

***Sen Pet (India) Ltd.***



**Annual Report  
2014-15**

**Corporate Identity Number**

L25201WB1990PLC049690

**Board of Directors**

Mr. Umasankar Chattopadhyay	– Director
Mr. Supratik Sen Barat	– Director
Ms. Shubhra Mukherjee	– Whole-Time Director

**Company Secretary**

Mr. Vivek Jaiswal

**Chief Financial Officer**

Mr. Pankaj Kumar Jindal

**Auditors**

M/s Basu Das & Basu  
Chartered Accountants  
Windsor House, 2nd Floor, Room No. 16  
29, R. N. Mukherjee Road  
Kolkata - 700 001

**Registrars and Share Transfer Agents**

S. K. Infosolutions Pvt. Ltd.  
34/1 A, Sudhir Chatterjee  
Street Kolkata - 700 006

**Plant**

Plot No. 51-56, Sector - II  
Falta Mouza – Simulberia  
P.O. - Bisira 24 Parganas (S)  
West Bengal

**Registered Office**

85, S. N. Banerjee Road Kolkata-700 014  
Phone : 2249-3871, 4012-3232  
Fax : 2265-0747  
email: cs@senglobal.com  
Web: www.senglobal.com

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**SEN PET (INDIA) LIMITED**

(FORMERLY ELQUE POLYESTERS LTD.)

Registered Office: 85, S.N. Banerjee Road, Kolkata- 700 014.

Ph: (033) 2249-3871, 4012-3232, FAX: (033) 2265-0747

Email:systems@senglobal.com; CIN: L25201WB1990PLC049690

**NOTICE OF 25<sup>TH</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the Twenty-Fifth Annual General Meeting of the Members of Sen Pet (India) Limited will be held at the registered office of the Company at 85, S.N. Banerjee Road, Kolkata- 700 014, on Wednesday, the 30<sup>th</sup> Day of September, 2015 at 11.30 AM to transact the following business :-

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2015 and Statement of Profit & Loss for the year ended on that date together with the Reports of the Board of Directors' and Auditors' thereon.
2. To appoint the Statutory Auditors and fix their remuneration and for the purpose to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :-

**"RESOLVED THAT** M/s. Basu Das & Basu, Chartered Accountants, Firm Registration No. 311038E, be and are hereby appointed as the Statutory 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 at such remuneration as may be determined by the Board of Directors of the Company in consultation with the Auditors."

**SPECIAL BUSINESS**

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

**"RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, Ms. Shubhra Mukherjee (DIN 07107800), who has been appointed as an Additional Director of the Company w.e.f 27<sup>th</sup> February, 2015 pursuant to the provisions of Section 161 of the Companies Act, 2013, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

**"RESOLVED FURTHER THAT** pursuant to the provisions of section 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013 (Act) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Members of the Company be and is hereby accorded to the appointment of Ms. Shubhra Mukherjee as a Whole-time Director of the Company for a period of 5 years w.e.f. 1<sup>st</sup> August, 2015 to 31<sup>st</sup> July, 2020."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to vary, alter or modify the different components of her remuneration within the limits prescribed under the provisions of the Act as may be agreed to by the Board and Ms. Shubhra Mukherjee."

**"RESOLVED FURTHER THAT** Ms. Shubhra Mukherjee shall carry out such duties as may be entrusted to her by the Board from time to time and exercise such powers as may be assigned to her, subject to the control and direction of the Board."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to the above resolution."

By Order of the Board of Directors

Registered Office :  
85, S.N. Banerjee Road,  
Kolkata-700 014  
Date: 14<sup>th</sup> August, 2015

Vivek Jaiswal  
Company Secretary

**NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE “MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The proxy form duly completed and signed, should be lodged with the Company, at its registered office at least 48 hours before the time of the meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent (10%) 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.

2. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. The relative Explanatory Statement, pursuant to Section 102(1) of the Companies Act, 2013, in respect of the special business under item No. 3 is annexed hereto.
4. Pursuant to the provision of Section 91 of the Companies Act, 2013 the Register of Members and Share Transfer Books of the Company will remain closed from 24<sup>th</sup> September, 2015 to 30<sup>th</sup> September, 2015 (both days inclusive) for annual closing.
5. A copy of Balance Sheet as on 31<sup>st</sup> March, 2015, Statement of Profit and Loss for the year ended on that date, the Auditors' Report, the Directors' Report and all other documents required by law to be annexed or attached to the Balance Sheet shall be available for inspection at the registered office of the Company on all working days during business hours between 11.00 am and 1.00 pm for a period of 21 days before the date of Meeting.
6. Members holding shares in physical form are requested to promptly notify in writing any changes in their address to the Secretarial Department of the Company at “SEN PET (INDIA) LTD, 85, S.N. Banerjee Road, Kolkata-700014. Members holding shares in electronic form are requested to notify the changes in the above particular, if any, directly to their Depository Participant (DP).
7. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communications including Annual Report, Notices, Circular etc. from the Company in electronic mode.

