



Schrader Duncan Limited

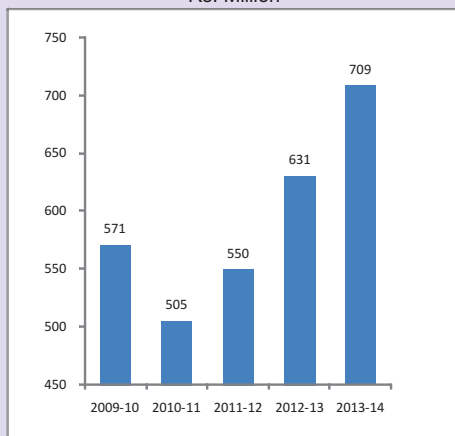
www.schraderduncan.com

53rd ANNUAL REPORT 2013 -2014

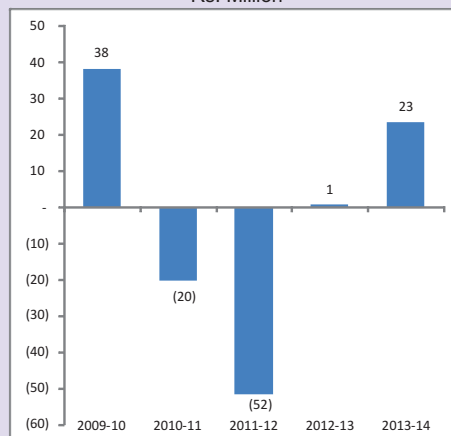
Schrader Duncan Limited

Key Financial Indicators

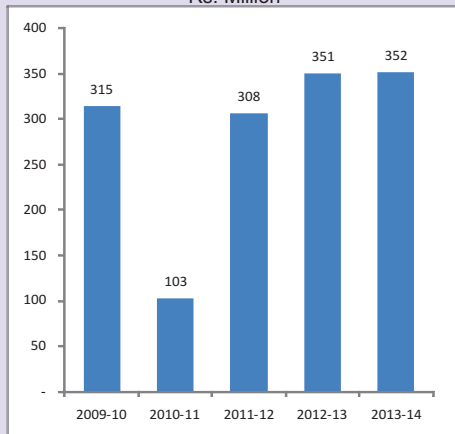
Total Revenue
Rs. Million



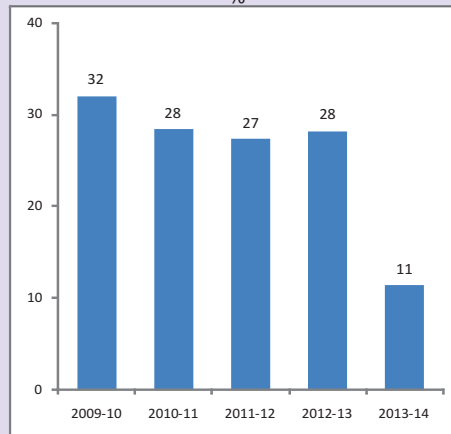
EBITDA
Rs. Million



Net Worth
Rs. Million



Working Capital
%



Ten Year Review

Rs. Million

Financial Year	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Total Revenue	380.79	413.27	820.47	569.50	534.39	570.97	504.94	549.78	630.95	708.86
Profit before taxes	37.09	20.55	272.62	35.69	18.37	8.68	(216.01)	302.94	(22.06)	0.10
			****				*****	****		
Profit after taxes	25.01	13.07	242.47	23.87	10.89	5.51	(212.08)	204.63	5.09	0.97
EBITDA (before exceptional items)	42.20	26.42	281.77	45.08	28.61	38.19	(20.30)	(51.62)	0.69	23.45
Working Capital %	23.49	21.06	19.82	25.10	26.73	32.11	28.49	27.40	28.27	11.49
Net Worth	159.54	153.64	302.90	307.32	313.89	315.07	102.99	307.62	350.92	351.89
Earning per share* Rs.	6.77	3.54	65.60	6.46	2.95	1.49	(57.38)	55.37	1.38	0.26
Return on Investment %	15.96	8.35	106.22	7.82	3.51	1.75	(101.46)	99.67	1.54	0.28

****Includes profit on sale of portion of surplus land

*****Includes exceptional expenses on VRS to employees

FY 2012-13 Figures reported after taking effect of merger of 100% wholly owned subsidiary Associated Polymers Limited w.e.f. 01/04/2012

BOARD OF DIRECTORS

Mr. J P Goenka
Mr. Shantanu Parvati
Mr. A Goenka
Mr. B B Tandon
Mr. Nitin Kaul
Mr. O P Dubey
Mr. R A Shah

Chairman
Whole Time Director
Director
Director
Director
Director
Director (Alternate to Mr. Nitin Kaul)

