



# THE SOUTHERN GAS LTD.

Since 1963

**50<sup>th</sup> ANNUAL REPORT**

2013

2012



THE SOUTHERN GAS LTD.

- ✱ PUREST FORM OF OXYGEN / OTHER GASES
- ✱ YEARS OF EXPERIENCE IN GAS INDUSTRY (SINCE 1963)
- ✱ ISO CERTIFIED COMPANY
- ✱ POPULAR AMONG MOST PRACTITIONERS
- ✱ MOST RELIABLE, PROMPT IN SERVICE, CONSISTENT, COST EFFECTIVE, DELIVERING EXACT QUANTITIES, RIGHT TO YOUR POINT OF USE.
- ✱ NATION'S ONE OF THE LARGEST SUPPLIER OF GASES IN SOUTH, THERE'S SIMPLY NO BETTER SOURCE THAN THE SOUTHERN GAS LTD.
- ✱ YOUR ECO-FRIENDLY COMPANY WITH UNIQUE DISTINCTION OF WATER HARVESTING SYSTEM

## FROM THE DESK OF CHAIRMAN AND MANAGING DIRECTOR



From a modest beginning in 1963 The Southern Gas Limited has positioned itself as one of the leaders in South India by identifying and responding to client requirements and the changing trends in the Gas Industry.

Our uncompromising commitment to quality, safety, health and environment and hard work and dedication of our highly experienced, multidisciplinary professionals is the package that brought this success to The Southern Gas Limited.

Innovation and continuous improvement are the core values of the Company, and above all integrity in all we do, will lead The Southern Gas Limited in its expansion.

My gratitude to our precious clients who contributed to our growth.

Thank you for trusting us and giving us your confidence. You have been our path in turning our vision to reality.

**Gautam V.Pai Cacode**  
(Chairman & Managing Director)

Place : Margao Goa



# The Southern Gas Limited

## DIRECTORS

Shri MADHAV G. POY RAITURCAR CHAIRMAN & MANAGING DIRECTOR (upto 23<sup>rd</sup> January, 2014)  
Shri JAYENDRA V. GAITONDE  
Shri LALIT P. MEHTA (upto 6<sup>th</sup> May, 2014)  
Shri SRIPAD P. PATNEKAR  
Shri RANGANATH N. PRABHU  
Shri DARA M. TAVADIA (upto 6<sup>th</sup> May, 2014)  
Shri GAUTAM V. PAI CACODE- CHAIRMAN & MANAGING DIRECTOR (from 1<sup>st</sup> February, 2014)  
Smt YOGITA GAUTAM PAI CACODE (from 31<sup>st</sup> January, 2014)  
Shri MOTILAL SANVLO KENY (from 4<sup>th</sup> February, 2014)

## BANKERS

CORPORATION BANK

## AUDITORS

M/s VARMA & VARMA  
CHARTERED ACCOUNTANTS,  
COCHIN - 682 016.

## LEGAL ADVISORS

M/s MENON & PAI  
ADVOCATES,  
COCHIN - 682 016.

## REGISTERED OFFICE

GOVIND POY HOUSE, 1<sup>st</sup> FLOOR,  
POST BOX No. 540,  
RUA DO PADRE MIRANDA,  
MARGAO - 403 601. GOA.

## ADMINISTRATIVE OFFICE

MEERA CLASSIC, PHASE II  
GOGOL, BORDA  
MARGAO, GOA-403 601.  
PHONE (0832) 2724863 2724864

## UNITS AT

1. BANGALORE (KARNATAKA)
2. SHADRAVATI (KARNATAKA)
3. HARIHAR (KARNATAKA)
4. HUBLI (KARNATAKA)
5. MYSORE (KARNATAKA)
6. KALICUT (KERALA)
7. TRIVANDRUM (KERALA)
8. IDYOGAMANDAL (KERALA)
9. TRICHY (TAMILNADU)

# NOTICE



NOTICE is hereby given that the **Fiftieth Annual General Meeting** of the Shareholders of **THE SOUTHERN GAS LIMITED** will be held on Thursday 25<sup>th</sup> September, 2014 at 10.30 a.m. at the Administrative Office of the Company at Meera Classic, Phase II, Gogol, Borda, Margao, Goa 403601 to transact the following business:

## ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2014 and the Profit and Loss Account for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To declare a Dividend
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

## SPECIAL BUSINESS:

4. To appoint Smt. Yogita Gautam Pai Cacode, (DIN: 01587954) as a Director and in this regard to consider and if thought fit, to pass, with or without modification (s), the following resolution as an Ordinary Resolution: "RESOLVED THAT Smt. Yogita Gautam Pai Cacode, (DIN: 01587954) who was appointed by the Board of Directors as an Additional Director with effect from 31<sup>st</sup> January, 2014 and who holds the office upto this Annual General Meeting and in respect of whom the Company has received a notice in writing, pursuant to the provisions of Section 160 of the Companies Act, 2013, from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."
5. To appoint Shri Motilal Sanvlo Keny, (DIN:06813111) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution: "RESOLVED THAT Shri Motilal Sanvlo Keny, (DIN:06813111) who was appointed by the Board of Directors as an Additional Director with effect from 04<sup>th</sup> February, 2014 and who holds the office upto this Annual General Meeting and in respect of whom the Company has received a notice in writing, pursuant to the provisions of Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation."
6. To appoint Shri Jayendra V Gaitonde, (DIN:00130936) as an Independent Director and in this regard 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 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for time being in force) and Clause 49 of the Listing Agreement Shri Jayendra V Gaitonde, (DIN:00130936) who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 55<sup>th</sup> Annual General Meeting of the Company in the calendar year 2019."
7. To appoint Shri Sripad P Patnekar, (DIN:01939882) as an Independent Director and in this regard 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 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement Shri Sripad P Patnekar, (DIN:01939882) who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 55<sup>th</sup> Annual General Meeting of the Company in the calendar year 2019."



8. To appoint Shri Ranganath N Prabhu, (DIN:00131108) as an Independent Director and in this regard 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 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement Shri Ranganath N Prabhu, (DIN:00131108) who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 55<sup>th</sup> Annual General Meeting of the Company in the calendar year 2019."
9. To appoint Shri Gautam Pai Cacode, (DIN:02395512) as Chairman and Managing Director and in this regard to consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution: "RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 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), approval of the Company be and is hereby accorded to the appointment of Shri Gautam Pai Cacode, (DIN:02395512) as Chairman and Managing Director of the Company, for a period of 3 (three) years with effect from 1<sup>st</sup> February, 2014, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and / or remuneration as it may deem fit and as may be acceptable to Shri Gautam Pai Cacode, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof; RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

BY ORDER OF THE BOARD OF DIRECTORS  
THE SOUTHERN GAS LIMITED

**GAUTAM PAI CACODE**

Chairman and Managing Director

Dated: 29<sup>th</sup> May, 2014.

**NOTES:**

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THAT PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES in order to be effective, must be received by the Company not less than 48 hours before the scheduled time of the meeting. A blank proxy form is annexed to the annual report. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent 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) The Register of Members and Share Transfer Books of the Company will remain closed from Thursday 18<sup>th</sup> September, 2014 to Thursday, 25<sup>th</sup> September, 2014 (both days inclusive), to determine the names of members eligible for payment of dividend on equity shares, that may be declared at the meeting.
- 3) Pursuant to the provisions of Section 205A (5) of the Companies Act, 1956, dividend for the financial year ended 31<sup>st</sup> March, 2007 and thereafter which remains unclaimed for a period of seven years will be transferred by the Company to the Investor Education & Protection Fund, established by the Central Government pursuant to section 205C of the Companies Act, 1956. On such transfer no claims shall lie against the Company or the Fund in respect of individual amount which were unclaimed or unpaid for a period of seven years and transferred to the Fund and on payment shall be made in respect of any such claim. Members who have so far not claimed their dividend for the years 2006-2007 and onwards may therefore do so before the same is transferred to the Investor Education & Protection Fund.
- 4) An Explanatory Statement required under Section 102(1) of the Companies Act, 2013 (corresponding to Section 173(2) of the Companies Act, 1956) in respect of the Special Businesses mentioned in the Notice is annexed hereto. All documents referred to in the accompanying Notice and the Statement pursuant to Section 102 (1) of the Companies Act, 2013, will be available for inspection at the Administrative Office of the Company during business hours on all working days upto the date of the 50<sup>th</sup> Annual General Meeting of the Company.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (CORRESPONDING TO SECTION 173(2) OF THE COMPANIES ACT, 1956).**



