



ANNUAL REPORT 2014-15

EMPIRE INDUSTRIES LIMITED

CIN: L17120MH1900PLC000176

BOARD OF DIRECTORS:

S.C. MALHOTRA	<i>Chairman</i>
RANJIT MALHOTRA	<i>Vice-Chairman</i>
DILEEP MALHOTRA	<i>Jt. Managing Director</i>
UMA RANJIT MALHOTRA	<i>Woman Director</i>

R.A. MASKATI	}	<i>Directors</i>
RAJBIR SINGH		
C.P. SHAH		
B.C. GANDHI		
SUBODH CHANDRA		

AUDIT COMMITTEE:

RASHEED A MASKATI	<i>Chairman</i>
C.P. SHAH	
RAJBIR SINGH	

STAKEHOLDERS' RELATIONSHIP COMMITTEE

RASHEED A MASKATI	<i>Chairman</i>
C.P. SHAH	
RAJBIR SINGH	

NOMINATION & REMUNERATION COMMITTEE

RASHEED A MASKATI	<i>Chairman</i>
RAJBIR SINGH	
C.P. SHAH	

CSR COMMITTEE

UMA RANJIT MALHOTRA	<i>Chairperson</i>
DILEEP MALHOTRA	
RAJBIR SINGH	

RISK MANAGEMENT COMMITTEE

DILEEP MALHOTRA
RAJBIR SINGH
C.P. SHAH

DIRECTOR FINANCE & COMPANY SECRETARY

S.K. GULATI

AUDITORS

D.P. GHEVARIA & CO.

ADVOCATES & SOLICITORS

DSK Legal

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

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 22 28475207
Email : info@bigshareonline.com
Website : www.bigshareonline.com

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NOTICE

The ONE HUNDRED AND FOURTEENTH ANNUAL GENERAL MEETING of the Members of EMPIRE INDUSTRIES LIMITED will be held on Friday, July 24, 2015 at 3:00 P.M. at the Hall of Culture, Ground Floor, Nehru Centre, Worli, Mumbai – 400 018 to transact the following business:

AGENDA

Ordinary Business:

1. To adopt the Directors' Report and the Audited Balance Sheet as at March 31, 2015, and the Profit & Loss Account for the year ended on that date.
2. To declare a Dividend for the year ended March 31, 2015.
3. 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 appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till 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:

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

"RESOLVED THAT Mr. Bipinchandra Chimanlal Gandhi, having Director Identification Number 00780094, who retires by rotation as a Director of the Company and who fulfils the conditions specified in the Act and the rules made thereunder, and who was appointed as Independent Director by the Board of Directors for a period of five years from the conclusion of this 114th Annual General Meeting to the conclusion of 119th Annual General Meeting as per provisions of Section 149 of the Companies Act, 2013 be and is hereby approved."

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

"RESOLVED THAT Mr. Subodh Chandra, having Director Identification Number 02076844, who retires by rotation as a Director of the Company and who fulfils the conditions specified in the Act and the rules made thereunder, and who was appointed as Independent Director by the Board of Directors for a period of five years from the conclusion of this 114th Annual General Meeting to the conclusion of 119th Annual General Meeting as per provisions of Section 149 of the Companies Act, 2013 be and is hereby approved."

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

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of The Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force the remuneration payable during the financial year 2015-16 to M/s. Vinay Mulay & Co, Cost Accountants (Registration No. M/8791), appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2014-15 amounting to ₹ 75,000/- (Rupees Seventy five thousand only) as also the payment of service tax as applicable and re-imbursement of out of pocket expenses incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed."

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 25, 2015.

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 102 of the Companies Act, 2013, in respect of Item Nos.4 to 6 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. Brief resume of all Directors, 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.
5. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
6. 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.
7. The Company has already notified closure of Register of Members and Transfer Books thereof from Saturday, the 11th July, 2015 to Friday, the 24th July, 2015 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
8. The Dividend on Equity shares, as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid between July 25, 2015 and July 31, 2015 to those members whose names shall appear in the Register of Members of the Company on July 11, 2015 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.
9. 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, holding 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.
10. 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.
11. 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.
12. Shareholders who have not yet dematerialised their shares and wish to dematerialise the same are requested to apply for dematerialization through their Depository Participants.
13. 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.
14. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956 read with Companies Act, 2013, the Company has transferred the unpaid or unclaimed dividend for the financial year 2006-07 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:

S. 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	Transferred to IEPF
4.	2006-07	Dividend @ 60%	28.08.2007	Transferred to IEPF
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
10.	2012-13	Dividend @ 240%	26.07.2013	25.07.2020
11.	2013-14	Dividend @ 240%	24.07.2014	23.07.2021

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

15. 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.
16. 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 M/s. Bigshare Services Private Limited.

17. Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Thursday, 16th July, 2015 are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the despatch of the Annual Report and before the book closure may approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means. The e-voting period will commence at 10.00 a.m. on Tuesday, 21st July, 2015 and will end at 5.00 p.m. on Thursday, 23rd July, 2015. The Company has appointed Mrs. Deepa Gupta, Practicing Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 21st July, 2015 at 10.00 a.m. and ends on 23rd July, 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 the cut-off date (record date) of 16th July, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) 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)
	<ul style="list-style-type: none"> 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 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

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

(ix) Members holding shares in physical form will then directly reach 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.

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

(xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xii) 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.

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

(xiv) 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.

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

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

(xvii) 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.

(xviii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- 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.

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

ANNEXURE TO NOTICE

As required by Section 102 of the Companies Act, 2013 the following Explanatory statement set out all material facts relating to the business mentioned under Item Nos. 4 to 6 of the accompanying Notice dated May 25, 2015.

