



ANNUAL REPORT 2012-13

EMPIRE INDUSTRIES LIMITED

BOARD OF DIRECTORS:

S. C. MALHOTRA *Chairman*
RANJIT MALHOTRA *Vice-Chairman*
DILEEP MALHOTRA *Jt. Managing Director*

R. A. MASKATI
RAJBIR SINGH
C. P. SHAH
B. C. GANDHI
SUBODH CHANDRA

} *Directors*

DIRECTOR FINANCE & COMPANY SECRETARY:

S. K. Gulati

REGISTERED OFFICE:

414 Senapati Bapat Marg
Lower Parel
Mumbai - 400 013.
Tel : +91 22 6655 5453
Fax : +91 22 2493 9143
e-mail : email@empiresecretarial.com
Website : www.empiremumbai.com

PLANT:

Vitrum Glass
L. B. Shastri Marg
Vikhroli, Mumbai - 400 083

AUDITORS:

D. P. Ghevaria & Co.

ADVOCATES & SOLICITORS:

DSK Legal

BANKERS:

INDIAN BANK
ALLAHABAD BANK
BANK OF INDIA
BANK OF BARODA
CENTRAL BANK OF INDIA

REGISTRARS & TRANSFER AGENTS:

M/s. Bigshare Services Pvt. Ltd.,
E-2 Ansa Industrial Estate,
Sakivihar Road,
Saki Naka, Andheri (E)
Mumbai - 400 072.
Tel : +91 22 28470652 / 40430200
Fax : +91 2228475207
Email : info@bigshareonline.com
Website : www.bigshareonline.com



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NOTICE

The ONE HUNDRED AND TWELVETH ANNUAL GENERAL MEETING of the Members of EMPIRE INDUSTRIES LIMITED will be held on Friday, July 26, 2013 at 3:00 P.M. at the Hall of Culture, Ground Floor, Nehru Centre, Worli, Mumbai - 400 018 to transact the following business:

AGENDA

1. To adopt the Directors' Report and the Audited Balance Sheet as at March 31, 2013, and the Profit & Loss Account for the year ended on that date.
2. To declare a Dividend for the year ended March 31, 2013.
3. To appoint a Director in place of Mr. Rajbir Singh, who retires by rotation, and being eligible, seeks re-appointment.
4. To appoint a Director in place of Mr. Dileep Malhotra, who retires by rotation, and being eligible, seeks re-appointment.
5. To appoint Auditors and fix their remuneration, and to pass, with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Messrs D. P. Ghevaria & Co., Chartered Accountants (Firm Registration No.103176W), be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Meeting up to the conclusion of the next Annual General Meeting of the Company on such remuneration as may be fixed by the Board of Directors plus applicable Taxes plus reimbursement of travelling and actual out-of-pocket expenses."

Special Business:

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

"RESOLVED THAT pursuant to provisions of Section 198, 269, 309, 310 and 311 and all other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII (as amended from time to time) to the said Act, approval of the Members of the Company be and is hereby accorded to the re-appointment of Mr. S. C. Malhotra as Chairman of the Company for a period of five years with effect from 1st November 2013 on the following remuneration and terms and conditions set out in the draft agreement submitted

to this Meeting and for identification initialed by Mr. R. A. Maskati, a Director of the Company."

- (A) **Salary:** ₹ 4,50,000 per month in the scale of ₹ 4,50,000/- - ₹ 6,50,000/-. The Annual increments, which will be effective 1st April each year will be decided by the Board of Directors.
- (B) **Perquisites:** Chairman shall be entitled to the perquisites as classified into three categories "A", "B" and "C" as follows:

Category "A":

(i) Residential Accommodation:

Fully furnished residential accommodation, if no accommodation is provided by the Company, a suitable House Rent Allowance for a fully furnished residential accommodation or what the Board of Directors may determine will be paid to him.

- (ii) The expenditure incurred by the Company on providing gas, electricity and water at the residential accommodation shall be valued as per the Income Tax Rules, 1962. This will, however, be subject to a ceiling of 10% of the salary of Mr. S. C. Malhotra.

- (iii) Medical Reimbursement: Expenses incurred for self and family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.

- (iv) Leave Travel Concession: For self and family once in a year incurred in accordance with the rules specified by the Company.

- (v) Club Fees: Fees of clubs subject to maximum of two Clubs. This will not include admission and life membership fees.

- (vi) Personal Accident Insurance: Premium not to exceed ₹ 4,000/- p.a.

Explanation: For the purpose of Category "A" Family means the spouse, the dependent children and dependent parents.

Category "B":

- (i) Contribution to Provident Fund as per rules of the Company. This will not be included in the computation of ceiling on perquisites to the extent this either singly or put together are not taxable under the Income Tax Act.

