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23rd
Annual Report

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2013-14

STYLAM INDUSTRIES LIMITED

REGISTERED OFFICE : SCO 14, SECTOR 7-C, MADHYA MARG, CHANDIGARH-160019

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CHANDIGARH-160019.

COMPANY INFORMATION

Board of Directors

Mr. Jagdish Gupta, Managing Director
Mr. Satish Gupta, Whole Time Director
Mr. Mahavir Singh, Director
Mr. Satpal Garg, Director
Mr. Ravinder Krishan, Director
Mr. Manav Gupta, Whole time Director

Company Secretary

CS. Sonia Arora

Statutory Auditors

M/s Sunil k Sood & Co.
Chartered Accountants
#143, Sector-7,
Panchkula-134109.

Bankers

State Bank of Patiala
SCO 103-107, Commercial Branch,
Sector 8-C, Chandigarh
ING Vysya Bank Ltd.
Sector 8-C, Chandigarh

Registered Office

SCO 14, Sector 7- C, Madhya Marg,
Chandigarh -160019 (INDIA)
Tele - + 91-172-5021555, 5021666
Fax - +91-172-2795213, 5021495

Works

192-193, Industrial Area, Phase-I
Panchkula -134 108 (Haryana)
Tele - +91-172- 2565387,
Fax - +91-172-2565033

C O N T E N T S

Registrar and Transfer Agents (RTA)

Link Intime Private Limited
A-40, 2nd Floor, Naraina Industrial Area
Phase – II, Near Batra Banquet ,
New Delhi – 110 028
Phone -011- 41410592, 29961281-283,
Fax 011-29961284
Email:

ISIN Details: INE239C01012

Stock Code :

Bombay Stock Exchange Limited	526951
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Note :

Ms. Sonia Arora has joined as a company secretary on 10th March 2014 in Place of Ms. Nitika Sharma)

NOTICE OF 23rd ANNUAL GENERAL MEETING

NOTICE is hereby given that the 23rd Annual General Meeting of Stylam Industries Limited will be held on Tuesday 30th Day of September, 2014 at Chandigarh Club Limited, Sector-1, Chandigarh at 10:00 a.m. to transact the following Business:

ORDINARY BUSINESS

1. To receive, consider, approve and adopt the Audited Statement of Profit & Loss for the financial year ended on 31st March, 2014 and Balance Sheet as at that date together with Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Satish Gupta (DIN- 00115025) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint M/S Sunil K Sood, Chartered Accountants as Statutory Auditor from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Board of Directors to fix their remuneration.
4. To appoint Ms. Usha Gupta (DIN 01145299) as a Women Director u/s 149 (1) proviso & 152 (2) of Companies Act, 2013.

SPECIAL BUSINESS

1. Appointment of Mr. Satpal Garg as Independent Director

To consider and, if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules made there under, read with Schedule IV of the Act, as amended from time to time, Mr. Satpal Garg (DIN No 01074514), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 30th September, 2014 to 29th September, 2019.

2. Appointment of Mr. Mahavir Singh as Independent Director

To consider and, if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules made there under, read with Schedule IV of the Act, as amended from time to time, Mr. Mahavir Singh (DIN No 00292525), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 30th September, 2014 to 29th September, 2019,

3. **Appointment of Mr. Ravinder Krishan as Independent Director**

To consider and, if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules made there under, read with Schedule IV of the Act, as amended from time to time, Mr. Ravinder Krishan (DIN No 00332323) a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 30th September, 2014 to 29th September, 2019.

4. **INCREASE IN MANAGERIAL REMUNERATION OF MANAGING DIRECTOR**

To consider and, if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 197, 198, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, the monthly remuneration of Sh. Jagdish Gupta, Managing Director is proposed to be increased from Rs.3,50,000/- p.m. to Rs.4,00,000/- p.m. with effect from 1st October, 2014 and that the use of company's car and telephone at residence used by him for official duties, shall not be included in the remuneration package."

