetings held	Committee Meetings Attended
Mr. Manindra Nath Banerjee	Chairman	Two	Two
Mr. Sharan Bansal	Member	Two	Two

Mr. Arbind Kumar Jain, Company Secretary is Compliance Officer of the Company for this committee.

During the year under review, no complaints were received from the shareholders. The complaints pending at the beginning and at the closing of the year were nil.

#### 6. Management Discussion and Analysis

The information is given in a separate section and is included in the Annual Report.

#### 7. General Body Meetings

Particulars of last three Annual General Meetings along with number of special resolutions passed are as under:

Year Ended	Location	Date	Time	No. of special resolutions passed
31.03.2011	3A. Loudon Street, Kolkata-700017	28.06.2011	11.00 AM	2
31.03.2012	3A. Loudon Street, Kolkata-700017	25.09.2012	11.00 AM	Nil
31.03.2013	3A. Loudon Street, Kolkata-700017	21.09.2013	11.00 AM	1

During the year under review, no resolution was passed through ballot paper exercise.

#### 8. Disclosure on materially significant related party transaction

The Company does not have any related party transaction, which may have potential conflict with the interest of the Company. Other related party transactions have been reported in Notes on Accounts in the financial statements for the year. The Register of Contracts containing transactions, in which the Directors are interested, is placed before the Board regularly.

#### 9. Code of conduct

The Code of Business Conduct and Ethics for Directors and management personnel ('the Code'), as adopted by the Board, is a comprehensive Code applicable to all Directors and management personnel. The copy of the Code has been put on the Company's website [www.skipperlimited.com](http://www.skipperlimited.com). The Code has been circulated to all the members of the Board and management personnel and the compliance of the same is affirmed by them annually. A declaration to this effect signed by the CEO of the company is given hereunder:

I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management, affirmation that they have complied with the Code of Conduct for Directors and Senior Management Executives in respect of financial year 2012-13.

Sajan Kumar Bansal  
Managing Director and CEO

**10. Disclosure of Accounting Treatment**

The Company has followed the prescribed Accounting Standards in preparation of financial statements. The accounting treatment has been disclosed in the Notes to accounts to these financial statements.

**11. Risk Management**

The Company has laid down procedures to inform the Board members about the risk assessment and minimisation procedures. These procedures are periodically reviewed to ensure that executive management control risks through means of properly defined framework.

**12. Proceeds from public issues, right issues, preferential issues etc.**

The Company has not issued any share during the year on preferential basis

**13. CEO/CFO certification**

CEO/CFO certificate is separately enclosed to the Report

**14. Details of non-compliances**

There has been no instance of non-compliance by the Company on any matter relating to capital market.

**15. Means of communication**

Quarterly results of the Company are communicated to the Stock Exchanges immediately after having been considered by the Board. The results for the year under review were published in English in the 'Business Standard' and in Bengali in 'Dainik Lipi/Arthik Lipi'.

**16. General Shareholder Information**

Listing on stock exchanges

Name of stock exchange	Address	Stock code
The Calcutta Stock Exchange Limited	7, Lyons Range Kolkata-700 001	1029348
U P Stock Exchange Limited	Padam Towers, 14/113, Civil Lines, Kanpur - 208001	S00010
BSE Limited	P J towers, Dalal Street, Mumbai-400001	538562

The Company has paid listing fees to the respective stock exchanges up to financial year 2014-15

The International Security Identification Number (ISIN) of the Company is INE439E01022.

**Market Price Data**

During the financial year ended 31st March, 2014, the shares of the Company were traded at the Calcutta Stock Exchange Limited in the month of April, 2013 only, hence, the monthly high/low market price of the shares are not available. The last traded price of the shares at the Calcutta Stock Exchange Limited is ₹ 20/-

**Registrar and Share Transfer Agents**

ABS Consultants Private Limited are acting as the Registrars of the Company for both physical and dematerialised form of shares. Their address is given as under:

ABS Consultants Private Limited  
 Stephen House, Room No. 99, 6th floor,  
 4, B B D Bag (East), Kolkata-700 001  
 Telephone No.: +91 33 2220 1043  
 Fax No. +91 33 2243 0153  
 Email: absconsultant@vsnl.net

#### Share Transfer System

The Shareholders/Investors Grievance Committee approves transfer of shares in physical mode. The Company's Registrar transfers the shares within 15 days of receipt of request. Dematerialisation is done within 15 days of receipt of request along with the shares through the Depository Participant of the shareholder.

#### Distribution of shareholding as at 31st March, 2014

Category	No. of shareholders		No. of shares	
	Total	%	Total	%
1-500	493	87.72	36,800	0.036
501-1000	Nil	Nil	Nil	Nil
1001-2000	Nil	Nil	Nil	Nil
2001-3000	1	0.18	2500	0.002
3001-4000	Nil	Nil	Nil	Nil
4001-5000	Nil	Nil	Nil	Nil
5001-10000	Nil	Nil	Nil	Nil
10001 and above	68	12.10	10,22,77,162	99.96
Total	562	100.00	10,23,16,462	100.00

#### Shareholding pattern

Category	As at 31st March, 2014	
	No. of shares	% of share capital
Promoters	74,055,462	72.38
Private Corporate Bodies	21,466,470	20.98
Indian Public	6,794,530	6.64
Total	10,23,16,462	100.00



Shareholdings of directors as at 31st March, 2014

Name of director	No. of shares held	% of share capital
Mr. Sadhu Ram Bansal	3,660,489	3.58
Mr. Amit Kiran Deb	Nil	Nil
Mr. Sajan Kumar Bansal	8,249,096	8.06
Mr. Sharan Bansal	3,997,100	4.10
Mr. Devesh Bansal	3,122,175	3.05
Mr. Siddharth Bansal	8,068,725	7.89
Mr. Manindra Nath Banerjee	Nil	Nil
Mr. Shyam Bahadur Singh	Nil	Nil

Dematerialisation of shares and liquidity

As at 31st March, 2014, majority of the shares of the Company were held in dematerialised form.

Plant Locations

- |  |  |
|--|--|
| <p>a) SL unit<br/>Jalan Industrial Complex<br/>N H- VI, Village: Jangalpur, Post: Andul Mouri<br/>Howrah-711 302 (West Bengal)</p> | <p>b) BCTL Unit<br/>Jalan Industrial Complex<br/>N H- VI, Village: Jangalpur, Post: Andul Mouri<br/>Howrah-711 302 (West Bengal)</p> |
| <p>c) Uluberia Unit<br/>N H- VI, Village: Madhabpur, Post: Mahishrekha<br/>Howrah-711 303 (West Bengal)</p>                        |  |

Address for correspondence

The Company Secretary  
Skipper Limited  
3A, Loudon Street, Kolkata- 700 017  
Telephone: +91 33 2289 2327/5731  
Fax: +91 33 2289 5733  
Email: [arbind.jain@skipperlimited.com](mailto:arbind.jain@skipperlimited.com)  
Website: [www.skipperlimited.com](http://www.skipperlimited.com)

Place: Kolkata  
Date: 30th day of July, 2014

For and on behalf of the Board of Directors

Sajan Kumar Bansal	Sharan Bansal
Managing Director	Director

# COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members of  
Skipper Limited

We have examined the compliance of the conditions of Corporate Governance by Skipper Limited for the year 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges in India.

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

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 Clause 49 of the Listing Agreement.