- (ii) Gratuity payable shall not exceed half month's salary for each completed year of service. This will not be included in the computation of the ceiling on perquisites.

Category "C":

Provision of car with driver for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to Mr. S. C. Malhotra.

- (C) Commission: 0.34% of the net profits of the Company for each financial year or part thereof as laid down under Section 309(5) of the Companies Act, 1956.
- (D) Leave: Leave on full pay and allowance as per rules of the Company. Leave accumulated and not availed of may be encashed as per rules of the Company. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.
- (E) The Chairman will not be paid any sitting fees for attending the meeting of the Board of Directors or any Committee thereof.
- (F) The Chairman shall be entitled to the reimbursement of all expenses including traveling and entertainment expenses actually and properly incurred by him in the course of business of the Company.
- (G) In case the Chairman suffers permanent total disablement due to sickness or accident or shall die during the course of his employment hereunder, the Company shall pay full salary for the then current calendar month and for six calendar months thereafter, to him or his heirs as the case may be.
- (H) In case of premature death during the currency of this agreement, his nominee as disclosed by him in the Superannuation Scheme, will be paid 50% of the Salary for the balance period of the full term of this agreement.
- (I) Subject to the provisions of Section 201 of the Companies Act, 1956 the Company agrees to indemnify the Chairman for any costs, losses, penalty, fine expenses which he may incur or become liable to by reasons of any contract entered into or act or thing done by him in any way in the discharge of his duties as a Chairman.

"RESOLVED FURTHER THAT in the event of loss or absence or inadequacy of profits in any financial year of the Company subject to the provisions of the Companies Act, 1956 the salary and perquisites payable and allowed to Mr. S. C. Malhotra shall be as specified in Schedule XIII of the Companies Act, 1956 as amended from time to time."

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to vary, alter, increase, expand, enhance, enlarge or widen the scope of the remuneration and perquisites, including the monetary value thereof specified in Schedule XIII to the Companies Act, 1956, as amended from time to time."

"RESOLVED LASTLY THAT the Board of Directors be and are hereby authorized to do all such acts, matters and things as may be considered necessary, desirable or expedient for the purpose of giving effect to this Resolution."

7. To consider and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Section 198, 269, 309, 310 and 311 and all other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII (as amended from time to time) to the said Act, approval of the Members of the Company be and is hereby accorded to the re-appointment of Mr. Ranjit Malhotra as Vice-Chairman and Managing Director of the Company (with the designation of Vice-Chairman) for a period of five years with effect from 1st October 2013 on the following remuneration and terms and conditions set out in the draft agreement submitted to this Meeting and for identification initialed by Mr. R. A. Maskati, a Director of the Company."

- (A) **Salary:** ₹ 4,50,000 per month in the scale of ₹ 4,50,000/- - ₹ 6,50,000/-. The Annual increments, which will be effective 1st April each year will be decided by the Board of Directors.
- (B) **Perquisites:** Vice-Chairman shall be entitled to the perquisites as classified into three categories "A", "B" and "C" as follows:

Category "A":

(i) Residential Accommodation:

Fully furnished residential accommodation, if no accommodation is provided by the Company, a suitable House Rent Allowance for a fully furnished residential accommodation or what the Board of Directors may determine will be paid to him.

(ii) The expenditure incurred by the Company on providing gas, electricity and water at the residential accommodation shall be valued as per the Income Tax Rules, 1962. This will, however, be subject to a ceiling of 10% of the salary of Mr. Ranjit Malhotra.

(iii) Medical Reimbursement: Expenses incurred for self and family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.

(iv) Leave Travel Concession: For self and family once in a year incurred in accordance with the rules specified by the Company.

(v) Club Fees: Fees of clubs subject to maximum of two Clubs. This will not include admission and life membership fees.

(vi) Personal Accident Insurance: Premium not to exceed ₹ 4,000/- p.a.

Explanation: For the purpose of Category "A" Family means the spouse, the dependent children and dependent parents.

Category "B":

(i) Contribution to Provident Fund as per rules of the Company. This will not be included in the computation of ceiling on perquisites to the extent this either singly or put together are not taxable under the Income Tax Act.

(ii) Gratuity payable shall not exceed half month's salary for each completed year of service. This will not be included in the computation of the ceiling on perquisites.

Category "C":

Provision of car with driver for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to Mr. Ranjit Malhotra.

(C) Commission: 0.33% of the net profits of the Company for each financial year or part thereof as laid down under Section 309(5) of the Companies Act, 1956.

(D) Leave: Leave on full pay and allowance as per rules of the Company. Leave accumulated and not availed of may be encashed as per rules of the Company. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

(E) The Vice-Chairman will not be paid any sitting fees for attending the meeting of the Board of Directors or any Committee thereof.

(F) The Vice-Chairman shall be entitled to the reimbursement of all expenses including traveling and entertainment expenses actually and properly incurred by him in the course of business of the Company.

