

## FORM A

(Pursuant to Clause 31(a) of the Listing Agreement)

Format of covering letter of the Annual Audit Report to be filed with the Stock Exchanges

No.	Particulars	Details
1.	Name of the Company	SAB Industries Limited
2.	Annual Financial Statements for the year ended	31 <sup>st</sup> March 2015
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not available

5. To be signed by-

CEO/ Chairman



(AVINASH SHARMA)

Chief Financial Officer



(BHAGWAN SINGH NEGI)

Chairman of Audit Committee



(S S VIRDI)

Auditor of the Company

For S.C. DEWAN & CO.  
Chartered Accountants  
(Firm's Registration No. 000934N)



(S.C. DEWAN)  
PARTNER

Membership Number.15678

Place: Chandigarh  
Dated: 18/05/2015



# ANNUAL REPORT

## 2014-15



SAB Industries Limited

# CORPORATE Information

## BOARD OF DIRECTORS

Sh. R. K. Garg	<i>Chairman</i>
Sh. H. K. Singhal	<i>Director</i>
Sh. Sanjay Garg	<i>Director</i>
Sh. Vijay G. Kalantri	<i>Director</i>
Sh. Kanwarjit Singh	<i>Director</i>
Sh. S. S. Virdi	<i>Director</i>
Smt. Manju Lakhanpal	<i>Director</i>
Sh. Avinash Sharma	<i>Executive Director</i>

## COMPANY SECRETARY

Ms. Gurpreet Kaur

## AUDITORS

M/s. S.C. Dewan & Co.  
Chartered Accountants,  
SCO 90, 1st Floor,  
Swastik Vihar,  
Panchkula.

## BANKERS

Allahabad Bank  
State Bank of India  
HDFC Bank limited

## REGD. OFFICE

SAB Industries Limited  
(CIN:L00000CH1983 PLC031318)  
Regd. Office: SCO 49-50, Sector 26, Madhya Marg,  
Chandigarh 160 019  
Email: ssl\_ssg@glide.net.in,  
Website : www.sabindustries.in  
Phone: +91-172-2793112, FAX : 91-172-2794834

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**SAB INDUSTRIES LIMITED  
(CIN:L00000CH1983PLC031318)**

Regd. Office: at S.C.O.49-50, Sector- 26, Madhya Marg, Chandigarh.  
Email: ssl\_ssg@glide.net.in, Website: www.sabindustries.in  
Phone: +91-172-2793112., Fax: +91-172-2794834

**NOTICE**

NOTICE is hereby given that the Annual General Meeting of the shareholders of the Company shall be held as scheduled below:

Day & Date : Wednesday, 30th day of September, 2015  
Time : 10.30 A. M.  
Venue : Regd. Office of the Company at S.C.O.49-50,  
Sector- 26, Madhya Marg, Chandigarh.

to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Financial Statements of the Company for the year ended March 31, 2015 including audited Balance Sheet as at March 31, 2015 and the Statement of Profit & Loss for the year ended on that date and the Reports of Directors' and Auditors' thereon.
2. To appoint a Director in place of Sh. Sanjay Garg (DIN: 00030956), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of Auditors and in this regard to consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139(1) of the Companies Act, 2013 and Rules framed thereunder, as amended from time to time, the company hereby ratifies the appointment of M/s S. C. Dewan & Co., Chartered Accountants (Firm's Registration No. 000934N), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Annual General Meeting of the Company to be held in the year 2016, at such remuneration plus service tax, out of pocket expenses, travelling expenses, etc; as may be mutually agreed between the Board of Directors of the Company and the Auditor so appoint Auditors and in this regard to consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

**SPECIAL BUSINESS**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150 & 152 and other applicable provisions, if any, of the Companies Act, 2013 ("ACT") and the Rules made there under read with Schedule IV to the Act, as amended from time to time and Clause 49 of the Listing Agreement, **Smt. Manju Lakhnpal (DIN:07130592)**, who was appointed as additional Non-Executive Director of the Company has submitted a declaration that she meets the criteria of independence as provided in Section 149(6) of the Act and is eligible for appointment, and in respect of whom the company has received a notice in writing from a member proposing her candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company with effect from 14.03.2015 to 13.03.2020, not liable to retire by rotation."

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

**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 & 152 and other applicable provisions, if any, of the Companies Act, 2013 ("ACT") and the Rules made there under read with Schedule IV to the Act, as amended from time to time and Clause 49 of the Listing Agreement, **Sh. Surinder Singh Viridi (DIN:00035408)**, who was appointed as Additional Non-Executive Director of the Company has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and is eligible for appointment, and in respect of whom the company has received a notice in writing from a member proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company with effect from 13.11.2014 to 12.11.2019, not liable to retire by rotation."

6. **RESOLVED THAT** in accordance with the provisions of section 73 and section 76 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules prescribed thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) approval of the shareholders, be and is hereby, accorded to the Board of Directors of the Company to borrow money from public/shareholders by way of Fixed Deposits subject to compliance of all the conditions stated under section 73(2) and section 76 of the Act or any other applicable provisions of the Act, if any and subject to maximum limits provided under the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

**RESOLVED FURTHER THAT** the Deposits accepted by the Company may be cumulative or non-cumulative as per the scheme framed/approved by the Company and carrying rates of interest for periods varying from one year to three years, which shall not exceed the maximum rate of interest prescribed by the Reserve Bank of India and as specified in the Circular in the form of advertisement inviting deposits to be approved by the Board of Directors of the Company.

**RESOLVED FURTHER THAT** the Board of Directors, be and are hereby, authorised to do all such acts, deeds and things as may be necessary to give effect to the above said resolution and to settle any question, difficulty or doubt that may arise in this regard."

BY Order of the Board of Directors

**AVINASH SHARMA**  
Executive Director  
DIN-02371722

Place: Chandigarh  
Date: 13.08.2015

## NOTES:

1. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 and rules made thereunder, relating to the Special business to be transacted at the Meeting is annexed hereto. The relevant details of Directors seeking appointment/re-appointment at this Annual General Meeting of the company are also annexed.
2. **A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy so appointed need not be a member of the Company. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith.**  

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

During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company
3. Corporate Members intending to send their authorized representative to attend the meeting are requested to send to the Company, a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. The members are requested to bring duly filled attendance slip alongwith their copy of Annual Report at the Meeting.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of the names will be entitled to vote.
6. The Register of Members and Share Transfer Books of the Company will remain closed from **23.09.2015 to 30.09.2015** (both days inclusive).
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the company or Registrar and Share Transfer Agent.
8. Electronic copy of the Annual Report for 2014-15 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes. For members who have not registered their email address, physical copies of the Annual Report for 2014-15 are being sent by the permitted mode.
9. **Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses with Registrar and Share Transfer Agents of the Company/Depository Participant(s), for receiving all communication including Annual Report, Notices, Circulars, etc from the Company electronically.**
10. Members may also note that the Notice of the Annual General Meeting and the Annual Report for 2014-15 will also be available on the Company's website for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days.
11. The Company is maintaining the "INVESTORS SERVICE CELL" at its Head Office at SCO 49-50, Sector 26, Madhya Marg, Chandigarh 160019.
12. Members having any queries relating to Annual Report are requested to send their queries at least seven days before the date of the Meeting.
13. **Voting through electronic means**  

A. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository (Services) India Limited (CDSL).

**Steps for e-voting**

- (i) **The voting period begins on September 25, 2015 at 9.00 a.m. and will end on September 29, 2015 at 5.00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on **22nd September, 2015** (cut-off date), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The members are requested to note that once vote on a resolution is cast electronically, he shall not be allowed to change it subsequently.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website **www.evotingindia.com**
- (iv) Click on shareholders
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in Demat form and had logged on **www.evotingindia.com** and voted on an earlier voting of any Company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

**For Members holding shares in Demat Form and Physical Form**

- PAN\*** Enter your 10 digit alpha-numeric \*PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)



(vii) If you are holding shares in Demat form and had logged on [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

**For Members holding shares in Demat Form and Physical Form**

**PAN\*** Enter your 10 digit alpha-numeric \*PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

☐ Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the Sequence number printed on Name and Address sticker/email in the PAN field.

☐ In case the Sequence number is less than 8 digit enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. For example, if your name is Ramesh Kumar with Sequence number 1 then enter RA00000001 in the PAN field

**Dividend Bank Details** Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.

**OR Date of Birth (DOB)** If the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field. as mentioned in instruction (v). .

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the relevant company name on which you choose to vote i.e. SAB Industries Limited".

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option "YES" implies that you assent to the Resolution and option "NO" implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xviii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) **Note for Non-Individual Shareholders and Custodians:**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

- After receiving the login details they have to create a compliance user using admin login and password. The compliance user would be able to link the account(s) which they wish to vote on.

- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 22nd September 2015 may follow the same instructions as mentioned above for e-Voting.

- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e- voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

(xx) The Board of Directors has appointed Mr. S.K.Sikka, Practicing Company Secretary (ICSI Membership No. FCS- 4241 and CP No.3582) to scrutinize the e-voting process in a fair and transparent manner.

(xxi) The Scrutinizer shall within a period not exceeding two (2) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

(xxii) The Results shall be declared on or after the AGM of the Company within two days. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Bombay Stock Exchange.

14. Relevant documents referred to in the notice and the explanatory Statement are open for inspection by members at the registered office of the company on all working days during normal business hours (09:30 am to 5.30 pm) upto and including the date of meeting.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****ITEM NO. 4**

The Board of Directors of the Company had appointed Smt. Manju Lakhanpal as additional Director of the Company w.e.f 14/03/2015. In accordance with the provisions of Section 161 of the companies Act, 2013, Smt. Manju Lakhanpal shall hold office upto the date of forthcoming Annual General Meeting of the Company and is eligible to be appointed as an Independent Director for a term upto five years. The Company has received notice under Section 160 of the Companies Act, 2013 from the member signifying her candidature as an Independent Director of the Company.

The Board of Directors has recommended the appointment of Smt. Manju Lakhanpal as Independent Director with effect from 14.03.2015 to 13.03.2020

The Company has received a declaration from Smt. Manju Lakhanpal that she meets the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, Smt. Manju Lakhanpal fulfil the conditions specified in the Act and Rules framed thereunder for appointment as independent Director and she is independent of the Management. Smt. Manju Lakhanpal is not disqualified from being appointed as Director in terms of section 164 of the Companies Act, 2013 and she has given her consent to act as Director.

The terms and conditions of appointment of the above Director shall be open for inspection by the Members at the registered office of the Company during normal business hours on any working days.

Smt. Manju Lakhanpal, IRS, had held various prestigious positions including as Chief Commissioner, Income Tax. She possessed appropriate skills, experience and knowledge of management and other disciplines related to the Company's business. She is also Director in Steel Strips Infrastructures Ltd., Steel Strips Ltd. and Steel Strips Industries Ltd.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives except Smt. Manju Lakhanpal are concerned or interested (financially or otherwise), in this resolution.

The Board recommends the ordinary resolution mentioned at Item No. 4 of the accompanying Notice for approval of the members.

**ITEM NO. 5**

The Board of Directors of the Company had appointed Sh. Surinder Singh Viridi as additional Director of the Company w.e.f 13/11/2014. In accordance with the provisions of Section 161 of the Companies Act, 2013, Sh. Surinder Singh Viridi shall hold office upto the date of forthcoming Annual General Meeting of the Company and is eligible to be appointed as an Independent Director for a term upto five years. The Company has received notice under Section 160 of the Companies Act, 2013 from the member signifying his candidature as an Independent Director of the Company.

The Board of Directors has recommended the appointment of Sh. Surinder Singh Viridi as Independent Director with effect from 13.11.2014 to 12.11.2019.

The Company has received a declaration from Sh. Surinder Singh Viridi that he meets the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, Sh. Surinder Singh Viridi fulfil the conditions specified in the Act and Rules framed thereunder for appointment as independent Director and he is independent of the Management. Sh. Surinder Singh Viridi is not disqualified from being appointed as Director in terms of section 164 of the Companies Act, 2013 and he has given his consent to act as Director.

The terms and conditions of appointment of the above Director shall be open for inspection by the Members at the registered office of the Company during normal business hours on any working days.

Sh. Surinder Singh Viridi, is F.I.E. by qualification and a successful Industrialist for over three decades. He possessed appropriate skills, experience and knowledge of management and other disciplines related to the Company's business. He is also Director in Anaesthetic Gases Pvt. Ltd., Iqbal Oxygen Pvt. Ltd., Steel Strips Infrastructures Ltd., Steel Strips Ltd. and Steel Strips Industries Ltd.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives except Sh. Surinder Singh Viridi are concerned or interested (financially or otherwise), in this resolution.

The Board recommends the ordinary resolution mentioned at Item No. 5 of the accompanying Notice for approval of the members.

**Item No.6**

Section 73(2) and Section 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, makes it mandatory for the Company to obtain approval of the shareholders before accepting any deposits from the shareholders/ public by way of Fixed Deposits. As the conditions and maximum limits for accepting deposits from the Shareholders/public has been laid down in the Companies (Acceptance of Deposits) Rules, 2014, approval of the shareholders by way of special resolution, is being obtained for accepting deposits from the shareholders/public after complying with all the conditions stated in Section 73(2)/ Section 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014. Pursuant to Section 76 read with Companies (Acceptance of Deposits) Rules, 2014, it is therefore necessary for the shareholders to pass a special resolution as set out at Item No. 6 of the Notice.

None of the Directors of the Company and /or Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise, in the resolution.

The Board recommends special resolution for the approval of the Members set out at Item no.6.

By Order of the Board of Directors

**AVINASH SHARMA**  
Executive Director  
DIN-.2371722

Place: Chandigarh  
Date: 13.08.2015

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT IN ANNUAL GENERAL MEETING**

Name of Director (DIN)	Shri Sanjay Garg (DIN-00030956)	Shri S S Virdi (DIN-00035408)	Smt. Manju Lakhanpal (DIN-07130592)
Date of Birth	09/09/1968	22/09/1942	07/08/1947
Date of first appointment	25/03/2006	13/11/2014	14/03/2015
Qualification Experience in Specific functional areas	Shri Sanjay Garg, a Cost and Works Accountant and a Law Graduate, is a well qualified and experienced professional. He has held various Managerial/ Advisory positions.	Sh. Surinder Singh Virdi, is an Engineer (F.I.E.) by qualification and is a successful Industrialist for over three decades. He possessed appropriate skills, experience and knowledge of management and other disciplines related to the Company's business	Smt. Manju Lakhanpal, IRS, had held various prestigious positions including as Chief Commissioner, Income Tax. She possessed appropriate skills, experience and knowledge of management and other disciplines related to the Company's business
List of companies in which outside Directorships held	Steel Strips Ltd Steel Strips Infrastructures Limited	Anaesthetic Gases Pvt. Ltd. Steel Strips Infrastructures Ltd. Steel Strips Ltd. Steel Strips Industries Ltd. Chairman of Audit Committee of Steel Strips Ltd. & Steel Strips Infrastructures Ltd.	- Steel Strips Infrastructures Ltd. - Steel Strips Ltd. - Steel Strips Industries Ltd.
Chairman/ Member of the Committee of Board of Directors of the Company	-	-	-
Chairman/ Member of the Committee of Directors of other Companies in which he is a Director	-	Chairman of Audit Committee of Steel Strips Limited and Steel Strips Infrastructures Limited	-
No. of shares held in the Company	50	-	-



**DIRECTORS' REPORT**

Dear Members,

The Directors of your Company have pleasure in presenting the Annual Report on Accounts for the Financial Year ending 31st March 2015.