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

Kolkata  
Date: 30th Day of April, 2014

For **Patanjali & Co.**  
Chartered Accountants  
Regn No. 308163E

**(Patanjali Sharma)**  
Partner  
Membership no.14993

# CERTIFICATE BY CHIEF EXECUTIVE OFFICER & IN CHARGE OF FINANCE

The Board of Directors  
Skipper Limited  
3A, Loudon Street  
Kolkata – 700 017

1. We hereby certify that for the financial year ended 31st March, 2014 on the basis of the review of the financial statements and the Cash flow statement and to the best of our knowledge and belief that :-
  - a) These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading.
  - b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year 2013-14, which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls. We have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors those deficiencies, of which we are aware, in the design and operation of the internal control systems and that we have taken the required steps to rectify those deficiencies.

We have indicated, wherever applicable, to the Auditors and the Audit Committee:

- a) Significant changes in internal control over financial reporting during the year.
- b) Significant changes in accounting policies during the year and that the same has been disclosed in the notes to the financial statements and
- c) Instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system.

Kolkata  
Date: 30th day of April, 2014

Sajan Kumar Bansal  
Managing Director

Sanjay Kumar Agrawal  
Vice President (Finance)

# INDEPENDENT AUDITORS' REPORT

The Members of  
SKIPPER LIMITED

## Report on Financial Statements

1. We have audited the accompanying financial statements of SKIPPER LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year ended 31st March, 2014 and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

2. Management is responsible for 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 Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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

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

We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedure selected depend on the auditors judgment, including the assessment of the risk of material mis-statement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management 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.

## 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 Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the 'State of Affairs' of the Company as at 31st March 2014;
- (b) in the case of the Statement of Profit and Loss, of the 'Profit' for the year ended on that date; and
- (c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

#### **Report on Other Legal and Regulatory Requirements**

- 4. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- 5. As required by Section 227(3) of the Act, we report that:
  - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

(iii) The Balance Sheet and the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account submitted to us;

(iv) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.

(v) On the basis of written representations received from the directors, as on 31st March 2014 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act;

For **Patanjali & Co.**  
Chartered Accountants  
Regn No. 308163E

**(Patanjali Sharma)**

Partner

Kolkata

Date: 30th Day of April, 2014

Membership no.14993

# ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date

- (i) (a) According to information and explanations given to us, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As informed to us, all the fixed assets were physically verified during the year by the management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. As explained to us, no material discrepancies were noticed on such verification.
- (c) According to information and explanation given to us, the Company has not disposed off a substantial part of its fixed assets and the going concern status of the Company is not affected.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. According to information and explanation given to us, no discrepancies were noticed on verification between the physical inventories and the book records.
- (iii) (a) The Company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of clause 4(iii)(a) to 4(iii)(d) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (b) The Company had taken loan, unsecured, from Company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 57,251,305 and the year-end balance of loans taken from Company was ₹ 733,899. The Company had taken loan from directors. The maximum amount involved during the year was ₹ 362,313,031 and the year-end balance of loans taken from directors was ₹ 343,981,906. The Company had not taken any loan from any other party covered in the register maintained under section 301 of the Companies Act, 1956.
- (c) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.

- (d) The Company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest.
- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) (a) According to the information and explanations given to us, we are of the opinion that particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered into the register maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public.
- Therefore the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the Company.
- (vii) The Company has an internal audit system, which in our opinion is commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209(1) (d) of the Companies Act, 1956 and are of the opinion that prima facie, the prescribed cost records have been made and maintained.
- (ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it. There is no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, customs duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute except for the following :

Name of the statute	Nature of dues	Amount in ₹	Year	Forum where dispute is pending
West Bengal Sales Tax Act, 1994	West Bengal Sales Tax	13,723,982	2005-06	West Bengal Com. Taxes Appellate & Revisional Board
Central Sales Tax Act, 1956	Central Sales Tax	12,166,947	2005-06	West Bengal Com. Taxes Appellate & Revisional Board
West Bengal Sales Tax Act, 1994	West Bengal Sales Tax	10,641,206	2006-07	West Bengal Com. Taxes Appellate & Revisional Board
Central Sales Tax Act, 1956	Central Sales Tax	2,335,020	2006-07	West Bengal Com. Taxes Appellate & Revisional Board

Name of the statute	Nature of dues	Amount in ₹	Year	Forum where dispute is pending
Central Sales Tax Act, 1956	Central Sales Tax	977,761	2006-07	Joint Commissioner of Commercial Taxes
West Bengal Value Added Tax Act, 2003	West Bengal Value Added Tax	5,01,85,982	2009-10	Additional Commissioner of Commercial Taxes
West Bengal Value Added Tax Act, 2003	West Bengal Value Added Tax	5,28,97,300	2010-11	Joint Commissioner of Commercial Taxes
Central Sales Tax Act, 1956	Central Sales Tax	2,46,02,596	2010-11	Joint Commissioner of Commercial Taxes
The Central Excise Act, 1944	Central Excise	188,936	2005-06	Commissioner Appeals ( Central Excise), Kolkata
The Central Excise Act, 1944	Central Excise	12,35,848	2007-08 & 2008-09	Commissioner (Appeal I) – Central Excise Kolkata
The Central Excise Act, 1944	Central Excise	743,086	2007-08	Commissioner Appeals ( Central Excise), Kolkata
The Central Excise Act, 1944	Central Excise	301,231	2010-11	Commissioner Appeals (Central Excise), Kolkata
Service Tax under Finance Act, 1994	Service Tax	367,200	2005-06	Customs,Excise & Service Tax Appellate Tribunal, Kolkata
Service Tax under Finance Act, 1994	Service Tax	50,852	2007-08	Commissioner (Appeals), Service Tax

- (x) The Company has no accumulated losses. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (xii) According to information and explanation given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of clause 4(xii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

- (xiii) In our opinion, the Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xv) According to information and explanations given to us, the Company has not given guarantees for loans taken by others from banks or financial institutions. Therefore, the provisions of clause 4(xv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.



(xvi) In our opinion, the term loans have been applied for the purpose for which they were raised.

(xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that the no funds raised on short-term basis have been used for long-term investment.

(xviii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to a Company covered in the register maintained under section 301 of the Act and complied with the statutory regulations.

(xix) According to the information and explanations given to us, the Company has not issued any debentures.

(xx) According to the information and explanations given to us, the Company has not raised any money by public issues.

(xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For **Patanjali & Co.**  
Chartered Accountants  
Regn No. 308163E

**(Patanjali Sharma)**

Partner

Kolkata

Date: 30th Day of April, 2014

Membership no.14993

# Balance Sheet as at 31st March, 2014

(Amount in ₹)

	Note No	As At 31-03-2014		As At 31-03-2013	
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' Funds</b>					
Share Capital	2	102,316,462		97,444,250	
Reserves & Surplus	3	2,209,435,836	2,311,752,298	1,963,482,186	2,060,926,436
<b>Non-Current Liabilities</b>					
Long Term Borrowings	4	2,306,806,436		1,985,999,118	
Deferred Tax Liabilities		217,750,215		181,248,026	
Other Long Term Liabilities	5	9,693,028	2,534,249,679	15,739,649	2,182,986,793
<b>Current Liabilities</b>					
Short Term Borrowings	6	1,755,495,049		1,990,356,741	
Trade Payables	7	1,575,270,561		1,161,602,893	
Other Current Liabilities	8	620,313,259		461,288,542	
Short Term Provisions	9	18,121,471	3,969,200,340	11,485,214	3,624,733,390
<b>Total:</b>			<b>8,815,202,317</b>		<b>7,868,646,619</b>
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Fixed Assets					
Tangible Assets		3,373,508,289		3,250,027,608	
Intangible Assets		11,642,825		12,042,828	
Capital Work In Progress		82,939,282		35,899,555	
		3,468,090,396		3,297,969,991	
Other Non Current Assets	11	21,110,997	3,489,201,393	8,692,923	3,306,662,914
<b>Current Assets</b>					
Inventories	12	2,290,107,829		2,377,857,864	
Trade Receivables	13	2,318,192,700		1,548,708,868	
Cash and Cash Equivalents	14	263,070,471		128,199,550	
Short Term Loans and Advances	15	454,629,924	5,326,000,924	507,217,423	4,561,983,705
<b>Total</b>			<b>8,815,202,317</b>		<b>7,868,646,619</b>
Significant Accounting Policies	1				
Notes on Financial Statement	2 to 41				

