

23rd

annual report

2014-15



Shree Steel Wire Ropes Ltd.



Board of Directors :

Manoj Bansidhar Jeswani	-	<i>Chairman & Managing Director</i>
Anil Lachman Sajnani	-	<i>Independent Director</i>
Subhash Shyamlal Motwani	-	<i>Independent Director</i>
Ashish Lachman Sajnani	-	<i>Independent Director</i>
Kirtee Anil Sajnani	-	<i>Additional Director (w.e.f 23rd March, 2015)</i>

Company Secretarys :

Vijayalaxmi Vadantachatri Kandala
(Appointed w.e.f. 1st February, 2015)

Statutory Auditor :

N. D. Mehta Associates
Balkrishna Chambers, Office No. 18, 2nd Floor,
1/4, Issaji Street, Vadgadi, Mumbai 400 009.
Tel.: (022) 2344 1661

Practicing Company Secretary :

Virendra G. Bhatt

Bankers :

Corporation Bank
Chembur Branch.

Registrar & Transfer Agent :

Link Intime India Pvt. Ltd.
1st Floor, Pannalal Silk Mill Compound, L. B. S.,
Bhandup (W), Mumbai 400 078.
Tel.: (022) 2596 3838

Registered Office :

Gat No. 183-184-185, K. I. D. C.,
Village Dheku. Taluka - Khalapur, Dist - Raigad, Khopoli - 410 203
Tel.: (02912) 263547

Administrative Office / Share Dept. :

2nd Floor, Shiv Ashish Commercial Complex,
Plot No. 10, 19th Road, Chembur, Mumbai 400 071. (INDIA)
Tel.: (022) 6739 9999 / 2527 4142
Fax: 91-22-2527 0999



23rd Annual Report 2014-15

NOTICE IS HEREBY GIVEN THAT THE TWENTY THIRD ANNUAL GENERAL MEETING OF THE MEMBERS OF SHREE STEEL WIRE ROPES LIMITED WILL BE HELD AS INDICATED BELOW:

Day : Wednesday

Date : 30th September, 2015

Time : 3.00 p.m.

Place : Registered Office of the Company: GAT. NO 183-185, K.I.D.C, VILLAGE-DHEKU,
TALUKA-KHALAPUR, DIST- RAIGAD, KHOPOLI -410 103.

To transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Statements of Profit and Loss Account for the Financial Year ended 31st March, 2015 and the Balance Sheet as on that date and the Reports of the Directors' and Auditors' thereon.
2. To re-appoint MR. MANOJ JESWANI DIN : (00014509), who retires by rotation and is eligible for re-appointment.
3. To ratify the appointment of Statutory Auditors, to consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the appointment of M/s, N. D. MEHTA ASSOCIATES Chartered Accountants (Registration No. 106266W), as the Statutory Auditors of the Company such remuneration as may be mutually decided, by the Board of Directors of the Company and the Auditors, be and is hereby ratified.”

SPECIAL BUSINESS:

4. **To Re-appoint Kirtee Anil Sajnani as Non Executive Director of the Company.**

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

“RESOLVED THAT Kirtee Anil Sajnani (DIN 01459113), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 23rd March, 2015 in terms of Section 161(1) of the Companies Act, 2013 whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director be and is hereby appointed as a Non-Executive Director of the Company, whose office shall be liable to retire by rotation at the Annual General Meeting.

5. **Approve the revised remuneration of Mr. Manoj Jeswani as the Managing Director of the Company**

To consider and if thought fit, to pass with or without modification(s) the following resolution as **Special Resolution**



“RESOLVED THAT in accordance with the provisions of Section 197 and other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) as per the limits specified in Schedule V of the Companies Act, 2013, as approved by the Board of Directors on (DATE OF RESOLUTION) and subject to the approval of the shareholders in the ensuing Annual General Meeting, the remuneration of the Managing Director, Mr. Manoj Jeswani is increased from Rs. 9,00,000/- p.a to Rs. 15,00,000/- per annum with effect from 1st April, 2014 and further increased from Rs.15,00,000/- p.a to Rs 21,00,000 per annum with effect from 1st April, 2015 on such terms and conditions including the remuneration.

“RESOLVED FURTHER THAT notwithstanding anything contained to the contrary in the Companies Act, 2013 wherein in any financial year company has no profits or inadequate profit; Mr. Manoj Jeswani will be paid minimum remuneration within the ceiling limits prescribed under Schedule V of the Companies Act, 2013 or any modification or re-enactment thereof.”