**Item No 4:**

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161 (1) of the Act and the Articles of Association of the Company, Smt. Yogita Gautam Pai Cacode as an Additional Director of the Company with effect from 31<sup>st</sup> January, 2014.

In terms of the provisions of Section 161(1) of the Act, Smt. Yogita Gautam Pai Cacode would hold office up to the date of the ensuing Annual General Meeting.

As per the provisions of Section 149(1) of the Act and amended Clause 49 of the Listing Agreement, the Company should have atleast one woman director.

Keeping in view the above legal requirements and in deference to Company's shareholders' wishes, the Board of Directors have proposed that Smt. Yogita Gautam Pai Cacode, be appointed as a Director of the Company liable to retire by rotation.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Smt. Yogita Gautam Pai Cacode, for the office of Director of the Company liable to retire by rotation.

Smt. Yogita Gautam Pai Cacode, is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. She holds 5001 equity shares in the Company.

Smt. Yogita Gautam Pai Cacode has varied experience in Trading and her administrative skills have been crucial in the streamlining of the day to day operations of which she is a Director.

Smt. Yogita Gautam Pai Cacode is a Director of Madhav Poy Raiturcar Trading Company Pvt. Ltd., Poy Raiturcar Properties Pvt. Ltd., Malabar Oxygen Company Pvt. Ltd., Foods and Beverages (India) Pvt Ltd and Bangalore Oxygen Company Pvt. Ltd. Save and except as stated above Shri Gautam Pai Cacode has no other interest and no other relationships amongst directors interse as stipulated under Clause 49 of Listing Agreement.

Smt. Yogita Gautam Pai Cacode may be deemed to be concerned or interested, financially or otherwise, to the extent of the aforesaid shareholding in respect of her appointment as a Director.

Shri Gautam V Pai Cacode who is her relative and the Chairman and Managing Director of the Company and their other relatives, to the extent of their shareholding interest in the Company, may be deemed to be concerned or interested in the appointment of Smt. Yogita Gautam Pai Cacode. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.4 of the Notice.

The Board commends the Ordinary Resolution set out at Item No.4 of the Notice for approval by the shareholders.

**Item No 5:**

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Shri Motilal Sanvlo Keny as an Additional Director of the Company with effect from 04<sup>th</sup> February, 2014.

In terms of the provisions of Section 161(1) of the Act, Shri Motilal Sanvlo Keny would hold office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Shri Motilal Sanvlo Keny for the office of Director of the Company.

Shri Motilal Sanvlo Keny, is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. He does not hold any equity shares in the Company.

Shri Motilal Sanvlo Keny possesses appropriate skills, experience and knowledge, *inter alia*, in the field of finance. Shri Motilal Sanvlo Keny is a Director in Bangalore Oxygen Company Pvt. Ltd and Malabar Oxygen Company Pvt. Ltd. Save and except as stated above Shri Gautam Pai Cacode has no other interest and no other relationships amongst directors interse as stipulated under Clause 49 of Listing Agreement.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Shri Motilal Sanvlo Keny is appointed as a Director of the Company. Save and except Shri Motilal Sanvlo Keny and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

#### **Item No 6-8:**

Shri Jayendra V Gaitonde, Shri Sripad P Patnekar and Shri Ranganath N Prabhu are Independent Directors of the Company and have held the positions as such for more than 5 (five) years. The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement *inter alia* stipulating the conditions for the appointment of independent directors by a listed company. It is proposed to appoint Shri Jayendra V Gaitonde, Shri Sripad P Patnekar and Shri Ranganath N Prabhu as Independent Directors under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for 5 (five) consecutive years for a term up to the conclusion of the 55<sup>th</sup> Annual General Meeting of the Company in the calendar year 2019.