In Terms of Our Report of Even Date

For PATANJALI & CO.  
Chartered Accountants  
Firm Regn No.-308163E

For and on behalf of the Board

Patanjali Sharma  
Partner  
Membership No. 14993

Place: Kolkata  
Date: 30th day of April, 2014

Sajan Kumar Bansal  
Managing Director

Sharan Bansal  
Director

Arbind Kumar Jain  
Company Secretary

## Statement of Profit & Loss for the year ended 31st March, 2014

(Amount in ₹)

	Notes	Year ended 31-03-2014		Year ended 31-03-2013	
<b>A. INCOME</b>					
Revenue from Operations	16				
Gross Sales			11,651,610,036		10,137,348,727
Less: Excise Duty		921,092,685		855,636,095	
Sales Tax/Value Added Tax		315,463,059	1,236,555,744	278,248,740	1,133,884,835
Net Sales			10,415,054,292		9,003,463,892
Other Income	17		21,253,477		14,172,704
			10,436,307,769		9,017,636,596
<b>B. EXPENDITURE</b>					
Cost of Materials Consumed	18		7,869,850,459		7,193,856,730
Change in Inventories of Goods & Work in Progress	19		(269,358,934)		(365,253,044)
Employee Benefit Expense	20		273,924,413		194,629,658
Manufacturing, Administrative, Selling & Other Expenses	21		1,438,533,184		1,127,543,176
Finance Costs	22		605,424,795		463,585,212
Depreciation & Amortisation Expenses	23		150,783,861		125,665,131
			10,069,157,778		8,740,026,863
<b>C. PROFIT</b>					
<b>PROFIT BEFORE TAX</b>			367,149,991		277,609,733
<b>Tax Expenses</b>					
Income Tax-current year		76,956,500		55,500,000	
Less : MAT Credit entitlement		16,210,364	60,746,136	36,366,969	19,133,031
Income Tax-earlier years			639,640		633,455
Wealth Tax-current year			165,000		160,000
Wealth Tax-earlier year			(1,831)		(2,626)
Deferred Tax			36,502,189		70,555,940
<b>PROFIT AFTER TAX</b>			269,098,857		187,129,933
Weighted Average number of Equity			98,832,497		74,290,825
Basic and Diluted Earning Per Share of ₹ 1 each			2.72		2.52
<b>Significant Accounting Policies</b>	1				
Notes on Financial Statement	2 to 41				

In Terms of Our Report of Even Date

For PATANJALI & CO.  
Chartered Accountants  
Firm Regn No.-308163E

Patanjali Sharma  
Partner  
Membership No. 14993

Place: Kolkata  
Date: 30th day of April, 2014

Sajan Kumar Bansal  
Managing Director

Sharan Bansal  
Director

Arbind Kumar Jain  
Company Secretary

## Cash Flow Statement for the year ended 31st March, 2014

(Amount in ₹)

		31.03.2014	31.03.2013
<b>A CASH FLOW FROM OPERATION ACTIVITIES</b>			
Net Profit before Tax and Extraordinary Items		367,149,991	277,609,733
Adjustment for			
Depreciation		150,783,861	125,665,131
(Profit)/loss on Sale of Fixed Assets		295,808	177,613
Finance Costs		605,424,795	463,585,212
Interest Received		(13,759,814)	(12,496,897)
Operating profit before Working Capital Changes		1,109,894,641	854,540,792
Adjustment for:			
Trade and other receivables		(331,399,458)	35,915,493
Inventories		87,750,035	(688,580,175)
Trade and other payables		427,550,667	(302,838,902)
Cash Generated from Operations		1,293,795,885	(100,962,792)
Adjustment for:			
Interest Expenses		(602,203,888)	(470,940,865)
Direct taxes paid		(48,244,520)	(46,958,360)
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>A</b>	<b>643,347,477</b>	<b>(618,862,017)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed Assets		(326,843,511)	(591,105,816)
Sale of Fixed Assets		5,402,200	15,236,502
Loan given refunded		2,500,000	5,500,000
Interest Received		2,526,038	11,662,714
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>	<b>B</b>	<b>(316,415,274)</b>	<b>(558,706,600)</b>

## Cash Flow Statement for the year ended 31st March, 2014 (continued)

(Amount in ₹)

		31.03.2014	31.03.2013
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of capital		—	540,000,000
Redemption of Preference Shares		—	(290,000,000)
Fraction entitlement of Bonus		(10)	—
Dividend paid including dividend distribution tax		(11,404,790)	(35,150,827)
Changes in Bank Borrowings (net)		(347,815,341)	818,655,183
Proceeds from Borrowings		993,146,574	817,475,354
Repayment of Borrowings		(825,987,715)	(630,914,519)
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>C</b>	<b>(192,061,282)</b>	<b>1,220,065,191</b>
<b>NET INCREASE/(DECREASE) IN CASH</b>	<b>A+B+C</b>	<b>134,870,921</b>	<b>42,496,574</b>
<b>OPENING CASH &amp; CASH EQUIVALENTS*</b>		<b>128,199,550</b>	<b>85,702,979</b>
		<b>263,070,471</b>	<b>128,199,553</b>
<b>CLOSING CASH &amp; CASH EQUIVALENTS*</b>		<b>263,070,471</b>	<b>128,199,550</b>

1. Cash and Cash Equivalents represent cash and bank balances as indicated in Note 14 to the Annual Accounts and include fixed deposit pledged as margin money.
2. The above Cash Flow Statement has been prepared under the Indirect method as set out in Accounting Standard-3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

In Terms of Our Report of Even Date

For PATANJALI & CO.  
Chartered Accountants  
Firm Regn No.-308163E

Patanjali Sharma  
Partner  
Membership No. 14993

Place: Kolkata  
Date: 30th day of April, 2014

Sajan Kumar Bansal  
Managing Director

Sharan Bansal  
Director

Arbind Kumar Jain  
Company Secretary

# Notes to Accounts

## 1. Significant Accounting Policies:

### A) ACCOUNTING POLICIES

The accounts are prepared in accordance with accounting principles generally accepted in India and as per provisions of the Companies Act, 1956.

### B) REVENUE RECOGNITION

(i) All expenses and income to the extent considered payable and receivable respectively unless specifically stated to be otherwise are accounted for on mercantile basis.

(ii) Revenue from project-related activity is recognised as follows:

(a) Cost-plus contracts: Contract revenue is determined by adding the aggregate cost plus proportionate margin as agreed with the customer;

(b) Fixed price contracts: Contract revenue is recognised by adding the aggregate cost and proportionate margin using the percentage completion method. Percentage of completion is determined as a proportion of cost-incurred-to-date to the total estimated contract cost.

(c) Cost and earnings in excess of billings are classified as unbilled revenue while billing in excess of cost and earnings is classified as unearned revenue.

(d) Full provision is made for any loss in the year in which it is foreseen.

(iii) Revenue in respect of claims of insurance is recognised only when it is reasonably ascertained that the ultimate collection will be made.

### C) USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting

principles require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of financial statements and the result of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

### D) FIXED ASSETS

Fixed assets are stated at original cost or revalued amount, as the case may be, less accumulated depreciation, accumulated amortisation and cumulative impairment, if any.

