



S E R INDUSTRIES LIMITED

CIN : L60231 KA1963PLC004604

**52nd ANNUAL REPORT
2014-2015**



**S E R
INDUSTRIES
LIMITED**

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**S E R
INDUSTRIES
LIMITED**

CIN : L60231 KA1963PLC004604

BOARD OF DIRECTORS

Sri Narendra Goel
Sri G. P. Goyal
Sri V.G. Rangnekar
Sri Jayant Mitra

AUDITORS

M/s. G.V. Sunder and Company
Chartered Accountants,
3/5, IV Floor, Tower Block, Unity Bldg.,
J.C. Road, Bangalore - 560 002.
Ph. : 080 22275160

BANKERS

ICICI Bank Limited
CA2 P1, Bidadi Industrial Area,
Near Toyota Kirlosker Motor Pvt. Ltd.
Ramanagar District,
Bangalore - 562 109.
Bank of Maharashtra,
Nariman Point,
Mumbai - 400 021.

REGISTERED OFFICE

Chikkakuntanahalli Village,
Kodiyala Karenahalli Post,
Via Bidadi, Ramanagara Dist.
Karnataka - 562 109.
Mob. : 9343702920 Phone: 91-80-27204463
e-mail : info@serindustries.co.in
www.serindustries.co.in

CORPORATE OFFICE

107-108 Mittal Chambers,
Nariman Point, Mumbai - 400 021.
Ph. : 22813137, 22813138 e-mail : info@serindustries.co.in
www.serindustries.co.in

**REGISTRAR AND
SHARE TRANSFER AGENTS**

TSR Dara Shaw Limited
6-10, Haji Mosa Patriwala Industrial Estate
No.20, Dr. E. Moses Road, Mahalakshmi,
Mumbai - 400011.
Ph : 022-66568484 / 66568494.

To
The Members,

NOTICE

Notice is hereby given that the 52nd Annual General Meeting of the Members of the SER Industries Limited will be held at the Company's Registered Office at Chikkakuntanahalli, Kodiyala Karenahalli post, Via Bidadi, Ramanagara-562109 on Tuesday, the 15th September 2015 at 2.30 PM to transact the following business:-

A. ORDINARY BUSINESS:

1. To consider and adopt the Balance Sheet as at 31st March 2015 and Profit & Loss account for the year ended on that date along with the Reports of Board of Directors and Auditors thereon including the Secretarial Audit report under section 204 of the Companies Act 2013 thereon.
2. To appoint a Director in place of Sri. Jayant Dolatrai Mitra (DIN: 00801211) a Director who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Statutory Auditors for the financial years 2015-16 to 2019-2020 and fix their remuneration.

Place : Ramanagara

Date : 29-05-2015

By order of the Board

REGD. OFFICE :

S E R Industries Limited, Chikkakuntanahalli Village,
Kodiyala Karenahalli Post, Via Bidadi,
Ramanagara Dist. Karnataka – 562109.

NARENDRA GOEL

Chairman of the Meeting

(DIN No. : 00327187)

NOTES:

- i) A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself and a proxy need not be a member of a company. The proxy form should be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting.
- ii) The Register of members and Share Transfer Books will remain closed from 07-09-2015 to 15-09-2015 (Both days inclusive) for the purpose of updating the records.
- iii) The shareholders are requested to bring their copy of Annual Report.
- iv) Requests if any for nomination of shares as provided under section 72 of the Companies Act 2013 may be sent to the Company at the Registered Office.
- v) Members holding shares in physical form are requested to kindly notify the Company of any change in their addresses so as to enable the company to address future communication to their correct addresses. Members holding shares in demat form are requested to notify their respective Depository Participant of any change in their addresses.
- vi) Members desiring any information as regards the Accounts are requested to write to the Company at least 10 days in advance so as to enable the Management to reply at the Meeting.
- vii) Share holders may register their e-mail id by writing to the Company for sending the communications of the Company including the annual reports at info@serindustries.co.in to follow the green initiative the instructions of the Government of India
- viii) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.

- ix) Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
- x) Voting through electronic means
Pursuant to the provisions of section 108 of the Companies Act, 2013, Rule 20 of Companies (Management and Administration) Rules, 2014, and clause 35B of the listing Agreement, the Company is pleased to provide members facility to exercise their right to vote in respect of resolutions which are being considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by National Securities Depository (India) Limited (NSDL). The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting'). Mr.R.C Venkatesh Rao, practicing Company Secretary (C P No- 2733) has been appointed as scrutinizer in this regard.
- xi) The e-voting period beginning 9.00 A.M. IST on 12th September 2015 and ends 5.00 P.M. IST on 14th September 2015.

Additional Information on Directors Seeking Appointment/Re-appointment at the Annual General Meeting.

Item No : 2 . Appointment of Mr. Jayant Dolatrai Mitra.