ITEM NO.4

In terms of Article 152 of the Articles of Association of the Company, read with Section 256 of the Companies Act, 1956, Mr. Bipinchandra Chimanlal Gandhi, a Director of the Company, retire by rotation at the ensuing Meeting and being eligible, offer himself for appointment as an Independent Director under Companies Act, 2013. As per the Companies Act, 2013 the Independent Director shall not retire by rotation. The Board of Directors of the Company recommend the appointment of Mr. Bipinchandra Chimanlal Gandhi as Independent Director of the Company. None of the Directors is anyway concerned or interested in the resolution except Mr. Bipinchandra Chimanlal Gandhi to the extent of his appointment.

ITEM NO.5

In terms of Article 152 of the Articles of Association of the Company, read with Section 256 of the Companies Act, 1956, Mr. Subodh Chandra, a Director of the Company, retire by rotation at the ensuing Meeting and being eligible, offer himself for appointment as an Independent Director under Companies Act, 2013. As per the Companies Act, 2013 the Independent Director shall not retire by rotation. The Board of Directors of the Company recommend the appointment of Mr. Subodh

Chandra as Independent Director of the Company. None of the Directors is anyway concerned or interested in the resolution except Mr. Subodh Chandra to the extent of his appointment.

ITEM NO.6

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint an individual/ firm of cost accountant(s) in practice on the recommendations of the Audit Committee, which shall also recommend remuneration for such cost auditor. The remuneration recommended by Audit Committee shall be considered and approved by the Board of Directors and ratified by the shareholders.

On recommendation of the Audit Committee at its meeting held on May 29, 2014 the Board has considered and approved appointment of M/s.Vinay Mulay & Co., Cost Accountants (Registration No. M/8791), for the conduct of the Cost Audit of the Company's Construction including development activities at a remuneration of ₹ 75,000/- plus service tax as applicable and reimbursement of actual travel and out-of-pocket expenses for the Financial Year ending on March 31, 2015.

The resolution of Item No.6 of the Notice is set out as an Ordinary Resolution for approval and ratification by the members in terms of Section 148 of the Companies Act, 2013.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested in the resolution set out at Item No. 8.

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 25, 2015.

DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS

The Directors hereby present their Annual Report together with the Audited Accounts of the Company for the year ended March 31, 2015.

FINANCIAL RESULTS:

Particulars	Year ended 31.03.2015 ₹ in Lakhs	Year ended 31.03.2014 ₹ in Lakhs
Income:		
Revenue from Operations	35419.91	31376.04
Other Income	503.91	673.43
Total Revenue	35923.82	32049.47
Expenditure		
Cost of Materials Consumed	4530.21	4480.71
Purchase of Stock-in-Trade	9749.99	6210.96
Changes in Inventories of Finished goods, Work-in- Progress and Stock-in-Trade	(767.92)	(712.61)
Employee Benefit Expenses	6393.43	6290.04
Finance Costs	930.71	1076.30
Depreciation and Amortization Expenses	1242.98	815.95
Other Expenses	9244.01	9118.85
Total Expenses	31323.41	27280.20
Profit Before Tax	4600.41	4769.27
Tax Expenses		
(1) Current Tax	1340.00	853.38
(2) Deferred Tax	(153.11)	291.27
Profit for the year	3413.52	3624.62
Appropriated as under:		
Dividend proposed	1440.00	1440.00
Tax on Proposed Dividend	293.15	244.73
General Reserve	1680.37	1939.89
Total amount appropriated	3413.52	3624.62
Earning per Equity Share of the face value of ₹ 10 each Basic and Diluted (in ₹)	56.89	60.41

DIVIDEND:

The Directors are pleased to recommend, for your consideration, payment of Dividend @240% (₹ 24 per Equity Share of the face value of ₹ 10, Tax Free) for the

financial year 2014-15, (Previous Year 240%). The total amount of the Dividend outgo will be ₹ 1440 Lakhs as against ₹ 1440 Lakhs for the previous financial year. The tax on distributed profits, payable by the Company would amount to ₹ 293.15 Lakhs as against ₹ 244.73 Lakhs for the previous financial year.

OPERATIONS:

The Division-wise details are given below:

VITRUM GLASS

During the year under review, the Division achieved a turnover of ₹ 136.59 Crore which includes export of ₹ 22.74 Crore. Due to over capacity in the glass industry, the division could not raise prices from its customers, despite a rise in costs. However, cost reduction efforts helped and the division could maintain its targeted profit. Over capacity in the industry is slowly getting absorbed. The division is expected to do well in the current year.

EMPIRE MACHINE TOOLS – MFTM

(Metal Forming, Testing & Metrology)

There has been a shortfall in Order intake compared to initial projections.

Market demand has been sluggish from both the Private and the Public Sectors. There were hopes that investments will pick up after the General Elections, but positive effects in our area of operations are yet to be felt. Service Tax imposed by the Government on foreign remittances received has affected profit margins, though costs were controlled. The backlog of Orders for execution for the coming year is healthy. Currently the division is working on major turnkey tenders and products with shorter execution times. The successful finalization of these cases within this Financial Year will greatly improve the performance in the current year.

EMPIRE MACHINE TOOLS - MCAT

(Metal Cutting & Allied Technologies)

Order in-flow in MCAT Division has been affected mainly on account of recessionary trends and unclear Government policies. There have been cancellation of some orders mainly due to projects not coming up in time. Shipments have also been affected. MCAT is focusing mainly on railways, aerospace, power generation & steel. Some business was also concluded in the Oil & Gas Sectors.