Cost comprises of cost of acquisition or construction inclusive of duties (net of tax/cenvat/duties credits availed), incidental expenses and erection/commissioning expenses incurred up to the date asset is put to use. Administrative and other general overhead expenses that are specifically attributable to construction or acquisition of fixed assets or bringing the fixed assets to working condition are allocated and capitalised as a part of cost of fixed assets.

Own manufactured assets are capitalised at cost including an appropriate share of overheads.

### E) DEPRECIATION/AMORTISATION

(i) Depreciation on Fixed Assets is provided for on straight line method in the manner and at the rates specified in schedule XIV of the Companies Act, 1956.

(ii) Intangible assets, comprising of computer software, are amortised over a period of five years.

### F) IMPAIRMENT OF ASSETS

The carrying amounts of assets are reviewed at

## Notes to Accounts *(continued)*

each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The impairment loss recognised in the prior accounting periods is reversed if there has been change in the estimate of recoverable amount. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

### G) INVESTMENTS

Investments are stated at cost. A provision for diminution in the value of Long Term Investments is made only if such decline is other than temporary in the opinion of the management.

### H) INVENTORIES

- (i) Raw Material, store and spare parts are valued at lower of cost or net realisable value; cost is ascertained as per Moving Average method and includes incidental expenses. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they are consumed are expected to be sold at above cost.
- (ii) Work in process is valued at lower of cost or net realisable value.
- (iii) Finished goods are valued at lower of cost or net realisable value.
- (iv) Scrap and wastage valued at net realisable value.

### I) BORROWING COSTS

Borrowing costs incurred in relation to the acquisition of assets are capitalised as part of the cost of such assets up to the date of such assets are ready for intended use. Other borrowing costs are charged as an expense in the year in which such are incurred.

### J) GOVERNMENT GRANTS

- (i) Grants are accounted for where it is reasonably certain that the ultimate collection will be made.
- (ii) Grants directly related to fixed assets are shown as deduction from the gross value of the fixed assets and those of capital nature are credited to Capital Reserve.
- (iii) Other Government grants are credited to the Statement of Profit and Loss or deducted from the related expenses.

### K) TAXATION

Current tax is determined on the basis of the amount of income tax payable under the Income Tax Act, 1961. Deferred tax is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future.

### L) FOREIGN CURRENCIES

Foreign currency transactions are recorded on initial recognition in Indian Rupees, using the exchange rate at the date of transaction. At each Balance Sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried at historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction. Exchange differences that arise on settlement of monetary items or on reporting at each Balance Sheet date of the Company's monetary items at the closing rate are:

## Notes to Accounts *(continued)*

- (i) adjusted in the cost of fixed assets specifically financed by the borrowings to which the exchange differences relate.
- (ii) recognised as income or expense in the period in which they arise in other cases.

### M) FIXED ASSETS ACQUIRED UNDER LEASE

#### (i) Finance Lease

Assets acquired under lease agreements which effectively transfer to the Company substantially all the risk and benefits incidental to ownership of leased items, are capitalised at the lower of fair value and present value of minimum lease payment at the inception of lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and the reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of their liability. Finance charges are charged directly to the expenses account.

#### (ii) Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of the ownership of the lease assets are classified as operating leases. Operating lease payments are recognised as an expense in the profit and loss account.

### N) RETIREMENT AND OTHER EMPLOYMENT BENEFITS

- (i) Short term employee benefits which are wholly due within 12 months of rendering the service are recognised in the period in which the employee rendered the related services.

- (ii) The Company has defined contribution plans for employees comprising of Government administered Employees State Insurance and Pension Plans. The contributions are charged to the Statement of Profit and Loss as they fall due.

#### (iii) Gratuity liability is a defined benefit obligation.

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

- (iv) Short term compensated advances are provided for on estimates. The Company has no scheme for long term compensated advances.

### O) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and there will be outflow of resources. Contingent Liabilities are not provided for in accounts and amounts of material nature are disclosed by way of notes. Contingent assets are neither recognised nor disclosed in the financial statements.



## Notes to Accounts *(continued)*

(Amount in ₹)

	As at 31-03-2014	As at 31-03-2013
<b>2 SHARE CAPITAL</b>		
(a) Authorised		
410,000,000 (Previous year 100,000,000) Equity Shares of ₹ 1 each	410,000,000	100,000,000
Nil ( Previous year 3,000,000) Redeemable Non-cumulative Preference Shares of ₹ 100 each	—	300,000,000
	410,000,000	400,000,000
(b) Issued, Subscribed and Paid Up		
102,316,462 (Previous Year 97,444,250) Equity Shares of ₹ 1 each fully paid up. Out of above, 4,872,212 ( Previous year Nil) Equity Shares were allotted as Bonus Shares during last five years and 676,000 (Previous year 33,442,500) Equity Shares were allotted in last five years pursuant to various scheme of amalgamations without payment being received in cash	102,316,462	97,444,250
	102,316,462	97,444,250

(c) Details of shareholders holding more than 5% shares :

Name of Shareholders	As at 31-03-2014		As at 31-03-2013	
	No of Shares	%	No of Shares	%
Mr. Sajan Kumar Bansal	8,249,096	8.06	7,887,520	8.09
Mr. Siddharth Bansal	8,068,725	7.89	7,684,500	7.89
Mrs. Rashmi Bansal	6,864,396	6.71	6,537,520	6.71
Mrs. Sumedha Bansal	5,766,631	5.64	5,492,030	5.64
Skipper Plastics Limited (Formerly known as Rama Consultancy Company (1993) Limited)	22,050,000	21.55	21,000,000	21.55
Ventex Trade Private Limited*	4,987,500	4.87	5,750,000	5.90

\* The shareholder is not holding more than 5% Equity Shares in the Company.

(d) The Reconciliation of the number of shares outstanding is set out below

Particulars	As at 31-03-2014	As at 31-03-2013
Equity Shares at the beginning of the year	97,444,250	70,444,250
Add: Equity Shares issued during the year	4,872,212	27,000,000
Equity Shares at the end of the year	102,316,462	97,444,250

## Notes to Accounts *(continued)*

(Amount in ₹)

	As at 31-03-2014		As at 31-03-2013	
<b>3 RESERVES AND SURPLUS</b>				
<b>Revaluation Reserve</b>				
As per Last Account	38,839,444		39,080,681	
Less: Depreciation on Revaluation of Fixed Assets (Refer Note No. 26)	241,237	38,598,207	241,237	38,839,444
<b>Securities Premium Account</b>				
As per Last Account	1,115,302,612		602,302,612	
Utilised During the year for Bonus Shares	4,872,222	1,110,430,390	513,000,000	1,115,302,612
<b>Capital Reserve</b>				
As per Last Account		7,910,000		7,910,000
<b>General Reserve</b>				
As per Last Account	100,000,000		85,000,000	
Add. Transfer from Profit & Loss Account	20,000,000	120,000,000	15,000,000	100,000,000
<b>Profit &amp; Loss Account</b>				
As per Last Account	701,430,129		540,625,411	
Add Profit for the year	269,098,857		187,129,933	
Amount Available for Appropriation	970,528,986		727,755,344	
Less: Appropriations				
Transfer to General Reserve	20,000,000		15,000,000	
Proposed Dividend on Equity Shares	15,347,469		9,744,425	
Corporate Tax on Dividend	2,684,278	932,497,239	1,580,789	701,430,130
		2,209,435,836		1,963,482,186
<b>4 LONG TERM BORROWINGS</b>				
<b>SECURED LOANS</b>				
(a) Term Loan from Banks				
Rupee Term Loans	613,641,666		992,259,145	
Foreign Currency Term Loans	458,282,009		311,663,427	
	1,071,923,675		1,303,922,572	
Less: Current maturities of term loan	286,366,123	785,557,552	253,658,696	1,050,263,876
(b) Buyers Credit from Banks				
For Capital Expenditure		86,898,505		25,129,922
(c) Long Term Maturities of finance Lease obligation				
Hire purchase loans from banks	25,580,571		25,789,693	
Less :Current maturities of loans	11,371,847	14,208,724	13,228,361	12,561,332
(d) Long Term Advances		528,925,044		200,946,463
<b>UNSECURED LOANS</b>				
(d) Loans and Advances from Related Parties		344,715,805		352,758,687
(e) Other Loans & Advances				
From Bodies Corporate	523,898,816		344,338,838	
Less: Current maturities of loans	31,578,900	492,319,916	—	344,338,838
From Banks	57,485,786		—	
Less: Current maturities of loans	3,304,896	54,180,890	—	—
		2,306,806,436		1,985,999,118