“RESOLVED FURTHER THAT Directors or the Committee thereof be and is hereby authorized to do such acts, deeds and things as may be deemed expedient to give effect to the above resolution.”

6. To Adopt New Articles of Association

To consider and if thought fit, to pass with or without modification(s) the following resolution as **Special Resolution**

“RESOLVED THAT pursuant to Section 14 and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including the statutory modifications and re-enactments thereof for the time being in force) consent of the members be and is hereby accorded to adopt the new set of Articles of Association, in substitution of the existing Articles of Association of the Company.

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as deem necessary in relation thereto, and to file all the necessary documents with Registrar of Companies for the purpose of giving effect to this resolution.”

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.

A proxy form duly completed and stamped, must reach the registered office of the Company not less than 48 hours before the time for holding the aforesaid meeting.

2. Members/Proxies should bring the attendance slip sent herewith duly, filled in for attending the meeting. You are requested to bring the copy of Annual Report sent to you.
3. The registered of members and the share transfer books of the company will remain closed from 23rd September, 2015 to 29th September, 2015 (both days inclusive) in connection with the Annual General Meeting.
4. Members seeking any information on the Accounts are requested to write to the Company, which would reach the company at least one week before the meeting so as to enable the management to keep the information ready. Replies will be provided only at the meeting.
5. Members are requested to send all transfer deeds, share certificates and other correspondence relating to registration of transfers, transmission endorsement of payment of allotment moneys etc to the Registrar & Share Transfer Agents i.e.

LINK INTIME PRIVATE LIMITED (Formerly Known as In Time Registry Limited)
C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai 400078

6. As per the Listing Agreement, particulars of Directors who proposed to be re-appointed is furnished below:

Item No 2

1. Name of Director	Mr. Manoj Jeswani
2. Age	43 yrs
3. Date of Appointment	30/06/1999
4. Qualification	MBA

7. Members are requested to bring their copy of the Annual Report at the meeting.
8. Members holding shares in electronic form may please note that their bank details as furnished by the respective depositories to the company will be printed on their dividend warrants as per the applicable regulation of the depositories and the company will not entertain any direct request from such members for change/ deletion in such bank details. Further instruction if any already given by them in respect of shares held in physical form will not be automatically applicable to the dividend paid on shares held in electronic form. Members may give instruction regarding bank accounts in which they wish to receive dividend to their depository participants.
9. 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 or bank mandates immediately to the Company / Link Intime.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of PAN by every participant in securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Link Intime.

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- (i) If you are holding shares in Demat form and had logged on to **www.evotingindia.com** and casted your vote earlier for EVSN of any Company, then your existing login id and password are to be used.
- (ii) Log on to the e-voting website **www.evotingindia.com**
- (iii) Click on "Shareholders" tab to cast your vote
- (iv) Now, select the Electronic Voting Sequence Number-"EVSN" along with "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (v) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
User ID	For NSDL: 8 Character DP ID Followed by 8 Digits Client ID For CDSL: 16 digits beneficiary ID	Folio Number registered with the Company
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders)	
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.	

*Members who have not updated their PAN with the Company/Depository Participant are requested to use the <AABCS4276J> in the PAN field.

Please enter any one of the details in order to login. In case either of the details are not recorded with the depository please enter the in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Members holding shares in physical form will then reach directly the EVSN 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. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character(@ # \$ % & *). 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.

- (viii) Click on the relevant EVSN on which you choose to vote.
- (ix) 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.
- (x) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xi) 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.
- (xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution/Authority letter in PDF format in the system for the scrutinizer to verify the same. Further, they are requested to send the scanned copy of the Board Resolution/Authority letter to the email id of the Scrutinizer (bhattvirendra1945@yahoo.co.in), RTA (karlekar@unisec.in) and Company (sswrl@bholenathcos.com)

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xiii) above to cast vote.
- (B) The voting period begins on 27th September, 2015 (9.00 a.m.) and ends on 29th September, 2015 (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 23rd September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) 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 under help section or write an email to helpdesk.evoting@cdslindia.com.

Mr. Virendra G Bhatt, Practicing Company Secretary (C.P. No. 124) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The scrutinizer shall within a period of not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in 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.

The results of the e-voting along with the scrutinizer's report shall be placed in the Company's website www.sswrl.com and on the website of CDSL within two days of passing of the resolution at the AGM of the Company. The results will also be communicated to the stock exchange where the shares of the Company are listed.