Shri Jayendra V Gaitonde, Shri Sripad P Patnekar and Shri Ranganath N Prabhu are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors. The Company has received notices in writing from members alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of Shri Jayendra V Gaitonde, Shri Sripad P Patnekar and Shri Ranganath N Prabhu for the office of Directors of the Company. The Company has also received declarations from Shri Jayendra V Gaitonde, Shri Sripad P Patnekar and Shri Ranganath N Prabhu that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Shri Jayendra V Gaitonde, Shri Sripad P Patnekar and Shri Ranganath N Prabhu fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement. Shri Jayendra V Gaitonde, Shri Sripad P Patnekar, and Shri Ranganath N Prabhu are independent of the management. None of these three Directors hold any other directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors *inter-se* as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges.

Copy of the draft letters for respective appointments of Shri Jayendra V Gaitonde, Shri Sripad P Patnekar and Shri Ranganath N Prabhu as Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company. This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges. Shri Jayendra V Gaitonde, Shri Sripad P Patnekar and Shri Ranganath N Prabhu are interested in the resolutions set out respectively at Item Nos. 6-8 of the Notice with regard to their respective appointments. The relatives of Shri Jayendra V Gaitonde, Shri Sripad P Patnekar and Shri Ranganath N Prabhu may be deemed to be interested in the resolutions set out respectively at Item Nos. 6-8 of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions. The Board commends the Ordinary Resolutions set out at Item Nos. 6-8 of the Notice for approval by the shareholders.

#### **Item No 9:**

The Board of Directors of the Company (the 'Board'), at its meeting held on 31<sup>st</sup> January, 2014 has, subject to the approval of members, appointed Shri Gautam Pai Cacode as Chairman and Managing Director, for a period of 3 (three) years from 1<sup>st</sup> February, 2014, at the remuneration recommended by the, Nomination and Remuneration Committee (the 'Committee') of the Board and approved by the Board.

It is proposed to seek the members' approval for the appointment of and remuneration payable to Shri Gautam Pai Cacode as Managing Director in terms of the applicable provisions of the Act. Broad particulars of the terms of appointment of and remuneration payable to Shri Gautam Pai Cacode are as under:

#### **1.SALARY:**

A consolidated salary of Rs. 2,50,000/- (Rupees Two lakh fifty thousand only) per month, including dearness and all other allowances.

#### **2.PERQUISITES & ALLOWANCES:**

The Managing Director will not be entitled to any perquisites, benefits and allowances other than what has been stated herein.

Company will contribute to Provident, Superannuation and Gratuity funds on account of Shri. Gautam Pai Cacode on the same basis as other employees. Gratuity payable and encashment of leave at the end of the tenure shall not be included in the computation of limits of remuneration or perquisites as aforesaid. Shri. Gautam Pai Cacode will be entitled to leave according to Company's Leave Rules applicable to other employees.

Car for use on Company's business and telephone at residence shall not be considered as perquisites.





### **3. MINIMUM REMUNERATION:**

Notwithstanding anything contained herein, where in any financial year, during the currency of tenure of office, the Company has no profits or its profits are inadequate, the Company will pay remuneration to the Managing Director as stated in Para 1 and 2 above as minimum remuneration.

4. The Company will enter into an agreement with Shri. Gautam Pai Cacode, as the Chairman & Managing Director which will contain inter alia, all terms and conditions of his appointment with a provision that the agreement can be terminated by either party by giving a notice of at least six months in writing, unless waived by the parties with mutual consent.

#### **(d) General:**

(i) The Chairman and Managing Director will perform his duties as such with regard to all work of the Company and he will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board.

(ii) The Chairman and Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.

Shri Gautam Pai Cacode satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his appointment. He is not disqualified from being appointed as Directors in terms of Section 164 of the Act. The above may be treated as a written memorandum setting out the terms of appointment of Shri Gautam Pai Cacode under Section 190 of the Act.

