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*ENSA STEEL INDUSTRIES LIMITED*

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**30<sup>TH</sup> ANNUAL REPORT  
2013-2014**

**BOARD OF DIRECTORS**

**R. J. Sandesara**

Director

**J. C. Sandesara**

Director

**R. B. Dixit**

Director

**T. R. Thakkar**

Director

**Sanjay Chohan**

Director

**BANKERS**

Punjab National Bank

Corporation Bank

**AUDITORS**

H. S. Hathi & Co.

Chartered Accountants

**REGD. OFFICE**

43, Atlanta,

Nariman Point,

Mumbai – 400 021

Members are requested to bring their copy of the Annual Report with them to the Annual General Meeting.

**DIRECTORS' REPORT**

To the Members,

**ENSA STEEL INDUSTRIES LIMITED**

Your Directors have pleasure in presenting the 30<sup>th</sup> Annual Report together with the Audited Statement of Accounts of the Company for the year ended 30<sup>th</sup> June, 2014.

**FINANCIAL RESULTS****(Rupees in Lacs)**

Particulars	Year Ended 30-06-2014	Year Ended 30-06-2013
OPERATING PROFIT (PBIDT)	(4.56)	(7.09)
Interest	0.00	0.01
GROSS PROFIT	(4.56)	(7.10)
Depreciation	56.30	69.72
PROFIT/(LOSS) BEFORE TAX	(60.86)	(76.82)
Provision for Tax	-	-
NET PROFIT/(LOSS) AFTER TAX	(60.86)	(76.82)
Transfer to General Reserve	-	-
Balance carried to Balance Sheet	(60.86)	(76.82)

**DIVIDEND**

In the absence of profit, your directors do not recommend any dividend.

**OPERATIONS**

During the year under review, the Company's turnover declined to Rs. 60.27 lacs against Rs.68.17 lacs in the previous year. Your Company has incurred a Loss of Rs. 60.86 lacs in the current year in compared to loss of Rs. 76.82 lacs in the previous year.

**MANAGEMENT DISCUSSION AND ANALYSIS**

A separate report on Management Discussion and Analysis is enclosed as a part of the Annual Report

**REPORT ON CORPORATE GOVERNANCE**

In Pursuance of the system of Corporate Governance Instituted by SEBI, forming part of the Listing Agreement with the Stock Exchanges, a report thereon is saperately attached to this report.

**DIRECTORS**

Shri J. C. Sandesara and Shri R.B. Dixit, Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The Board recommends their re-appointment.

**DIRECTORS' RESPONSIBILITY STATEMENT**

As required under Section 217(2AA) of the Companies Act, 1956, the Directors confirm:

- i) That in the preparation of the Annual Accounts for the year ended 30<sup>th</sup> June, 2014, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- ii) That the Directors had selected such accounting policies and applied them consistently and made judgements 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 loss of the Company for the year under review;
- iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) that the Directors have prepared the Annual Accounts for the year ended 30<sup>th</sup> June, 2014 on a 'going concern' basis.

**FIXED DEPOSITS**

The Company has not accepted any deposits from the Public during the year under review.

**AUDITORS AND THEIR REPORT**

M/s. H. S. Hathi & Co., Chartered Accountants, Auditors of the Company shall retire at the forthcoming Annual General Meeting and having furnished Certificate pursuant to Section 224(1B) of the companies Act, 1956, they being eligible have given their consent for re-appointment. The Board recommends their re-appointment. The observations made by the Auditors are self explanatory and have been dealt with in the notes forming part of the Accounts and hence need no further clarification.

**PARTICULARS OF EMPLOYEES**

No employee of the Company is covered under the provisions of Section 217(2A) of the Companies Act, 1956, read with the Company's (Particulars of Employees) Rules 1975 as amended.

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

In accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956 the required information relating to conservation of energy, technology absorption is not applicable. There was no foreign exchange earnings and outgo during the year under review.

**ACKNOWLEDGEMENT**

Your Directors take this opportunity to express their appreciation for the assistance and continued co-operation extended by Bankers and Local Governments. Your Directors are also pleased to record their appreciation of the valued contribution, devotion and sense of commitment extended by the employees of the Company.

**For and on behalf of the Board**

Place : Mumbai

Date : 27th August, 2014

**R. J. Sandesara-Director**  
**(DIN - 01671907)**

**J. C. Sandesara-Director**  
**(DIN - 00107371)**

**REPORT ON CORPORATE GOVERNANCE****i) Corporate Governance Philosophy**

The Company views sound corporate governance as an integral part of its efforts to enhance shareholders' value. The Company endeavours to safeguard the interests of investors, customers, suppliers and lenders and build the confidence of the society in general. The company believes in adopting the philosophy of professionalism, transparency and accountability in all areas.