**FINANCIAL HIGHLIGHTS**

<b>Particulars</b>	<b>2014-15</b>	<b>2013-14</b>
(₹ in Lacs)		
Turnover and Other Income		
- Turnover	1527.74	1004.66
- Other Income	224.74	261.57
Operating Profit	215.68	308.17
Financial Expenses	112.70	208.76
Depreciation	40.14	40.55
Net Profit from ordinary operations	62.84	58.86
Write Back from termination of Agreement	100.00	-
Prior period Adjustments	0.85	1.11
Net profit before tax	161.99	57.75
Tax Expense	49.64	20.78
Profit after Tax	112.35	36.97

**OPERATIONS AND FUTURE OUTLOOK**

During the year under consideration, the turnover of the Company was higher at ₹1527.74 lac as compared to a turnover of ₹1004.66 lac during the previous year. The Company also earned a net profit of ₹112.35 lac during the year as against ₹36.97 lac during the previous year.

The Central Government has recently taken new initiatives during the last one year to give a boost to the Real Estate and Construction Sector. A sum of ₹1.00 lac crore approx. is being allocated for development of 100 smart cities and 500 rejuvenated cities, and mission Housing for all. Tax benefits are being introduced to bring in FDI and Local investments in the sector.

These initiatives are giving a thrust to the Construction Sector. The Company has been awarded new jobs worth ₹50 crore approx. by Government Departments. The Company has executed jobs worth ₹13 crore approx. out of the above till 31.03.2015 and the balance work is to be executed during the current year. Besides, the Company has also submitted fresh tenders worth ₹70 crore approx. which will also substantiate the turnover. Barring unforeseen circumstances, we expect to achieve a turnover of ₹50 crore approx. during the current year 2015-16.

**SEGMENT REPORT**

Your Company has a number of activities in its fold. Its primary business activities include Construction and Engineering, Real Estate, Information Technology and Trading. The Company is registered with various Government Bodies like Utranchal PWD (B&R), HP PWD (B&R), Haryana PWD (B&R) and PUDA as class-1 contractors. This segment presently has the largest share of revenue and profits in the performance of the Company. This segment also provides consultancy in the field of civil engineering and preparation and award of claims.

The Infotech Division of the Company undertakes activities of an Internet Service Provider in Punjab Telecom Circle including Punjab, Chandigarh, Panchkula and parts of Haryana and Himachal Pradesh.

The other important segment of activities of your Company is Development and Sale of Real Estate. As stated above, the Central Government is taking new initiatives to give a boost to the Real Estate Sector. Though the market growth in housing

sector in Northern Region of the Country is presently low, however, it is likely to pick up in due course of time.

A breakup of the segment-wise performance is given in the 'Notes on Accounts' which forms a part of the Balance Sheet.

**FINANCIAL STATUS**

There is no change in the 'Issued and Subscribed Capital' of ₹15,18,83,720, divided into 1,51,88,372 equity shares of ₹10/- each, during the year. There are no equity shares with differential rights or sweat equity or ESOP or scheme of purchase of Company shares by employees or their trustees.

**MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There are no material changes which occurred subsequent to the close of the financial year to which the Financial Statements relate and upto the date of report.

**CORPORATE SOCIAL RESPONSIBILITY AND GOVERNANCE COMMITTEE**

During the year, your Directors have constituted a Corporate Social Responsibility and Governance Committee (CSR&G Committee) comprising Shri R K Garg as its Chairman, Shri H K Singhal and Shri S S Dawra as other members.

The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken within the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

Since the Company does not have net profits in any financial year in accordance with Section 197/198 of the Companies Act, 2013, the Company is not required to undertake any activity under CSR Rules.

**SUBSIDIARY COMPANY**

There is no subsidiary Company reportable under Section 129(3) of the Companies Act, 2013.

**DIVIDEND**

Keeping in view the business commitments, your Company has decided not to declare any dividend for the year 2014-15.

**FIXED DEPOSITS**

The Company has not accepted any fixed deposits during the year under review. The Company has complied with the directives covered under Chapter V of the Companies Act 2013 read with Companies (Acceptance of Deposits) Rules, 2014 (as amended) as applicable, with regard to the deposits accepted. There are no unpaid or unclaimed deposits of any previous years.

**CORPORATE GOVERNANCE REPORT- DISCLOSURE REQUIREMENTS**

The Company is continuously taking steps to attain higher levels of transparency, accountability and equity in order to enhance customer satisfaction and stakeholders' value. The Company not only complies with the regulatory requirements but is also responsive to the stakeholders' as well as customers' needs. The Company already has an Audit Committee, a Stakeholder Relationship Committee and Nomination and Remuneration Committee duly constituted by the Board to look after various activities. The Corporate Governance practices followed by the Company are enclosed as Annexure to this report.

**EXTRACT OF THE ANNUAL RETURN**

The extract of the annual return as provided under Section 92(3) of the Act, in Form No. MGT-9, which forms part of the Board's

report. (Annexure-4)

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors' confirm that:

- a. in the preparation of the annual accounts for the year ending 31st March 2015, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors had prepared the annual accounts on a going concern basis; and
- e. the Directors in the case of a Listed Company had laid down internal financial control to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The internal control systems and processes of the Company cover operational efficiency, accuracy and promptness in financial reporting, compliance with laws and regulations and development of mature, disciplined and effective processes. The processes are also designed to meet the goals of cost, schedule, functionality and quality, thus resulting in higher levels of customer satisfaction.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

##### **A) Changes in Directors and Key Managerial Personnel**

Since the last Annual General Meeting, following changes have taken place in the Board of Directors.

- Shri S S Viridi has been appointed as a Director on 13.11.2014 in place of Shri Ram K Gupta
- Shri S S Dawra has resigned as a Director on 15.12.2014
- Smt. Manju Lakhanpal has been appointed as an Independent Director on 14.03.2015.

Your Directors place on record their appreciation of the valuable guidance rendered by Shri S S Dawra and Shri Ram K Gupta during their association with the Company

Pursuant to the provisions of Section 149 of the Act, Shri S S Dawra, Shri Vijay G Kalantri and Shri Kanwarjit Singh were appointed as Independent Directors at the Annual General Meeting of the Company held on 30th September, 2014. The terms and conditions of appointment of Independent Directors are as per Schedule IV of the Act. They have submitted a declaration that each of them meets the criteria of Independence as provided in Section 149(6) of the Act and there has been no change in the circumstance which could affect their status as Independent Director during the year.

As per the provisions of Companies Act, 2013, Shri Sanjay Garg, Director, retire by rotation at the forthcoming Annual General Meeting and being eligible offer himself for re-appointment

##### **B) Declaration by an Independent Director(s) and re-appointment, if any**

A declaration by Independent Directors stating that he/they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 has been taken at the time of their appointment.

##### **C) Formal Annual Evaluation of Board**

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under Clause 49 of the Listing Agreements ("Clause 49").

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issue to be discussed, meaningful and constructive contribution and inputs in meetings etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of Independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the Board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

##### **NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS**

During the year under review, 4 Board Meetings were held, one each on 30th May 2014, 14th August 2014, 13th November 2014 and 14th February 2015.

##### **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS**

The Company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of the Directors' Report.

##### **AUDIT COMMITTEE**

The Audit & Compliance Committee comprises of two non-executive Independent Directors viz. Shri S S Viridi, Shri Kanwarjit Singh and Shri H K Singhal. During the year, the committee held four meetings. Other details of the Audit Committee are included in the Corporate Governance Report which forms part of this report.

The Board had accepted all recommendation of the Audit Committee.

##### **DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM/ WHISTLE BLOWER POLICY FOR DIRECTORS AND EMPLOYEES**

The Company has formulated and published a Whistle Blower Policy to provide vigil mechanism for employees including Directors of the Company to report genuine concerns. The provisions of this Policy are in line with the provisions of Section 177(9) of the Act and the revised Clause 49 of the Listing Agreement.

There are no cases reported during the year.

**NOMINATION AND REMUNERATION COMMITTEE**

The committee has been constituted to review and recommend compensation payable to the whole-time directors including Chairman and senior management of the Company. The committee reviews the overall compensation structure and policies of the Company with a view to attract, retain and motivate employees, reviewing compensation levels of the Company vis-à-vis other Companies and industry in general.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

There were no Loans/ Guarantee given and Investments made by the Company during the year..

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 pursuant to section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) rules 2014, including certain arms length transactions under third proviso thereto have been disclosed in the financial statements and are enclosed in Form No. AOC-2 and the same forms part of this report. **(Annexure-1)**

**RISK MANAGEMENT POLICY**

The Board of the Company has formed a Risk Management Committee to frame, implement and monitor the Risk Management plan for the Company. The impact of various risks on the Company, and the steps taken to mitigate the same has been discussed in the Report on Management Discussion & Analysis annexed with this report. **(Annexure 5)**

**AUDITORS**

As per the Provisions of Section 139 of Companies Act, 2013, M/s S.C. Dewan & Co., Chartered Accountants, were appointed as Statutory Auditors of the Company to hold office till the conclusion of Annual General Meeting to be held in the calendar year 2017(subject to ratification of their appointment at every AGM). The Company has received a certificate from them pursuant to Companies (Audit & Auditors) Rules 2014 read with Section 139 & 141 of the Companies Act, 2013, confirming their eligibility for reappointment, and that they were not disqualified for reappointment.

**AUDITORS' REPORT AND SECRETARIAL AUDITORS' REPORT**

The Auditors' Report and Secretarial Auditors' Report do not contain any qualifications, reservations or adverse remarks. Report of Secretarial Auditor is attached as an annexure which forms part of this report. **(Annexure-2)**

**LISTING OF SHARES**

We had filed application with Mumbai Stock Exchange (BSE) on 19.01.2015 for Listing of equity shares of the Company. We are pleased to inform that BSE has granted in principle approval for listing of its securities with them vide their letter no.DCS\DL-UZ\IP\956\2014-15 dated 19/02/2015. BSE subsequently granted listing and trading permission vide their notice no.20150507-33 dated 7th May 2015 effective from 11th May 2015.

**DEMATERIALIZATION**

The equity shares of your Company are to be compulsorily traded in dematerialized form. As on 31.03.2015, a total of

15101140 equity shares, representing 99.43% of equity share capital have been dematerialized.

**INSURANCE**

All the assets of the Company have been adequately insured.

**PARTICULARS OF EMPLOYEES**

Relations with the employees during the period under review continued to be peaceful and harmonious.

**MANAGERIAL REMUNERATION**

The information required under Section 197 of the Act read with rule 5 of the Companies (Appointment and remuneration of managerial personnel) rules 2014 is enclosed with this report. **(Annexure-3)**

**INDUSTRIAL RELATIONS**

Industrial relations continued to be cordial during the year under review.

**HEALTH, SAFETY & ENVIRONMENT PROTECTION**

Our Company has complied with all the applicable health & Safety standards, environment laws and labour laws and has been taking all necessary measures to protect the environment and provide workers a safe work environment. Our Company is committed for continual improvement in Health & Safety as well as Environmental performance by involving all the employees to provide a Safety & healthy work environment to all its employees

**DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy against sexual harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder.

During the financial year 2014-15, the Company has not received any complaint on sexual harassment and hence no complaints remain pending as on 31st March, 2015.

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

Information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is not applicable as the Company did not have any manufacturing facility during the period under consideration. There were no foreign exchange earnings/ outgo during the period.

**ACKNOWLEDGEMENT**

Your Directors acknowledge with gratitude the assistance, co-operation and support received by the Company from the Banks, Statutory/ Govt. Bodies, Customers and Shareholders of the Company.

For and on behalf of Board

Place: Chandigarh  
Date: 18.05.2015

H.K. SINGHAL  
Director  
din-00044328

AVINASH SHARMA  
Executive Director  
DIN-02371722

## ANNEXURE-1

## FORM AOC-2

Pursuant to clause (h) of sub-section (3) of section 134 of the act and rule 8(2) OF THE Companies (Accounts) Rules, 2014 for Disclosure of particulars of contract/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

## 1. Details of contract or arrangements or transaction not at Arm's length basis :-

There were no contracts or arrangements or transaction entered into during the year ended 31st March, 2015, which were not at arm's length.

AS ON 31.03.2015  
(Amount in Rupees)

## 2. Details of contracts or arrangements or transactions at Arm's length basis

a) Name of Related party	(1) Ms. Priya Garg	(2) Steel Strips Wheels Ltd	(3) Indian Acrylics Ltd	(4) Sh. R.K. Garg	(5) Sh. Avinash Sharma
Relationship	Daughter of Sh. R.K. Garg, Chairman of the company	Associate Concern	Associate Concern	Chairman of the Comapny	Executive Director of the Company
b) Nature of contracts/ arrangements/transaction	Rent Paid	1. Lease Line/ Cable net charges received 2. Vehicle Expenses received 3. Dividend received	1. Lease line/cable not charges received 2. Hire charges of shuttering plates received	1. Un-Secured loan received 2. Commission Paid	Remuneration paid
c) Duration of Contracts/ arrangements/transaction		-	-	-	Upto 31.03.2018
d) Salient terms of the contracts or arrangement or transaction including the value, if any	30,00,000/-	1. 4,91,808/- 2. 24,000/- 3. 19,71,280/-	1. 6,16,223/- 2. 32,55,491/-	1. 2,15,00,000/- 2. 1,65,501/-	36,81,240/-

Note: Appropriate approvals have been taken for related party transaction. Advance paid have been adjusted against billings.

## ANNEXURE-2

**FORM NO. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015**

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

To,  
The Members,  
SAB Industries Limited  
(CIN: L00000CH1983PLC031318)

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

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March, 2015 according to the provisions of:

- (1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (3) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- (4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-



- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ;  
(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;  
(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;  
(d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(6) Other laws applicable to the Company as per the representation given by the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(Not applicable for the audit period)

- (ii) The Listing Agreements entered into by the Company with BSE Limited.

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

I further report that

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

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

Decisions at the Board meetings, as represented by management, were taken unanimously.

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

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

- (i) Public / Rights / Preferential issue of shares / debentures / sweat equity.  
(ii) Redemption / buy-back of securities.  
(iii) Merger / amalgamation / reconstruction etc.  
(iv) Foreign technical collaborations.

I further report that during the audit period, the Company has taken the following major decisions:

(i) The Company has obtained approval of shareholders under Section 180(1)(a) of the Companies Act, 2013 by way of Special Resolution through Postal Ballot to create mortgage and/or charge on whole or substantially the whole of the Company's undertaking upto an amount as may be approved by the shareholders under Section 180(1) (c) of the Companies Act, 2013.

(ii) The Company has obtained approval of shareholders under Section 180(1) (c) of the Companies Act, 2013 by way of Special Resolution for borrowings upto ₹ 300 Crores.