## Notes to Accounts *(continued)*

Secured Loans are covered as follows :

1. Term Loans from Banks of ₹ 84,544,878 (Previous Year ₹ 120,121,931) and Buyers Credit of ₹ 86,898,505 (Previous year ₹ 25,129,923) are secured by first charge on fixed assets (except financed assets) of Jangalpur, Howrah Unit of the company.
2. Term Loans from Banks of ₹ 987,378,797 (Previous Year ₹ 1,173,393,296) are secured by first charge on fixed assets (except financed assets) of Uluberia, Howrah Unit of the Company.
3. Term Loans are also secured by personal guarantees of some of the directors of the Company.
4. Long Term Advances are secured by Bank guarantees.
5. Repayment Terms of Outstanding borrowings as on 31st March, 2014

(a) Term Loans :

*(Amount in ₹)*

Particulars	Amount Outstanding	Terms of Repayment	Month in which last instalment is due
Loans from Banks			
1	2,044,878	Quarterly	June, 2014
2	401,119,880	Quarterly	September, 2016
3	426,200,843	Quarterly	September, 2018
4	242,558,074	Quarterly	March, 2020
5	57,485,786	Monthly	January, 2024
Loan from Body Corporate	200,000,000	Quarterly	March, 2019

(b) Hire Purchase Loans:

Hire Purchase Loans including current maturities are secured against hypothecation of respective fixed assets financed and are payable in equal monthly instalments over the term of the respective loan. The present outstanding loan is repayable by December, 2018.

### 5 OTHER LONG TERM LIABILITIES

*(Amount in ₹)*

	As at 31-03-2014	As at 31-03-2013
Creditors for Capital Expenditure	9,693,028	15,739,649
	9,693,028	15,739,649

## Notes to Accounts *(continued)*

*(Amount in ₹)*

	As at 31-03-2014	As at 31-03-2013
<b>6 SHORT TERM BORROWINGS</b>		
SECURED LOANS		
Working Capital Facilities from Banks		
Cash Credit	1,650,057,406	1,695,878,635
Buyers Credit from Banks		
For operational use	105,437,643	294,478,106
	1,755,495,049	1,990,356,741

Working Capital and Buyers Credit are secured by first charge on current assets and second charge on fixed assets of Jangalpur and Uluberia Units of the Company and by personal guarantees of some of the directors of the Company.

*(Amount in ₹)*

	As at 31-03-2014	As at 31-03-2013
<b>7 TRADE PAYABLES</b>		
Micro Small and Medium Enterprises	4,145,006	341,977
Others	1,571,125,555	1,161,260,916
	1,575,270,561	1,161,602,893
<b>8 OTHER CURRENT LIABILITIES</b>		
Current maturities of long term debt including unsecured Loans	321,249,919	253,658,696
Current maturities of finance lease obligation		
Hire purchase loans from banks	11,371,847	13,228,361
Advance from customers	262,433,295	189,072,907
Other payables	25,258,198	5,328,578
	620,313,259	461,288,542
<b>9 SHORT TERM PROVISIONS</b>		
Provision for Wealth Tax	165,000	160,000
Proposed Dividend	15,347,469	9,744,425
Tax on Dividend	2,609,002	1,580,789
	18,121,471	11,485,214

## Notes to Accounts *(continued)*

*(Amount in ₹)*

Description	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As at 01-04-2013	Additions	Deductions	As at 31-03-2014	For the year	Deductions	As at 31-03-2014	As at 31-03-2014	As at 31-03-2013
Land and Land Development	315,838,593	6,884,340	-	322,722,933	-	-	-	322,722,933	315,838,593
Buildings	1,147,886,770	52,775,645	-	1,200,662,415	36,835,742	-	123,914,947	1,076,747,467	1,060,807,565
Plant and Machinery	2,125,400,070	210,240,831	8,731,794	2,326,909,107	104,776,666	4,218,565	403,837,242	1,923,071,865	1,822,120,929
Furniture and Fixtures	22,459,993	1,710,294	-	24,170,287	1,374,148	-	7,199,823	16,970,464	16,634,318
Vehicles	47,344,267	5,130,643	2,737,843	49,737,067	4,576,508	1,553,064	15,741,508	33,995,559	34,626,203
Intangibles being									
computer software	15,928,652	3,062,031	-	18,990,683	3,462,034	-	7,347,858	11,642,825	12,042,828
Total	3,674,858,345	279,803,784	11,469,637	3,943,192,492	151,025,098	5,771,629	558,041,378	3,385,151,114	3,262,070,436
Previous year	3,116,494,120	575,689,573	17,325,349	3,674,858,345	125,906,355	1,911,234	412,787,909	3,262,070,436	-
Capital Work in Progress								82,939,282	35,899,555

**Notes:**

- 1) Land and Building were revalued in 1996-1997 on the basis of valuation report by approved valuers on the basis of replacement value and the resultant surplus thereon amounting to ₹ 43,520,129 was transferred to revaluation reserve. [Refer Note No. 26]
- 2) Land includes certain properties in respect of which conveyance deeds are pending execution.
- 3) Fixed assets include assets acquired on finance from Banks amounting to ₹ 50,912,133 (Previous year ₹ 51,355,731) written down value ₹ 40,883,605 (Previous Year ₹ 45,765,722)
- 4) The expenditure incurred during the construction period debited to Capital Work in Progress and apportioned to the fixed assets on the completion of the project amounts to ₹ Nil (Previous year ₹ 66,535,499)

## Notes to Accounts *(continued)*

(Amount in ₹)

	As at 31-03-2014	As at 31-03-2013
<b>11 OTHER NON CURRENT ASSETS</b> (Unsecured , Considered Good)		
Advances for Capital Goods	21,110,997	8,692,923
	21,110,997	8,692,923
<b>12 INVENTORIES</b> (As taken, valued and certified by the management)		
Raw Materials	729,134,958	1,086,232,841
Stores and Spare Parts	89,699,319	83,982,473
Work In Process	1,017,827,837	698,261,540
Finished Goods	427,483,323	479,553,757
Scrap and Waste	25,962,392	29,827,253
	2,290,107,829	2,377,857,864
<b>13 TRADE RECEIVABLES</b> (Unsecured, Considered good)		
Debts outstanding for a period exceeding six months	93,228,016	75,963,779
Other Debts	2,224,964,684	1,472,745,089
	2,318,192,700	1,548,708,868
<b>14 CASH AND CASH EQUIVALENTS</b>		
Cash on hand (as certified)	2,918,849	2,465,517
Balances with Scheduled Banks		
In Current Accounts	6,170,450	1,105,505
In Fixed Deposit Accounts (Pledged against guarantees and letters of credit issued by banks)	253,981,172	124,628,528
	263,070,471	128,199,550
<b>15 SHORT TERM LOANS, ADVANCES AND DEPOSITS</b> (Unsecured, Considered Good)		
Balances with Central Excise Department	98,691,679	204,546,564
Advance Income Tax and TDS including MAT Entitlement (net of provision)	46,791,180	50,215,200
Security & Other Deposits	20,927,994	27,922,100
Other Advances	288,219,071	224,533,560
	454,629,924	507,217,423