**ii) Board of Directors (Board)**

Presently, the Board, comprises of 5 Directors, all being Non-executive Directors. All the Directors are eminent industrialists and/or professionals with experience in overall management, finance and law, who bring a wide range of skills and experience to the Board.

**a. Composition of the Board**

Name	Category	No. of other Directorships and Committees Memberships / Chairmanships			Relationship with other Directors
		Other Directorships	Committee Memberships	Committee Chairmanships	
R. J. Sandesara	Non-executive	-	-	-	Son of J. C. Sandesara
J. C. Sandesara	Non-executive	29	-	-	Father of R.J. Sandesara
R. B. Dixit	Independent / Non-executive	4	2	3	None
Trithesh Thakkar	Independent / Non-executive	-	-	-	None
Sanjay Chohan	Independent / Non-executive	1	-	-	None

**b. Number of Board Meetings**

During the year under report the Board of Directors met 4 times on the following dates: 27/08/2013 (Adoption of Annual Accounts), 12/11/2013, 13/02/2014 and 14/05/2014.

**c. Attendance of Directors**

Name	Meetings Attended	Attended last AGM on 28-12-2013
R. J. Sandesara	3	Yes
J. C. Sandesara	4	No
R. B. Dixit	4	Yes
Trithesh Thakkar	3	Yes
Sanjay Chohan	4	Yes

**iii) Committee of Directors**

The board constituted following committees.

- A. Audit Committee** reviews the company's financial reporting process, disclosure norms, internal control systems, accounting policies and practices, reports of the Company's internal Auditors, quarterly/yearly financial statements as well as its financial risk policies. It also recommends appointment of statutory auditors, fixes audit fees and reviews internal control systems, scope for observations of the auditors and adequacy of the internal audit function.

During the year under review, the committee met four times on 27/08/2013 (Adoption of Annual Accounts), 12/11/2013, 13/02/2014 and 14/05/2014 and the meeting was attended by all the members of the Audit Committee namely Shri R. J. Sandesara, Shri R. B. Dixit and Shri T. R. Thakkar.

- B. Investors/Shareholders Grievance Committee** comprises of Shri R. J. Sandesara , Shri R. B. Dixit and Shri T. R. Thakkar. The Committee redresses shareholder and investors complaints like a delay in transfer of shares, non-receipt of dividend, non-receipt of balance sheet etc. During the year the committee met one time.

**iv) General Body Meetings**

Year	Venue	Date	Time	Any Special Resolution
2013	Sheetal – I Hall, Land Mark, Link Road, Mith Chowkey, Malad (W), Mumbai – 400 064.	28th December, 2013	9.30a.m.	No
2012	Sheetal - I Hall, Land Mark, Link Road, Mith Chowkey, Malad (W), Mumbai – 400 064.	31st December, 2012	10.30a.m.	No
2011	Sheetal – I Hall, Land Mark, Link Road, Mith Chowkey, Malad (W), Mumbai – 400 064.	31st December, 2011	11.00a.m.	No
Special Resolution if any passed by Postal Ballot				N.A.

**v) Disclosures :**

1. As required under the Companies Act, the Directors disclose the name of the Companies / Parties in which they are interested. During the year under review, there was no transaction with related party, with its Promoters, the Directors or the Management, their subsidiaries or relatives etc. which may have potential conflict with the interests of Company at large.
2. There was no non-compliance during the last three years by the Company on any matter related to Capital Market.

**vi) Means of Communication :**

- a. Quarterly/ Annual Financial Results of the Company are forwarded to the Stock Exchanges where the shares of the company are listed, displayed on company website, [www.ensasteel.com](http://www.ensasteel.com) and published in Newspapers.
- b. The company has not made any presentations to any Institutional Investors / Analyst during the year.
- c. Management Discussion & Analysis Report is covered in Directors' Report to the Shareholders.

**vii) General Shareholder Information :****a. Annual General Meeting**

Date : 31st day of December 2014  
 Time : 10.30 A.M.  
 Venue : Sheetal – I Hall, Land Mark, Link Road,  
 Mith Chowkey, Malad (W), Mumbai-400 064.

- b. **Date of Book Closure :** 24th December, 2014 to 31st December, 2014  
 (both days inclusive)

**c. Financial Calendar 2014-2015 : Annual General Meeting December 2015 (next year)  
Board Meeting**

Unaudited Results – Qtrly.	September 2014	November 2014
Unaudited Results – Qtrly.	December 2014	February 2015
Unaudited Results – Qtrly.	March 2015	May 2015
Audited Accounts	June 2015	August 2015

**d. Stock Exchanges where securities are listed**

Listed on Bombay Stock Exchange Limited (BSE) and The Calcutta Stock Exchange Limited.

<b>Name of Stock Exchange</b>	<b>Code</b>
Bombay Stock Exchange Limited, (BSE)	512135
The Calcutta Stock Exchange Ltd.	15003