CORPORATE INFORMATION REGISTERED OFFICE

F-33, Ranjangaon MIDC
Karegaon, Shirur
Pune 412 209

AUDITORS

M/s. Singhi & Co., Mumbai

Company Secretary

Nirnoy Sur

PLANT

F-33, Ranjangaon MIDC
Karegaon, Shirur
Pune 412 209

BANKERS

State Bank of India, Mumbai

SALES AND MARKETING OFFICE (FLUID POWER & AUTOMATION)

502, 5th Floor, Ishan Arcade,
Bldg No.2, Near Gaodevi Mandir,
Gokhale Road, Naupada,
Thane 400 602

LEGAL ADVISORS

Crawford Bayley & Co, Mumbai

BRANCH OFFICES

- 31, Netaji Subhash Road
Kolkata 700 001.
- Publicis House, 1-2 Aram Bagh,
Community Centre, Punchkuain Road,
New Delhi – 110055

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Pvt Ltd
Block No 202, 02nd Floor,
Akshay Complex, Near Ganesh Temple,
Off-Dhole Patil Road,
Pune - 411001

LISTED AT
Bombay Stock Exchange

SCHRADER DUNCAN LIMITED

Registered Office: F-33, Ranjangaon MIDC, Karegaon, Tal- Shirur, Pune-412209

CIN No. L28991PN1961PLC139151

Email: complianceofficer@schraderduncan.com

Website: www.schraderduncan.com

Phone: +91 2138 660-066 Fax: +91 2138 660-067

NOTICE

NOTICE is hereby given that the Fifty Three Annual General Meeting of the Shareholders of Schrader Duncan Limited will be held on Monday, August 04, 2014 at 2.30 PM at the registered office at F-33, Ranjangaon MIDC, Karegaon, Tal Shirur, Pune 412 209 for transacting the following business :

Ordinary Business :

1. To receive, consider and adopt the Financial Statement of the Company for the year ended 31st March, 2014 comprising audited Balance Sheet as at 31st March, 2014 and Profit and Loss Account for the year ended on that date, together with Notes forming part thereof and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Arvind Goenka (holding DIN 00135653), liable to retire by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
3. To consider and thought fit to pass with or without modifications, the following Resolution as an ORDINARY RESOLUTION: "RESOLVED THAT pursuant to the provisions of section 139 and 142 of the Companies Act 2013, the retiring Auditors, M/S Singhi & Co., Chartered Accountants (Firm Registration No. 302049E) Mumbai be and are hereby reappointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 4th Annual General Meeting (after commencement of the Companies Act, 2013), subject to ratification by members at every Annual General Meeting at such remuneration as may be determined by the Board of Directors of the Company from time to time."

Special Business :

4. To consider and, if thought fit to pass, with or without modification(s), the following as an Ordinary Resolution :
"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with schedule IV to the Companies Act, 2013, Mr. Brij Behari Tandon (holding DIN 00740511), Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years from the conclusion of this Annual General Meeting till the conclusion of the 6th Annual General Meeting of the Company ."
5. To consider and, if thought fit to pass, with or without modifications, the following as an Ordinary Resolution :
"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with schedule IV to the Companies Act, 2013, Mr. Om Prakash Dubey (holding DIN 00228441), Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years from the conclusion of this Annual General Meeting till the conclusion of the 6th Annual General Meeting of the Company."
6. To consider and, if thought fit to pass, with or without modifications, the following as an Ordinary Resolution :
"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with schedule IV to the Companies Act, 2013, Mr. Nitin Kaul (holding DIN 01718619), Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years from the conclusion of this Annual General Meeting till the conclusion of the 6th Annual General Meeting of the Company."
7. To consider and, if thought fit to pass, with or without modifications, the following as a Special Resolution :
"RESOLVED THAT pursuant to the provisions of Sections 196, 197 other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the said Act, subject to requisite permission from the Central

Government, if applicable, approval be and is hereby granted to the revision in remuneration of Mr Shantanu Parvati, Whole Time Director of the Company with effect from April 1, 2014.

RESOLVED FURTHER THAT subject to the limits contained in Sections 197 and read with schedule V of the Companies Act, 2013, Mr Shantanu Parvati be paid effective from April 1, 2014 such remuneration comprising of salary, performance linked bonus and perquisites as the Board may consider appropriate from time to time within the maximum limits specified below for a period of two years subject to review by Board at regular intervals within the prescribe limits of the Companies Act, 2013 :

1. **Salary** - 2,040,000 per annum with discretionary powers to the Board to revise the amount from time to time.
2. **Special Allowance** - Rs. 1,119,280 per annum
3. **Performance Bonus** - Rs. 1,200,000 per annum
4. **Annual Perquisites**
 - House Rent Allowance - Rs. 1,224,000 per annum
 - Medical reimbursement - Rs. 18,000 per annum
 - Leave Travel Allowance - Rs. 56,000 per annum
5. **Other Perquisites**
 - Club fees and company car with driver for official duties and telephone at residence including payment for local calls and long distance official calls and benefit of mediclaim.
 - Contribution to the Provident Fund Scheme, Gratuity and encashment of unavailed leave at the end of the tenure subject to rules of the Company.