## Notes to Accounts *(continued)*

(Amount in ₹)

	Year ended 31-03-2014	Year ended 31-03-2013		
<b>16 REVENUE FROM OPERATIONS</b>				
Sale of Goods	11,216,964,031	9,929,815,444		
Income From Job Work	148,042,608	42,323,250		
Income from Infrastructure Projects	275,471,555	150,162,537		
Other Operational Income	11,131,842	15,047,496		
	11,651,610,036	10,137,348,727		
Particulars of Sale				
Engineering Products	10,529,263,278	9,374,138,537		
PVC Products	687,700,753	555,676,907		
	11,216,964,031	9,929,815,444		
<b>17 OTHER INCOME</b>				
Interest	13,759,814	12,496,897		
Miscellaneous Income	7,493,663	1,675,807		
	21,253,477	14,172,704		
<b>18 COST OF MATERIALS CONSUMED</b>				
Cost of Materials (including conversion charges and procurement expenses)				
Opening Stock	1,086,232,841	751,814,240		
Add : Purchases	7,512,752,577	7,528,275,331		
	8,598,985,417	8,280,089,571		
Less : Closing Stock	729,134,958	1,086,232,841		
Consumption of Materials	7,869,850,459	7,193,856,730		
Consumption of Imported & Indigenous Raw Materials:				
Raw Materials	Amount (₹)	%	Amount (₹)	%
Indigenous	7,272,052,261	92.40	6,522,032,196	90.66
Imported	597,798,198	7.60	671,824,534	9.34
Total	7,869,850,459	100.00	7,193,856,730	100.00
<b>PARTICULARS OF MATERIALS CONSUMED</b>				
Particulars				
Steel Products	6,765,714,631		6,366,980,693	
Zinc	582,786,734		459,190,464	
PVC Resin	493,533,667		330,960,676	
Others	27,815,427		36,724,897	
	7,869,850,459		7,193,856,730	

Note: shortage/excess (if any) on physical verification have been adjusted in the consumption shown above.

## Notes to Accounts *(continued)*

*(Amount in ₹)*

	Year ended 31-03-2014		Year ended 31-03-2013	
<b>19 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS</b>				
Opening Stock				
Work In Process	698,261,540		404,219,150	
Finished Goods	479,553,757		423,136,844	
Scrap and Waste	29,827,253	1,207,642,550	8,827,451	836,183,445
Less: Closing Stock				
Work In Process	1,017,827,837		698,261,540	
Finished Goods	427,483,323		479,553,757	
Scrap & Waste	25,962,392	1,471,273,552	29,827,253	1,207,642,550
Increase/(Decrease) in Stock		263,631,002		371,459,105
Increase/(Decrease) in Excise Duty on Finished Goods		5,727,932		(6,206,061)
		269,358,934		365,253,044
<b>20 EMPLOYEE BENEFIT EXPENSES</b>				
Salaries, Wages, Bonus and Allowances		223,156,249		159,189,417
Directors' Remuneration		32,400,000		21,600,000
Contribution to Provident and Other Funds		10,181,581		5,919,184
Workmen and Staff Welfare Expenses		8,186,583		7,921,057
		273,924,413		194,629,658



## Notes to Accounts *(continued)*

*(Amount in ₹)*

	Year ended 31-03-2014		Year ended 31-03-2013		
<b>21 OTHER EXPENSES</b>					
<b>Manufacturing and Project Expenses</b>					
Consumption of Stores and Spare Parts (Including imported Rs. 711,356 (0.33%) (Previous year Nil)	217,273,004		147,056,173		
Power and Fuels	517,683,998		346,444,171		
Labour Charges & Project Expenses	301,492,283		242,024,205		
Repairs to Machinery	39,230,912		3,478,235		
Repairs to Building	8,809,575		2,988,205		
Miscellaneous Expenses	3,053,261	1,087,543,033	1,208,545	743,199,534	
<b>Administrative, Selling and Other Expenses</b>					
Rent	7,700,642		6,052,022		
Rates and Taxes	4,271,169		2,406,943		
Insurance	6,923,563		6,526,360		
Electricity Charges	1,695,584		1,388,787		
Travelling and Conveyance Expenses	24,491,779		17,318,427		
Communication Expenses	4,512,512		4,290,193		
Bank Charges and Commission	79,761,435		50,751,910		
Freight, Packing and Handling Expenses	9,583,450		88,934,425		
Legal and Professional Expenses	14,302,734		18,137,595		
Other Maintenance Expenses	28,465,562		20,336,493		
Security Service Expenses	12,613,485		10,679,402		
Advertisement and Sales Promotion Expenses	27,377,505		27,224,993		
Commission	11,135,443		10,649,302		
Discount	29,122,883		22,463,943		
Applicable loss on foreign currency transactions and translation	10,365,601		35,230,267		
Loss on sale of Fixed Assets	295,808		177,613		
Irrecoverable Debts/Advances Written Off	30,518,799		16,173,796		
Charity and Donations	2,652,290		3,100,000		
Corporate Social Responsibility	150,958		209,638		
Miscellaneous Expenses	44,556,449		41,895,033		
<b>Auditors' Remuneration</b>					
Statutory Audit Fees	175,000		150,000		
Tax Audit Fees	25,000		25,000		
Cost Audit Fees	60,000		60,000		
In other capacity, in respect of					
Company Law Matters	6,000		2,500		
Other Matters	226,500	492,500	159,000	396,500	384,343,642
		1,438,533,184		1,127,543,176	

## Notes to Accounts *(continued)*

*(Amount in ₹)*

	Year ended 31-03-2014		Year ended 31-03-2013	
<b>22 FINANCE COSTS</b>				
Interest Expense				
On fixed Loans	116,116,853		136,235,975	
Others	489,307,942	605,424,795	327,349,237	463,585,212
		605,424,795		463,585,212
<b>23 DEPRECIATION</b>				
Depreciation and Amortisation Expense		151,025,098		125,906,368
Less : Transferred from Revaluation Reserve (Refer Note No. 26 )		241,237		241,237
		150,783,861		125,665,131

### 24. CONTINGENT LIABILITIES NOT PROVIDED IN RESPECT OF:

*(Amount in ₹)*

Particulars	31.03.2014	31.03.2013
a) Claims against the Company not acknowledged as debt Disputed tax/duties	170,417,947	47,018,220
b) Bank Guarantee issued by Banks (net of margin money)	2,120,275,215	1,207,543,322

#### Notes:

- (i) The Company does not expect any reimbursements in respect of the above contingent liabilities.
- (ii) It is not practicable to estimate the timing of cash outflows, if any, in respect of matters at (a) pending resolution of the appellate proceedings.
- (iii) In respect of matters at (b) the cash outflows, if any, could generally occur at any time during the subsistence of the liability to which the guarantees relate.

25. Estimated amount of contracts pending execution on capital account (net of advances) and not provided for is ₹ 38,184,403 (Previous year ₹ 7,539,699).

26. The Gross Block of Fixed Assets includes ₹ 43,520,129 (Previous year ₹ 43,520,129) on account of revaluation of Fixed Assets carried out in the past. Consequent to the said revaluation there is an additional charge of depreciation of ₹ 241,237 (Previous Year ₹ 241,237) and an equivalent amount, has been withdrawn from Revaluation Reserve and credited to the Profit and Loss Account.