**10. Voting through electronic means**

- I. Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and Clause 35B of the Listing Agreement, the Company is pleased to provide its members the facility to exercise their right to vote at the 25<sup>th</sup> Annual General Meeting (AGM) by electronic means, and the business may be transacted through remote e-voting Services provided by Central Depository Services (India) Limited (CDSL).
- II. Similarly, Members opting to vote physically can do the same by remaining present at the meeting and should not exercise the option for remote e-voting. However, in case Members cast their vote exercising both the options, i.e. physically and remote e-voting, then votes casted through remote e-voting shall be only be taken into consideration and treated valid whereas votes casted physically at the meeting shall be treated as invalid. The instructions for remote e-voting are as under, Members are requested to follow the instruction below to cast their vote through remote e-voting :

**III. The instructions for members for voting electronically are as under :-**

- (I) The remote e-voting period begins on 26/09/2015 (10.00 am) and ends on 29/09/2015 (5.00 pm). 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 23/09/2015, may cast their vote electronically. The remote 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](http://www.evotingindia.com) during the voting period.
- (iii) Click on “Shareholders” tab.
- (iv) Now, select the “COMPANY NAME” from the drop down menu and click on “SUBMIT”
- (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 to [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	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>
DOB	<p>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.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>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 (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) 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.
- (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 **SEN PET (INDIA) LTD** on which you choose to vote.
- (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 same 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 Institutional Shareholders
  - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> 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](mailto:helpdesk.evoting@cdslindia.com).

- After receiving the login details they have to create 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](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.

(xx) 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.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

## ANNEXURE TO THE NOTICE

### Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013.

#### Item No. 3

The Board of Directors of the Company ('the Board'), at its meeting held on 27<sup>th</sup> February, 2015, appointed Ms. Shubhra Mukherjee (DIN – 07107800) as an Additional Director of the Company. In terms of the provisions of Section 161 of the Companies Act, 2013, she holds office upto the date of the ensuing Annual General Meeting. The Company has received notice in terms of Section 152 of the Companies Act, 2013, from a member signifying his intention to propose Ms. Shubhra Mukherjee as a Director of the Company liable to retire by rotation.

Further, pursuant to the Section 203 of the Companies Act, 2013, the Board, in their meeting held on today i.e. 14<sup>th</sup> August, 2015, subject to the approval of the members of the Company in next General Meeting, appointed Ms. Shubhra Mukherjee as a Whole-time Director of the Company for a period of 5 years w.e.f. 1<sup>st</sup> August, 2015 on the basis of recommendation of Nomination and Remuneration Committee.

The Nomination and Remuneration Committee has approved her terms of appointment in its meeting held on today i.e. 14<sup>th</sup> August, 2015. For the purpose, an agreement has been entered into by the Company with the Whole-time Director on 3<sup>rd</sup> August, 2015.

In terms of the provisions of the Section(s) 160, 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, approval of the members of the Company is now sought for appointment of Ms. Shubhra Mukherjee as a Whole-time Director of the Company.

Except Ms. Shubhra Mukherjee (the appointee herself), none of the other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the notice.

Copy of the agreement dated 3<sup>rd</sup> August, 2015 referred above is available for inspection at the Registered Office of the Company between 11.00 am and 1.00 pm on all working days till the date of ensuing Annual General Meeting.

#### DETAILS OF DIRECTOR SEEKING APPOINTMENT AND RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

Name of the Director	Ms. Shubhra Mukherjee (DIN: 07107800)
Date of Birth	11/10/1980
Date of Appointment	27/02/2015
Qualification	B.Com
Expertise in Specific Functional areas	Accounting
Directorship held in Other public Companies	Nil
Committee Membership	Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee
Shareholding in the Company	NIL

By Order of the Board of Directors

Registered Office :  
85, S.N. Banerjee Road,  
Kolkata-700 014  
Date: 14<sup>th</sup> August, 2015

Vivek Jaiswal  
Company Secretary



## DIRECTORS' REPORT

Your Directors take pleasure in presenting the Twenty Fifth Annual Report of the Company together with the Audited Accounts for the year ended 31<sup>st</sup> March, 2015.