(G) In case the Vice-Chairman suffers permanent total disablement due to sickness or accident or shall die during the course of his employment hereunder, the Company shall pay full salary for the then current calendar month and for six calendar months thereafter, to him or his heirs as the case may be.

(H) In case of premature death during the currency of this agreement, his nominee as disclosed by him in the Superannuation Scheme, will be paid 50% of the Salary for the balance period of the full term of this agreement.

(I) Subject to the provisions of Section 201 of the Companies Act, 1956 the Company agrees to indemnify the Vice-Chairman for any costs, losses, penalty, fine expenses which he may incur or become liable to by reasons of any contract entered into or act or thing done by him in any way in the discharge of his duties as a Vice Chairman.

"RESOLVED FURTHER THAT in the event of loss or absence or inadequacy of profits in any financial year of the Company subject to the provisions of the Companies Act, 1956 the salary and perquisites payable and allowed to Mr. Ranjit Malhotra shall be as specified in Schedule XIII of the Companies Act, 1956 as amended from time to time."

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to vary, alter, increase, expand, enhance, enlarge or widen the scope of the remuneration and perquisites, including the monetary value thereof specified in Schedule XIII to the Companies Act, 1956, as amended from time to time."



"RESOLVED LASTLY THAT the Board of Directors be and are hereby authorized to do all such acts, matters and things as may be considered necessary, desirable or expedient for the purpose of giving effect to this Resolution."

8. To consider and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:-

"RESOLVED THAT in modification of the resolution passed by the Shareholders of the Company at the 106th Annual General Meeting held on 28th August, 2007, and pursuant to the provisions of Section 293(1)(d) of the Companies Act, 1956, and other applicable provisions, if any, the consent of the Company be and is hereby accorded to the Board of Directors of the Company, to borrow from time to time any sum or sums of money for the purpose of the business of the Company on such terms and conditions, with or without security, as the Board of Directors may deem fit, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose; provided that the total amount up to which monies may be so borrowed by the Board of Directors shall not at any time exceed ₹ 200,00,00,000/- (Rupees Two Hundred crores only)."

By Order of the Board
For **EMPIRE INDUSTRIES LIMITED**

S. K. GULATI
*Director Finance &
Company Secretary*

Registered Office:

414, Senapati Bapat Marg,
Lower Parel, Mumbai - 400 013.

Place : Mumbai

Date : May 29, 2013.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND

AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.

2. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of Item Nos.6 to 8 as set out above is annexed hereto.
3. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. In terms of Article 152 of the Articles of Association of the Company, read with Section 256 of the Companies Act, 1956, Mr. Rajbir Singh and Mr. Dileep Malhotra, Directors, retire by rotation at the ensuing Meeting and being eligible, offer themselves for re-appointment. The Board of Directors of the Company recommends their respective re-appointments.
5. Brief resume of all Directors proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the BSE Limited, are provided in the Report on Corporate Governance forming part of the Annual Report.
6. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
7. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
8. The Company has already notified closure of Register of Members and Transfer Books thereof from Saturday, the 13th July, 2013 to Friday, the 26th July, 2013 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
9. The Dividend on Equity shares, as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid between July 27, 2013 and August 3, 2013 to those members whose names shall appear in the Register of Members

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of the Company on July 12, 2013 and in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.

10. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents cannot act on any request received directly from the members, holdings shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.
11. Members who hold shares in physical form and who have not yet submitted Bank Details are requested to intimate the Company's Registrars and Transfer Agents, M/s. Bigshare Services Pvt. Ltd., under the signature of the Sole/First joint holder, the following information to be incorporated on dividend warrants mandatorily as per SEBI guidelines:
 - (i) Name of the Sole/First joint holder and the Folio Number.
 - (ii) Particulars of Bank Account, viz.
 - (a) Name of Bank
 - (b) Name of Branch
 - (c) Complete address of the Bank with PIN Code Number.
 - (d) Account Type, whether Savings Account (SA) or Current Account (CA)
 - (e) Bank Account Number.
 - (f) MICR Number.
12. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address immediately to the Company/Registrars and Transfer Agents, M/s. Bigshare Services Private Limited.
13. Shareholders who have not yet dematerialised their shares and wish to dematerialise the same are requested to apply for dematerialization through their Depository Participants.

14. Members who hold shares in physical form in multiple folios in identical names or joint accounts in the same order of names are requested to send the share certificates to the Company's Registrars and Transfer Agents, M/s. Bigshare Services Pvt. Ltd., for consolidation into a single folio.

15. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the Company has transferred the unpaid or unclaimed dividend for the financial year 2004-05 to the Investor Education and Protection Fund (IEPF) established by the Central Government.

No dividend has been declared for the years ended 31.03.1991 to 31.03.2003.