5. **INCREASE IN MANAGERIAL REMUNERATION OF WHOLE TIME DIRECTOR**

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

"RESOLVED THAT pursuant to the provisions of of Section 197, 198, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, the monthly remuneration of Sh. Satish Gupta, Whole Time Director is proposed to be increased from Rs.3,50,000/- p.m. to Rs.4,00,000/- p.m. with effect from 1st October, 2014 and that the use of company's car and telephone at residence used by him for official duties, shall not be included in the remuneration package

By Order of the Board,
For Stylam Industries Limited
Sd/-
Sonia Arora
Company Secretary

Place: Chandigarh
Date: 2nd September, 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 SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy, in order to be effective, should be deposited at the registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.
2. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 in respect of special business as set out above is annexed to this Notice and forms part of the same.

3. Members holding shares in physical form are requested to notify their change of address, if any, to the Company/Registrar and Transfer Agent (RTA). In case, shares are held in electronic form, the change of address, if any, may have to be communicated to their respective DPs.

Registrar and Transfer Agent (RTA): The contact details of Registrar and Transfer Agent are as under:

Mr. Sunil Mishra
Link Intime India Private Limited
A-40, 2nd Floor, Naraina Industrial Area
Phase – II, Near Batra Banquet Hall,
New Delhi – 110 028
Ph: 011-41410592-93-94, 25897309
Fax: 011-41410591

The shareholders may contact for matters relating to dematerialization of shares to RTA directly.

6. Notice of the Annual General Meeting will be sent to those shareholders/ beneficial owners received from M/s Link Intime India Pvt. Ltd. (RTA) of the Company as on 29th August, 2014.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, the 23rd September, 2014 to Saturday, 28th September, 2014 (Both days inclusive).
8. Electronic copy of the Annual report is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual report is being sent in the permitted mode.
9. Members are requested to send their queries, if any on accounts and operations of the Company, if any, may please be sent to the Company Secretary of the Company, seven days in advance of the Meeting so that the information may be readily available at the Meeting.
10. Ms. Usha Gupta has furnished to the Company DIN (DIN No 01145299) and declaration that she is not dis-qualified to become director in form DIR-8 as per Section 152 (4) of companies Act, 2013 read with Rules Companies (Appointment and Qualification of Directors) Rules, 2014. Further she has also given her consent to act as a Director in Form DIR-2 as per Section 152 (2) of companies Act, 2013 read with Rules Companies (Appointment and Qualification of Directors) Rules, 2014.
11. 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 Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and Transfer Agent/the Company.
12. **Process and manner for members opting for e-voting are as under:**

In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Members are provided with the facility to cast their vote electronically through the e-voting services provided by Central Depository Services (India) Limited (CDSL), on all resolutions set forth in this Notice.

Instructions for Members for voting electronically are as under:-

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select "Stylam Industries Limited" from the drop down menu and click on "SUBMIT."
- (iv) Now enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID

followed by 8 Digits Client ID).

Members holding shares in physical form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login

- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used
- (vi) For Shareholders holding shares in physical form and first time users holding shares in electronic form, the steps given below are to be followed:

PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department.</p> <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/DP are requested to use the first two letters of their name in CAPITAL followed by the last 8 digits of their demat account number/Folio No., as the case may be, in the PAN field.• In case the Folio No. is less than 8 digits enter the applicable number of 0s before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar and Folio No. is 1 then enter RA00000001 in the PAN field.
Date of Birth or Date of Incorporation	<p>Enter the Date of Birth as recorded in your demat account or in the Company's records for the said demat account in dd/mm/yyyy format or enter Folio No.</p>

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) For Members holding shares in physical form, the login details can be used only for e-voting on the resolutions contained in this Notice. On logging in, Members holding shares in physical form will be directed to the Company selection screen.
- (ix) Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the electronic holders for voting on resolutions of other companies, as well, 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.
- (x) Click on the EVSN for Stylam Industries Limited.
- (xi) 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.
- (xii) Click on the "Resolutions File" Link if you wish to view the entire Notice.
- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the voting done by you.
- (xvi) If an electronic account holder has forgotten the set password, then he has a 'Forgot password' option to reset the password.
- (xvii) Note for Institutional Shareholders:
- Institutional shareholders (i.e. other than Individuals, HUFs, NRIs etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, they have to create a compliance user using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on

- approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
- (xviii) 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.