Place: Chandigarh

Date: 18.05.2015

Sushil K Sikka  
Company Secretary  
FCS 4241  
CP 3582

To,  
The Members  
SAB Industries Limited

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

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

Place: Chandigarh

Date: 18/05/2015

Sushil K Sikka  
Company Secretary  
FCS 4241  
CP 3582

## ANNEXURE 3

DETAILS PERTAINING REMUNERATION AS REQUIRED UNDER SECTION 197(2) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- i) The ratio of the remuneration of each director to the median employee's remuneration of the Company for the financial year
- | Non Executive Directors    | Ratio to Median Remuneration |
|----------------------------|------------------------------|
| Shri R.K.Garg              | 0.83                         |
| Shri S.S.Dawra             | 0.06                         |
| Shri Kanwaljit Singh       | 0.03                         |
| Shri Vijay G Kalantri      | 0.02                         |
| Shri S.S.Virdi             | 0.03                         |
| Shri H.K.Singhal           | 0.13                         |
| Shri Sanjay Garg           | 0.09                         |
| <b>Whole Time Director</b> |                              |
| Shri Avinash Sharma        | 14.93                        |
- (ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary, in the financial year;
- | Director, Chief Executive Officer, Chief Financial Officer, Company Secretary | %age increase in Remuneration |
|---|-------------------------------|
| <b>Non Executive Director</b>   |                               |
| Shri R K Garg   | 130.18%                       |
| <b>Whole Time Director</b>  |                               |
| Shri Avinash Sharma   | No change                     |
| <b>Chief Financial Officer</b>  |                               |
| Sh. Bhagwan Singh Negi  | 11.85%                        |
| <b>Company Secretary</b>  |                               |
| Ms Gurpreet Kaur  | 11.45%                        |
- (iii) The percentage increase in the median remuneration of employees in the financial year 2014-15.  
The Percentage increase in median remuneration of employee is 23.20%.
- (iv) The number of permanent employees on the rolls of company.  
The number of permanent employees on the roll of company as of 31st march 2015 was 30.
- (v) The explanation on the relationship between average increase in remuneration and company performance;  
Increase in the remuneration during the year is 6 to 15% based on individual performance. The profitability and performance of the company is improved during the year.
- (vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company;
- |  |         |
|--|---------|
| Aggregate Remuneration of KMP in FY-15 (Rupees in Lakhs) | 47.19   |
| Revenue (Rupees in Lakhs)                                | 1752.48 |
| Remuneration of KMPs (As %age of Revenue)                | 2.69    |
| Profit before tax (PBT) (Rupees in Lakhs)                | 161.99  |
| Remuneration of KMP (As %age of PBT)                     | 29.13   |
- (vii) Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year. Percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies.
- | Particulars                       | March 31, 2015 | March 31, 2014 | % change |
|-----------------------------------|----------------|----------------|----------|
| Market capitalization (INR Lakhs) | -              | -              | -        |
| Market price                      | -              | -              | -        |
| Price Earnings Ratio              | -              | -              | -        |
- (viii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;  
Average annual increase during the year was around 9.11% and the average increase in managerial remuneration was 4.97%.
- (ix) Comparison of the remuneration of the each Key Managerial Personnel against the performance of the company;
- | Particulars                                      | Sh. R.K. Garg<br>(Chairman) | Sh. Avinash Sharma<br>(Whole Time Director) | Sh. Bhagwan Singh<br>(Chief Financial) | Ms. Gurpreet Kaur<br>Company Secretary |
|--|-----------------------------|---|--|--|
| Remuneration in FY15 (Rupees in Lakhs)           | 1.86                        | 33.43                                       | 5.74                                   | 6.16                                   |
| Revenue (Rupees in Lakhs)                        | 1752.48                     | 1752.48                                     | 1752.48                                | 1752.48                                |
| Remuneration as % of revenue                     | 0.11                        | 1.91  | 0.33                                   | 0.35                                   |
| Profit before tax (PBT) (Rupees in Lakhs) (Loss) | 161.99                      | 161.99                                      | 161.99                                 | 161.99                                 |
| Remuneration of KMP (As %age of PBT)             | 1.15                        | 20.64                                       | 3.54                                   | 3.80                                   |
- (x) The key parameters for any variable component of remuneration availed by the directors;  
Commission / Remuneration @ 1% of available profits has been paid to Sh. R.K. Garg, Chairman of the company.
- (xi) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;  
There is no employee in the company who is paid higher than highest paid director.
- (xii) Affirmation that the remuneration is as per the remuneration policy of the company.  
It is confirmed that the remuneration is paid as per the remuneration policy of the Company



**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on 31.03.2015**

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

**I. REGISTRATION & OTHER DETAILS:**

i.	CIN	L00000CH1983PLC031318
ii.	Registration Date	16/02/1983
iii.	Name of the Company	SAB INDUSTRIES LIMITED
iv.	Category/Sub-category of the Company	PUBLIC LIMITED
v.	Address of the Registered office & contact details	SCO 49-50, SECTOR 26, MADHYA MARG, CHANDIGARH-160019.
		TEL: +91-01972-2792385, 2793112 FAX: +91-01972-2794834
vi.	Whether listed company	LISTED COMPANY
vii.	Name, Address & contact details of the Registrar & Transfer Agent, if any	M/S LINK INTIME INDIA PVT. LIMITED A-44, COMMUNITY CENTRE, 2ND FLOOR, NEAR PVR, NARAINA INDUSTRIAL AREA, PH-1, NEW DELHI 110028. PH.: 011-41410592-94

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY** (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Construction and Engineering, Real Estate, Information Technology and Trading	9972	100%

The Company has no Holding, Subsidiary and Associate Companies contributing 10% or more of the total turnover of the company.

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

The company has no holding subsidiary or associate company holding at least twenty percent of total share capital of the company

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

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	5208344	-	5208344	34.29	5208344	-	5208344	34.29	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)									
d) Bodies Corp.	5975012	-	5975012	39.34	5975012	-	5975012	39.34	-
e) Banks / FI									
f) Any other									
Total shareholding of Promoter (A)	11183356	-	11183356	73.63	11183356	-	11183356	73.63	-
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	17401	34802	52203	0.34	17401	34802	52203	0.34	-
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FII's									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-	17401	34802	52203	0.34	17401	34802	52203	0.34	-
2. Non-Institutions									
a) Bodies Corp.	3764600	18501	3783101	24.91	3764600	18501	3783101	24.91	-
I Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	135678	34034	169712	1.12	2375	33926	36304	0.24	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	133408		133408	0.88	-
c) Others (specify)									
Non Resident Indians									
Overseas Corporate Bodies									
Foreign Nationals									
Clearing Members									
Trusts									
Foreign Bodies - D R									
Sub-total (B)(2):-	3900278	52535	3952813	26.03	3900383	52430	3952813	26.03	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	3917679	87337	4005016	26.37	3917784	87232	4005016	26.37	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
Grand Total (A+B+C)	15101035	87337	15188372	100.00	15101140	87232	15188372	100.00	-

**(ii) Shareholding of Promoter-**

S.No.	Shareholder's Name	Shareholding at the beginning of the year			Cumulative Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of shares pledged/encumbered to total shares	No. of shares	% of shares of the company	% of shares pledged/encumbered to total shares	change in share holding during the year
1	Shri R K Garg	3404020	22.41	-	3404020	22.41	-	-
2	Shri R K Garg & Sons (Huf)	80000	0.53	-	80000	0.53	-	-
3	Smt. Sunena Garg	336508	2.22	-	336508	2.22	-	-
4	Shri Dheeraj Garg	1307808	8.61	-	1307808	8.61	-	-
5	Ms. Priya Garg	80008	0.53	-	80008	0.53	-	-
6	Steel Strips Industries Ltd.	805172	5.30	-	805172	5.30	-	-
7	Steel Strips Holding Pvt. Ltd.	1200060	7.90	-	1200060	7.90	-	-
8	Steel Strips Fin. Pvt. Ltd.	1200060	7.90	-	1200060	7.90	-	-
9	S S Credits Pvt. Ltd.	9000	0.06	-	9000	0.06	-	-
10	Munak Financiers Pvt. Ltd.	1560720	10.28	-	1560720	10.28	-	-
11	Munak Investments Pvt. Ltd.	1200000	7.90	-	1200000	7.90	-	-
		<b>11183356</b>	<b>73.63</b>	<b>-</b>	<b>11183356</b>	<b>73.63</b>	<b>-</b>	<b>-</b>

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

There is no change during the year.

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

S.no.	Top 10 Shareholders*	Shareholding at the beginning of the year 01.04.2014		Cumulative Shareholding end of the year 31.03.2015	
		No. of shares of the company	% of total shares of the company	No. of shares	% of total shares of the company
1.	Steel Strips Wheels Invt. Ltd.	1214630	8.00	22.41	8.00
2.	Bloomen Flora Ltd.	1336438	8.80	1336438	8.80
3.	Priya Tools Pvt. Ltd.	1214632	8.00	1214632	8.00
4.	Tarsem Garg	133408	0.88	133408	0.88
5.	Ind. Credit & Inv. Corp. Of India	34802	0.23	34802	0.23
6.	Amrex Marketing Pvt. Ltd.	17401	0.11	17401	0.11
7.	Vibha Narain	1200	0.00	1200	0.00
8.	Abha Narain	1200	0.00	1200	0.00
9.	Kiran Narain	600	0.00	600	0.00
10.	Harminder Singh Mehar	600	0.00	600	0.00

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

S.no.	Folio/Beneficiary Account No.	Name of the Share Holder	Shareholding at the beginning during the year		Cumulative shareholding during the year	
			No. of shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	In300476-10368502	Sh.R K Garg	3404020	22.41	3404020	22.41
2.	IN30302852224288	Sh.AvinashSharma	50	0.00	50	0.00
3.	IN30177412825514	Sh. Sanjay Garg	50	0.00	50	0.00
4.	In300206-10205235	Sh. H K Singhal	70	0.00	70	0.00

**V. INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	1778.65	-	187.50	1966.15
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	1778.65	-	187.50	1966.15
<b>Change in Indebtedness during the financial year</b>				
* Addition	934.18	215.00	-	1149.18
* Reduction	430.66	-	187.50	618.16
<b>Net Change</b>	503.52	215.00	(187.50)	531.02
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	2282.17	215.00	-	2497.17
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>2282.17</b>	<b>215.00</b>	<b>-</b>	<b>2497.17</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

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

<b>S.no...</b>	<b>Particulars of Remuneration</b>	<b>Name of MD/MTD/ Manager</b>		<b>Total Amount</b>
		<b>Shri R K Garg</b>	<b>Shri Avinash Sharma (WTD)</b>	
1	<b>Gross salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	2820000	2820000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	522840	522840
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2	Stock Option	-	-	
3	Sweat Equity	-	-	
4	Commission			
	- as % of profit	165501	-	165501
	- others, specify		-	
5	Others, please specify (Sitting Fee)	20000	-	20000
	<b>Total (A)</b>	<b>185501</b>	<b>3342840</b>	<b>3528341</b>
	Overall Ceiling	As per the Act	As per the Act	As per the Act

**B. Remuneration to other directors**

<b>S.no..</b>	<b>Particulars of Remuneration</b>	<b>Name of Directors</b>			<b>Total Amount</b>
		<b>Sh. S S Virdi</b>	<b>Sh. Kanwarjit Singh</b>	<b>Sh. Vijay G Kalantri</b>	<b>Smt. Manju Lakhnpal</b>
1	<b>Independent Directors</b>				
	Fee for attending board committee meetings	7000	7000	5000	19000
	Commission				
	Others, please specify				
	<b>Total (1)</b>	<b>7000</b>	<b>7000</b>	<b>5000</b>	<b>19000</b>
2	<b>Other Non-Executive Directors</b>	<b>Sh. R K Garg</b>	<b>Sh. H K Singhal</b>	<b>Sh. Sanjay Garg</b>	
	Fee for attending board committee meetings	20000	28000	20000	68000
	Commission				
	Others, please specify				
	<b>Total (2)</b>	<b>20000</b>	<b>28000</b>	<b>20000</b>	<b>68000</b>
	<b>Total (B)=(1+2)</b>	<b>27000</b>	<b>35000</b>	<b>25000</b>	<b>87000</b>
	Total Managerial Remuneration				<b>36,15,341</b>
	Overall Ceiling as per the Act	As per the Act	As per the Act	As per the Act	As per the Act

**C. Remuneration To Key Managerial Personnel Other Than MD/Manager/MTD**

<b>S.no.</b>	<b>Particulars of Remuneration</b>	<b>Key Managerial Personnel</b>	
			<b>CS (Ms. Gurpreet Kaur)</b>
1	<b>Gross salary</b>		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		6,16,380
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-
2	Stock Option		-
3	Sweat Equity		-
4	Commission		-
	- as % of profit		-
	others, specify...		-
5	Others, please specify		-
	<b>Total</b>		<b>6,16,380</b>

**VII PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There were no penalties, punishment or compounding of offences during the year ended March 31, 2015.

**MANAGEMENT DISCUSSION AND ANALYSIS**

Indian real estate sector is one of the major parts of economy and plays a vital role in the development of country's infrastructure base. It is one of the major labour-intensive sector after agriculture which contributes about 6.3 per cent to India's Gross Domestic Product (GDP). The sector is going through a phase of metamorphosis, earlier it was totally an unorganized sector that gradually moved towards a more organized one. Size of this industry stands at \$121b.

Real estate industry has faced a lot of challenges in past few years. Firstly, real estate industry was hit by lower demand due to global slowdown. Secondly, Companies initiated huge number of projects keeping high future growth in mind which has lead to huge supply both ready and under-process. This demand & supply mismatch lead to stalling number of projects. Thirdly, heavy rise in construction charges resulted in high costs. Fourthly, high debt & high interest costs is further hurting badly.

In the third quarter of 2014, the sales volumes of houses plunged by 43 per cent to 11.8 million sq ft from 21.9 million sq ft in the same period previous year. Despite this, the annual rise in prices of residential units in the last eight quarters remained around 10 per cent. The fall in sales volume was maximum in the North Indian markets followed by Western India while the Southern Indian market witnessed a rise in sales. In metro cities, Bangalore reported the biggest gain with home sales increasing by 58 per cent, as against the same quarter last year while the National Capital Region (NCR) registered the smallest gain of 4 per cent.

**Office Space Absorption**

In 2014, the office space absorption improved to 29 million sq ft in 7 major cities - Delhi-NCR, Mumbai, Bengaluru, Chennai, Pune, Hyderabad and Kolkata, as compared to 28 million sq ft in 2013.

**Retail Real Estate**

Despite the slowdown, demand from international and domestic brands as well as retailers continued to strengthen. But supply grew at much rapid growth. Supply of Retail real estate in shopping malls in 2014 increased to 11.7 mn sq ft approx in the top seven major cities of the country as compared to 4.7 mn sqft in 2013 & 2.5 mn sqft in 2012, which is a Y-o-Y growth of whopping 149%.

**Govt. Initiatives For The Sector**

The Central Government has recently taken new initiatives during the last one year to give a boost to the Real Estate and Infrastructure Sector. A sum Rupees one lac crore approx. is being allocated for development of 100 smart cities, 500 rejuvenated cities and 'Housing for All' mission. Tax benefits are being introduced to bring in FDI and local investment in the Sector.

The development of Real Estate requires substantial development in infrastructure which is good for our Contractors' Division. The company has been awarded new job contracts worth about ₹ 50 crore during the year 2014-15, which are to be executed by early 2016-17. The company has further submitted fresh tenders worth about ₹ 70 crore, and will continue to do so on regular basis, which will give a substantial growth to its top and bottom line. Barring unforeseen circumstances, the company expects to achieve topline of ₹ 50 crore during the current year 2015-16.

The Infotech business of the company is showing a steady growth.