### 1. FINANCIAL PERFORMANCE SUMMARY

Following tables gives the financial highlights of your Company on a standalone basis according to the Indian Generally Accepted Accounting Principles (GAAP) :

( ₹ "000")

	2014-15	2013-14
	(₹)	(₹)
Profit before Depreciation and Interest	(14191)	(14,581)
Less : Depreciation	70	33,939
Less : Interest	9	19
<u>Provision for Taxation:</u>		
Current Tax	—	—
Deferred Tax written back	—	—
Profit after tax	<b>(14,270)</b>	<b>(48,539)</b>
Add: Balance brought forward from previous year	(20,23,863)	(19,75,324)
Profit carried forward to Balance Sheet	<b>(20,38,133)</b>	<b>(20,23,863)</b>

### 2. OPERATIONS

The Company is engaged in the manufacturing of bottle grade PET Resin. The product is basically used for downstream manufacturing of PET bottles which are normally used in the bottled drinks, beverage, liquor and pharmaceutical sector.

### 3. DIVIDEND

In view of the loss incurred by the company, the Board of Directors regrets its inability to recommend any dividend to equity shareholders for the year under review.

### 4. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year, the Board of Directors of the Company at its meeting held on 27<sup>th</sup> February, 2015 appointed Ms. Shubhra Mukherjee as an Additional Director of the Company with immediate effect. Further, the Board appointed Ms. Shubhra Mukherjee as a Whole Time Director of the Company for a period of 5 years with effect from 1<sup>st</sup> August, 2015. Mr. Jyotirmoy Kar Roy, Whole-Time Director of the Company has resigned from the directorship of the Company with effect from 27<sup>th</sup> February, 2015.

Also, Mr. Vivek Jaiswal, Mr. Pankaj Kumar Jindal has been appointed as Company Secretary and Chief Financial Officer of the Company with effect from 1<sup>st</sup> December, 2014 and 2<sup>nd</sup> April, 2015 respectively.

### 5. STATUTORY DISCLOSURES

None of the Directors of the Company are disqualified as per the provisions of Section 164 of the Companies Act, 2013. The Directors have made the necessary disclosures as required by the various provisions of the Act and clause 49 of the Listing Agreement.

### 6. PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are set out in the **ANNEXURE I** to the Directors' Report.

During the year under review no employee of the Company was in receipt of remuneration for the whole or part of the year exceeding the limits, prescribed under Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

### 7. MEETINGS

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year six Board Meetings and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

### 8. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees and Stakeholders Relationship Committee. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

### 9. AUDITORS

M/s. Basu Das & Basu (Firm Registration No. 311038E), Chartered Accountants, the Statutory Auditors of the Company are retiring at the conclusion of the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. As required under the provisions of Section 141(3)(g) of the Companies Act, 2013, the Company has received written confirmation from them, that their re-appointment as Auditors, if made, would be in conformity with the limits prescribed in the said section and that they are not disqualified from being appointed as the Auditors of the Company within the meaning of Section 141 of the said Act.

### 10. AUDITORS OBSERVATION

The observations made by the Auditors have been fully explained in the Notes on Accounts.

### 11. SECRETARIAL AUDIT REPORT

In terms of Section 204 of the Act and Rules made there under, M/s. P. S. & Associates, Practicing Company Secretary have been appointed as Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as **ANNEXURE II** to this report. The report is self-explanatory and do not call for any further comments.



## 12. VIGIL MECHANISM

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for Directors and Employees to report genuine concerns has been established.

## 13. RISK MANAGEMENT POLICY

A statement indicating development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, this in the opinion of the Board may threaten the existence of the company.

## 14. EXTRACT OF ANNUAL RETURN

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 as a part of this Annual Report as **ANNEXURE III**.

## 15. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

The Hon'ble High Court, Calcutta in respect of the case filed by us against the Office of the Development Commissioner (DC), Falta Special Economic Zone passed an order on 20.03.2015, setting aside the DCs' order dated 31.12.2007 that declined conversion of our 100% EOU into DTA unit and directed us to make a fresh application to DC for denotification of SEZ Land and debonding of our 100% EOU to DTA unit. In compliance of the Hon'ble Court order and provisions of SEZs & EOUs rules thereunder made a fresh application to the DC for the same. Once it is converted into a DTA unit, it will be able to revive operations.

## 16. DEPOSITS

The company during the year under review did not accept any deposit under chapter V of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

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

**(a) Conservation of Energy** : As plant was shut down on and from August 2009, till 31st March, 2015.

(i)	the steps taken or impact on conservation of energy	As plant was shut down on and from August 2009, till 31st March, 2015.
(ii)	the steps taken by the company for utilizing alternate sources of energy	As plant was shut down on and from August 2009, till 31st March, 2015.
(iii)	the capital investment on energy conservation equipment's	i) Conducting energy audit. ii) Conducting illumination surveys to identify the existing luz levels in the plant.

**(b) Technology Absorption** : The Company's local technical development remained closely synchronized with the development works undertaken by our Collaborators.

**(c) Foreign Exchange Earnings and Outgo** : During the year, the total foreign exchange used was NIL and the total foreign exchange earned was NIL.

## 18. HUMAN RESOURCES

The Company firmly believes that human resources and knowledge capital are vital for business success and creating value for stakeholders. The Industrial Relations during the year under review was cordial.