27. Expenditure on account of premium on forward exchange contracts to be recognised in the profit and loss account of subsequent accounting period aggregates to ₹ Nil (Previous year ₹ 2,857,807).

## Notes to Accounts *(continued)*

28. The Company is accounting for transactions in foreign currency as per Clause 46A of Accounting Standard-11- Effects of changes in foreign exchange rates and shall not exercise the option of deferment of exchange fluctuation on long term liabilities granted by Companies (Accounting Standards) (Second Amendment) Rules, 2011 issued by the Ministry of Corporate Affairs on 29.12.2011.
29. In the opinion of the management, no impairment loss is required to be charged to Statement of Profit and Loss at the end of the financial year.
30. Balances of certain debtors and creditors are subject to confirmation and reconciliation. In the opinion of the management, current assets, loan and advances will have value on realization in the ordinary course of business at least equal to the amount at which they are stated.
31. The information regarding amounts due to creditors registered under the Micro, Small and Medium Enterprises Development Act, 2006, has been given to the extent available with the Company. The required disclosures of outstanding dues of micro, small & medium enterprises are as under:

*(Amount in ₹)*

Particulars	2013-2014	2012-2013
Principal amount remaining unpaid as at 31st March	4,145,006	341,977
Interest amount remaining unpaid as at 31st March	Nil	Nil
Interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year.	Nil	Nil
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
Interest accrued and remaining unpaid as at 31st March	Nil	Nil
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	Nil	Nil

## Notes to Accounts *(continued)*

- 32.** Disclosures pursuant to Accounting Standard-7 “Construction Contracts” notified in the Companies (Accounting Standards) Rules 2006, are given below:

Particulars	<i>(Amount in ₹)</i>	
	31.03.2014	31.03.2013
a) Contract revenue recognised for the year	270,093,836	150,162,537
b) Aggregate amount of contract costs incurred and recognised profits (less recognised losses)	270,093,836	134,585,154
c) Amount of customer advances outstanding for contracts in progress as at March 31	8,463,758	Nil
d) Retention amounts due from customers for contracts in progress as at March 31	41,886,243	Nil
e) Unbilled revenues included under Sundry Debtors	Nil	61,532,685
f) Unearned revenue included under sundry creditors	Nil	Nil

- 33.** The disclosures required under Accounting Standard 15 “Employees Benefits” notified in the Companies (Accounting Standards) Rules 2006, are given below:

### **Defined Contribution Plan**

Contribution to Defined Contribution Plan, recognised are charged off for the year are as under:

Particulars	<i>(Amount in ₹)</i>	
	2013-2014	2012-2013
Contribution to Provident and other funds		
Employer’s Contribution to Provident Fund	1,403,337	836,391
Employer’s Contribution to Pension Scheme	2,981,257	1,857,781
Employees Deposit Linked Insurance	181,476	112,872
Workmen and Staff Welfare Fund		
Employees State Insurance Corporation	2,943,369	1,752,023
Labour Welfare Fund	14,652	16,635
<b>Total</b>	<b>7,542,091</b>	<b>4,575,702</b>

### **Defined Benefit Plan**

Post employment and other long term employee benefits in the form of gratuity and leave encashment are considered as defined benefit obligation. The employees’ gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises 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.

## Notes to Accounts *(continued)*

*(Amount in ₹)*

Particulars	Gratuity (Funded)		Leave Encashment ( Unfunded)	
	2013-2014	2012-2013	2013-2014	2012-2013
<b>a. Reconciliation of opening and closing balances of Defined Benefit obligation</b>				
Defined benefit obligation at beginning of the year	5,253,591	4,649,618	1,395,055	Nil
Current service cost	630,361	316,876	1,515,505	1,071,425
Interest cost	420,287	193,506	136,749	62,777
Actuarial (gain)/loss	3,183,676	93,591	5,382,503	5,613,666
Benefits paid	(922,757)	Nil	(6,786,002)	(5,352,813)
Defined benefit obligation at year end	8,565,158	5,253,591	1,643,810	1,395,055
<b>b. Reconciliation of opening and closing balances of fair value of plan assets</b>				
Fair value of plan assets at beginning of the year	6,917,842	5,529,025	Nil	Nil
Expected return on plan assets	564,175	264,512	Nil	Nil
Actuarial gain/(loss)	Nil	Nil	Nil	Nil
Employer contribution	1,285,027	1,124,305	6,786,002	5,352,813
Benefits paid	(922,757)	Nil	(6,786,002)	(5,352,813)
Fair value of plan assets at year end	7,844,287	6,917,842	Nil	Nil
Actual return on plan assets	564,175	264,512	Nil	Nil
<b>c. Reconciliation of fair value of assets and obligations</b>				
Fair value of plan assets as at 31st March	7844287	6,917,842	Nil	Nil
Present value of obligation as at 31st March	8565158	5,253,591	1,643,810	1395055
Net asset/(liability) recognized in balance sheet	(720,871)	1,664,251	(1,643,810)	(1,395,055)
<b>d. Expenses recognised during the year</b>				
Current service cost	630,361	316,876	1,515,505	1,071,425
Interest cost	420,287	193,506	136,749	62,777
Expected return on plan assets	564,175	(264,512)	Nil	Nil
Actuarial (gain) / loss	3,183,676	93,591	5,382,503	5,613,666
Net cost	3,670,149	3,39,461	7,034,757	6,747,868

## Notes to Accounts *(continued)*

Investment details				
L.I.C. Group Gratuity (Cash Accumulation Policy)-% of invested funds	100	100	Nil	Nil
Actuarial assumptions				
Mortality table (L.I.C.)	1994-96 (ultimate)	1994-96 (ultimate)	Indian Assured Lives Mortality (2006 - 08)	
Discount rate (per annum)	8.00%	8.00%	8.00%	8.00%
Expected rate of return on plan assets (per annum)	8.75%	9.00%	-	-
Rate of escalation in salary (per annum)	3.00%	3.00%	3.00%	3.00%

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 as given by the Life Insurance Corporation of India (LIC) and as per certain estimates made by the management, which had been accepted by the auditor.

- 34.** The Company has recognised Deferred Tax Liability as per Accounting Standard-22 regarding 'Accounting for Taxes on Income'. The movement of major components of deferred tax provision/adjustment is:

*(Amount in ₹)*

Particulars	Balance as at 01.04.2013	Charge during the year	Balance as at 31.03.2014
Deferred tax liability			
Difference between book and tax depreciation	181,248,026	36,502,189	217,750,215

### **35. OPERATING LEASE**

The Company has taken various residential/commercial premises under cancelable operating leases. There is no escalation clause in the lease agreement. There are no restrictions imposed by lease agreements. These lease agreements are normally renewed on expiry.