**Cautionary Statement:**

Statements in this report on Management Discussion and Analysis describing the Company's Objectives, projections, estimates, expectations or predictions may be "forward looking" within the meaning of applicable Securities laws and regulations. Actual results could differ materially from those expressed or implied.

For and on behalf of  
BOARD OF DIRECTORS

Place: Chandigarh  
Date: 18.05.2015

**H.K. SINGHAL**  
Director  
DIN-00044328

**AVINASH SHARMA**  
Executive Director  
DIN-00030956

## REPORT ON CORPORATE GOVERNANCE

The Company continuously strives to attain high levels of corporate performance, accountability, transparency, responsibility and fairness in all aspects of its operations. Transparency in all dealings and providing better services without compromising in any way on integrity and regulatory compliances have been the basic objectives of corporate governance in the Company.

The Company is in Compliance with the requirements stipulated under Clause 49 of the Listing agreement entered into with the stock Exchanges with regard to corporate governance.

## BOARD OF DIRECTORS

- i. As on March 31, 2015, the Company has eight Directors including a Non-Executive Chairman. Of the eight Directors, seven are Non-executive Directors of which, four are Independent Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreements entered into with the Stock Exchanges.
- ii. During the year under review, 4 Board Meetings were held, one each on 30th May 2014, 14th August 2014, 13th November 2014 and 14th February 2015 and the gap between two meetings did not exceed one hundred twenty days. The necessary quorum was present for all the meetings.
- iii. None of the Directors on the Board hold Directorship in more than ten Public Companies. Further, none of them is a member of more than ten Committees or Chairman of more than five Committees across all the Public Companies in which he is a Director. Necessary disclosures regarding Committee positions in other Public Companies as on March 31, 2015 have been made by the Directors.
- iv. Independent Directors are Non-executive Directors as defined under Clause 49(II)(B)(1) of the Listing Agreements entered into with Stock Exchanges. The maximum tenure of the Independent Directors is in compliance with the Companies Act, 2013 ("Act"). All the Independent Directors have confirmed that they meet the criteria as mentioned under Clause 49 of the Listing Agreement and Section 149 of the Act.
- v. The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships/ Memberships held by them in other Public Companies as on March 31, 2015 are given herein below. Other Directorships do not include Directorships of Private Limited Companies, Section 8 Companies and of Companies incorporated outside India. Chairmanships/ Memberships of Board Committees include only Audit Committee and Stakeholders' Relationship Committee.

## The detail of Board Meetings, number of Directorships and Committee Memberships held by Directors

Name of Director and Designation	Category	No. of Board meetings held during the year 2014-15		Whether attended last AGM held on 30th September, 2014	No. of Directorships in other public companies		No. of Committee positions held in other public companies	
		Held	Attended		Chairman	Member	Chairman	Member
Chairman Sh. R.K.Garg, Chairman DIN 00034827	Member Promoter Non-Executive Director	4	4	No	3	4	1	Nil
Sh. Avinash Sharma DIN 02371722	Executive Director	4	4	No	Nil	3	Nil	Nil
*Sh. S S Viridi DIN 00035408	Non Executive Independent Director	1	1	No	Nil	3	Nil	Nil
Sh. Sanjay Garg DIN 00030956	Non Executive r Director	4	4	Yes	Nil	2	Nil	Nil
Sh. Vijay G Kalantri DIN 00019510	Non Executive Independent Director	4	1	No	3	15	Nil	5
Sh. Kanwarjit Singh DIN 02116030	Non Executive Independent Director	4	1	No	-	-	-	-
**Sh. S. S. Dawra DIN 00310987	Non Executive Independent Director	3	2	No	-	2	1	1
Sh. H. K. Singhal DIN 00044328	Non Executive Director	4	4	Yes	Nil	6	Nil	7
***Smt. Manju Lakhanpal DIN 07130592	Non Executive Independent Director	-	-	-	-	-	3	--

\* Shri S S Viridi appointed as a Director on 13.11.2014 in place of Shri Ram K Gupta

\*\* Shri S S Dawra resigned as a Director on 15.12.2014

\*\*\* Smt. Manju Lakhanpal appointed as an Additional Independent Director w.e.f. 14.03.2015.

- vi. During the year, a separate meeting of the Independent Directors was held inter-alia to review the performance of Non-independent Directors and the Board as a whole. The Company has adopted a familiarization programme for the Independent Directors, which has been displayed on the website of the Company.
- vii. The Board periodically reviews compliance reports of all laws applicable to the Company and steps are taken the instances of non-compliance, if any.

**COMMITTEES OF DIRECTORS**

The Board has constituted committees of Directors to deal with matters, which need quick decisions and timely monitoring of the activities falling within their terms of reference. The Board Committees are as follows:

**AUDIT & COMPLIANCE COMMITTEE**

The Audit & Compliance Committee comprises of two Non-executive Independent Directors Shri S S Virdi, Shri Kanwarjit Singh and Shri H K Singhal. During the year, the committee held four meetings one each on 30th May 2014, 14th August 2014, 13th November 2014 and 14th February 2015

The terms of reference of the Audit & Compliance Committee are in accordance with Section 177 of the Companies Act, 2013 and paragraphs C&D of clause 49(II) of the Listing Agreement entered into with the Stock Exchanges and inter-alia include the following:

- a) Overseeing the Company's financial reporting process and ensuring correct, adequate and credible disclosure of financial information.
- b) Recommending appointment and removal of external auditors and fixing of their fees.
- c) Reviewing with management the annual financial statements with special emphasis on accounting policies and practices, compliance with accounting standards and other legal requirements concerning financial statements.
- d) Reviewing the adequacy of the Audit and Compliance function, including their policies, procedures, techniques and other regulatory requirements.
- e) Reviewing the adequacy of internal control systems and significant audit findings.
- f) Reviewing with the management, the quarterly financial statements before submission to the board for approval.
- g) Evaluation of internal financial controls and risk management systems
- h) To review the functioning of whistle blower mechanism.
- i) Carrying out any other function as is mentioned in terms of reference of the Audit Committee.

**NOMINATION AND REMUNERATION COMMITTEE**

The Company had a Remuneration/ Compensation Committee of Directors. The Remuneration/ Compensation Committee of the Company has been merged, pursuant to the provisions of the Act and clause 49 of the Listing Agreement. The Nomination and Remuneration Committee comprises of two non executive Directors viz Shri S S Virdi, and Shri S S Dawra, and Shri H K Singhal. The committee has been constituted to review and recommend compensation payable to the Whole-time Directors and Senior Management of the Company. The committee reviews the overall compensation structure and policies of the Company with a view to attract, retain and motivate employees, reviewing compensation levels of the Company vis-à-vis other Companies and industry in general in line with Remuneration Policy. During the year, the committee held one meeting.

**REMUNERATION POLICY**

The Company's Remuneration Policy is driven by the success and performance of the individual employees and the Company. Through its compensation programme, the company endeavor to attract, retain, develop and motivate high performance workforce. The company pays remuneration by way of salary, benefits, perks, perquisite and allowances to its employees.

**REMUNERATION OF DIRECTORS**

Shri Avinash Sharma is Whole time director of the Company. His particulars and details of remuneration paid is as under:

Shri Avinash Sharma

-Designation	Executive Director
-Last appointed on	01/04/2013
-Term Five years	
- Salary	₹2,35,000/- per month
	Rent free unfurnished accommodation
- Commission	5% of net profit inclusive of remuneration mentioned above. For the purpose of calculation, net profit shall exclude the profit generated/ to be generated by the sale of Land, by the sale of Investment in shares, dividend of investment in shares and due to any claim received/ to be received for the cases/ work done before 1st October 2008 or any other receivable against the work executed by the company before the said date.

In addition to the above, the Executive Director shall also be eligible for the following perquisites, which shall not be included for computation of the ceiling as specified.

- Reimbursement of medical as per the rules of the Company;
- Contribution to Provident Fund @ 12% of basic salary;
- Gratuity - Not exceeding half month's basic salary for each completed year of service, subject to Gratuity Act;
- Earned Leave - As per Company's Rules (unused portion of the earned leave may be encashed at the end of the tenure, including extension in tenure, if any, subject to a maximum of 30 days leave);
- Telephone at residence (private use of the telephone shall be billed by the Company to the appointee)
- Conveyance Reimbursement: Company's Car Expenses at actual as per Company's Rule.

The remuneration is in conformity with Schedule V of the Companies Act, 2013. Other non-executive Directors are paid sitting fee of ₹5000/- for each Meeting of the Board, and ₹2000/- for each Meeting of the Audit Committee thereof attended by them. The Company also reimbursed the out of pocket expenses incurred by the Directors for attending meetings.



**EMPLOYEES STOCK OPTION (ESOP)**

The company does not have any employee stock option scheme.

**DETAILS OF EQUITY SHARES OF THE COMPANY HELD BY THE DIRECTORS AS ON 31ST MARCH 2015**

NAME	NO OF SHARES
SH. R.K GARG	3404020
SH. H K SINGHAL	70
SH. SANJAY GARG	50
SH. AVINASH SHARMA	50

**SECRETARIAL COMMITTEE**

The Secretarial Committee approves and monitors transfers, transmission, splitting and consolidation of shares of the company. The Secretarial Committee is comprised of Shri Avinash Sharma, Executive Director and Shri H.K. Singhal, Director. The Secretarial Committee of the company meets as often as required. The Committee met times during the year.

**STAKEHOLDERS RELATIONSHIP COMMITTEE**

- The Company had a Secretarial Committee/ Investors Grievances Committee of Directors to look into redressal of complaints of investors etc. The nomenclature of the said committee was changed to Stakeholders Relationship Committee in the light of provisions of the Act and revised Clause 49 of the Listing Agreement. The Composition of Stakeholders and Relationship Committee, comprising of Shri S S Virdi as Chairman, Shri H K Singhal and Shri Sanjay Garg, Directors. The Committee monitors redressal of complaints from shareholders relating to transfer of shares, non-receipt of balance sheet, dividends, dematerialization of shares etc. The Company has attended to most of the investor's grievances/ correspondence within a period of 10 days from the date of receipt, except in cases constrained by disputes or legal impediment.

- Details of Complaints received and redressed:

Opening Balance	Received during the year	Resolved during the year	Closing balance
Nil	-	-	-Nil

- **Name, Designation, Address & E-mail of Compliance Officer:**

Ms. Gurpreet Kaur, Company Secretary  
SAB INDUSTRIES LIMITED  
Corporate Office: S.C.O. 49-50, Sector - 26, Madhya Marg,  
Chandigarh-160019  
Telephone No. 0172- 2793112, 2792385  
E-mail: gurpreetkaur@sabindustries.in

**GENERAL BODY MEETINGS**

Venues & time of previous meetings of shareholders, including three Annual General Meetings:

Nature of Meetings	Day	Date	Time	Venue
AGM	Tuesday	30.09.2014	4.30 p.m.	At Regd. Office at SCO 49-50, Sector 26, Madhya Marg, Chandigarh
AGM	Monday	30.09.2013	12.30 p.m.	Same as above
AGM	Saturday	29.09.2012	4.00 p.m.	Same as above

No special resolutions were put through Postal Ballot during last year, as there was no such item, which required to be passed through Postal Ballot. The Company did not have any outstanding GDRs/ADRs as at 31st March 2015

**DISCLOSURES:**

- The transactions with the Companies, where the Directors of the Company were interested, were in the normal course of business and there were no materially significant related party transactions that might have had potential conflict with the interest of the Company at large. The Policy on dealing with Related Party Transactions as approved by the Board is posted on the website of the Company.
- The Company has framed a Whistle Blower Policy, details of which are available on the Company's website.
- Shri R K Garg is also the Chairman of Steel Strips Wheels Ltd., Steel Strips Infrastructures Ltd. Steel Strips Ltd., Managing Director of Indian Acrylics Ltd. and Director of Indlon Chemicals Ltd. The group, headed by Shri R K Garg & Family members, namely Shri R K Garg & Sons (HUF), Smt. Sunena Garg, Ms. Priya Garg and Shri Dheeraj Garg comprises of the following companies:  
Indian Acrylics Ltd., SAB Industries Ltd., Steel Strips Wheels Ltd., Steel Strips Ltd., Steel Strips Infrastructures Ltd., Steel Strips Industries Ltd., Indlon Chemicals Ltd., SAB Developers Pvt. Ltd., Malwa Chemtex Udyog Ltd., S.S. Credits Pvt. Ltd., S.J. Mercantile Pvt. Ltd., Indian Acrylics Investments Ltd., Malwa Holdings Pvt. Ltd., Steel Strips Mercantile Pvt. Ltd., Steel Strips Financiers Pvt. Ltd., Steel Strips Holdings Pvt. Ltd., Munak International Pvt. Ltd., Munak Financiers Pvt. Ltd., Munak Investments Pvt. Ltd., S.A.B. Udyog Ltd., Chandigarh Developers Pvt. Ltd. and DHG Marketing Pvt. Ltd.
- There were no penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to Capital Markets during the last three years

**INSIDER TRADING**

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, as amended, the Company has adopted a "Code of Conduct for Prevention of Insider Trading". Ms. Gurpreet Kaur, Company Secretary of the Company had been appointed as the Compliance Officer for this purpose. The Code is applicable to all such employees of the Company who are expected to have access

to unpublished price sensitive information relating to the Company as well as all Directors.

**MEANS OF COMMUNICATION**

**Quarterly Results:**

The quarterly financial results are regularly published in Financial Express/ Business Standard and Jansatta. All price sensitive information is made available at the earliest under intimation to Stock Exchanges.

**GENERAL SHAREHOLDER INFORMATION**

Annual General Meeting: To be held on Wednesday the 30th day of September 2015  
at 10.30 A.M. at Regd. Office of the Company.

**FINANCIAL CALENDER (Tentative)**

Results for quarter ending June 2015	Second week of Aug., 2015
Results for quarter ending Sept. 2015	Second week of Nov., 2015
Results for quarter ending Dec. 2015	Second week of Feb., 2016
Results for quarter ending March 2016	Last week of May, 2016
Date of Book Closure	:From 23rd September 2015 to 30TH September 2015
Dividend Payment Date	:Not Applicable
Scrip Code on BSE	:539112

**Distribution of shareholding as on 31st March 2015**

Share holding of			Shareholders		Share Amount	
Face Value ₹	Face Value ₹	Number	%age to Total	In ₹	%age to Total	
10	To 5000	490	91.85	219440	0.14	
5001	To 10000	2	1.06	12000	0.01	
10001	To 20000	3	0.71	24000	0.02	
20001	To 30000	--	-	-	-	
30001	To 40000	--	-	-	-	
40001	To 50000	--	-	-	-	
50001	To 100000	1	0.35	90000	0.06	
100001	and Above	17	6.03	151538280	99.77	
		513	100.00	151883720	100.00	

**Shareholding Pattern as on 31st March, 2015**

S.NO.	PARTICULARS	NO. OF SHARES	(%)
1.	Promoter & Persons Acting in Concert	11183356	73.63
2.	Bodies Corporate	3783101	24.91
3.	Financial Institutions, Banks & Mutual Funds	185611	1.22
4.	General Public	36304	0.24
	TOTAL SHAREHOLDING	15188372	100.00

**MARKET INFORMATION:**

The Securities of the Company are not actively traded on the Stock Exchanges. As such, the market information on the company's Securities is not available.