## 19. DIRECTORS' RESPONSIBILITY STATEMENTS

Pursuant to Section 134 (3) (c) of the Companies Act, 2013, the Board of Directors of the Company hereby state and confirms :

- in the preparation of the annual accounts for the year ended 31st March, 2015, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the Directors have 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 as at 31st March, 2015 and of the loss of the company for the year ended on that date;
- the Directors have 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;
- the Directors have prepared the annual accounts on a 'going concern' basis;
- the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 20. CORPORATE GOVERNANCE

Your Company is committed to good Corporate Governance practices. The Company's Corporate Governance practices are in accordance with the relevant clauses of the Listing Agreement. A separate Section on Corporate Governance is included and the certificate from the Auditors of the Company regarding the compliances of the conditions of the Corporate Governance is given in annexure attached to and forming part of the Corporate Governance Report.

## 21. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the year under review as stipulated under Clause 49 of the Listing

Agreement with the stock exchanges, is presented in a separate section forming part of the Annual Report.

## 22. ACKNOWLEDGEMENT

Your Directors would like to place on record their sincere appreciation for the continued support received by the Company from the shareholders, employees and bankers during the year under report.

For & on behalf of the Board

Place: Kolkata  
Date: 14.08.2015  
Registered Office:  
85, S. N. Banerjee Road  
Kolkata – 700 014

Umasankar Chattopadhyay	Supratik Sen Barat
<b>Director</b>	<b>Director</b>
<b>(DIN – 00049317)</b>	<b>(DIN – 00233794)</b>

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

### INDUSTRY STRUCTURE & DEVELOPMENTS

The Company is engaged in the manufacturing of bottle grade PET Resin. The product is basically used for downstream manufacturing of PET bottles which are normally used in the bottled drinks, beverage, liquor and pharmaceutical sector.

### OVERVIEW AND FUTURE OUTLOOK

As the demand for PET Resin is increasing worldwide, the management of the company is putting all its effort to reopen its plant during the current financial year. However, with an increase in manufacturing capacities in various countries, profit margin of PET is likely to remain under pressure. The power requirement of your Company was being met through HFO based Generator. However, due to increase in prices of furnace oil, your Company is planning to run the unit on grid power for which discussions with the West Bengal State Electricity Distribution Company Limited is going on, we hope to get the grid power connection very soon, which will have direct impact on the bottom-line of your Company through cost reduction. Further areas of cost reduction are being identified and techno economic viability is under consideration for a Coal based captive power plant. This will enable the Company to reduce the Power and Fuel cost even further.

### OPPORTUNITIES & THREATS

Due to its strength, transparency and lightweight PET bottle industry is growing day by day which provides ample opportunity and scope for our Company. The main threats to our industry are the volatility of prices of raw materials such as PTA and MEG mainly due to unstable PX-ACP in Asian commodity trading. This problem is further complicated with the increase in production capacity of PET resin within the country and abroad.

### COMPANY'S PERFORMANCE

Please refer the Directors' Report on performance review.

### SEGMENT WISE REPORTING

Your Company operates only in one business segment i.e. PET Resin.

### BIFR STATUS

The Company continues to remain under the purview of BIFR, therefore, no provision of interest and consequential charges has been made in the book of accounts in respect of the outstanding loans from banks & financial institutions based on various legal opinions obtained by the company.

### INTERNAL CONTROL SYSTEM

The Company has adequate system of internal controls and checks and balances to ensure that its assets are safeguarded and protected against loss from unauthorized use. The strength of these systems is continuously being monitored by the internal audit systems.

### RISKS AND CONCERNS

In any business, risks and prospects are inseparable. As a responsible management, the Company's principal endeavour is to maximize returns. The Company continues to take all steps necessary to minimise its expenses through detailed studies and interaction with experts.

### HUMAN RESOURCES

The enthusiasm of staff members continued to be high in sustaining positive growth of disbursements and in maintaining healthy recoveries. With the high level of commitment and loyalty by staff members, SPIL is confident to face the challenges of the tougher market conditions.

Human resources are the principal drives of change. They play a key role for the continuous success of business and push the levers that take futuristic businesses to the next level of excellence and achievement. The Company has always attached maximum importance for the development of human resource, the vital asset of the Company. SPIL, for its long journey of success, focuses on individual development and growth in work culture that enables cross-pollination of ideas ensures high performance and remains empowering. The Company is continuously renewing and updating the knowledge and skill of its employees at all levels through training and development. The Company has developed an environment of harmonious and cordial relations with its employees. It is a strong belief of SPIL that respect for human rights represents the foundation of good corporate governance.

### FORWARD-LOOKING STATEMENT

This report contains forward-looking statements based on certain assumptions and expectations of future events. The Company, therefore, cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievements can thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.