By Order of the Board of Directors
FOR SHREE STEEL WIRE ROPES LIMITED

Sd/-

Mr. MANOJ BANSIDHAR JESWANI
Managing Director

Date: 30th May' 2015

Place: MUMBAI

REGISTERED OFFICE:
GATE NO 183-184-185, K.I.D.C, VILLAGE- DHEKU, DISTRICT- RAIGAD, KHOPOLI – 410203

EXPLANATORY STATEMENT

Pursuant to Section 102 of the Companies Act, 2013

The following explanatory statement sets out all material facts relating to the business mentioned under Item Nos 4 to 6 of the accompanying Notice:

ITEM NO.4

The Board has appointed Mrs. Kirtee A. Sajnani as an Additional Director with effect from 23rd March, 2015, pursuant to Articles of Association of the Company read with Section 161 of the Companies Act, 2013.

Pursuant to the provision of Section 161 of the Companies Act, 2013, Mrs. Kirtee A. Sajnani will hold office up to the date of ensuing AGM. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs. 1,00,000/- proposing the candidature of Mrs. Kirtee A. Shah for the office of Director of the Company, liable to retire by rotation.

Mrs. Kirtee A. Sajnani aged 36 years has completed her Higher Secondary Education and has a wide experience in handling the matters related to the Company's business.

The Board considers that the appointment of Mrs. Kirtee A. Sajnani as a Director of the Company would be of immense benefit to the Company. Accordingly, the Board of Directors recommends her appointment as a Director of the Company whose period of office is liable to determination by retirement of directors by rotation.

None of the Directors and Key Managerial Personnel of the Company are interested in the resolution.

ITEM NO.5

Mr. Manoj Jeswani was appointed as the Managing director of the company for three years with effect from 1st April, 2012 at a remuneration of 7,50,000/- p.a with the Shareholders approval at the Annual General Meeting held on 28th September, 2012. Mr. Manoj Jeswani is an MBA specialized in finance and has 15 years experience in the qualified field. As the remuneration paid to Mr. Manoj Jeswani is inadequate due to his high qualification and experience, the Remuneration Committee and subsequently the Board of Directors considered it just, fair and reasonable to revise remuneration upto Rs. 15,00,000 p.a. including salary, perks and other benefits paid to Mr. Manoj Jeswani w.e.f. 1st April, 2014 and further increase it to Rs.21,00,000 p.a with effect from 1st April, 2015 as an Managing Director of the Company. Shareholders' approval is sought for the variation in terms of remuneration of Mr. Manoj Jeswani as a Managing Director of the Company. The remuneration payable to Mr. Manoj Jeswani is within the limits provided under Section 197 read with Schedule V and other provisions of the Companies Act, 2013. Directors recommend the said resolution for your approval.

None of the directors except Mr. Manoj Jeswani is interested in the resolution.

ITEM NO.6

The existing Articles of Association ("AOA") of the Company are based on the Companies Act, 1956. Several regulations in the existing AOA are no longer in conformity with the Companies Act, 2013 (the 'Act'). Given this position, it would be expedient to replace the existing AOA of the Company with the new set of Articles of Association so as to conform to the provisions of the Act.

Pursuant to Section 14 of the Act, amendment of AOA of the Company would require approval of the shareholders by way of Special Resolution. Hence the Board recommends the resolution to the shareholders for their approval.

The proposed new set of Articles of Association of the Company is available for inspection at the registered office of the Company on all working days (except Saturdays, Sundays and public holidays) between 11.00 a.m. to 1.00 p.m. up to the date of this Annual General Meeting.

None of the Directors and Key Managerial Personnel of the Company are interested in the resolution.



Board's Report

To,
The Members,
Shree Steel Wire Ropes Limited

Your Directors have pleasure in submitting their Twenty third Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2015..

1. FINANCIAL RESULTS:

The Company's financial performance for the year under review along with previous year figures are given hereunder:

		For the Year Ended 31 st March 2015 (₹)	For the Year Ended 31 st March 2014 (₹)
I.	Income		
	Revenue from operations	9,52,59,582	8,99,02,538
	Other income	34,10,435	28,93,959
	Total	9,86,70,017	9,27,96,497
II.	Expenditure		
	Cost of materials consumed	6,53,03,390	5,43,30,514
	Changes in inventories of finished goods and work-in- progress	(43,86,151)	23,19,397
	Employees benefits expense	88,13,752	70,85,388
	Finance costs	12,115	58,436
	Other expenses	1,70,60,439	1,60,19,986
	Total	8,68,03,545	7,98,13,721
III.	Profit before Depreciation,		
	Prior period expense, Extra ordinary Items & tax (I-II)	1,18,66,472	1,29,82,776
IV.	Extra ordinary Items & Prior period expenses	(10,43,493)	14,81,968
V.	Profit before Depreciation & Tax (III-IV)	1,08,22,979	1,44,64,744
VI.	Depreciation	11,84,997	15,71,673
VII.	Profit before Tax (IV-VI)	96,37,982	1,28,93,071
VIII.	Tax Expenses		
	Current Tax	30,30,000	30,06,000
	Prior Period Taxes	(31,181)	30,226
	Deferred tax	(30,200)	(1,06,000)
	Surplus carried to balance sheet	66,69,363	99,62,845

2. DIVIDEND:

The Board of Directors has not recommended Dividend for the financial year 2014-2015.