**DEMATERIALIZATION OF SHARES AND LIQUIDITY:**

The Company's script forms part of the "Compulsory demat segment" for all investors. The Company has established connectivity with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) through the Registrar M/s Link Intime India Pvt. Limited, 44, Community Centre, 2nd Floor, Naraina Industrial Area, Phase I, Near PVR Naraina, New Delhi 110028.

Phone: +911141410592-94, Fax: +911141410591, [Email:delhi@linkintime.co.in](mailto:delhi@linkintime.co.in)

The Company has also appointed them as Common Agency to look after dematerialization of shares as well as for physical transfer of shares. Members are requested to address all their correspondence with the Registrar at the above address.

As on 31.03.2015, 15101140 (99.43%) equity shares of the Company are held in demat form and the balance 87232 (0.57%) equity shares are held in physical form.

Demat ISIN Number allotted to the Company by NSDL for equity shares is INE137M01017.

**CORPORATE IDENTIFICATION NUMBER (CIN):** L00000CH1983PLC031318

**ADDRESS FOR CORRESPONDENCE & REGISTERED OFFICE:**

SCO 49-50, Sector 26, Madhya Marg, Chandigarh - 160 019.  
Phone No. 0172-2793112, 2792385, 2790979, Fax No. 0172-2794834, 2790887  
Designated E-Mail address for Investor Services: [ssl\\_ssg@glide.net.in](mailto:ssl_ssg@glide.net.in)  
Website : [www.sabindustries.in](http://www.sabindustries.in)

**On behalf of Board of Directors**

Place: Chandigarh  
Date: 18.05.2015

**H.K. SINGHAL**  
Director  
DIN-00044328

**AVINASH SHARMA**  
Executive Director  
DIN-00030956

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the Company has adopted a Code of Conduct for Director & Senior Management of the Company, the Code of Conduct is available on the website.

I confirm that the Company has in respect of the financial year ended March 31, 2015 received from the senior Management Team of the Company and the Members of the Board, a declaration of compliance with the Code of conduct applicable to them.

For SAB Industries Limited

Place: Chandigarh  
Date: 18.05.2015

Avinash Sharma  
Executive Director

**CERTIFICATE OF CORPORATE GOVERNANCE**

We have examined the Company's compliance of conditions of Corporate Governance by SAB Industries Limited for the year ended on 31st March 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

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

On the basis of our review of the relevant records and documents maintained by the Company and furnished to us for review and the information and explanations given to us by the Company, we certify that the Company complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement with the Stock Exchanges.

For S C DEWAN & CO.  
CHARTERED ACCOUNTANTS  
(Regn. No. 000934N)

S C DEWAN  
Partner  
No. 15678

Place: Chandigarh  
Dated: 18th May 2015

**CEO'S/CFO'S Certificate  
WHOMSOEVER IT MAY CONCERN**

In Compliance to clause 49 of the Listing Agreement, we certify that:

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

For SAB Industries Limited

Place: Chandigarh  
Date: 18.05.2015

B.S. NEGI  
Chief Financial Officer

AVINASH SHARMA  
Executive Director

**INDEPENDENT AUDITOR'S REPORT**

To the Members of

**SAB INDUSTRIES LIMITED**

**Report on the Financial Statements**

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

**Management's Responsibility for the Financial statements**

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

**Auditor's Responsibility**

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of

the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

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

**Report on Other Legal and Regulatory Requirements**

9. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by Section 143(3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. the financial statements dealt with by this report are in agreement with the books of account;
  - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
  - e. on the basis of the written representations received from the directors as on 31 March 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164(2) of the Act;
  - f. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. the Company does not have any pending litigations which would impact its financial position;
    - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For S. C. Dewan & Co.**  
**Chartered Accountants**  
**Firm's Registration No.: 000934N**

**S.C. Dewan & Co.**  
**Partner**  
**Membership No.: 015678**

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of SAB INDUSTRIES LIMITED on the accounts of the company for the year ended 31st March, 2015.

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory 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 and no material discrepancies between physical inventory and book records were noticed on physical verification.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a) and 3(iii)(b) of the Order are not applicable.
- (iv) In our opinion, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- (v) In our opinion, the Company has complied with the directives issued by the Reserve Bank of India, the provisions of Sections 73 to 76 and other relevant provisions of the Act and the , Companies (Acceptance of Deposits) Rules, 2014 (as amended) as applicable, with regard to the deposits accepted. According to the information and explanations given to us, no order has been passed by the Company

Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal, in this regard.

- (vi) To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
- (b) There are no dues in respect of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess that have not been deposited with the appropriate authorities on account of any dispute.
- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act and rules made there under.
- (viii) In our opinion, the Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and the immediately preceding financial year.
- (ix) In our opinion, the Company has not defaulted in repayment of dues to any financial institution or a bank or to debenture-holders during the year.
- (x) The Company has not given any guarantees for loans taken by others from banks or financial institutions. Accordingly, the provisions of clause 3(x) of the Order are not applicable.
- (xi) In our opinion, the Company has applied the term loans for the purpose for which these loans were obtained.
- (xii) No fraud on or by the Company has been noticed or reported during the period covered by our audit.

For S.C. Dewan & Co  
Chartered Accountants  
Firm's Registration No.: 000934N

S.C.Dewan  
Partner  
Membership No.: 015678



**BALANCE SHEET**  
**as at 31st March, 2015**

PARTICULARS	NOTE NO.	As On 31.03.2015 (₹)	As On 31.03.2014 (₹)
<b>I. EQUITY AND LIABILITIES</b>		<b>(Rupees)</b>	<b>(Rupees)</b>
<b>(1) Shareholders's Funds</b>	1		
(a) Share Capital		15,18,83,720	15,18,83,720
(b) Reserve and Surplus		34,46,72,782	33,34,37,934
<b>(2) Share application money pending allotment</b>		0	0
<b>(3) Non-Current Liabilities</b>	2		
(a) Long-term borrowings		22,67,97,562	18,71,90,653
(b) Other Long term liabilities		4,22,81,118	3,61,75,438
(c) Long term provisions		2,12,88,551	2,28,75,484
<b>(4) Current Liabilities</b>	3		
(a) Short-term borrowings		1,77,58,072	0
(b) Trade payables		71,74,920	22,19,687
(c) Other current liabilities		10,79,32,160	14,92,65,993
(d) Short term provisions		50,00,000	19,00,000
<b>TOTAL..</b>		<b>92,47,88,885</b>	<b>88,49,48,909</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets	4		
Gross Block		32,48,37,393	29,14,98,965
<b>Less : Depreciation</b>		<b>13,32,01,318</b>	<b>12,91,87,288</b>
Net Block		19,16,36,075	16,23,11,677
(b) Non-current investments		12,43,95,653	12,43,95,653
(c) Deferred tax assets (net)		36,89,442	36,53,323
<b>(2) Current assets</b>	5		
(a) Inventories		38,32,18,275	36,22,89,761
(b) Trade receivables		10,44,26,660	11,49,22,383
(c) Cash and Bank Balances		3,49,16,187	3,84,36,370
(d) Short-term loans and advances		5,66,15,571	7,12,22,569
(e) Other current assets		2,58,91,022	77,17,173
<b>TOTAL..</b>		<b>92,47,88,885</b>	<b>88,49,48,909</b>
<b>Significant Accounting Policies</b>			
<b>Notes on Financial Statements</b>	1 to 14	0	

## AUDITORS' REPORT

Certified in terms of our separate report of even date annexed

for S.C.Dewan & Co  
Chartered Accountants  
(Registration No.000934N)

AVINASH SHARMA  
Executive Director

MANJU LAKHANPAL  
H. K. SINGHAL  
SANJAY GARG  
Directors

Place : Chandigarh  
Dated : 18.05.2015

S.C. DEWAN  
Partner  
Membership No.015678

GURPREET KAUR  
Company Secretary



**STATEMENT OF PROFIT & LOSS ACCOUNT  
FOR THE YEAR ENDED 31st MARCH, 2015**

PARTICULARS		NOTE NO.	As On 31.03.2015 (₹)	As On 31.03.2014 (₹)
I.	Revenue from operations	6	15,27,73,683	10,04,65,772
1				
II.	Other Income	7	2,24,74,367	2,61,57,027
III.	<b>Total Revenue (I +II)</b>		<b>17,52,48,050</b>	<b>12,66,22,799</b>
IV.	EXPENSES :			
	Cost of materials consumed	8	7,21,04,971	80,22,747
	Purchase of Stock-in-Trade		0	0
	Changes in inventories of finished goods, work in-progress and Stock-in-Trade	9	(1,90,00,000)	28,42,000
	Employee benefit expense	10	1,78,90,119	1,70,44,355
	Financial costs	11	1,12,69,616	2,08,75,558
	Depreciation and amortization expense	4 (a)	40,14,030	40,54,918
	Other expenses	12	8,26,85,693	6,78,96,853
	<b>Total Expenses</b>		<b>16,89,64,429</b>	<b>12,07,36,431</b>
V.	Profit /Loss (-) before exceptional and extraordinary items and tax(III - IV)		<b>62,83,621</b>	58,86,368
VI.	Extraordinary Items	13		
	Inome from termination of Agreement		(1,00,00,000)	0
	Prior period adjustments/ (Income tax paid/adjusted)		84,892	1,11,034
VII.	Profit before tax (VII - VIII)		<b>1,61,98,729</b>	<b>57,75,334</b>
VIII.	Tax expense:			
	(1) Current tax		50,00,000	19,00,000
	(2) Deferred tax Liability / (Assets)	14	36,119	1,78,451
IX.	<b>Profit(Loss) for the period from continuing operations</b>		<b>1,12,34,848</b>	36,96,883
EARNING PER SHARE - BASIC AND DILUTED (Face Value of ₹10/- per share)			<b>0.74</b>	<b>0.24</b>
Significant Accounting Policies Notes on Financial Statements			1 to 15	

## AUDITORS' REPORT

Certified in terms of our separate report of even date annexed

for S.C.Dewan & Co  
Chartered Accountants  
(Registration No.000934N)

AVINASH SHARMA  
Executive Director

MANJU LAKHANPAL  
H. K. SINGHAL  
SANJAY GARG  
Directors

Place : Chandigarh  
Dated : 18.05.2015

S.C. DEWAN  
Partner  
Membership No.015678

GURPREET KAUR  
Company Secretary

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	2014-15	2013-14
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT/(LOSS) BEFORE TAX AND EXTRA ORDINARY ITEMS	62,83,621	58,86,368
ADJUSTMENT FOR :		
PROFIT(-)/LOSS(+) ON SALE OF FIXED ASSETS	0	0
DEPRECIATION	40,14,030	40,54,918
DIVIDEND RECEIVED	(19,79,823)	(19,87,108)
INTEREST & OTHER FINANCIAL CHARGES	1,12,69,616	2,08,75,558
OPERATING PROFIT BEFORE WORKING CAPITAL CHARGES	1,95,87,444	2,88,29,736
ADJUSTMENT FOR TRADE AND		
OTHER RECEIVABLES	69,28,872	5,10,84,224
INVENTORIES	(2,09,28,514)	28,42,000
TRADE PAYABLES	(4,22,54,859)	(5,62,54,501)
CASH GENERATED FROM OPERATIONS	(3,66,67,057)	1,18,79,179
INTEREST AND OTHER FINANCIAL EXPENSES PAID	1,12,69,616	2,08,75,558
DIRECT TAXES PAID/ADJUSTED	50,84,892	20,11,034
CASH FLOW BEFORE EXTRA ORDINARY ITEMS	1,63,54,508	2,28,86,592
EXTRA ORDINARY ITEMS	(5,30,21,565)	1,78,22,323
CASH FLOW FROM OPERATING ACTIVITIES	1,00,00,000	-
	(4,30,21,565)	1,78,22,323
B. CASH FLOW FROM INVESTING ACTIVITIES		
PURCHASE OF FIXED ASSETS	(3,33,38,428)	(21,22,710)
SALE OF FIXED ASSETS	0	0
PURCHASE OF INVESTMENTS	0	(41,53,355)
INVESTMENTS written off	0	0
DIVIDEND RECEIVED	19,79,823	19,87,108
NET CASH FLOW FROM INVESTING ACTIVITIES	(3,13,58,605)	(42,88,957)
C. CASH FLOW FROM FINANCING ACTIVITIES		
PROCEEDS FROM SHARE APPLICATION MONEY	0	0
PROCEEDS FROM LONG TERM BORROWINGS	5,03,51,915	(15,17,256)
REPAYMENT OF SECURED LOANS	0	0
PROCEEDS FROM SHORT TERM BORROWINGS	0	0
PROCEEDS FROM SHORT TERM BORROWINGS	1,77,58,072	6,70,477
PROCEEDS FROM SHORT TERM BORROWINGS	2,15,00,000	
REPAYMENT OF UNSECURED LOANS	1,87,50,000	50,00,000
NET CASH RECEIVED FROM FINANCING ACTIVITIES	7,08,59,987	41,53,221
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(35,20,183)	93,80,145
CASH AND CASH EQUIVALENTS AS AT 01.04.2014/01.04.2013	3,84,36,370	2,90,56,225
(OPENING BALANCE)		
CASH AND CASH EQUIVALENTS AS AT 31.03.2015/31.03.2014	3,49,16,187	3,84,36,370
(CLOSING BALANCE)		

For and on behalf of the Board

Place : Chandigarh  
Dated : 18.05.2015

AVINASH SHARMA  
Executive Director

MANJU LAKHANPAL  
H. K. SINGHAL  
SANJAY GARG  
Directors

GURPREET KAUR  
Company Secretary

## AUDITORS' REPORT

We have verified the attached Cash Flow Statement of SAB Industries Limited derived from audited financial statements and the books and records maintained by the Company for the year ended 31st March, 2014 and found the same in agreement therewith.