Shri Gautam Pai Cacode has been associated with the Company from 2009. He was appointed as Wholtime Director of the Company from 1<sup>st</sup> February, 2009. Since then he has been instrumental in shaping the future of this Company under the guidance of the late Mr. M. G. Poy Raiturcar, founding Chairman & Managing Director. Shri Gautam Pai Cacode term of office as a Wholtime Director ended on 31<sup>st</sup> January, 2014.

On 23<sup>rd</sup> January, 2014 the then Chairman and Managing Director expired bringing a glorious era to an abrupt end. On 31<sup>st</sup> January, 2014 the Board of Directors appointed Shri Gautam Pai Cacode as the Chairman and Managing Director of the Company.

Shri Gautam Pai Cacode is a Director in Malabar Oxygen Company Pvt. Ltd., Bangalore Oxygen Company Pvt. Ltd., Foods and Beverages India Pvt. Ltd., Madhav Gopal Poy Raiturcar Trading Company Pvt. Ltd and Poy Raiturcar Properties Pvt Ltd. He is also a trustee of Madhav Gopal Poy Raiturcar Foundation. Smt. Yogita Gautam Pai Cacode, a Director of the Company is the wife of Shri Gautam Pai Cacode. Shri Gautam Pai Cacode holds 4985 Equity Shares of the Company.

Save and except as stated above Shri Gautam Pai Cacode has no other interest and no other relationships amongst directors inter se as stipulated under Clause 49 of Listing Agreement. Shri Gautam Pai Cacode is interested in the resolutions set out respectively at Item Nos. 11 of the Notice, which pertain to his appointment and remuneration payable to him.

Smt. Yogita Gautam Pai Cacode, Director of the Company is the wife of Shri Gautam Pai Cacode. The relatives of Shri Gautam Pai Cacode may be deemed to be interested in the resolution set out at Item No. 9 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution. The Board commends the Ordinary Resolution set out at Item No. 9 of the Notice for approval by the shareholders.

**BY ORDER OF THE BOARD OF DIRECTORS  
THE SOUTHERN GAS LIMITED**

GAUTAM V. PAI CACODE  
Chairman and Managing Director  
Dated: 29<sup>th</sup> May, 2014.

## DIRECTORS' REPORT



Your Directors are pleased to submit the 50th Annual Report together with the Audited Statement of Accounts for the year-ended 31<sup>st</sup> March 2014

### FINANCIAL RESULTS

		(Rs. in lakhs)	
For the year ended 31 <sup>st</sup> March		2014	2013
Profit before Depreciation & Taxation		276.68	272.76
Less Depreciation		185.97	187.68
Profit before Taxation		90.71	85.08
Less: Provision for Taxation	Current Tax	54.36	36.16
	Deferred Tax	(21.78)	(22.16)
	Wealth Tax	0.08	0.14
Net Profit for the year		58.04	70.94
Add: Balance brought forward from previous year		1022.97	979.92
<b>Amount available for appropriation</b>		<b>1081.01</b>	<b>1050.86</b>
<b>Appropriations</b>			
a) Transfer to General Reserves		20.00	20.00
b) Proposed Dividend		6.75	6.75
c) Corporate Dividend Tax		1.15	1.15
<b>Balance carried forward to next year</b>		<b>1053.11</b>	<b>1022.96</b>

### OPERATIONS

Your Company achieved a turnover of Rs. 2352 lakhs as against Rs. 2328 lakhs (net of excise duty) for the previous year representing an increase of about 1.03%. The Company has recorded a net profit of Rs 58.04 lakhs for the year. It is proposed to transfer a sum of Rs 20.00 lakhs to the general reserves out of the current years profits.

Your Company continues the process of rationalization of its operations. With this continuous process your Directors are hopeful that your Company will grow in strength and withstand any adversities of cost, inputs, competition etc. in the years to come.

Your Directors, with the active involvement of and support from your Managing Director Shri Gautam V Pai Cacode, continue to be on the constant lookout for new opportunities on the business front. This coupled with constant review of all existing depots and units, help in your Company increasing its sales every year.

### DIVIDEND

Your Directors recommend a Dividend at the rate of Rs.30/- per share to those shareholders whose names appear on the Register of Members as on 25<sup>th</sup> September, 2014.