Other Instructions:

- (i) The e-voting period commences on 23rd September, 2014 (9.00 a.m IST) and ends on 25th September, 2014 (6.00 p.m IST). During this period, Members of the Company, holding shares either in physical form or in electronic form, as on 29th August 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast and confirmed by the Member, he shall not be allowed to change it subsequently.
- (ii) The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 29th August 2014.
- (iii) Mr. Sanjiv Kumar Goel, Practicing Company Secretary (Membership No 2107), has been appointed as the Scrutinizer to conduct the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- (iv) The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of atleast two witnesses not in the employment of the Company and submit a Scrutinizer's Report of the votes cast in favour of or against, if any, forthwith to the Chairman of the Company.
- (v) Members who do not have access to e-voting facility may return the duly completed Ballot Form, so as to reach the Scrutinizer at the Registered Office of the Company not later than, 25th September 2014 (6.00 p.m. IST).
- (vi) Members have the option to request for physical copy of the Ballot Form by sending an e-mail to cs@stylam.com by mentioning their Folio No./DP ID and Client ID No. However, the duly completed Ballot Form should reach the Registered Office of the Company not later than Saturday, 25th August 2014 (6.00 p.m. IST).
- (vii) Ballot Forms received after this date will be treated as invalid.
- (viii) A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both these modes, then voting done through e-voting shall prevail and the vote cast through Ballot shall be treated as invalid.
- (ix) The results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.stylam.com and on the website of CDSL www.evoting.cdsl.com within two days of the passing of the resolutions at the AGM of the Company on 30th September 2014 and communicated to BSE Limited, where the shares of the Company are listed.

ANNEXURE TO NOTICE

Explanatory Statement Pursuant to Section 102(1) of Companies Act, 2013

Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the businesses mentioned under Item Nos. 1 to 5 of the accompanying Notice dated 02nd September,, 2014.

Item No.1:

Mr. Satpal Garg has been a Non-Executive Director of the Company since 1st October, 2004, and is considered as an Independent Director for the purpose of Clause 49 of the Listing Agreement. Mr.Satpal Garg is a leading businessman. He has wide experience in business and industry.

As per the provisions of Section 149 of the Act which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation.

Mr. Satpal Garg has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act.

The matter regarding the appointment of Mr. Satpal Garg as an Independent Director was placed before the Nomination and Remuneration Committee, which commends his appointment as Independent Director upto 29th September, 2019.

In the opinion of the Board, Mr. Satpal Garg fulfils the conditions specified in the Act and the Rules made thereunder for appointment as an Independent Director and he is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Satpal Garg as an Independent Director is now being placed before the Members in General Meeting for their approval.

The terms and conditions of appointment of Mr. Satpal Garg , pursuant to the provisions of Schedule IV of the Act, shall be open for inspection at the Registered Office of the Company by any Member during normal business hours on any working day of the Company.

Mr. Satpal Garg is interested and concerned in the Resolution mentioned at Item No. 1 of the Notice. Other than Mr. Satpal Garg , no other Director, key managerial personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No.1 of the Notice.

Item No.2:

Mr. Mahavir Singh has been a Non-Executive Director of the Company since 16th October, 1998, and is considered as an Independent Director for the purpose of Clause 49 of the Listing Agreement. Mr. Mahavir Singh is an Government Employee – Finance head in HSIIDC, Panchkula. He has wide experience in Finance.

As per the provisions of Section 149 of the Act which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation.

Mr. Mahavir Singh has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act.

The matter regarding the appointment of Mr. Mahavir Singh as an Independent Director was placed before the Nomination and Remuneration Committee, which commends his appointment as Independent Director upto 29th September, 2019,

In the opinion of the Board, Mr. Mahavir Singh fulfils the conditions specified in the Act and the Rules made thereunder for appointment as an Independent Director and he is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Mahavir Singh as an Independent Director is now being placed before the Members in General Meeting for their approval.