For S.C DEWAN & COMPANY  
Chartered Accountants  
(Registration No.000934N)

Place : Chandigarh  
Dated : 18.05.2015

S.C.DEWAN  
PARTNER  
Membership No.015678

PARTICULARS	As On 31.03.2015 (₹)	As On 31.03.2014 (₹)
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## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDD 31ST MARCH, 2015

## NOTE '1' : SHAREHOLDERS' FUND

## (a) Share Capital

## AUTHORISED CAPITAL

2,00,00,000 Equity shares of ₹ 10/- each	20,00,00,000	20,00,00,000
(PREVIOUS YEAR 20000000 Equity shares of ₹10/- each)		

## ISSUED, SUBSCRIBED &amp; PAID-UP

15188372 Equity shares (Previous year 15188372 shares) of ₹10/- each	15,18,83,720	15,18,83,720
<b>TOTAL</b>	<b>15,18,83,720</b>	<b>15,18,83,720</b>

## DETAILS OF SHAREHOLDERS HOLDING 5% OR MORE SHARES IN THE COMPANY

Name of shareholders	AS ON 31.03.2015		AS ON 31.03.2014	
	No of shares	%age	No of shares	%age
SHRI R K GARG	34,04,020	22.41%	34,04,020	22.41%
SHRI DHEERAJ GARG	13,07,808	8.61%	13,07,808	8.61%
STEEL STRIPS INDUSTRIES LTD.	8,05,172	5.30%	8,05,172	5.30%
STEEL STRIPS HOLDING PVT. LTD.	12,00,060	7.90%	12,00,060	7.90%
STEEL STRIPS FIN. PVT. LTD.	12,00,060	7.90%	12,00,060	7.90%
MUNAK FINANCIERS PVT. LTD.	15,60,720	10.28%	15,60,720	10.28%
MUNAK INVESTMENTS PVT. LTD.	12,00,000	7.90%	12,00,000	7.90%
STEEL STRIPS WHEELS INVT. LTD.	12,14,630	8.00%	12,14,630	8.00%
PRIYA TOOLS PVT. LTD.	12,14,632	8.00%	12,14,632	8.00%
BLOOMEN FLORA LTD.	13,36,438	8.80%	13,36,438	8.80%

## (b) Reserve &amp; Surplus

1. General Reserve	19,01,46,426	19,01,46,426
ADD : Amount transferred from Profit & Loss a/c	0	0
<b>Total (1)</b>	<b>19,01,46,426</b>	<b>19,01,46,426</b>
2. Capital Reserve	4,19,99,490	4,19,99,490
<b>Total (2)</b>	<b>4,19,99,490</b>	<b>4,19,99,490</b>
3. Profit & Loss A/C		
As per last Balance Sheet	10,12,92,018	9,95,95,135
Add : Profit for the year	1,12,34,848	36,96,883
	11,25,26,866	10,12,92,018
Less : Amount transferred to General Reserve a/c	0	0
<b>Total (3)</b>	<b>11,25,26,866</b>	<b>10,12,92,018</b>
<b>Total (1+2+3)</b>	<b>34,46,72,782</b>	<b>33,34,37,934</b>

**NOTE '2' : NON-CURRENT LIABILITIES****(a) Long-Term Borrowings**

PARTICULARS	As On 31.03.2015 ₹	As On 31.03.2015 ₹	As On 31.03.2014 ₹	As On 31.03.2014 ₹
SECURED	Non-Current	Current	Non-Current	Current
<b>FROM BANKS</b>				
<b>TERM LOAN FROM ALLAHABAD BANK</b> (Secured against Equitable Mortgage of Project land thereon situated at NH-22, Derabassi in the name of the company and further secured with collateral security by way of equitable mortgage of residential property 89/7, Panchkula of Sh.R.K.Garg, Chairman of the company)	5,38,82,224	87,01,510	0	0
<b>VEHICLES/EQUIPMENTS LOANS FROM BANKS</b> (Secured against hypothecation of respective vehicles/equipments and counter guarantees of the company)	35,93,862	53,85,232	5,54,993	3873950
<b>OTHERS</b>				
Secured by bank guarantee**	33,01,858	88,32,214	1,33,01,858	0
Companies/third party and against Security Bonds	13,45,19,618	0	16,01,33,802	0
<b>UN-SECURED</b>				
Fixed Deposits	0	0	1,32,00,000	55,50,000
From Directors/Associate concerns	2,15,00,000	0	0	0
<b>TOTAL</b>	<b>22,67,97,562</b>	<b>2,29,18,956</b>	187190653	94,23,950

Note :

Term Loan from Allahabad Bank is secured against Equitable Mortgage of Project land measuring 32 Bighas 05 Biswas 17 Biswasi and Building thereon situated at NH- 22, Derabassi in the name of our company and further secured with collateral security by way of equitable mortgage of residential property, 89, Sector 7, Panchkula of Sh. R.K. Garg, Chairman of the Company.

Maturity Profile of Term Loan for the next four years is as below :

Particulars	1st Year	2nd Year	3rd Year	4th Year
Term Loan from Allahabad Bank (Current Year)	99,76,318	1,14,37,893	1,31,05,861	1,50,33,658
Term Loan from Allahabad Bank (Previous Year)	0	0	0	0

Vehicles/Equipments Loans from banks are secured against hypothecation of respective vehicles/equipments and counter guarantees of the company.

Maturity Profile of Vehicles/Equipments Loans for the next four years are as below :

Particulars	1st Year	2nd Year	3rd Year	4th Year
Vehicles/Equipments Loans from Banks (Current Year)	35,11,158	82,704	0	0
Vehicles/Equipments Loans from Banks (Previous Year)	3,87,075	32,06,787	0	0

\*\* The company had received the following amounts in earlier years against the claims :-

	(Rs.in lacs)
- FROM PB.PWD.HOSHIARPUR	12.14
- FROM PB.PWD.LUDHIANA	25.93
	<u>38.07</u>

Appeals have been filed against these awards and the matter is pending in the High Courts. In terms of the interim order of the High Courts, the Company has furnished securities of immovable properties situated at village Raisaina (Haryana) belonging to S.S. Credits Private Limited, S.A.Holdings Pvt. Ltd and Malwa Holding Pvt. Ltd and its own property situated at Banur Distt. Mohali (Pb) besides undertaking by the company that these amounts shall be deposited back in the courts in case decisions go against the company in final verdicts. Surety bonds of associates companies have also been submitted. Accordingly, these amounts were considered as 'Secured Loans' instead of income as per the policy of the Company.

PARTICULARS	As On 31.03.2014 (₹)	As On 31.03.2013 (₹)
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The company have also received ₹1307.12 lacs from M/S Sutlej Constructions Ltd (SCL), Manimajra, Chandigarh in previous years. SAB Industries Ltd (SABIL) have entered into Joint Venture agreements with SCL in connection with Arbitration cases of said company whereby SCL and SABIL shall share the amount of award received, if any, equally between them. The amounts so released in earlier years have been released against furnishing of security by way of mortgaging land/title deeds of lands both of SABIL and SCL and submission of surety bonds. As the cases are subjudice and claims have been released against submission of surety bonds/title deeds of lands, the amount received has been treated as "Secured Loan" only as having been released against the above said securities. The amount shall be treated as Income as and when Surity Bonds/title deeds of land are released and cases are decided by the Court finally. The outstanding balance received from SCL stands at ₹1307.12 lacs for above cases as on 31.03.2015.

#### (b) Other Long Term Liabilities

PARTICULARS	As On 31.03.2015	As On 31.03.2014
Liabilities for employees retirement benefits :		
- Gratuity	40,92,294	31,35,737
- Earned Leave	12,32,334	10,18,816
- Security Deposit	3,69,56,490	3,20,20,885
<b>TOTAL</b>	<b>4,22,81,118</b>	<b>3,61,75,438</b>

#### (c) Long Term Provisions

Particulars	As On 31.03.2015	As On 31.03.2014
Provision for Sales Tax	10,44,288	10,44,288
Provision for Bank Guarantees	26,74,000	26,74,000
Provision for Expenses	1,75,70,263	1,91,57,196
<b>TOTAL</b>	<b>2,12,88,551</b>	<b>2,28,75,484</b>

Note : 1. Sales Tax provision has been made in the year 2009-10 against demand raised by Sales Tax Deptt., Haryana related to A.Y. 1990-91 to 1993-94.

2. Provision for Bank Guarantees has been made against invoked BGs and 100% margin has been kept with State Bank of Patiala, Sector-17C, Chandigarh. Now the cases are pending in various courts.

#### CURRENT LIABILITIES

##### NOTE '3'

#### (a) Short-Term Borrowings

PARTICULARS	As On 31.03.2015	As On 31.03.2014
<b>SECURED FROM BANKS</b>		
<b>Working Capital from Banks</b>	<b>1,77,58,072</b>	<b>0</b>
-		
(Secured against Hypothecation of stocks, Book Debts and current assets of Construction Division and further secured with Collateral Security by way of Equitable Mortgage of Residential property 89/7 Panchkula of Sh.R.K.Garg, Chairman of the company and Pledge of five lac equity shares of Steel Strips Wheels Ltd held by the company)		
<b>TOTAL</b>	<b>1,77,58,072</b>	<b>0</b>

**SAB INDUSTRIES LIMITED**

<b>PARTICULARS</b>	<b>As On 31.03.2015 (₹)</b>	<b>As On 31.03.2014 (₹)</b>
<b>(b) Trade Payables</b>		
- Micro and Small Enterprises	--	---
- Others	<b>71,74,920</b>	17,50,847
<b>TOTAL</b>	<b>71,74,920</b>	17,50,847

The company has been reconciling the outstanding balances with Debtors and Creditors from time to time. However, some of the balances remain unreconciled as at the end of the year in the absence of confirmation from the other parties.

Principal amount due and remaining unpaid	--	--
Interest due on above and the unpaid interest	--	--
Interest paid	--	--
Payment made beyond the appointed day during the year	--	--
Interest due and payable for the period of delay	--	--
Interest accrued and remaining unpaid	--	--
Amount of further interest remaining due and payable in succeeding years	--	--
<b>TOTAL</b>	<b>--</b>	<b>--</b>

**(c) Other Current Liabilities**

- Current maturities of Long-term Debts (Refer Note No.2 )	<b>2,29,18,956</b>	94,23,950
- Statutory dues	<b>15,33,912</b>	6,24,629
- Advance from customers	<b>6,53,33,036</b>	3,57,14,635
- Advances from others	-	10,00,00,000
- Cheques issued but not preset for payment	<b>1,41,66,267</b>	4,68,840
- Expenses payable	<b>39,79,989</b>	35,02,779
<b>TOTAL</b>	<b>10,79,32,160</b>	14,97,34,833

**(d) Short Term Provisions**

Provision for taxation	<b>50,00,000</b>	19,00,000
<b>TOTAL</b>	<b>50,00,000</b>	19,00,000

**NOTE '4' : NON CURRENT ASSETS**
**(a) Fixed Assets**
**A) CONSTRUCTION DIVISION**

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at 1.4.2014	Additions During The year	Sales/ Adjustment During the year	As at 31.03.2015	As on 1.4.2014	During the period	Sale/ Adjustment During the period	As on 31.03.2015	As at 31.03.2015	As at 31.03.2014
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
1. LAND	14,46,09,841	21,07,485	0	17,67,17,326	0	0	0	17,67,17,326	14,46,09,841	
2. PLANT & EQUIPMENTS	3,11,15,768	2,95,782	0	3,14,11,550	2,24,79,995	7,52,024	0	2,32,32,019	81,79,531	86,35,773
3. FURNITURE & FIXTURE	40,49,625	0	0	40,49,625	32,98,497	1,87,782	0	34,86,279	5,63,346	7,51,128
4. VEHICLES	3,27,46,471	8,26,562	0	3,35,73,033	2,80,75,742	17,50,188	0	2,98,25,930	37,47,103	46,70,729
5. OFFICE EQUIPMENT	52,16,917	1,08,599	-	53,25,516	40,21,067	4,19,873	0	44,40,940	8,84,576	11,95,850
6. AGRICULTURE EQUIPMENT	28,05,454	-	-	28,05,454	17,74,479	4,93,546	0	22,68,025	5,37,429	10,30,975
	22,05,44,080	3,33,38,428	0	25,38,82,508	5,96,49,780	36,03,413	0	6,32,53,193	19,06,29,311	16,08,94,296

**B) INFOTECH DIVISION**

1. PLANT & EQUIPMENTS	6,35,56,506	0	0	6,35,56,506	6,23,50,483	4,10,617	0	6,27,61,100	7,95,406	12,06,023
2. FURNITURE & FIXTURE	73,98,380	0	0	73,98,380	71,87,025	0	0	71,87,025	2,11,357	2,11,357
TOTAL (B) :-	7,09,54,886	0	0	7,09,54,886	6,95,37,508	4,10,617	0	6,99,48,125	10,06,763	14,17,380
TOTAL (A+B+C)	29,14,98,966	3,33,38,428	0	32,48,37,393	12,91,87,288	40,14,030	0	13,32,01,318	19,16,36,075	16,23,11,677
PREVIOUS YEAR	28,93,76,256	21,22,710	0	29,14,98,965	12,51,32,369	40,50,918	0	12,91,87,288	16,23,11,677	16,42,43,886

The company revised depreciation rates on tangible fixed assets w.e.f. April 01, 2014 as per the useful life specified in the Schedule II of the Companies Act, 2013. The depreciation has been calculated based on the remaining useful life of the assets. Had the company continued with the previously applicable Schedule XIV rates, charge for depreciation for the year ended March 2015 would have been lower and the net loss would have been lower by ₹3.86 lac.



PARTICULARS	As On 31.03.2015 (₹)	As On 31.03.2014 (₹)
<b>(B)Non-Current Investments</b>		
<b>INVESTMENT IN EQUITY INSTRUMENTS OF ASSOCIATE CONCERNS QUOTED &amp; VALUED AT COST PRICE</b>		
13,14,187 (Previous Year 12,93,686) fully paid equity shares of ₹10/- each of M/s Steel Strips Wheels Limited	3,28,43,062	3,28,43,062
1,47,93,772 fully paid up equity shares of Indian Acrylics Ltd (Previous Year 1,47,93,772) of ₹10/- each	5,95,19,719	5,95,19,719
3900 fully paid (Previous year 3900) equity shares of ₹10/- each of M/s Steel Strips Infrastructures Limited (Formerly known as Steel Strips & Tubes Ltd)	12,671	12,671
6,87,434 (Previous year 6,87,434) fully paid equity shares of ₹10/- each of M/S Steel Strips Limited,	14,58,245	14,58,245
<b>INVESTMENT IN EQUITY INSTRUMENTS - OTHERS QUOTED &amp; VALUED AT COST PRICE</b>		
165 (Previous Year 165) fully paid equity share of ₹10/- each of M/s Kamla Dials & Devises Limited	2,550	2,550
105 fully paid (Previous year 105) equity shares of ₹10/- each of M/s Asian Hotels Limited	500	500
10000 fully paid (Previous year 10000) equity shares of ₹10/- each of M/s PUNJAB & SIND BANK	12,89,356	12,89,356
200 Shares of BOICON (Previous Year 200) of ₹5/- each	44,545	44,545
100 Nos fully paid up equity shares of Vallabh Steels Ltd (Previous Year 100) of ₹10/- each	2,820	2,820
37 Nos fully paid up equity shares of Consolidated Fibres & Chemicals Ltd (Previous Year 37) of ₹10/- each	64	64
153 fully paid up equity shares of Wheels India Ltd (Prev.Year 153) of ₹10/-each.	46,703	46,703
10000 Nos fully paid up equity shares of Vikas WSP Ltd (Previous year 10000 NOS ) of ₹1/- each.	3,99,561	3,99,561
<b>AGGREGATE AMOUNT OF THE QUOTED INVESTMENTS</b>	<b>9,56,19,796</b>	<b>9,56,19,796</b>
<b>INVESTMENT IN EQUITY INSTRUMENTS OF ASSOCIATE CONCERNS UNQUOTED &amp; VALUED AT COST</b>		
5368630 equity shares of ₹10/-each of M/S SAB Udyog Ltd (Previous year 5368630)	2,87,75,857	2,87,75,857
<b>AGGREGATE AMOUNT OF THE UN-QUOTED INVESTMENTS</b>	<b>2,87,75,857</b>	<b>2,87,75,857</b>
<b>AGGREGATE AMOUNT OF THE QUOTED &amp; UN-QUOTED INVESTMENTS</b>	<b>12,43,95,653</b>	<b>12,43,95,653</b>
Aggregate Market value of Quoted Investments **	44,23,40,343	23,01,29,138

\*\* The quoted value of shares does not include the quoted value of shares of Steel Strips Ltd as these are not being quoted in the Stock Exchanges.