Mr. Jayant Dolatrai Mitra is a business man. He joined board of director of this company on 28.07.2000 as director.

Place: Ramanagara
Date: 29/05/2015

By order of the Board

NARENDRA GOEL
Chairman of the Meeting
(DIN No. : 00327187)

DIRECTORS' REPORT

Your Directors present their Fifty Second Report of the Company together with the Audited Statement of Accounts for the financial year ended 31st March 2015.

01. FINANCIAL RESULTS:

	Rs. In Lakhs	Rs. In Lakhs
Particulars	31/03/2015	31/03/2014
Turnover	8.88	107.93
Other Income	11.88	1.98
Profit (Loss) before Depreciation	(10.25)	(26.39)
Depreciation	5.85	3.28
Profit (Loss) before Tax	(16.11)	(29.68)
Provision for Tax (Current, Deferred and Fringe Benefit Tax net)	(0.43)	1.12
Profit/Loss After Tax	(15.67)	(30.80)

02. Performance, Management Discussion and Analysis.

The turnover of the Company compared to the previous year is less due to reduced demand for long distance movement of agricultural produce and fertilizers by road and due to drought. The loss is also due to the hike in diesel prices and operational costs.

The performance for the current year is low due to drought & floods in many parts of the Country. The business was reduced comparatively and the operational expenses remained high; hence the loss.

The Board of Directors do not visualize upward results during the next Financial Year based on the operations for the last 3 months which is lower compared to previous year.

03. Dividend:

The Directors do not propose any dividend due to loss incurred during the year.

04. Transfer of Unclaimed Dividend to Investor Education and Protection Fund.

The Provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared for previous year.

05. Fixed Deposits:

During the period under review the Company has not accepted any fixed deposit from the public. There are no deposits due for repayment after maturity.

06. Directors:

Sri. Jayant Dolatrai Mitra, Director (DIN No.: 00801210), retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment. The Board of Directors recommends his reappointment.

07. Material Changes and Commitment if any affecting the financial position of the Company occurred between the ends of the financial year to which this Financial Statements relate and the date of the report.

No material changes and commitments affecting the financial position of the company occurred between the end of the financial year to which this financial statements relate and the date of the report.

08. Statement concerning Development and implementation of Risk Management Policy of the company.

The Company does not have any Risk Management Policy as the element of the risk threatening the Company's existence is very minimal.

09. Particulars of loans guarantees or investments made under section 186 of the Companies act, 2013.

There was no loan, guarantee or investment made by the Company under Section 186 of the Companies Act,

10. Particulars of contracts or arrangements made with related parties.

There was no Contract or Arrangement made with related parties as defined under section 188 of the Companies Act, 2013 except as stated in the notes to account during the year under review.

11. Explanation or Comments on qualifications, reservations or adverse remarks or disclaimers made by the Auditors and the Practicing Company Secretary in their reports.

There was no a qualification, reservation or adverse remark made by the Auditors / Practicing Company Secretary in their reports.

The Secretarial Auditors have made the following observation.

“The Company is yet to appoint Woman Director on the Board of the Company in compliance with Clause 49 (II)(A)(1) of the Listing Agreement read with Section 149 of the Companies Act, 2013.”

12. Extract of Annual Return.

Extract of Annual Return in Form MGT-9 is enclosed as Annexure - A to this report.

13. Number of board meetings conducted during the year under review.

The Company had Four Board meetings during the financial year under review.

14. Directors Responsibility Statement:

As required under Sec. 134(5) of the Companies Act, 2013 your Directors confirm that:

- i) In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure.
- ii) Selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and the financial results of the Company for that period.
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act of 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The Annual Accounts for the financial year has been prepared on a going concern basis.
- v) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively.
- vi) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. Subsidiaries, Joint Ventures and Associate Company.

The company does not have any subsidiary / joint venture or an associate company.

16. Disclosure of composition of Audit Committee and providing vigil mechanism.

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is applicable to the Company and no report is due.

17. Shares

a. Buyback of securities : The company has not bought back any of its securities during the year under review.

b. Sweat Equity : The Company has not issued any Sweat Equity Shares during the year under review.

c. Bonus shares : No Bonus Shares were issued during the year under review.

d. Employee stock option scheme : The Company has not introduced or offered any Stock Option Scheme to the employees.

18. Details of policy developed and implemented by the Company on its Corporate Social Responsibility initiatives.

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable

19. Company's policy relating to directors appointment, payment of remuneration and discharge of their duties.

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are applicable to the Company.

20. Adequacy of Internal Financial Controls with reference to Financial Statements.

The Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weakness in the design or operation was observed.

21. Details of Significant and Material Orders passed by the Regulators, Courts and Tribunals.

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

22. Auditors:

At the Annual General Meeting, the members will be requested to ratify the re-appointment of M/s G.V.Sundar and Company, Chartered Accountants (FRN-007248S), for the current year and authorize the Board of Directors to fix their remuneration.