The terms and conditions of appointment of Mr. Mahavir Singh, pursuant to the provisions of Schedule IV of the Act, shall be open for inspection at the Registered Office of the Company by any Member during normal

business hours on any working day of the Company.

Mr. Mahavir Singh is interested and concerned in the Resolution mentioned at Item No. 2 of the Notice. Other than Mr. Mahavir Singh, no other Director, key managerial personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No.2 of the Notice.

Item No.3:

Mr. Ravinder Krishan has been a Non-Executive Director of the Company since 18th November, 1992, and is considered as an Independent Director for the purpose of Clause 49 of the Listing Agreement. Mr. Ravinder Krishan is a leading tax consultant. He has wide experience in his profession.

As per the provisions of Section 149 of the Act which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation.

Mr. Ravinder Krishan has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act.

The matter regarding the appointment of Mr. Ravinder Krishan as an Independent Director was placed before the Nomination and Remuneration Committee, which commends his appointment as Independent Director upto 29th September, 2019,

In the opinion of the Board, Mr. Ravinder Krishan fulfils the conditions specified in the Act and the Rules made thereunder for appointment as an Independent Director and he is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Ravinder Krishan as an Independent Director is now being placed before the Members in General Meeting for their approval.

The terms and conditions of appointment of Mr. Ravinder Krishan, pursuant to the provisions of Schedule IV of the Act, shall be open for inspection at the Registered Office of the Company by any Member during normal business hours on any working day of the Company.

Mr. Ravinder Krishan is interested and concerned in the Resolution mentioned at Item No. 3 of the Notice. Other than Mr. Ravinder Krishan, no other Director, key managerial personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No.3 of the Notice.

Item No. 4 & 5

Shri Jagdish Gupta, Managing Director and Shri Satish Gupta, Whole Time Director are the promoter Directors of the Company. Due to their vision and guidance, the Company has made its existence world over and renowned for its quality industrial laminates under the brand name "STYLAM".

The Board has proposed to increase their monthly remuneration of Shri Jagdish Gupta, Managing Director and Shri Satish Gupta, Whole Time Director to be increased to Rs.4,00,000/- p.m. w.e.f. October 1st, 2014.

The remuneration payable to them commensurate with responsibilities conferred on them.

The remuneration has been approved by Remuneration Committee as per per Schedule XIII of the Companies Act, 1956/Schedule V of the Companies Act, 2013.

The members are requested to grant their consent and pass the resolution as Ordinary Resolutions.

Shri Jagdish Gupta, Shri Satish Gupta and Mr. Manav Gupta being the Directors of the Company are concerned or interested in the said resolution

By Order of the Board,
For Stylam Industries Limited
Sd/-
Sonia Arora
Company Secretary

Place: Chandigarh
Date: 2nd September, 2014

I. GENERAL INFORMATION

1. The company is in the manufacture of Luxury grade decorative laminated sheets for both home and industrial use, under the brand name STYLAM.
2. More than 80% of the products are being exported to over 60 countries around the world, along with exports to 20 Countries in Europe providing testimony to our commitment to quality.

II. OTHER INFORMATION

- (1) The Company is aiming for healthy growth which will be achieved through an appropriate mix of international and domestic business. The Company is also trying to add a new product segment in Laminates which will help to penetrate into newer markets. The Company has installed new machinery thus increasing its manufacturing capacity.

Details of directors seeking appointment/re-appointment at the forthcoming Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement)

Name of Director	Usha Gupta	Satish Rai Gupta
Date of Birth	07/07/1957	06/11/1958
Date of Appointment	October 1 st , 2014	28/10/1991
Expertise in specific Functional areas	Business Development	Business Development
Qualification	Post Graduate	Graduate
No. of shares held in the Company	712875	868963
Directorship held in other Public companies	NA	Golden Chemtech Ltd. Amravati Infrastructure & Development Ltd.
Position held in mandatory Committees of other Companies	NA	NA