**SAB INDUSTRIES LIMITED**

<b>PARTICULARS</b>	<b>As On 31.03.2015 (₹)</b>	<b>As On 31.03.2014 (₹)</b>
<b>NOTE '5' CURRENT ASSETS</b>		
<b>(a) Investments</b>		
1. WORK IN PROGRESS	1,90,00,000	0
2. STOCK IN HAND	19,28,514	0
<b>Total 1.</b>	<b>2,09,28,514</b>	<b>0</b>
2. COMMERCIAL PROPERTY UNDER DEVELOPMENT (Land, Development expenses thereon (valued at cost) and Misc. Expenditure Pending Allocation to above commercial property)		
(a) Cost Of Land Including Registration And	22,57,84,131	22,57,84,131
(b) Development Expenses		
Fees & Taxes	31,25,878	31,25,878
(Land Dev. Fee)		
Architect/Other Fee	41,86,822	41,86,822
	73,12,700	73,12,700
	23,30,96,831	23,30,96,831
<b>(c) Misc. Expenditure Pending Allocation To Above Commercial Property</b>		
Direct Cost	7,79,93,808	7,79,93,808
Administration Expenses	59,01,744	59,01,744
Employee Cost	84,60,345	84,60,345
Selling & Advt. Exps	46,78,483	46,78,483
Interest And Bank charges	3,02,96,191	3,02,96,191
Depreciation	18,62,359	18,62,359
	12,91,92,930	12,91,92,930
Total 2.	36,22,89,761	36,22,89,761
Total 1+2	38,32,18,275	36,22,89,761
"Stocks of building materials and stores and shuttering material are valued at cost. Inventory of Networking Equipments lying in the offices & godowns is valued at cost price. Work-in-progress is valued on proportionate basis where certified bills have been raised in the next year, and on the best estimate basis by the management where certified bills are not available"		
Stocks of Buildings & Buildings under construction have been valued at cost.		
<b>(b) Trade Receivables</b>		
Outstanding for a period exceeding six months	10,92,10,345	11,92,10,345
Others	44,26,660	49,22,383
	11,36,37,005	12,41,32,728
Less : Provision for bad and doubtful debts	92,10,345	92,10,345
<b>SUB - TOTAL</b>	<b>10,44,26,660</b>	<b>11,49,22,383</b>
<b>(c) Cash and Bank Balances</b>		
Balances With Banks in Current Accounts	25,47,730	1,66,00,827
Cheques/Drafts In Hand	1,71,000	0
Cash In Hand	8,11,699	1,37,219
<b>Fixed Deposits</b>		
Under Lien With Banks As Margin Money	2,93,32,894	1,96,27,960
Under Lien With Government Departments	4,47,864	12,97,864
Fixed Deposits- (kept agst Public Deposits maturing during the next financial year)	0	8,32,500
Fixed Deposits- Others	16,05,000	0
<b>TOTAL</b>	<b>3,49,16,187</b>	<b>3,84,96,370</b>

**SAB INDUSTRIES LIMITED**

<b>PARTICULARS</b>	<b>As On 31.03.2014 (₹)</b>	<b>As On 31.03.2013 (₹)</b>
<b>(d) Short-Term Loans and Advances</b>		
LOANS AND ADVANCES (UNSECURED CONSIDERED GOOD, UNLESS OTHERWISE STATED)		
A) Loans And Advances To Related Parties		
B) Others	--	---
Suppliers/Petty Contractors	18,01,366	22,980
Advances For Purchase Of Land	2,02,00,000	2,02,00,000
Others		
Corporate Loans (Secured)	-	2,35,41,313
(Secured by way of registered mortgage of land admeasuring 13 bigha in favour of the company)		
Corporate Loans (Un-Secured)	3,00,47,154	2,06,50,000
Others (Un-secured)	12,02,339	45,31,705
	<u>5,32,50,859</u>	<u>6,89,45,998</u>
<b>TOTAL</b>	<u>5,32,50,859</u>	<u>6,89,45,998</u>

**(e) Other Current Assets**

Security Deposit	2,06,46,392	44,86,102
Interest Accrued But Not Due	7,70,756	7,76,063
Gratuity/EL Funds with LIC	33,64,712	22,76,571
Prepaid Expenses	4,06,027	1,43,352
Income Tax Deducted At Sources **	34,48,649	16,32,458
Income Tax Refundable	6,19,198	6,19,198
Advance Tax Deposited	-	-
<b>TOTAL</b>	<u>2,92,55,734</u>	<u>99,33,744</u>

\*\* The tax deducted at source during the year under consideration is to the tune of ₹34.49 lac. Out of ₹34.49 lac, TDS to the tune of ₹11.44 lac has already been updated in Form 26AS. As such, TDS to the tune of ₹23.05 lac, is yet to be updated in Form 26AS/ TDS certificates are to be received yet.

**NOTE '6'**
**REVENUE FROM OPERATIONS**

Sales Isp	64,99,317	66,14,592
Gross Work Done	14,62,74,366	9,38,51,180
<b>TOTAL</b>	<u>15,27,73,683</u>	<u>10,04,65,772</u>

**NOTE '7'**
**REVENUE FROM OTHER INCOME**

Interest Received	1,15,63,756	1,67,58,693
Miscellaneous Income	32,88,797	38,63,831
Unclaimed Balances Written off	13,17,733	-
Provisions made in earlier years Written back	5,85,524	-
Agriculture Receipts	37,38,734	35,47,395
Dividend Received	19,79,823	19,87,108
<b>TOTAL</b>	<u>2,24,74,367</u>	<u>2,61,57,027</u>

## PARTICULARS

As On  
31.03.2015  
(₹)As On  
31.03.2014  
(₹)

## NOTE '8'

## Cost of Material Consumed

Opening Stock Of Building Materials And Net  
Working Equipments/Materials

Add : Purchases During The Year -

- Purchase - Network Equipments
- Construction Material

Less - Sale/Material Issued To Sub-Contractors

- Closing Stocks Of Materials and  
Networking Equipments/Materials

## TOTAL

13,040  
10,02,43,617  
10,02,56,657  
2,62,23,172  
19,28,514  
7,21,04,971  
7,21,04,971

28,328  
79,94,419  
80,22,747  
-  
-  
80,22,747  
80,22,747

Note : Building Material purchased/ consumed includes cost of the material involved in the payments made to Sub-Contractors for work done by them where ever building material is involved in executing their work.

## NOTE '9'

Change in Inventories of Finished Goods, Work in Progress  
and Stock in Trade

Opening Work In Progress -

Closing Work In Progress

## TOTAL

0  
1,90,00,000  
-1,90,00,000

28,42,000  
-  
28,42,000

## NOTE '10'

## EMPLOYEE BENEFIT EXPENSES

Salaries, Wages And Others Allowances \*\* Including Directors Remuneration

Bonus

Contribution To Provident Funds &amp; Other Funds

Welfare Expenses

## TOTAL

1,64,01,725  
1,60,500  
10,42,762  
2,85,132  
1,78,90,119

1,49,32,196  
1,67,500  
9,93,270  
9,51,389  
1,70,44,355

\*\* The detail of managerial remuneration paid to Directors is as under:

	Current Year	(Rs.in lacs) Previous Year
Salary	28.20	28.20
Perquisite	5.23	5.29
Contribution Towards PF	3.38	3.38
Commission on Profits	1.66	0.61
	38.47	37.48

The Computation of Net Profits in accordance with Section 197 read with Section 198 of Companies Act, 2013 is given hereunder for the purpose of calculation of commission payable to Sh.R.K.Garg, Director & Chairman of the company.

Profit as per Profit & Loss A/c	1,12,34,848	36,96,883
Add : Depreciation as per P&L A/c	40,14,030	40,54,918
Chairman's Remuneration	1,65,501	60,590
Sitting Fee	1,01,000	1,12,000
Income Tax for the year	50,00,000	19,00,000
Income Tax paid/adjusted for earlier years	84,892	1,11,034
Total :	2,06,00,27	99,35,425
Less : Depreciation calculated for Managerial Remuneration	40,14,030	40,54,918
Deferred Tax Assets(Liability)	36,119	-1,78,451
Available Profits	1,65,50,122	60,58,958
Commission / Remuneration @1% of available profits	1,65,501	60,590

However, commission is not payable to Sh.Avinash Sharma, Executive Director, in view of the terms of his appointment and remuneration has been paid to him as per the provisions of schedule V of the Companies Act, 2013.

The Company has a defined benefit gratuity and earned leave plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed years of service. And accumulation of EL for staff is upto 60 days.

The employee's gratuity fund scheme managed by SAB Industries Ltd. employees Group Gratuity Trust ( Managed by LIC 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 benefits entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same.

Net employee benefit expenses (recognised in Employee Cost)

The following tables summarize the components of net benefit expense recognised in the Profit and Loss Account and the amounts recognised in the balance sheet.

**a) Expenses recognised in Profit and Loss Account**

(Amount in ₹)

Particulars	Earned Leave 2014-2015	Gratuity 2014-2015	Earned Leave 2013-2014	Gratuity 2013-2014
Current service cost	1,91,928	8,50,184	1,21,443	1,95,439
Interest cost on benefit obligation	82,542	2,97,017	1,82,440	6,27,574
Net actuarial (gain)/ loss recognised in the period	-52,935	-1,12,940	-37,264	-1,28,885
Expected Returns on plan assets	-60,952	-1,90,640	-37,264	-1,28,885
Net benefit expenses recognised in the Profit and Loss a/c	1,60,583	8,43,621	2,29,355	5,65,243

**b) Details of Amount to be recognised in the Balance Sheet**

Particulars	E/ Leave 2014-2015	Gratuity 2014-2015	E/ Leave 2013-2014	Gratuity 2013-2014
Present value of obligations as on 31.03.2015	12,32,334	40,92,298	10,18,816	31,35,737
Fair value of plan assets as on 31.03.2015	8,64,568	25,00,144	4,85,369	17,91,204
Funded status	-3,67,766	-15,92,154	-5,33,447	-13,44,533
Unrecognised actuarial (gain)/losses	-	-	-	-
Defined benefit obligation	12,32,334	40,92,298	10,18,816	31,35,737
Less: Unrecognised past service cost	-	-	-	-
Net asset/ (liability) recognised in the balance sheet	-12,32,334	-40,92,298	-10,18,816	-31,35,737

Note: The above plans are Funded.

**c) Changes in present value of the defined benefit obligation are as follows:**

Particulars	E/ Leave 2014-2015	Gratuity 2014-2015	Earned Leave 2013-2014	Gratuity 2013-2014
Opening defined benefit obligation	10,18,816	31,35,737	7,52,197	24,41,609
Interest cost	82,542	2,97,017	1,82,440	6,27,574
Past service cost	-	-	-	-
Current service cost	1,91,928	8,50,184	1,21,443	1,95,439
Benefit paid	-8,017	-77,700	-	-
Actuarial (gains)/ losses on obligation	-52,935	-1,12,940	-37,264	-1,28,885
Closing defined benefit obligation	12,32,334	40,92,298	10,18,816	31,35,737

**d) Changes in the Fair Value of plan Assets**

Particulars	E/ Leave 2014-2015	Gratuity 2014-2015	Earned Leave 2013-2014	Gratuity 2013-2014
Fair Value of plan assets as at 1st April 2014	4,85,369	17,91,204	3,94,355	12,04,612
Acquisition adjustments	-	-	-	-
Expected returns on plan assets	-60,952	-1,90,640	-37,264	-1,28,885
Contributions	3,26,264	5,96,000	53,750	4,57,707
Benefit paid	-8,017	-77,700	-	-
Actuarial (gains)/ losses on plan assets	-	-	-	-
Fair Value of plan assets as at 31st March 2015	7,42,664	21,18,864	4,10,841	15,33,434

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

(Amount in ₹)

Particulars	2014-2015	2014-2015	2013-2014	2013-2014
	(%)	(%)	(%)	(%)
Discount rate	7.92	9.35	9.35	9.35
Expected Increase in Compensation cost	7.00	7.00	7.00	7.00
Attrition	2.00	2.00	2.00	2.00
Mortality basis	Indian	Indian	Indian	Indian
	Assured	Assured	Assured	Assured
	Lives	Lives	Lives	Lives
	Mortality	Mortality	Mortality	Mortality
	(2006-08)	(2006-08)	(2006-08)	(2006-08)
	ultimate	ultimate	ultimate	ultimate

Note:

The retirements are has been uniformly taked as 58 years.

The discount rates have been determined by reference to market yields as on 31st March 2015 on CG-Secs of currency term consistent with those of liability obligations.



PARTICULARS	As On 31.03.2014 (₹)	As On 31.03.2013 (₹)
<b>NOTE '11' Financial Cost</b>		
Interest - Banks	71,90,277	10,37,980
- Others	19,87,959	1,84,90,813
Other Financial Charges	20,91,380	13,46,765
<b>TOTAL</b>	<b>1,12,69,616</b>	<b>2,08,75,558</b>
<b>NOTE '12' Other Expenses</b>		
(a) Direct Cost		
Labour & Wages	30,11,037	43,37,751
Payment to Contractor	3,24,12,910	2,97,49,592
Hire Charges Of Machinery	17,39,080	-
Running and Maintenance of Machinery	21,79,232	-
Bandwidth Expenses	28,07,274	31,12,577
<b>Total (a)</b>	<b>4,21,49,533</b>	<b>3,71,99,920</b>
(b) Selling and Distribution Expenses		
Business Promotion Exps	14,200	28,540
Commission on Sale	-	2,80,324
Advertisement & Publicity	5,14,760	46,912
Subscription & Membership Fees	19,530	-
<b>Total (b)</b>	<b>5,48,490</b>	<b>3,55,776</b>
(c) Establishment Expenses		
Travelling Expenses - Foreign		
- Directors	0	0
- Others	0	0
Travelling Expenses - Inland		
- Directors	7,47,606	3,96,134
- Others	8,70,872	12,66,438
Printing & Stationery	2,67,495	2,76,229
Postage, Telegram & Telephone	3,20,934	3,51,396
Vehicles Repairs & Maintenance	15,10,676	12,72,838
Repairs & Maintenance	77,970	66,717
Insurance	4,32,862	4,44,428
Auditors Remuneration	6,74,160	7,86,520
Legal & Professional Charges	92,20,439	71,85,060
Directors' Sitting Fee	1,01,000	1,12,000
Rates & Taxes	13,83,034	19,89,525
Newspapers & Periodicals	-	4,827
Office Maintanance Exp.	2,66,861	11,18,948
Donation	37,75,000	7,60,000
Rent	45,34,923	45,48,980
Electricity & Water Charges	3,56,173	3,10,633
Tender Expenses	2,45,662	54,349
Agriculture Expenses	22,32,073	42,89,132
Debit Balances Written Off	-	22,97,699
Bad Debts	1,00,00,000	-
Security Guards Expenses	7,03,824	6,36,408
Service Tax Paid	19,44,489	19,37,023
Other Miscellaneous Expenses	3,21,617	2,35,873
<b>Total (c)</b>	<b>3,99,87,670</b>	<b>3,03,41,157</b>
<b>Total (a+b+c)</b>	<b>8,26,85,693</b>	<b>6,78,96,853</b>
<b>NOTE '13' Extraordinary Items</b>		
Income from Termination of Agreement	(1,00,00,000)	-
Prior period adjustments/ (Income Tax paid/adjusted)	84,892	1,11,034
	<b>(99,15,108)</b>	<b>1,11,034</b>

Note : An advance of ₹10.00 crore was received by the company from M/S Raheja Developers Ltd (Developer) in terms of the MOU dated 14.09.2012 and supplementary MOU dated 04.04.2013. On non fulfilment of the terms of MOU by the developer, a sum of ₹1.00 crore was forfeited by us out of the advance as per terms and conditions of the said MOU/supplementary MOU, and balance Rs.9.00 crore was refunded to the said Developer during the year under consideration.