RESOLVED FURTHER THAT where in any financial year during the currency of tenure of Whole Time Director, the Company has no profits or its profits are inadequate, the Company will pay the remuneration as set forth in this resolution, as minimum remuneration in accordance with the provisions of Schedule V to the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised from time to time to amend, alter or otherwise vary the terms and conditions of the appointment of Mr Shantanu Parvati, including remuneration, provided such remuneration shall not exceed the maximum limits for payment of managerial remuneration as may be admissible within the overall limits of Schedule V to the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to all such acts, deeds, matters and things, as in its absolute discretion, it may consider necessary, expedient or desirable, in order to give effect to the foregoing resolution or otherwise considered by it to be in the best interests of the Company."

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING MAY APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The Register of Members and Share Transfer Books of the Company will remain closed from 30th July, 2014 to 4th August, 2014 (both days inclusive) in terms section 91 of the Companies Act, 2013 and of Clause 16 of the Listing Agreement with the Stock Exchange.
3. In terms of the provisions of Section 124 of the Companies Act, 2013 (corresponding to section 205A of the Companies Act, 1956), the amount of dividend not encashed or claimed within 7 (seven) years from the date of its transfer to the unpaid dividend account, will be transferred to the Investor Education and Protection Fund established by the Government. Accordingly, the unclaimed dividend in respect of financial year 2006-07 is due for transfer to the said Fund in August 2014. In terms of provision of Section 124 of the Companies Act, 2013 (Corresponding to section 205C of the Companies Act, 1956), no claim shall lie against the Company or the said Fund after the said Transfer. Members who have neither received nor encashed their dividend warrant(s) for the financial year 2006-07 upto Financial Year 2009-10, are requested to write to the Company, mentioning the relevant Folio number or DP ID and Client ID, for issuance of duplicate / revalidated dividend warrant(s).
4. Details of the Directors being appointed / reappointed are furnished in point no. 3 of the Corporate Governance Report.
5. An Explanatory Statement in respect of item nos.4,5,6 and 7 pursuant to Section 102 of the Companies Act, 2013 is annexed to this notice.

6. Members are requested to intimate their queries, if any, relating to the accounts or any other matter at least seven days in advance so that the explanation can be made available and furnished readily at the meeting.
7. The Company registered office is in F-33, Tal- Shirur, Pune- 412209. Shareholders are requested to address all correspondence to the Company Secretary at the Registered Office.
8. The Company's Registrar and Share Transfer Agents, Link Intime India Pvt Ltd undertake the transfer of shares, both in physical and electronic form. Their address is as follows: **Link Intime India Pvt Ltd, Block No 202, 2nd Floor, Akshay Complex, Near Ganesh Temple, Off-Dhole Patil Road, Pune - 411001 (Members may send their transfer requests and other share related queries either to the Company at the Registered Office or to Link Intime India Pvt Ltd at the above address.)**
9. Members are requested to notify immediately any change in their address/bank mandate to their Depository Participants (DPs) in respect of their electronic share accounts and to the Registrar and Share Transfer Agents of the Company, Link Intime India Pvt Ltd, in respect of their physical share folios.
10. As per circular no 18/2011 on Green initiative, the Company will send Annual Report along with other documents through email to all members, who have registered their email address with the depository and physical hard copies will be dispatched to others. In case any member desire to get hard copy of Annual Report, they can write to Company at Registered Office address or email at complianceofficer@schraderduncan.com or pune@linkintime.co.in

Important Communication to Members

The Ministry of Corporate Affairs (MCA), Government of India, has taken a Green Initiative in the Corporate Governance by allowing paperless compliance by the Companies and has issues circular stating that services of notice/ documents including Annual Report can be sent by email to its members. To support this Green Initiative of Government in full measures, members who have not registered their email address, so far, are requested to register their email address, in respect of electronic holdings with the Depository through their respective Depository Participants. Members who hold shares in physical form are requested to provide details of their email address to Registrar and Transfer Agent of the Company at pune@linkintime.co.in