*(Amount in ₹)*

Particulars	2013-2014	2012-2013
Lease payments for the year	7,700,642	6,052,022
Contingent rent recognised in Profit and Loss Account	Nil	Nil

### **36. EARNINGS PER SHARE**

*(Amount in ₹)*

Particulars	2013-2014	2012-2013
Profit After Taxation as per Statement of Profit & Loss	269,098,856	187,129,931
Weighted Average Number of Equity Shares	98,832,497	74,290,825
Face Value	1.00	1.00
Basic and Diluted Earnings Per Share	2.72	2.52

## Notes to Accounts *(continued)*

### 37 List of related parties with whom the Company has entered into transactions during the year in the ordinary course of business

#### A Relationship

##### 1) Key Managerial Personnel

Mr. Sajan Kumar Bansal  
 Mr. Sharan Bansal  
 Mr. Devesh Bansal  
 Mr. Siddharth Bansal

##### 2) Parties where key managerial personnel along with their relatives have significant influence

Skipper Realities Limited (Formerly Bansal TMT Steels Limited)  
 Skipper Telelink Limited  
 Ventex Trade Private Limited  
 Skipper Plastics Limited (Formerly Rama Consultancy Company (1993) Limited)  
 Suviksit Investments Limited  
 Skipper Foundation  
 Sadhuram Bansal Foundation  
 Sheo Bai Bansal Charitable Trust

##### 3) Relatives of key managerial personnel

Mr. Sadhu Ram Bansal (father of Mr. Sajan Kumar Bansal)  
 Mrs. Sumedha Bansal (wife of Mr. Sharan Bansal)  
 Mrs. Rashmi Bansal (wife of Mr. Devesh Bansal)  
 Mrs. Shruti M Bansal (wife of Mr. Siddharth Bansal)

#### B The following transactions were carried out with the related parties in the ordinary course of business

*(Amount in ₹)*

Particulars	2013-2014 In relation to item			2012-2013 In relation to item		
	A(1)	A(2)	A(3)	A(1)	A(2)	A(3)
(a) Rendering or receiving of service	32,400,000	—	1,200,000	21,600,000	—	1,200,000
(b) Donation given	—	2,300,000	—	—	2,900,000	—
(c) Loan taken	100,487,791	5,200,000	22,500,000	166,768,593	24,850,000	6,600,000
(d) Loan taken refunded	81,871,206	31,627,406	22,500,000	169,540,904	132,684,594	10,800,000
(e) Rent given	60,000	900,000	120,000	60,000	720,000	120,000
(f) Payable	343,931,906	733,899	50,000	325,547,382	27,161,305	50,000

## Notes to Accounts *(continued)*

### 38. Segment Information for the year ended 31st March, 2014

Primary segments (business segment)

*(Amount in ₹)*

Reportable Segments	31st March, 2014				31st March, 2013			
	Engineering Products	Infrastructure Projects	PVC Products	Total	Engineering Products	Infrastructure Projects	PVC Products	Total
Revenue								
External Sales/receipts	10,688,437,728	275,471,555	687,700,753	11,651,610,036	9,408,396,494	173,275,326	555,676,907	10,137,348,727
Less: Excise Duty/Sales Tax	1,134,624,774	5,377,719	96,553,251	1,236,555,744	1,057,960,584	994,324	74,929,927	1,133,884,835
Net Turnover	9,553,812,954	270,093,836	591,147,502	10,415,054,292	8,350,435,910	172,281,002	480,746,980	9,003,463,892
Segment Results	903,640,259	107,256,586	59,642,968	1,070,539,813	605,685,696	49,518,692	51,890,826	707,095,214
Unallocated Corporate income/ (expenses) (net of expense/ income)				(111,724,841)				(113,397,168)
Operating Profit				958,814,972				593,698,046
Interest Expenses				605,424,795				463,585,213
Interest Income				13,759,814				12,496,897
Profit Before Tax				367,149,991				142,609,731
Less: Taxes				98,051,134				90,479,800
Profit After Tax				269,098,857				52,129,931
Segment Assets	7,572,770,212	289,629,330	579,113,818	8,441,513,360	6,775,844,692	235,371,068	574,331,744	7,585,547,504
Unallocated Assets				373,688,957				367,099,114
Total Assets				8,815,202,317				7,868,646,619
Segment Liabilities	1,736,334,844	126,762,626	245,429,298	2,108,526,768	1,242,180,167	87,717,581	137,331,493	1,467,229,241
Unallocated Liabilities				4,394,923,252				3,226,487,235
Total Liabilities				6,503,450,020				5,807,720,183
Capital Expenditure	232,430,163	705,558	31,133,805	264,269,526	502,516,126	315,500	43,174,448	546,006,074
Unallocated Capital Expenditure				15,534,258				29,683,499
Total Capital Expenditure				279,803,784				575,689,573
Depreciation	119,933,820	2,570,203	13,279,199	135,783,222	97,927,203	2,552,762	12,037,105	112,517,070
Unallocated Depreciation				15,000,639				13,148,061
Total Depreciation				150,783,861				125,665,131

The business segment has been considered as primary segment.

- The Company has identified the following business segments taking into account products or group of related products that is subject to risks and returns that are different from those of other business segments, the organisation structure and the financial reporting system  
Engineering Products  
Infrastructure Projects  
PVC Products
- There are no items to be reported under geographical segments, considered as secondary segment, as overseas customers do not constitute a Reportable Segment as per Accounting Standard (AS) 17 "Segment Reporting".
- There are no inter-segment revenues.



## Notes to Accounts *(continued)*

### 39. DISCLOSURE IN RESPECT OF FOREIGN CURRENCY TRANSACTIONS:

*(Amount in ₹)*

Expenditure in Foreign Currency	Year Ended 31.03.2014	Year Ended 31.03.2013
Interest on ECB Loan	11,457,163	12,654,908
Registration Fee	60,800	—
License Fees	72,116	—
Sales Promotion	1,314,240	1,764,632
Subscription	84,243	73,089
Tender Fees	12,091	204,001
Travelling Expenses	4,400,295	1,677,483
CIF Value of Imports ( on payment basis)		
Raw Materials	597,798,198	671,824,534
Capital Goods	76,395,775	53,289,650
Stores & Spares	711,356	—
Earnings in Foreign Currency		
FOB Value of Exports	252,409,206	316,620,642

40. There is no unhedged foreign currency exposure.

41. Figures relating to the previous year have been regrouped and rearranged wherever necessary.

In Terms of Our Report of Even Date

Signatures to Notes 1 to 41.

For PATANJALI & CO.  
Chartered Accountants  
Firm Regn No.-308163E

Patanjali Sharma  
Partner  
Membership No. 14993

Place: Kolkata  
Date: 30th day of April, 2014

For and on behalf of the Board

Sajan Kumar Bansal  
Managing Director

Sharan Bansal  
Director

Arbind Kumar Jain  
Company Secretary



## NOTES

# CORPORATE INFORMATION

## Board of Directors

### Emeritus Chairman

Mr. Sadhu Ram Bansal

### Chairman

Mr. Amit Kumar Deb

### Managing Director

Mr. Sajan Kumar Bansal

### Wholetime Directors

Mr. Sharan Bansal

Mr. Devesh Bansal

Mr. Siddharth Bansal

### Directors

Mr. Manindra Nath Banerjee

Mr. Shyam Bahadur Singh

## Auditors

Patanjali & Co.

Chartered Accountants

161/1, Mahatma Gandhi Road

Kolkata - 700007

## Bankers

State Bank of India

Allahabad Bank

Bank of Baroda

Punjab National Bank

Oriental Bank of Commerce

Corporation Bank

Bank of India

Indian Overseas Bank

## Company Secretary

Mr. Arbind Kumar Jain

## Registered Office

3A, Loudon Street

Kolkata – 700017, India

P +91 33 2289 5731/32/33

F +91 33 2289 5733

E mail@skipperlimited.com

W skipperlimited.com

## Works

### Jangalpur (Unit 1 & Unit BCTL)

Jalan Complex, NH6 (Bombay Road)

Village: Jangalpur

Post: Andul Mouri

Howrah - 711302, India

### Uluberia Unit

NH6, Madhabpur, Post: Uluberia

Howrah - 711304, India

## Registrar & Share Transfer Agent

ABS Consultants (P) Ltd

Stephen House

Room No.99, 6th Floor,

4, BBD Bag (East)

Kolkata - 700001

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Fax: +91 33 2243 0153

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