**NOTE '14' Deferred Tax**

W.D.V. as per Income Tax Act.(Net of Land)	2,62,90,122	2,89,61,886
W.D.V. as per books (Net of Land)	1,49,18,749	1,77,01,836
Depreciation excess claimed in books	1,13,71,373	1,12,60,050
Deferred tax assets	36,89,442	36,53,323
Less : Provision already made	36,53,323	38,31,774
Provision for current year	36,119	-1,78,451

In compliance with As 22 Accounting for the Taxes on Income, the company has recognised Deferred Tax Assets in its books as per detail given herein above. In the opinion of the managements, considering the future profits of the company, it will be recovered in future.

**NOTE NO. 15 OF NOTES ON ACCOUNTS****1. SIGNIFICANT ACCOUNTING POLICIES****a) CONVENTION**

The Financial statements are prepared under the historical cost convention in accordance with the applicable Accounting standards and relevant presentational requirements of the Companies Act, 2013.

**b) RECOGNITION OF INCOMES/EXPENDITURE: -**

All revenue & expenses are accounted for on accrual basis.

Work done is accounted for on the basis of certified bills, and Escalation in the year of actual receipt including Arbitration Claims received/security released during the year.

Construction scrap is accounted for on receipt basis.

Export Incentives, if any, are accounted for on receipt basis.

**c) FIXED ASSETS**

The Agriculture land has been stated at cost price. Other fixed assets are stated at cost less depreciation. Cost of acquisition or construction is inclusive of duties, taxes and other incidental expenses.

**d) DEPRECIATION**

The company have revised depreciation rates on tangible fixed assets w.e.f. April 01, 2014 as per the useful life specified in the Schedule II of the Companies Act, 2013. The depreciation has been calculated based on the remaining useful life of the assets

**e) INVENTORIES**

1.Stocks of building materials and stores and shuttering material are valued at cost. Inventory of Networking Equipments lying in the offices & godowns is valued at cost price. Work-in-progress is valued on proportionate basis where certified bills have been raised in the next year, and on the best estimate basis by the management where certified bills are not available.

2.Stocks of Buildings & Buildings under construction have been valued at cost.

**f) RETIREMENT BENEFITS :**

Gratuity and earned leave encashment have been provided for in the Books of Accounts on actuarial valuation basis at the end of the year.

**g) CONTRIBUTION TO PF AND PENSION SCHEME**

Contribution to PF and Pension Scheme is made in accordance with the employees Provident Fund and Misc. Provision Act, 1952.

**h) INTEREST**

Interest in respect of fixed deposits, margin money and Security deposits have been accounted for on accrual basis.

**i) VALUATION OF INVESTMENTS**

Long Term quoted and unquoted investments are stated at Cost as at the close of the year. Investments in subsidiary companies are also valued at cost. Income from Investments is accounted for when realized.

**j) FOREIGN CURRENCY FLUCTUATIONS/TRANSACTION IN FOREIGN CURRENCY**

Any income or expense on account of exchange difference is recognized in the Profit and Loss Account.

**2. CONTINGENT LIABILITIES**

	<b>AS ON 31.03.2015 (₹ in lacs)</b>	<b>AS ON 31.03.2014 (₹ in lacs)</b>
Counter Guarantees issued by the company against Bank Guarantees	<b>889.38</b>	572.91
Income tax demand	<b>43.35</b>	0.00

The Income Tax Department has raised a demand on 27.03.2015 for ₹43.35 lac for the Assessment year 2013-14. The company have appealed against the same and is confident that the demand will be withdrawn. Accordingly, no provision for the same has been made in the Books of Accounts as at 31.03.2015.

3. In the opinion of the Board, the current assets, loans & advances, if realised in the ordinary course of business, have the value on realization at least equal to the amount as stated in the Balance Sheet. The Stocks of building material, Raw material, finished goods and other consumable goods have been valued at cost and wastes have been valued at net realizable value and taken as certified by the Management. The provision for all known liabilities is adequate and not in excess of amount considered reasonably necessary.
4. Figures have been rounded off to the nearest rupee.
5. Previous year figures have been regrouped /rearranged wherever considered necessary to make them comparable with those of current year.
6. The company has filed claims arising out of contractual disputes with various clients, which have not been accounted for in books of accounts. Similarly, there are counter claims filed against the Company by clients, which have also not been accounted for. It is difficult to quantify the same, as these are at different stages of adjudication. These shall be accounted for as and when these are accepted or on their final decision and/ or on their final settlement.
7. Sales Tax has been paid as per the Sales Tax returns filed. Any additional liability arising out of pending Assessments shall be provided for on the completion of Sale Tax Assessments.
8. Notes 1 to 15 form an integral part of the Balance Sheet, Profit & Loss Account and Cash Flow Statement.

**9. SEGMENT REPORT**

Segment wise revenue, results and capital employed for the year-ended 31.03.15 is as under:

**1. SEGMENT REVENUES**

a) Construction Division	<b>1625.99</b>	1141.13
b) Real Estates Division	<b>0.00</b>	0.00
c) Investments (in shares)	<b>19.80</b>	19.87
d) Agriculture	<b>37.39</b>	35.47
e) Infotech Division	<b>69.30</b>	69.76
f) Trading Division	<b>0.00</b>	0.00
<b>TOTAL</b>	<b>1752.48</b>	1266.23

**2. SEGMENT RESULTS**

Profit/(Loss)

(Before tax and interest from each segment)

a) Construction Division	<b>232.56</b>	249.33
b) Real Estates Division	<b>(100.00)</b>	0.00
c) Investments (in shares)	<b>19.80</b>	19.87
d) Agriculture	<b>15.07</b>	(7.42)
e) Infotech Division	<b>8.11</b>	5.84
f) Trading Division	<b>0.00</b>	0.00
<b>TOTAL :</b>	<b>175.54</b>	267.62
Less: Interest & financial charges	<b>112.70</b>	208.76
<b>TOTAL PROFIT BEFORE TAX</b>	<b>62.84</b>	58.86

Provision for Taxation	50.00	19.00
Provision for Deferred Tax (Assets)Liability	(0.36)	1.78
Extraordinary Items		
Income from Termination of Agreement	100.00	0.00
Income Tax paid/adj. for earlier years	0.85	(0.83)
Prior Period adjustments	0.00	1.95
Net Profit /(Loss)	112.35	36.96

### 3 CAPITAL EMPLOYED

(Segment assets-Segment liabilities)

a) Construction Division	601.58	(799.28)
b) Real Estates Division	3.851	4,350.59
c) Investments (in shares)	1,198.34	1,198.34
d) Agriculture	707.61	707.61
e) Infotech Division	35.15	32.53
f) Trading Division	7.46	7.46
g) Unallocable assets less liabilities	1,034.31	1,090.33
<b>TOTAL</b>	<b>7,435.65</b>	<b>6,587.58</b>

- .10. The company has identified its business segments as its primary reporting format which comprises of Construction Division, Real Estate business, Infotech Division Investment business, Agriculture and Trading Division. The main business is Construction activities. Infotech Division, which has come into existence after merger of SAB Infotech Ltd into our company, deals basically in ISP business besides other allied activity related to this business. Real Estate business is linked to construction activities but has been identified as a separate activity in view of its different nature. Long term Investment in shares have also been treated as a separate activity. Agriculture activities have also been identified as separate activities of the company. Under Trading Division, cement from Pakistan is imported and is sold off in India. Fractionally, the imported cement is consumed in our own projects of construction activities / in Real Estate Business. The Construction Division Segment operates through a single geographical segment. Secondary/other segment disclosures have been made accordingly.

### 11. EARNINGS PER SHARE (EPS)

Basic/Diluted Earnings per share(₹ in lacs)

	Current Year	Previous Year
Profit/(Loss) after tax as per Profit & Loss A/C	112.35	36.97
No of equity shares	1,51,88,372	1,51,88,372
Earnings per share (Face value of ₹10/- each)(Rs) & diluted)	0.74	0.24

Note: Diluted Earnings per share is not applicable as the same is non-dilutive.

### 12. DETAIL OF PROVISIONS AS PERAS-29

	IncomeTax	Others
Balance as at April 1, 2014	19.00	270.30
Provision made during the year	50.00	11.70
Provision paid/adjusted/ written off/back during the period	19.00	15.86
Balance as at 31st March 2015	50.00	266.14

### 13. Leases

The company has leased facilities for rent payable under cancellable and non-cancellable operating leases arrangements with a lease term ranging from one to nine years, which are subject to renewal at mutual consent thereafter. The cancellable arrangements can be terminated by either party after giving due notice. The lease rent

expenses recognized during the year amounts to ₹45.35 lacs (previous year ₹45.49 lacs). The future minimum lease payments in respect of the non-cancellable operating leases as at 31st March 2015 are:

S.No.Particulars	(Rupees in lacs)	
	As at 31.03.15	As at 31.03.14
a) not later than one year	30.60	31.15
b) later than one year but not later than five year	120.00	120.00
c) later than five year	52.50	82.50

Presently the company don't have any non-cancellable/cancellable lease rent receivable agreements. As such, no income has been recognized for future nor any income received during the year.

#### 14. RELATED PARTY DISCLOSURES:

Detail of transactions entered into with Related Parties during the year as required by Accounting Standard-18 on "Related Party Disclosures" issued by Institute of Chartered Accountants of India are as under:-

Particulars	Subsidiaries Company	Key Management	Enterprises/ Relative over which KMP is able to exercise significant influence	Total for this year	Total for previous year
Lease Rent Paid against shared accommodation	--	--	---	---	---
Lease Rent Received against shared accommodation	---	--	---	---	--
Lease rent paid	---	---	30.00	30.00	34.64
Lease line /cable net charges received	---	---	11.08	11.08	11.81
Repair & maintenance received	---	---	---	---	0.19
Electricity & Water Charges paid	---	---	---	---	---
vehicle expenses received	---	---	0.24	0.24	0.24
Electricity & water charges received	---	---	---	-	---
Dividend received	---	---	19.71	19.71	19.41
Hire Charges received	---	---	32.55	32.55	--
Management contract (salaries)	---	38.47	---	38.47	38.47

#### FINANCE

1. Loan received	---	215.00	---	215.00	--
Loan Re-paid	---	---	---	215.00	--
Outstanding at the end of the year					

Note:

- Key management: Sh.R.K.Garg, Chairman, Sh.Avinash Sharma, Executive Director, Sh.H.K.Singhal, Director
- Enterprises over which Key Management Personal (KMP) are able to exercise significant influence and with whom transactions have taken place during the year:
  - Indian Acrylics Limited
  - Steel Strips Wheels Ltd
- Relatives of the Key Management Personnel (with whom transactions have taken place) Sh.R.K.Garg himself is Chairman of the company and Ms Priya Garg who is daughter of Sh.R.K.Garg.

#### 15. ADDITIONAL INFORMATION PERSUANT TO PROVISIONS OF PARAGRAPHS 5(viii) OF PART II, SCHEDULE III, OF COMPANIES ACT, 2013

	Qty.(Bags) 31.03.2015	Qty.(Bags) 31.03.2014
Opening Stock of Trading goods	---	---
Purchase during the year	---	---
Sales during the year	---	---
Own Consumptions	---	---
Closing Stock	---	---



**16. Expenditure in Foreign Currency.**

Particulars	As on 31.03.2015 Amount (₹ in lacs)	As on 31.03.2014 Amount in foreign currency	Amount (₹ in lacs)	Amount in foreign currency
Traveling (Staff/Others)	--	--	4.87	EUR 6755.66
Earnings in Foreign exchange				
Sale of Investment	--	--	---	---
Reimbursement of Expenses received	--	---	63.6	USD 102612

**AUDITORS' REPORT**

Certified in terms of our separate report of even date annexed.

**For S.C.Dewan & Co.  
Chartered Accountants**

**Place: Chandigarh  
Dated :18.05.2015**

**S.C.DEWAN  
PARTNER  
Mmbership No.015678**

**AVINASH SHARMA  
Executive Director**

**GURPREET KAUR  
Company Secretary**

**MANJU LAKHANPAL  
H. K. SINGHAL  
SANJAY GARG  
Directors**

**Location Map of Annual General Meeting of SAB Industries Limited, Chandigarh**



**FORM OF PROXY**

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

**SAB INDUSTRIES LTD**

(CIN:L00000CH1983PLC031318)

Regd. Office: at S.C.O.49-50, Sector- 26, Madhya Marg, Chandigarh. Phone: +91-172-2793112.,

Fax: +91-172-2794834 Email: ssl\_ssg@glide.net.in, Website: www.sabindustries.in

NAME OF THE MEMBER(S) \_\_\_\_\_

REGISTERED ADDRESS \_\_\_\_\_

EMAIL ID \_\_\_\_\_

FOLIO NO./CLIENT ID \_\_\_\_\_

DP ID \_\_\_\_\_

NO. OF SHARES HELD \_\_\_\_\_

I/ We, being the member(s) of ..... shares of the above named Company, hereby appoint:

1. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Signatures: \_\_\_\_\_

Or failing him/her

2. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Signatures: \_\_\_\_\_

Or failing him/her

3. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Signatures: \_\_\_\_\_

as my/ our proxy to attend and vote (on a poll) for me/us and on my/ our behalf at the Annual General meeting of the Company, to be held on Wednesday, the 30th day of September 2015, at 10.30 a.m. at S.C.O.49-50, Sector- 26, Madhya Marg, Chandigarh and at any adjournment thereof in respect of such resolutions as are indicated below:

**Sr. No. Resolution****Ordinary Business**

1. Adoption of audited financial statements for the year ended March 31, 2014

2. Re-appointment of Sh. Sanay Garg, as a Director

3. Appointment of Auditors M/s. S.C. Diwan &amp; Co., Chartered Accountants

**Special Business**

4. Appointment of Smt. Manju Lakhanpal, as Independent Director

5. Appointment of Sh. S.S. Virdi, as independent Director

6. To accept Deposits U/s 73 and 76 of the Companies Act, 2013

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

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

Affix  
Revenue  
Stamp**Note: 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.****SAB INDUSTRIES LTD**

(CIN:L00000CH1983PLC031318)

Regd. Office: at S.C.O.49-50, Sector- 26, Madhya Marg, Chandigarh. Phone: +91-172-2793112., Fax: +91-172-2794834

Email: ssl\_ssg@glide.net.in, Website: www.sabindustries.in

**ATTENDANCE SLIP**

NAME OF THE ATTENDING MEMBER (IN BLOCK LETTERS) \_\_\_\_\_

FOLIO NO. \_\_\_\_\_

DP ID NO. \_\_\_\_\_

CLIENT ID NO. \_\_\_\_\_

NO OF SHARES HELD \_\_\_\_\_

NAME OF PROXY (IN BLOCK LETTERS) \_\_\_\_\_

I, hereby record my presence at the Annual General Meeting of the Company held on Wednesday, the 30th day of September 2015, at 10.30 a.m., at S.C.O.49-50, Sector- 26, Madhya Marg, Chandigarh

**Member's/ Proxy's Signatures**

.....



## **SAB Industries Limited**

SCO. 49-50, Sector 26, Madhya Marg,  
Chandigarh-160019, India

Tel: +91-172-2793112, 2792385

Fax: +91-172-2794834, 2790887