11. Voting through electronic means :

- I. In Compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the fifty three Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL).
- II. The Instructions of for e-voting are as under :
 - A. In case a Member receives an email from NSDL/Link Intime India Pvt Ltd. [for members whose email IDs are registered with the Company/Depository Participants(s)] :
 - (i) Open email and open PDF file viz; "Schrader Duncan e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder – Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
 - (vii) Select "EVEN" of Schrader Duncan Limited.
 - (viii) Now you are ready for e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote

- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to sdl.scrutineer@gmail.com or e-voting@schraderduncan.com with a copy marked to evoting@nsdl.co.in
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical Physical copy]:
- (i) Initial password is provided at the bottom of the Attendance Slip for the AGM : **EVEN (E Voting Event Number) USER ID PASSWORD/PIN**
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com.
- III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- V. The e-voting period commences on 28th July (9 a.m.) and ends on 30th July (6 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 13th June 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- VI. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of June 13, 2014.
- VII. Ms. Shaswati Vaishnav , Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VIII. The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- IX. The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.schraderduncan.com and on the website of NSDL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.
12. 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 the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
13. Members may also note that the Notice of the 53rd Annual General Meeting and the Annual Report for 2013-14 will also be available on the Company's Website www.schraderduncan.com for their download. The Physical copies of the aforesaid will also be available at the company's Registered Office in Pune for inspection during normal business hours on working days.
14. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.a.m. to 6 p.m.) on all working days except Saturdays and Sundays up to and including the date of the Annual General Meeting of the Company.

Registered Office :
F-33, Ranjangaon MIDC
Karegaon, Tal Shirur
Pune 412 209

By Order of the Board

May 22, 2014

Nirnoy Sur
Company Secretary

EXPLANATORY STATEMENT

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No 7

The Board in its meeting held on May 22, 2014 revised the remuneration of Mr Shantanu Parvati with effect from April 1, 2014.

The requisite information stipulated under Schedule V is furnished hereunder :

I	GENERAL INFORMATION	
(1)	Nature of industry	Automotive Components
(2)	Date or expected date of commencement of commercial production	Not applicable as existing Company since 1961
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
(4)	Financial performance based on given indicators	Net Sales (INR) - 691.24 million Profit before Tax - 0.10 million
(5)	Foreign investments or collaborations, if any	Not Applicable
II	INFORMATION ABOUT THE APPOINTEE	
(1)	Background details	Mr Shantanu Parvati, aged 40 years, holds a Bachelor of Engineering degree from Pune University and MBA from Symbiosis Institute of Business Management, Pune. Prior to joining Schrader Duncan Mr. Parvati has worked at prestigious OEM in India, where he has handled corporate and business responsibilities like Projects, M&A, Strategy and operations. He has 19 Years of rich experience in industry and advisory services.
(2)	Past remuneration	2011-2012 40,00,000 2012-2013 46,00,000 2013-2014 52,90,000
(3)	Recognition or awards	Nil
(4)	Job profile and his suitability	He has strong academic background and rich experience Automobile industry. He had worked with leading Corporates in India in responsible positions.
(5)	Remuneration Proposed (Subject to review by Board at regular intervals within the prescribe limits of the Companies Act, 2013. (April 1, 2014 to March, 31, 2016)	Salary 2,040,000 Allowances 2,343,280 Performance Bonus 1,200,000 Perquisites 416,720 60,00,000
(6)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The Board believes that this proposed remuneration is commensurate with his role and responsibility as Whole Time Director of the Company.
(7)	Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	None

III	OTHER INFORMATION	
(1)	Reasons of loss or inadequate profits.	<ul style="list-style-type: none"> ● Volume and order book assumptions not materialising due to slowdown in overall Automotive and Industrial / Capital Goods Sector. ● Restructuring initiatives undertaken in the business.
(2)	Steps taken or proposed to be taken for improvement	<ul style="list-style-type: none"> ● Implementation of Lean Management ● Increased capacity utilization, driven by volume ramp up. ● New product introductions and market penetration. ● Cost optimisation and re-engineering initiatives.
(3)	Expected increase in productivity and profits in measurable terms	>80% overall plant utilisation and 10-12% operating margin in next 2 Years.
IV	DISCLOSURES	All details are covered in the Corporate Governance Report which forms part of the annual report for the year 2014

The Board recommends the resolution for approval by the Members.

None of the Directors of the Company and Key Managerial Personnel or their relatives is concerned financially or interested in the resolution other than Mr Shantanu Parvati himself.

The above may be treated as sufficient disclosure under Section 190 with respect to the revision in remuneration w.e.f. April 1, 2014.

This explanatory statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Registered Office :
F-33, Ranjangaon MIDC
Karegaon, Tal Shirur
Pune 412 209

By Order of the Board

May 22, 2014

Nirnoy Sur
Company Secretary