23. Dematerializations of Shares:

65.70% of the total shares of the Company have been dematerialized as on 31/03/2015. Members holding shares in physical form are advised to dematerialise their shares to trade and hold the equity shares in electronic form for convenience.

Prevention Of Insider Trading:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code.

24. Listing of Shares:

The Company's shares listed on Bangalore Stock Exchange Limited has been transferred to Dissimulation Board, consequent to the closure of Bangalore Stock Exchange. The shareholders who like to transact the Company's shares may do so through Bombay Stock Exchange.

The listing fee for Bombay Stock Exchange has been paid for the Financial Year 2015-2016. The ISIN No: INE-358F01013.

E-Voting:

On the above subject the Directors report that:

- a. The shares have to be dematted to an extent not less than 75%. The dematerialization has not taken effect substantially in this company and the shareholding pattern is not encouraging Demat.
- b. We have informed by way of note in our previous annual reports for demat in the notice of the AGM and also for furnishing e-mail addresses of shareholders. Email address is one of the prime requirements to adopt E-voting.

25. Conservation of energy, technology absorption, foreign exchange earnings and outgo:

The statement pursuant to Section 134 (M) of the Companies Act, 2013 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable to the Company.

26. Secretarial Audit

Pursuant to the provisions of the Companies Act, 2013 read with relevant Rules made thereunder, a Secretarial Audit was carried out by Mr. R.C Venkatesh Rao, a Practicing Company Secretary-FCS 2282. The Secretarial Audit Report for the financial year ended March 31, 2015 is annexed to the Board's Report.

27. Corporate Social Responsibility (CSR).

The provisions of Section 135 pertaining to the Corporate Social Responsibility is not apply to the Company.

28. Declaration of Independent directors.

The Company has received declarations from Independent directors as mentioned in sub-section (6) of section 149 of the Companies Act, 2013.

29. Corporate Governance.

The Company strives to ensure good in Corporate Governance and levels of transparency with all the provisions of Clause-49 of the Listing Agreement. A certificate from the Auditors to this effect forms part of Corporate Governance Report.

30. Internal Complaint Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has formed Internal Complaint Committee under Sexual Harassment of Women a Workplace (Prevention, Prohibition and Redressal) Act, 2013 and no complaint was received during the year 2014-15.

31. Acknowledgement:

Your Directors wish to place on record their appreciation for the support and co-operation extended by all customers, bankers, Government authorities, stakeholders and business associates.

Place: Ramanagara

Date: 29/05/2015

For and on behalf of the Board of Directors

NARENDRA GOEL

Chairman of the Meeting

(DIN No. : 00327187)

REPORT ON CORPORATE GOVERNANCE

Philosophy on Corporate Governance

The Company believes that Corporate Governance is a set of processes, customs, policies, regulation and laws for ensuring transparency, professionalism and accountability in its dealings with its customers, principal, employees, shareholders and with all the stakeholders of the Company. The Company has complied with the provisions of Clause 49 of the Listing Agreement of the Stock Exchange, which deals with the compliance of Corporate Governance requirements as detailed below for the year ending March 31, 2015:

The Board of Directors:

1. The Company comprises of 3 non executive directors. The Directors possess experience in fields of varied services such transportation, banking, finance, real estate, marketing social service. The skill and knowledge of the Directors have proved to be of immense value to the Company. The composition of the Board is in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchanges. The details of Directors seeking appointment/re-appointment have been attached along with the Notice of the Annual General Meeting.
2. None of the Directors hold directorships in more than ten public companies. Further, none of them serve as members of more than 10 Committees nor are they Chairman of more than 5 Committees, as per the requirements of the Listing Agreement. "Committees" for this purpose include the Audit Committee and the Stakeholders Relationship Committee under the said Clause 49 of the Listing Agreement.
3. None of the Directors serve as Independent Directors in more than seven listed companies and none of the Whole time Directors of any listed company serve as Independent Directors in more than three listed companies. During the year under review, the Board of Directors of the Company met Four times and the period between any two meetings did not exceed 120 days. The Board Meeting dates were: 31.05.2014, 31.07.2014 ,27.10.2014 and 19.01.2015. As required under Annexure X to Clause 49 of the Listing Agreement with the Stock Exchanges, all the necessary information was placed before the Board from time to time.
4. None of the Directors are related to each other, except Mr.Gyan Prakash Goyal and Mr.Narendra Goel who are related to each other.
5. All the relevant information, as recommended by the Securities and Exchange Board of India (SEBI) / Stock Exchanges, is promptly furnished to the Board from time to time in a structured manner.
6. Non-Executive Directors of the Company are paid sitting fees of Rs. 3500 per meeting for attending meetings of the Board of Directors, Audit Committee, and Nomination & Remuneration Committee and the sitting fees for the Stakeholders Relationship Committee, Risk Management Committee is Rs.3500 per meeting.