The Company has declared dividend in subsequent years as shown below:

Sr. No.	Year	Description	Date of Declaration	Last Date for claiming unpaid Dividend
1.	2003-04	Dividend @ 10%	21.09.2004	Transferred to IEPF
2.	2004-05	Dividend @ 20%	26.08.2005	Transferred to IEPF
3.	2005-06	Dividend @ 40%	25.08.2006	24.08.2013
4.	2006-07	Dividend @ 60%	28.08.2007	27.08.2014
5.	2007-08	Dividend @ 80%	27.08.2008	26.08.2015
6.	2008-09	Dividend @ 100%	27.08.2009	26.08.2016
7.	2009-10	Dividend @ 200%	27.08.2010	26.08.2017
8.	2010-11	Dividend @ 220%	26.08.2011	25.08.2018
9.	2011-12	Dividend @ 240%	28.08.2012	27.08.2019

Those who have not encashed their dividend warrants with respect to above dividends are requested to claim the amount from the Company.

16. The Securities and Exchange Board of India (SEBI) has made it mandatory 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/Registrars and Transfer Agents, M/s. Bigshare Services Private Limited.



17. The Ministry of Corporate affairs has taken a "Green Initiative in the Corporate governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/documents including Annual Report can be sent through e-mail to its members. To support this green initiative of Government in full measure, members who have not registered their e-mail addresses are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail addresses with Bigshare Services Private Limited.

ANNEXURE TO NOTICE:

As required by Section 173 of the Companies Act, 1956 the following Explanatory statement set out all material facts relating to the business mentioned under Item Nos. 6 to 8 of the accompanying Notice dated May 29, 2013.

ITEM NO.6

Mr. S. C. Malhotra's tenure of appointment as Chairman of the Company expires on 31st October 2013. The Board of Directors at its Meeting held on 29th May, 2013, have re-appointed Mr. S. C. Malhotra as Chairman subject to the approval of the Members of the Company, for a period of five years with effect from 1st November, 2013, on such remuneration and terms & conditions as set out in the Resolution. Mr. S. C. Malhotra satisfies all the conditions set out in Part-I of Schedule XIII to the Companies Act, 1956 for being eligible for the re-appointment. Since Mr. S. C. Malhotra has attained the age of 75 years, his reappointment is to be approved by Special Resolution per provisions of Schedule XIII of the Companies Act, 1956.

The draft Agreement to be entered into by the Company with Mr. S. C. Malhotra is available for inspection by the Members of the Company between 10.00 A.M. and 1.00 P.M. on all working days up to and including day of the Meeting.

A brief resume of Mr. S. C. Malhotra, nature of his expertise in specific functional areas as stipulated under Clause 49 of Listing Agreement with the BSE Limited, is provided in the Report of Corporate Governance forming part of the Annual Report.

Mr. S. C. Malhotra is interested in the proposed Resolution as it concerns his own remuneration.

Mr. Ranjit Malhotra and Mr. Dileep Malhotra, Directors of the Company may also be regarded as interested in the Resolution as relatives of Mr. S. C. Malhotra.

ITEM NO.7

Mr. Ranjit Malhotra's tenure of appointment as Vice-Chairman & Joint Managing Director of the Company expires on 30th September 2013. The Board of Directors at its Meeting held on 29th May, 2013, have re-appointed Mr. Ranjit Malhotra as Vice-Chairman & Managing Director (With the designation of Vice-Chairman) subject to the approval of the Members of the Company, for a period of five years with effect from 1st October, 2013, on such remuneration and terms & conditions as set out in the Resolution. Mr. Ranjit Malhotra satisfies all the conditions set out in Part-I of Schedule XIII to the Companies Act, 1956 for being eligible for the re-appointment.

The draft Agreement to be entered into by the Company with Mr. Ranjit Malhotra is available for inspection by the Members of the Company between 10.00 A.M. and 1.00 P.M. on all working days up to and including day of the Meeting.

A brief resume of Mr. Ranjit Malhotra, nature of his expertise in specific functional areas as stipulated under Clause 49 of Listing Agreement with the BSE Limited, is provided in the Report of Corporate Governance forming part of the Annual Report.

Mr. Ranjit Malhotra is interested in the proposed Resolution as it concerns his own remuneration. Mr. S. C. Malhotra and Mr. Dileep Malhotra, Directors of the Company may also be regarded as interested in the Resolution as relatives of Mr. Ranjit Malhotra.

Item No.8

Under Section 293(1)(d) of the Companies Act, 1956, the Board of Directors cannot, except with the consent of the company in General Meeting, borrow monies, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, in excess of the aggregate of the paid-up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose.

At the Annual General Meeting of the Company held on 28th August, 2007 the Company had authorized the Board of Directors to borrow monies for the purpose