3. Company's Business Performance

Sales Income

Sales Income for the year ended 31st March, 2015 amounted to ₹10,58,20,655/- as against ₹9,98,82,851/- for the previous year, registering a growth of 5.94%. The Management is optimistic of growth at a faster rate in the years to come.

4. Business Overview

The Company is engaged in manufacturing of Wire Rope, Wire Rope Allied Products and Railway OHE products. The management review is presented separately in the annual report.

5. Material changes and commitment if any 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

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 on the date of this report.

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

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in Annexure "C" and is attached to this report.

7. Policy developed by the Company on its Corporate Social Responsibility (CSR)

Your Company has constituted a Corporate Social Responsibility Committee, though the Company does not fall within the criteria to contribute towards the CSR policy.

8. Deposits

Your Company had accepted the deposits from the public as per Section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975, and as per Section 74 of Companies Act, 2013 pursuant to Rule 20 of the Companies (Acceptance of Deposits) Rules, 2014. Company has complied with the necessary filings to be done with the Registrar of Companies and Company has repaid all the amount on 26th June, 2015.

9. Loans, Guarantees or Investments made under section 186 of the Companies Act, 2013

The details of the Loans, Guarantees or Investments made under Section 186 of the Companies Act, 2013 by the Company, to other Body Corporates or persons are given in notes to the financial statements.

10. Related Party Contracts & Arrangements

All related party transactions done by the Company during the financial year were arm's length and in ordinary course of business. All related party transactions were placed in the meetings of Audit Committee and the Board of Directors for their necessary review and approval. During the financial year the Company has not entered into any material transaction (as per Clause 49 of the Listing Agreement) with any of its related parties which may have potential conflict with the interest of the Company at large. Disclosures pursuant to Accounting Standards on related party transactions have been made in the notes to the Financial Statements.

11. Subsidiaries, Joint Ventures and Associate Companies

The Company does not have any Subsidiary, Joint venture or Associate Company.

12. Corporate Governance

As per the revised Clause 49 of the Listing Agreement it is not mandatory for the Company to attach a separate Corporate Governance report as Annexure to the Boards' Report.

13. Particulars of Employees

The information required in accordance with Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Further, the Company has no person in its employment drawing salary of ` 60 lacs per annum or ` 5 lacs per month as defined under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) and 3 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

14. Extract of Annual Return

The extract of Annual Return (MGT – 9) pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in Annexure "A" and is attached to this Report.



15. Number of Board Meetings conducted during the year under review

Your Company had four (6) Board Meetings during the financial year under review. The Board Meetings were held in compliance with the Companies Act, 2013.

16. Directors Responsibility Statement

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the Directors had 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 at the end of the financial year and of the profit and loss of the Company for that period;
- c) the Directors had 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;
- d) the Directors had prepared the annual accounts on a going concern basis; and
- e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

17. Disclosure under section 164(2) of the Companies Act, 2013

The Company has received the disclosure in Form DIR – 8 from its Directors being appointed or re-appointed and has noted that none of the Directors are disqualified under Section 164(2) of the Companies Act, 2013 read with Rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014.

18. Declaration of Independent Directors

The Independent Directors submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules as per the Listing Agreement.

19. Evaluation of the Board's Performance

In compliance with the requirements of Section 134(3) (p) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the performance of the Board was carried out during the year under review. The Board was evaluated for its performance based on the following factors:

- i. Attendance of Board Meetings and Committees;
- ii. Contribution made to the Board discussions and future planning;
- iii. Level of commitment to the stakeholders' interest;
- iv. Initiatives towards the growth of the business and profitability;
- v. Providing outlook, view points and feedback taking the Company ahead beyond expectations.

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

The Board has framed a Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178 (3) of the Companies Act, 2013 based on the recommendation of Nomination and Remuneration Committee.

21. Directors and Key Managerial Personnel information

i) Appointment of Woman Director

As per the requirement of Section 149 of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement, Kirtee Anil Sajjani (DIN 01459113) was appointed as the Woman Director with effect from 23rd March, 2015.